

Financial webinar

Interreg Baltic Sea Region 2021-2027

Online | 13 January 2022

MA/JS Interreg BSR



Welcome to the financial webinar

Moderator: Marcin Kaczmarwski/Finance Officer





Agenda

Interreg
Baltic Sea Region



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- **Warming-up** 09:00 – 09:15
- **Finances in the core projects** 09:15 – 10:15
- Questions & BREAK 10:15 – 10:35
- Answers to your questions 10:35 – 10:55
- **Finances in the small projects** 10:55 – 11:20
- Questions & BREAK 11:20 – 11:40
- Answers to your questions 11:40 – 11:50
- **Final words** 11:50 – 12:00





Finances in core projects

- General rules for core projects
- Budget in core projects



General rules for core projects

Rostislav Zatloukal/Finance Officer

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

Russian partners

- Co-financing depends on signature of financing agreement
- **Depending on FA - max. 80% of NDICI co-financing + 20% own contribution**

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



- Simplified cost options – verified by MA/JS – **no budget to be planned**
- Real costs – verified by controllers
 - **Centralised control systems – for free, no budget to be planned**
 - SE, FI, PL, EE, LV
 - **Decentralised control system – plan budget for the controller**
 - NO, DE, DK, LT, RU



Assessment

- **Risk-based approach:** No specific State aid declaration to be provided
- Partners with medium State aid risk can require and justify a **plausibility check**
- **No elimination of State aid** through specific criteria
- The **entire Programme co-financing** to a partner is either **State aid** or not



Details are shown in the **State aid section of BAMOS+**



- 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





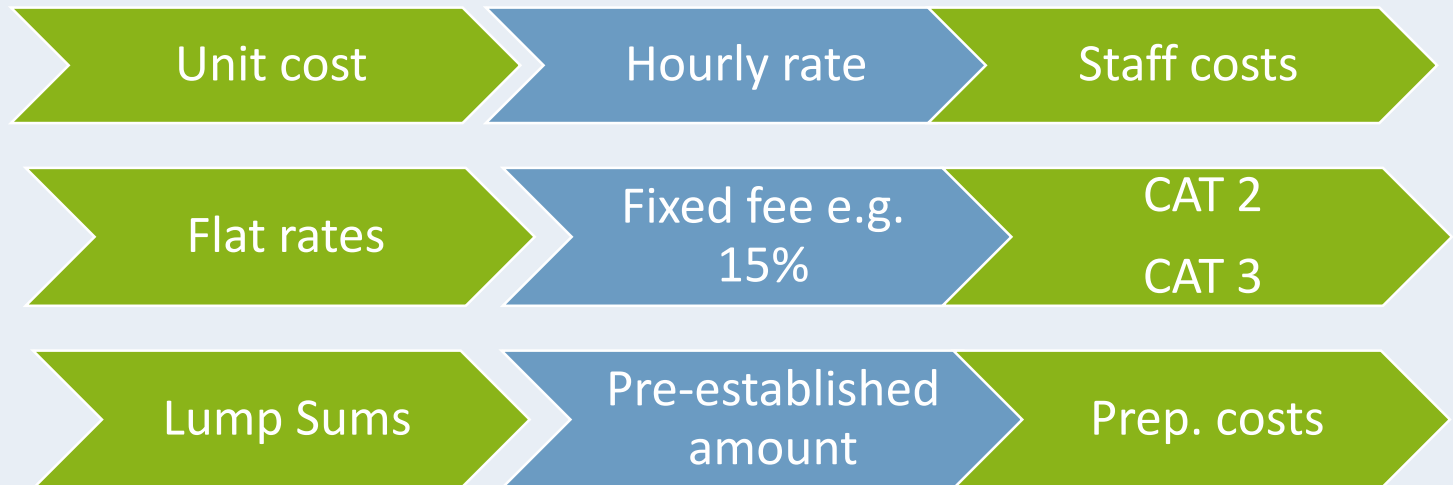
Budget in core projects

Łukasz Korpala/Finance Officer

Forms of support



Simplified Costs Options



What can be planned?

