



Financial webinar



Interreg Baltic Sea Region 2021-2027

Online | 23 November 2022

MA/JS Interreg BSR





Finances in core projects

- General rules for core projects
- Budget in core projects



General rules for core projects

Rostislav Zatloukal

Duration of core projects



General principles of eligibility for core projects



Project budget

- No specific size limits
- Seven cost categories (incl. preparation costs)



Project partner budget

- Each partner has its own budget
- Can be used only by given partner
- No combination with other EU funds
- Public procurement



No service/supply/work contract

- ... with own employees
- ... with partner itself (e.g. internal invoices)
- ... with other project partners



Further points for budget planning

- Varying VAT eligibility
- No gifts and awards
- No cost-sharing
- No double funding



Basic principles of reimbursement

- Reimbursement of costs
- Partner budget = Programme co-financing + own partner contribution

EU
partners

- 80% of ERDF co-financing
- 20% own contribution

Norwegian
partners

- 50% of Norwegian national co-financing
- 50% own contribution

- Reporting of costs and payment of Programme funds – in **EUR**



Management verification of core projects



- **Simplified cost options** - verified by MA/JS
→ **Free**, no budget to be planned!
- **Real costs** – verified by national controllers
 - **Centralised** control systems **EE, FI, LV, PL, SE**
→ **Free**, no budget to be planned!
 - **Decentralised** control system **DE, DK, LT, NO**
→ **Not free**, plan budget for the controller!

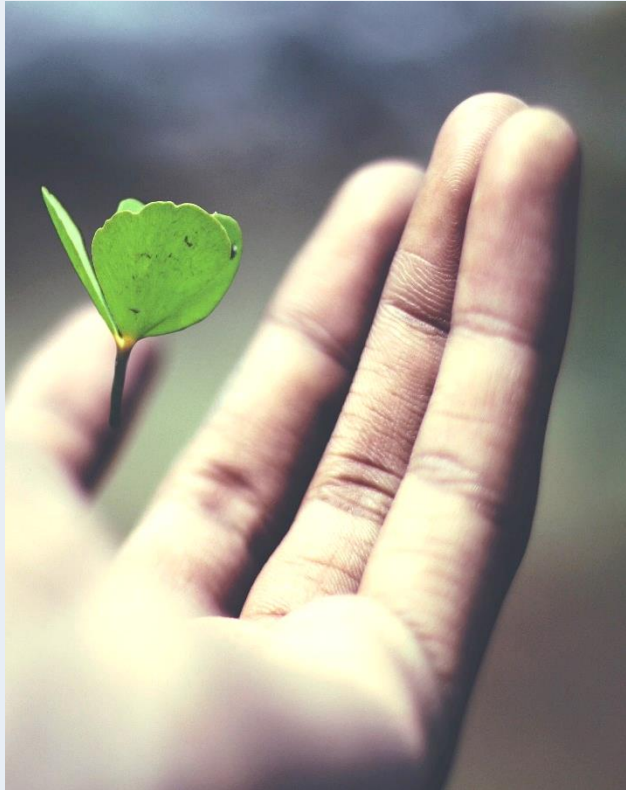
Assessment



- A partner's **entire Programme co-financing** is either **State aid** or not
- **Programme's assessment:** You do not have to provide State aid declarations
- Preliminary assessment result in **State aid section of BAMOS+**
- **Universities and sectoral agencies** are State aid relevant, but can require and justify a **plausibility check**
- **Final assessment result** is part of the Assessment Sheet and thus of the **selection decision of the Monitoring Committee**

State aid to project partners

Compliance measures



Main and best one: General Block Exemption Regulation, Article 20

- Up to EUR 2 million per partner, per project
- Can be used **for all types of partners and project activities**
- **Equal co-financing rates and eligibility rules**

Exceptionally and with limitations: De minimis aid

- EUR 200,000 for the current and the previous two fiscal years (EUR 100,000 for road transport for hire and reward)
- **Not available for primary agricultural production, fishery and aquaculture**



- **Non-financial support** through project partners' activities
- **Examples:**
 - Consultancy, product development or other subsidised services provided to companies
 - Access to research facilities for companies
 - Project output (e.g. digital service platform) transferred to a company
- Measure: General Block Exemption Regulation, Article 20a
 - **EUR 20,000 per third party, per project**
 - Project partner has to calculate
 - Elimination of the aid elements if the value is beyond EUR 20,000



