



GUIDE FOR APPLICANTS

CCS 2013 CALL

ELIGIBLE COSTS AND FINANCIAL ISSUES



General rules

- The minimum amount of grant assistance applied for is EUR 150,000; the maximum amount is EUR 10, 000, 000.
- Grants from the programme may be up to 100% of total eligible project costs. The remaining costs of the project shall be provided by the Project Promoter and the project partners.
- The budgetary allocation to partners should reflect the actual contribution made by each party and should be the subject of negotiation between the Project Promoter and the project partner. It is expected that the eligible costs claimed by the Norwegian entities participating in the project shall normally not exceed 40% of the total eligible costs of the project.



Preparatory costs

- The costs related to the search for partners during the preparation of a project application, development of such partnerships and preparation of an application for a partnership project proposal;
- Project Promoters can apply for the reimbursement of such costs while applying for a project to be funded under the CCS Call (Please see point 1.8 of the Application Form).
- The lump sum of EUR 5,000 will be reimbursed in the case of the proposals recommended for financing. The lump sum of EUR 2,500 will be reimbursed for the proposals that have not been selected for financing but have received a score above a certain threshold (number of points received in the evaluation procedure).



Eligibility of expenditures

- they are incurred between the first and final dates of eligibility of a project (dates are stated in the project contract), expenditures incurred after 30 April 2017 shall not be eligible.;
- they are connected with the subject of the project and indicated in the estimated overall budget of the project;
- they are proportionate and necessary for the implementation of the project;
- they must be used for the sole purpose of achieving the objectives of the project and its expected outcomes;
- they are identifiable and verifiable (being recorded in the accounting records);
- they comply with applicable tax and social legislation.



Proof of expenditures

- Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works).
- Incurred costs shall be supported by invoices, or alternatively by accounting documents of equivalent value (with corresponding description containing the name of the project, expenditure category and the tasks number) and proof of payment.
- Overheads do not need to be supported by accounting documents (flat rate).
- Accounting documents (invoices etc.) shall be stored in the seat of Project Promoter and project partners and will be checked during the inspections at the projects site or on request in case of need of explanation.



Eligible direct costs in a project

Expenditures which are directly linked to the implementation of the project and which can be booked directly in accounting system.

- Personnel costs
- Travel costs
- Equipment
- Purchase of land and real estate
- Consumables and supplies
- Other costs



Eligible direct costs in a project

- **Personnel costs**

- ✓ remuneration of the **scientific staff** assigned to the project
- ✓ the concerned staff will have to have a work contract with the eligible institution
- ✓ actual salaries plus social security charges and other statutory costs corresponds to the usual policy on remuneration of Project Promoter's and project partners' ;



Eligible direct costs in a project

- **Travel costs**

- ✓ for staff taking part in the project
- ✓ they are in line with the Project Promoter's and project partners' usual practices on travel costs and do not exceed the relevant national scales;
- ✓ the Programme Operator will cover the real expenses for travel, subsistence, accommodation and conference fees.
- ✓ expenditures should be in accordance with an institution's own regulations.



Eligible direct costs in a project

- **Equipment**

- ✓ new or second hand equipment, provided that it is depreciated in accordance with generally accepted accounting principles applicable to the Project Promoter and project partners, and generally accepted for items of the same kind;
- ✓ **Only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be taken into account by the Programme Operator;**
- ✓ this includes (but is not limited to) laboratory/workshop equipment, computers and servers), software and installation costs.



Eligible direct costs in a project

- **Purchase of land and real estate**
 - ✓ the cost of purchase of real estate, meaning buildings constructed or under development and the appropriate rights to the land on which they are built, and land not built on may be eligible.
 - ✓ the cost of real estate and/or land already owned, directly or indirectly, by the Project Promoter, or purchase of real estate and/or land owned, directly or indirectly, by the project partner, shall not be eligible.
 - ✓ the purchase of real estate and/or land shall be explicitly approved by the Programme Operator prior to the purchase, either in the project contract or by a later decision
 - ✓ purchase of real estate and/or land may not represent more than 10% of the total eligible expenditure of the project;



Eligible direct costs in a project

- **Consumables and supplies**

- ✓ the applicant needs to indicate the nature (chemicals, glassware, etc.) of the consumables and justify the estimation of the total costs and requested budget in the 'Application Form';
- ✓ category includes laboratory/workshop equipment of low value (means that is not registered in fixed assets account)
- ✓ the consumables and supplies need to be assigned to the project.