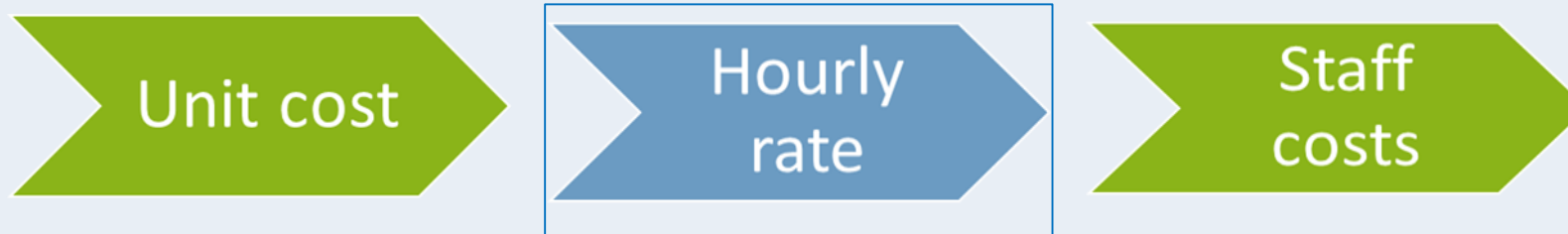


Preconditions for reimbursement of preparation cost:

- 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 24,000 EUR – **19,200 EUR** 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