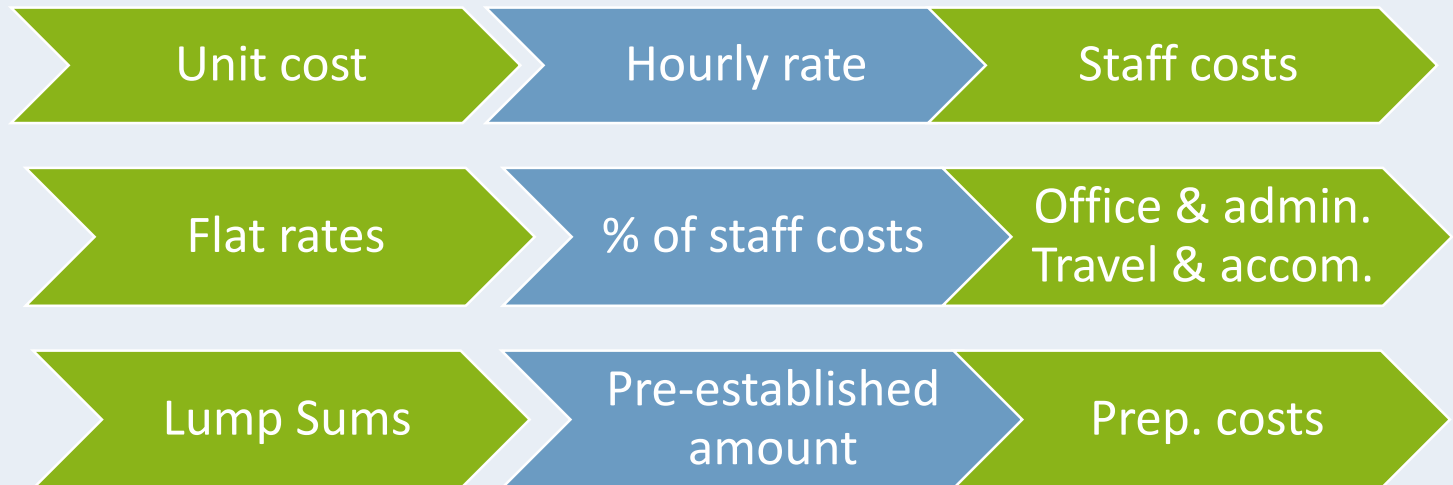
Budget in core projects

Vaclav Kaplan, Łukasz Korpala

Forms of support



Simplified Costs Options



What can be planned?



CAT = Cost category



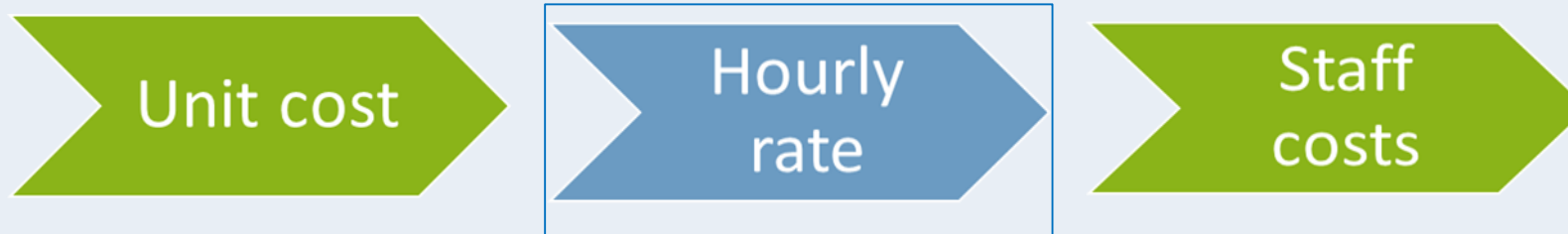
Preconditions for reimbursement of preparation cost:

- For approved projects only
- Possibility **stated in the announcement note**
- **Project applied** in the application
- **Project did not receive other EU funds** for the development of this project application



Lump sum EUR 24,000 – **EUR 19,200** Programme co-financing





Conditions:

- employment contract or equivalent
- 1,720 hours per full-time employee per calendar year
- productive hours only