Eligible direct costs in a project

- **Other costs**
 - ✓ costs that do not fit into definition of other categories but arising directly from requirements imposed by the project contract for each project
 - ✓ for example: dissemination of information, specific evaluation of the action, audits, translations, reproduction, subcontracting, documentation (not expected in institutional libraries), promotion of the project, initial submission costs for the protection of a patent, license, trademark etc.;
 - ✓ including the costs of any financial services (especially the cost of financial guarantees and bank account).
 - ✓ the nature of the 'other costs' and their relevance to the project has to be explained in detail in the 'Application Form'.



Eligibility of expenditures

Indirect costs in a project (overheads)

- indirect costs are all eligible costs that cannot be identified by the Project Promoter and/or the project partner as being directly attributed to the project but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project;
- they shall represent a fair apportionment of the overall overheads of the Project Promoter or the project partner;
- overhead costs have to be reasonable and based on an auditable calculation.



Eligibility of expenditures

Indirect costs in a project (overheads)

They may be identified according to one of the following methods:

- **an actual indirect costs** for those Project Promoters and project partners that have an analytical accounting system to identify their indirect costs
- **a flat rate of up to 60% of the total direct eligible costs**, excluding its direct eligible costs for subcontracting and the costs of resources made available by third parties, for non-profit public bodies, secondary and higher education establishments, research organisations and SMEs, which, due to the lack of analytical accounting, are unable to identify with certainty their real indirect costs for the project.



Eligibility of expenditures

Indirect costs in a project (overheads)

- Project Promoters and/or project partners who can document that they have had their legal and financial data, including their Indirect Cost Model (ICM), validated in the Unique Registration Facility (URF) of the European Framework Programme for research, and have received a Participant Identification Code (PIC), shall apply the same indirect cost model.;
- the choice of calculating the indirect costs and its maximum amount will be stated in the project contract;
- the method of calculation of indirect costs of a project partner shall be determined in the partnership agreement between the Project Promoter and the project partner.



Eligibility of expenditures

Indirect costs in a project (overheads)

- the cost of renting or maintaining buildings, including rental costs, cleaning, security
- costs of adaptation of premises for the purposes of the project
- infrastructure maintenance costs - utilities (electricity, gas, heating, water), waste disposal, periodic maintenance and servicing
- salary costs of management, administrative and technical personnel
- postal services, telephone, Internet, courier services
- cost of office supplies and stationery, printing and photocopying services
- costs of office equipment
- insurance costs, repair costs, transport services



Excluded costs

The following costs shall not be considered eligible:

- interest on debt, debt service charges and late payment charges;
- charges for financial transactions and other purely financial costs, except costs related to accounts required by the Program Autoritis or the applicable law and costs of financial services imposed by the project contract;
- provisions for losses or potential future liabilities;
- recoverable VAT;
- costs that are covered by other sources;
- fines, penalties and costs of litigation;
- excessive or reckless expenditure.



Budgetary Flexibility

The reallocation of funds does not require the prior approval of the Programme Operator and does not result in an annex to the contract that it satisfies the following criterion;

- modify the budget heading from which it is taken or transferred to by more than 15% (concerns budget headings of the project not particular WPs) – this rule is NOT applicable to the following budget headings: Personnel and Indirect costs.
- In case of reallocation between WPs it cannot be more than 20%

In other cases than the above, a request for a modification has to be sent to the Programme Operator at least 30 calendar days before the date the modification should take place. This request has to be fully substantiated and justified



Project financing

- Project financing is to be based on advance payments in accordance with the project implementation schedule
- The first advance payment will be paid within 15 days from the date of signature of the financing contract
- The prerequisite of further advance payments will be proper settlement of at least 70% of the total amount of the previous advance payments
- Total financing provided to the Project Promotor in form of advance payment may not exceed 95% of the total project financing amount.
- The remaining amount will be transferred to the Project Promotor as a final payment upon approval by the Programme Operator of the final payment application. Transfer of the final payment will take place under the condition of full material and financial implementation of the project.



Project financing

- Project Promoter opens a bank account for the project service
- Payments are provided by the Program Operator through the Bank Gospodarstwa Krajowego (the "BGK") to the Project Promoter's bank account
- Project Promoter shall redistribute funds between the project partners
- Project Promoter presents in the application for payment all expenses of project (its own and partners)
- proof of expenditures are not attached to the application for payment



**THANK YOU
FOR YOUR ATTENTION**

11 September 2013