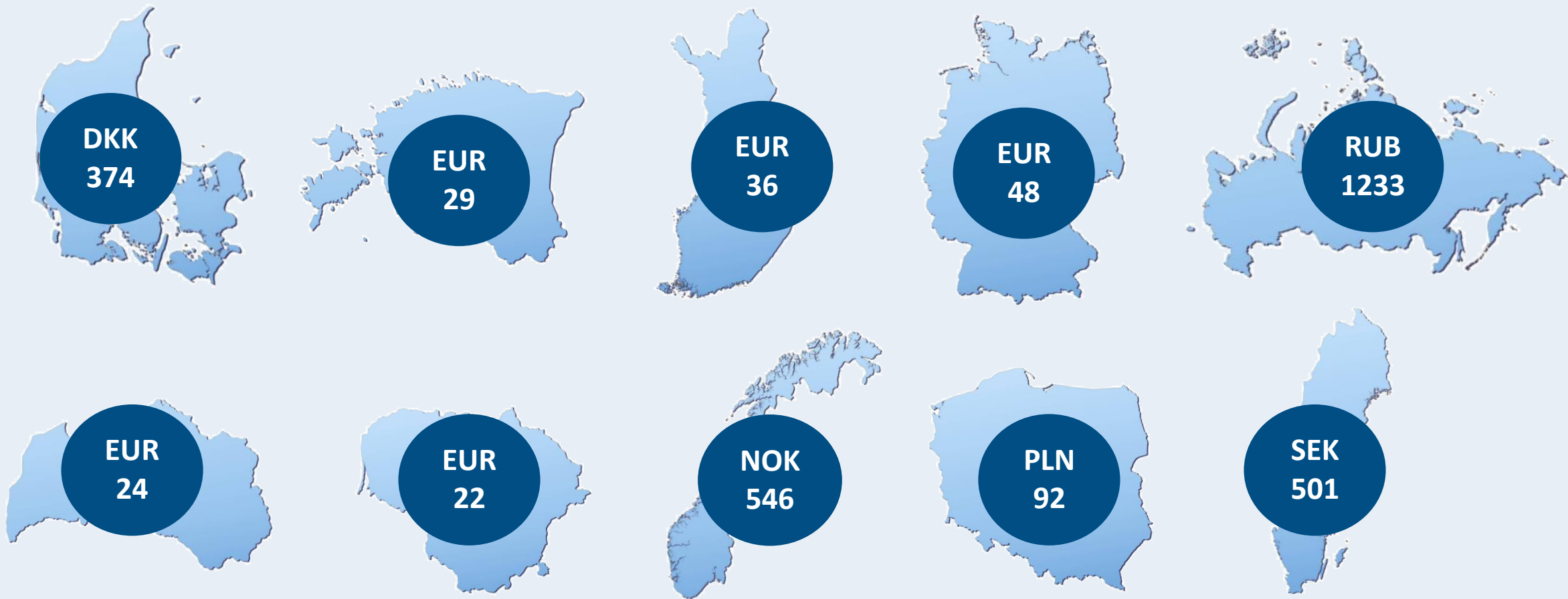
The same for each employee

Per productive working hour

**STAFF
COSTS**



Hourly rate



Hourly rate

Project Manager

Others

Financial manager

Communication specialist

Scientist

Legal advisor



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