Hourly rate

Pre-defined hourly rate

Per country

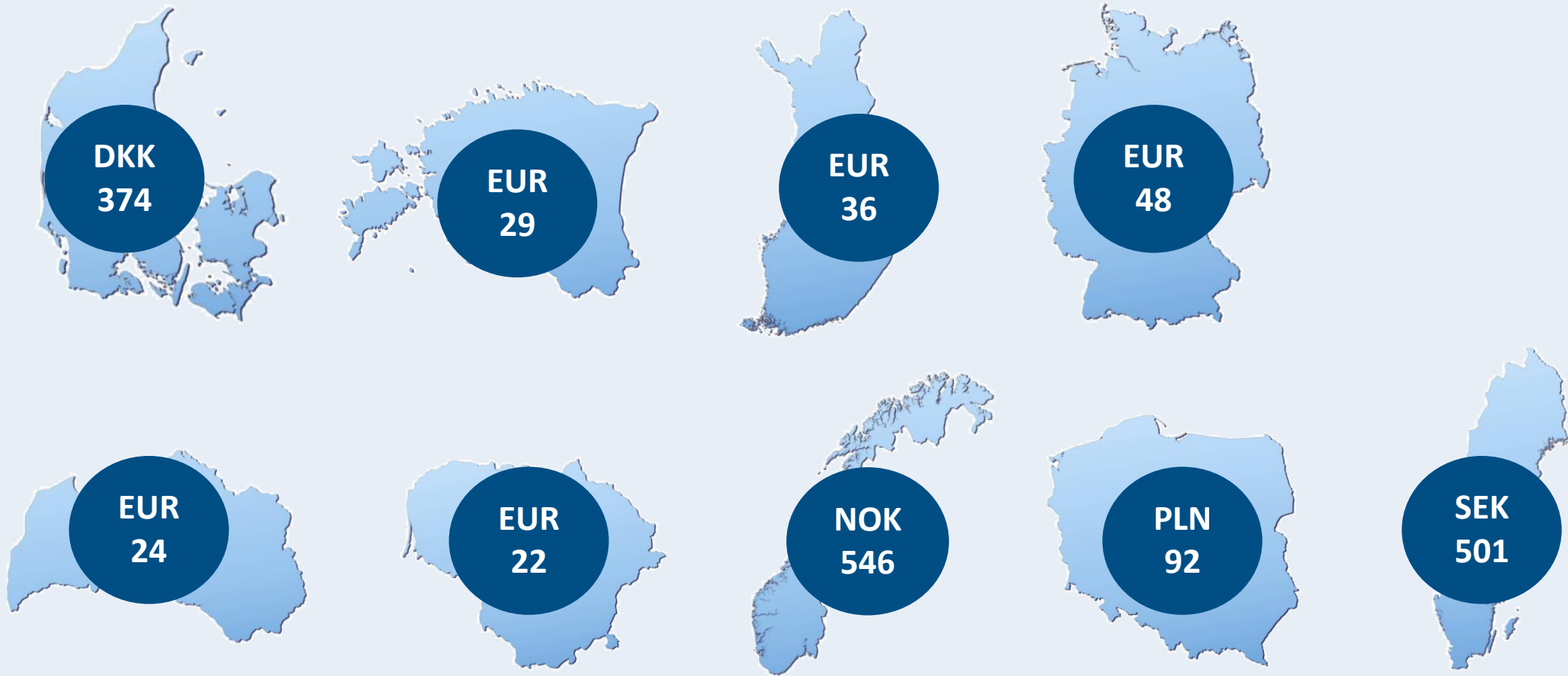
The same for each employee

Per productive working hour

**STAFF
COSTS**



Hourly rate



Hourly rate

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Project Manager

Others

Financial manager

Communication specialist

Scientist

Legal advisor



ESTONIA EXAMPLE



Calculation

FOR STAFF COSTS
PLANNING

**1720
rule**

Full-time
100% for project

1720
hrs/year

Part-time (50%)
100% for project

50% x 1720
hrs/year

Part-time (X%)
Y% for project

$X\% \times Y\% \times 1720$
hrs/year



Calculation

STAFF COSTS

Part-time (50%) scientist
20% for project, 1 year

$$29 \times 1720 \times 50\% \times 20\% \times 1 = \underline{4,988}$$

Full time project assistant
50% for project, 3 years

$$29 \times 1720 \times 50\% \times 3 = \underline{74,820}$$

Full-time project manager
100% for project, 3 years

$$29 \times 1720 \times 3 = \underline{149,640}$$

YOUR BUDGET FOR STAFF COSTS – EUR 229,448

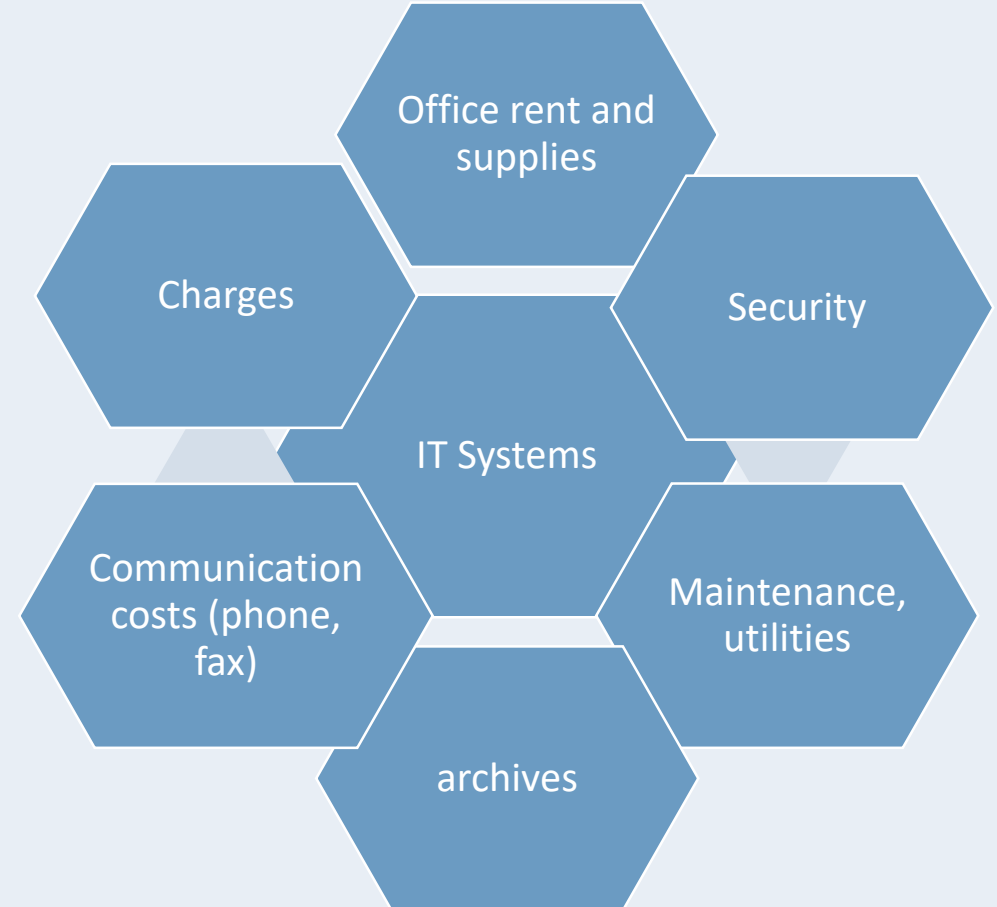


Flat rate – 15 % of eligible staff costs

Automatic calculation

No supporting documents

Over or under-compensation possible



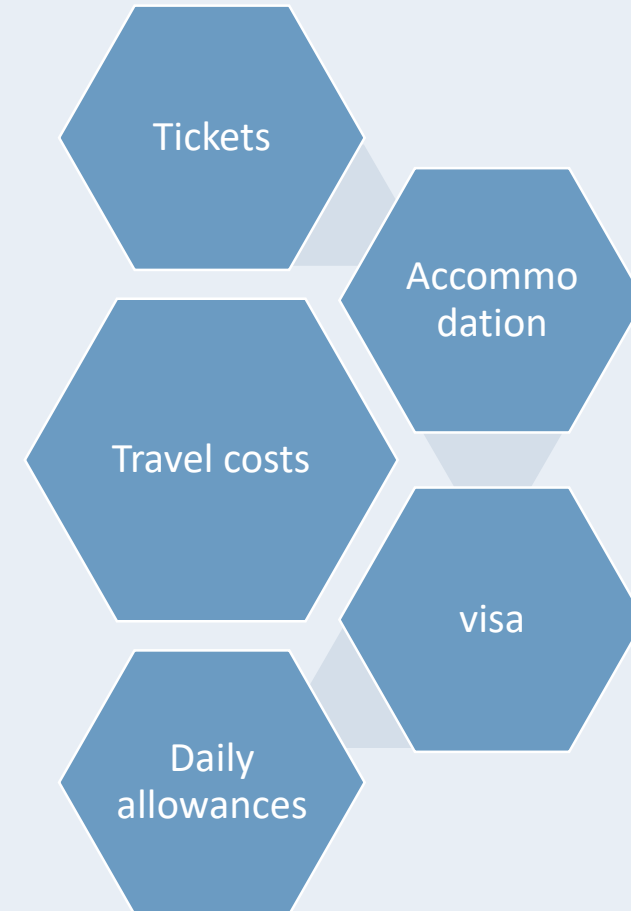
Flat rate – 15 % of eligible staff costs