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

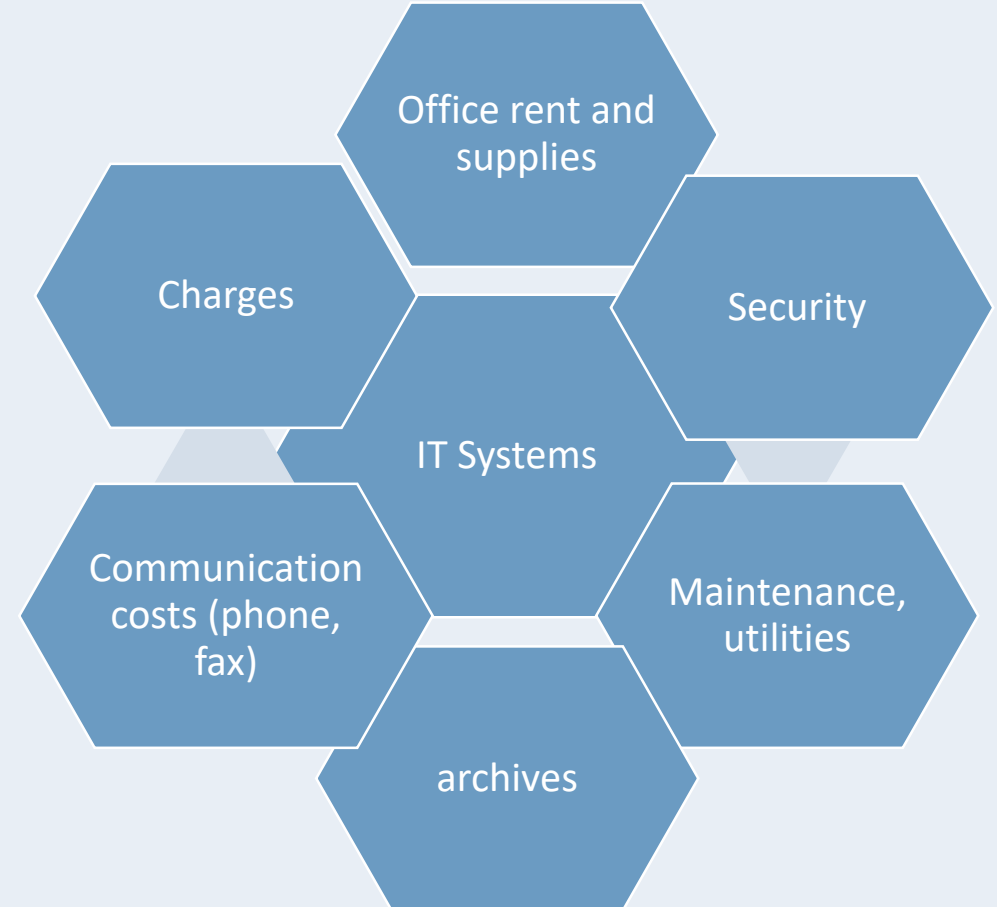


Flat rate – 15 % of eligible staff costs

Automatic calculation

No supporting documents

Over or under-compensation possible



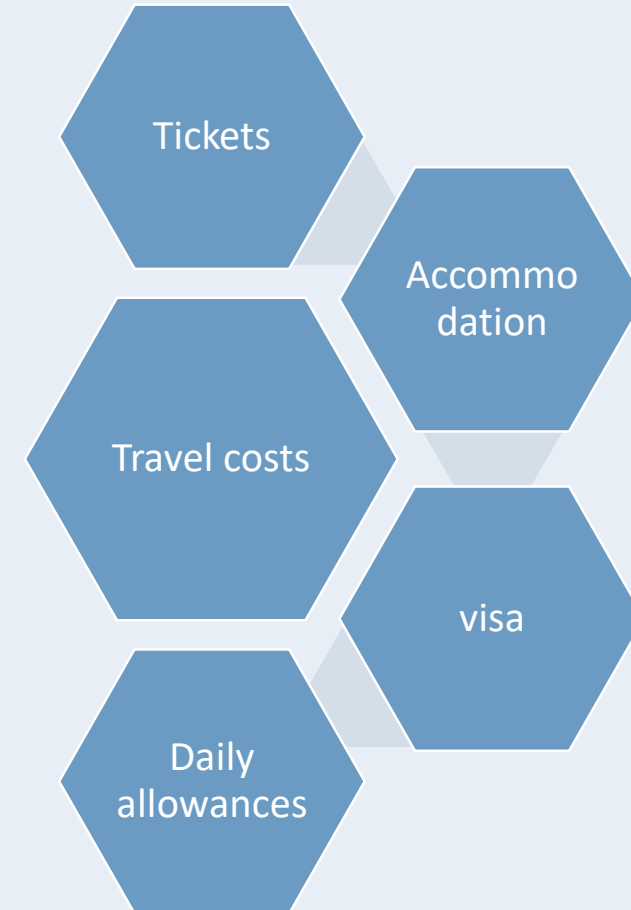
Flat rate – 15 % of eligible staff costs