Project partner's own employees only

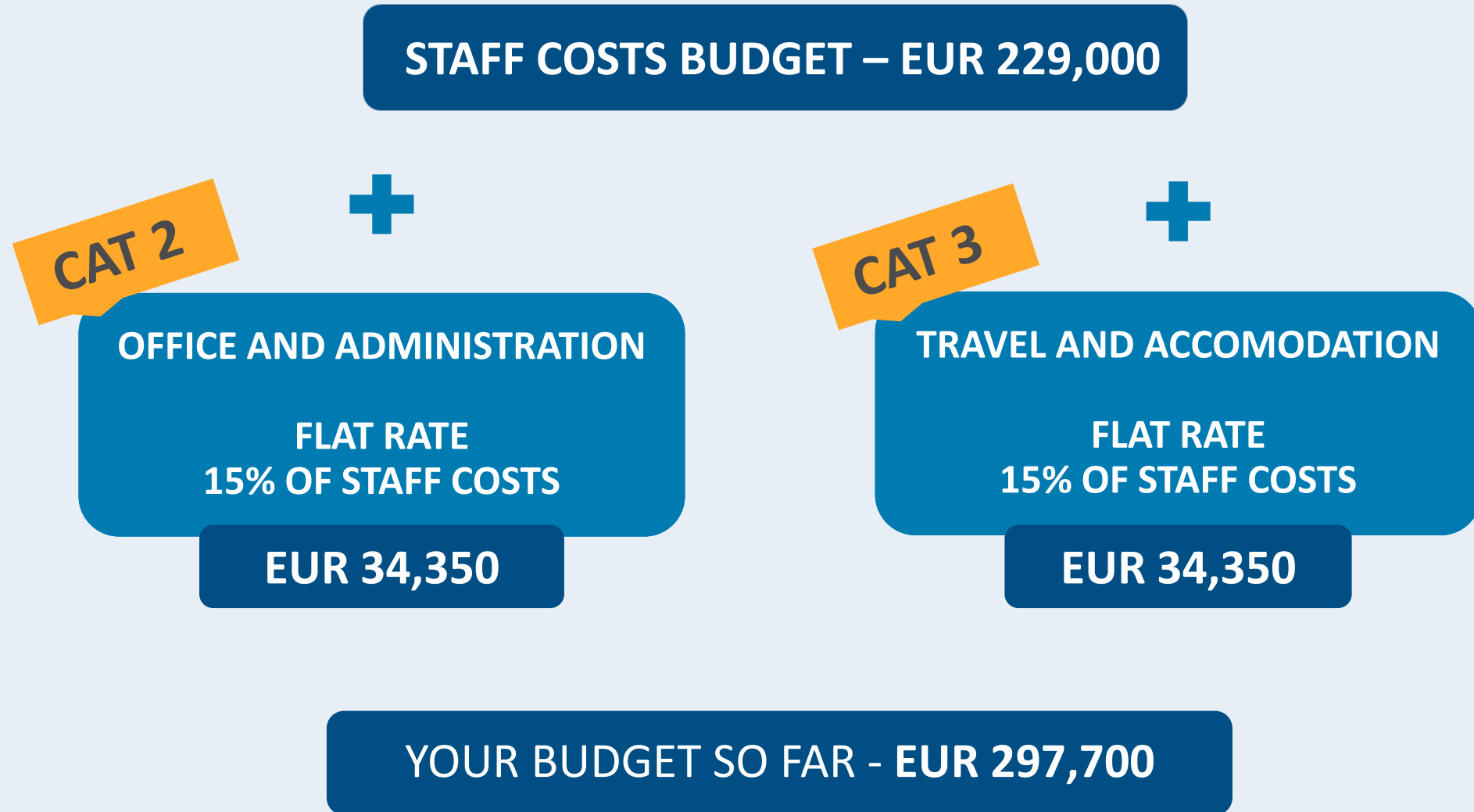
Automatic calculation

No supporting documents

Over or under-compensation possible



Calculation of CAT2 and CAT3



Documentation:

- procurement documentation
- invoices
- proof of delivery of services
- payment proof



CAT 4 Calculation

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YOUR BUDGET SO FAR - EUR 297,700



EXTERNAL SERVICE

EUR 43,000

Expert support – EUR 20,000

Organisation of event– EUR 8,000

Travel of external experts – EUR 5,000

Promotional campaign – EUR 10,000

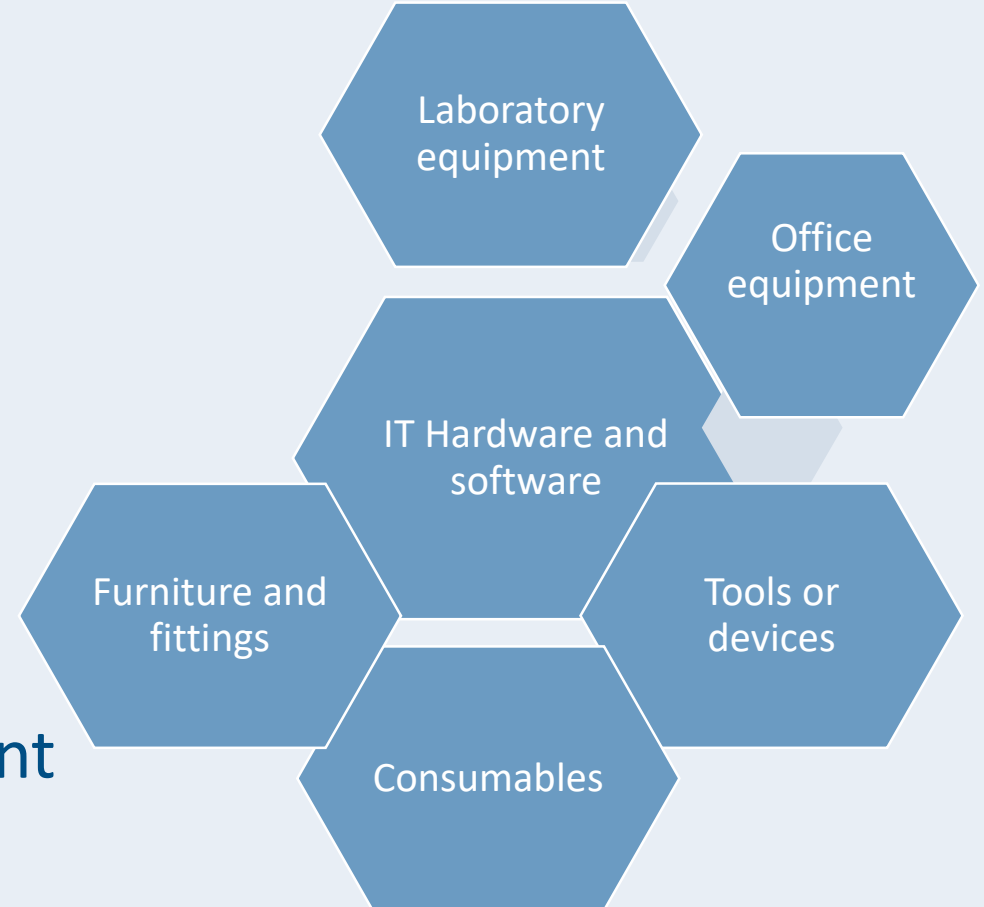
YOUR BUDGET SO FAR - EUR 340,700



Full costs depreciation/rental/lease
Second-hand equipment possible



Equipment which is a productive investment



CAT 5 Calculation

YOUR BUDGET SO FAR - EUR 340,700



Laptop (full) – EUR 1,500

Laboratory consumables (full) – EUR 6,000

Slurry tank (2 months renting) – EUR 6,000

EQUIPMENT

EUR 13,500

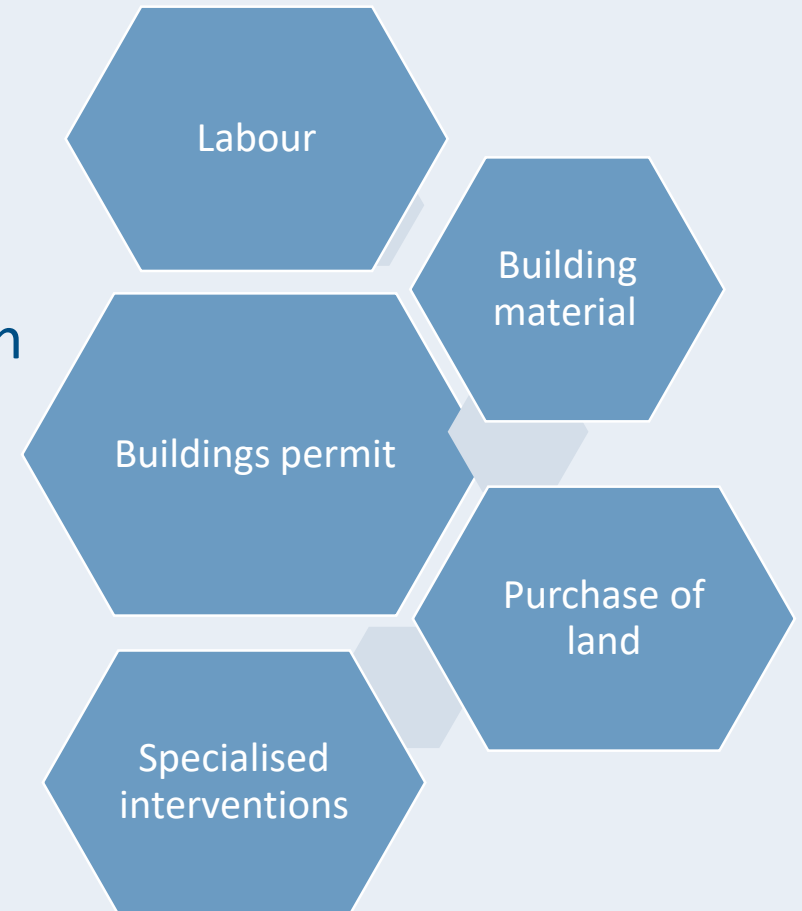
YOUR BUDGET SO FAR – EUR 354,200



Design and realisation of infrastructure and works
Site preparation, delivery, handling, installation, renovation



Documents specifying the ownership of land or buildings
Durability



CAT 6 Calculation

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YOUR BUDGET SO FAR – EUR 354,200



Revitalisation of peatland EUR 25,000

Construction of mobility point EUR 30,000

**INFRASTRUCTURE
AND WORKS**

EUR 55,000

YOUR TOTAL BUDGET - EUR 409,200



Lead Partner. Budget Summary.

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Preparation costs – EUR 14,000

Staff costs – EUR 229,000

Office and administration – EUR 34,350

Travel and accommodation – EUR 34,350

External service – EUR 43,000

Equipment – EUR 13,500

Infrastructure and works – EUR 55,000

**Lead Partner
budget
EUR 423,200**



Total project budget

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Partner 1 **EUR 423,200**

Partner 2 **EUR 250,500**

Partner 3 **EUR 180,000**

Partner 4 **EUR 60,000**

BAMOS+

**TOTAL
PROJECT
BUDGET**





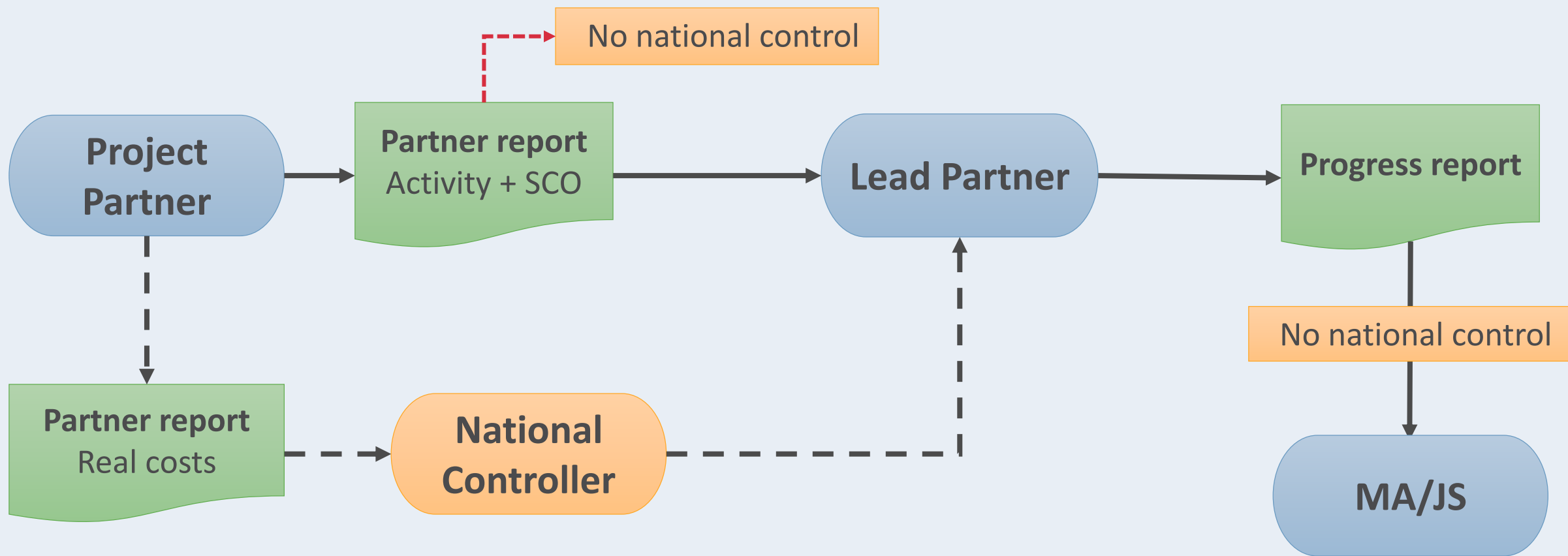
Basic principles of reporting

Reporting process – core projects

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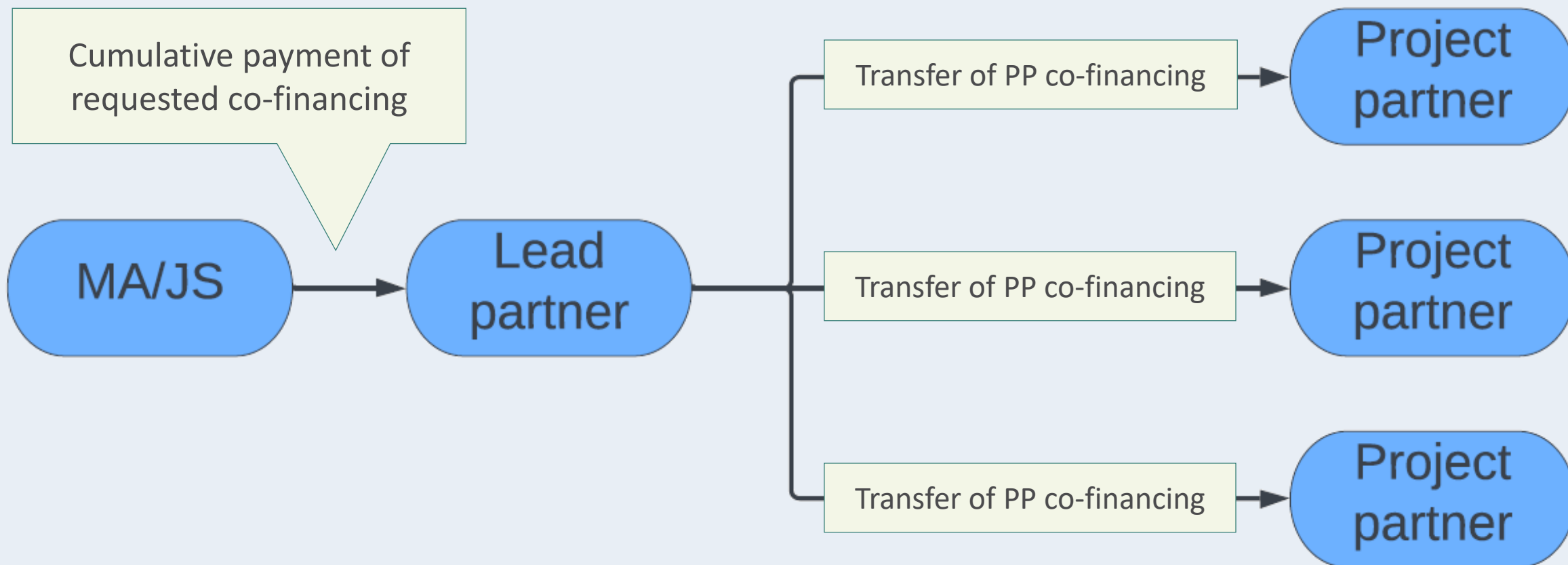
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BAMOS+



Payment process





Final words





Gateway for applicants

interreg-baltic.eu/gateway

- Details about **open calls**
- **Programme manual**
- Information material: **stay tuned**
- **Video tutorials:** check available and stay tuned for more!



Stay tuned

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The Programme is managed by **Investitionsbank Schleswig-Holstein (IB.SH)** in Kiel, Germany.

Investitionsbank Schleswig-Holstein

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