Project partner's own employees only

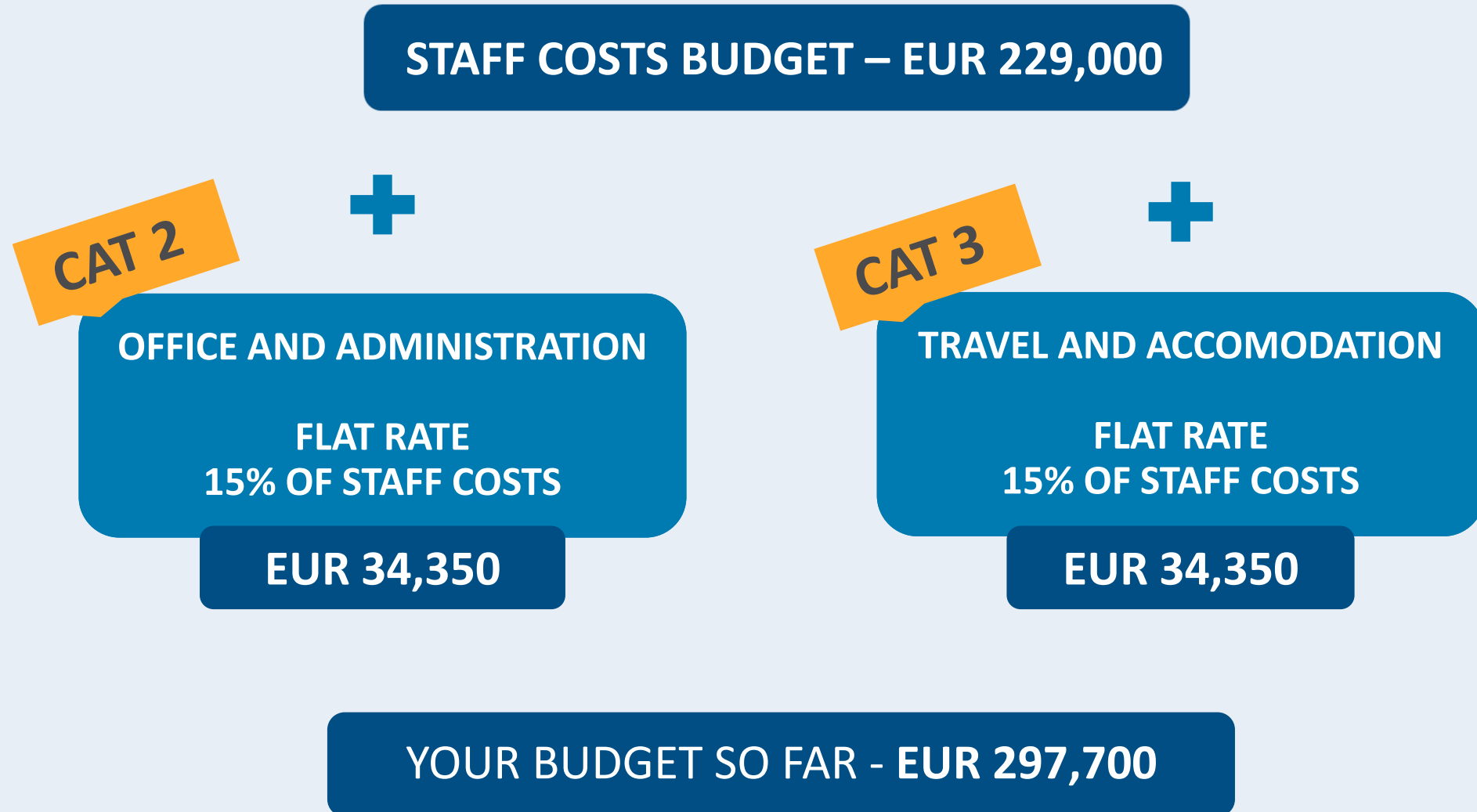
Automatic calculation

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

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

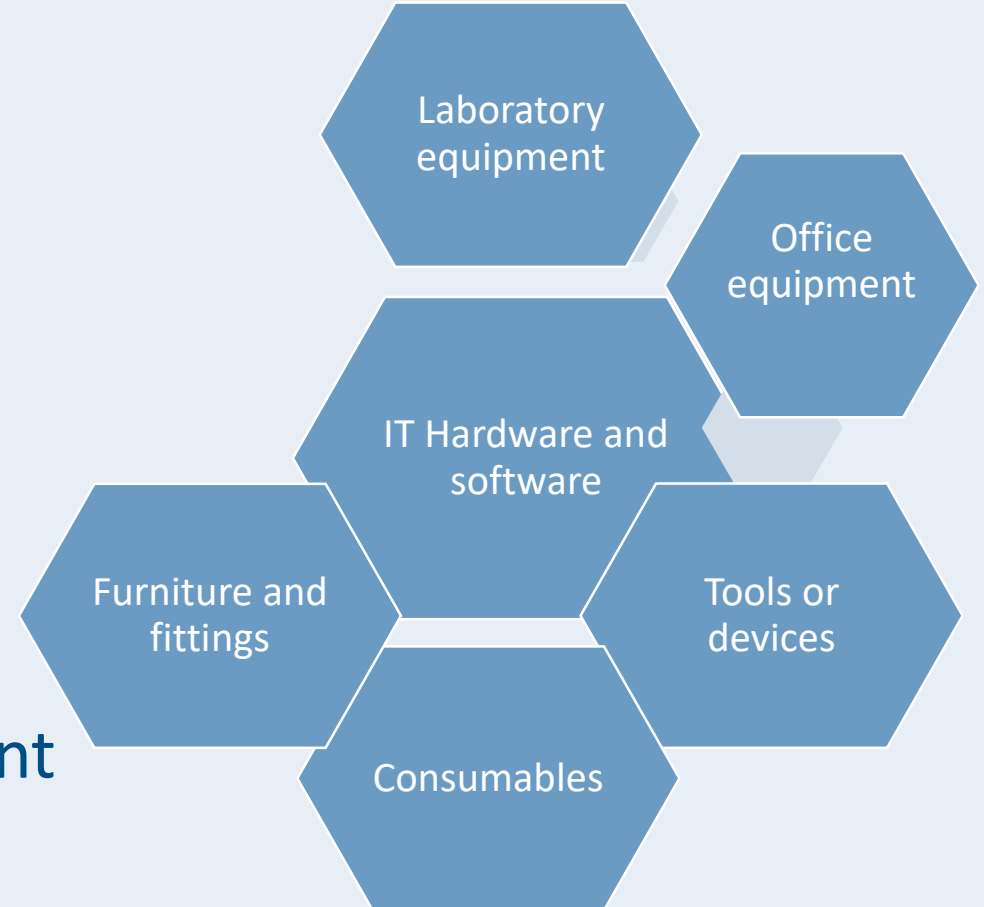
YOUR BUDGET SO FAR - EUR 340,700



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

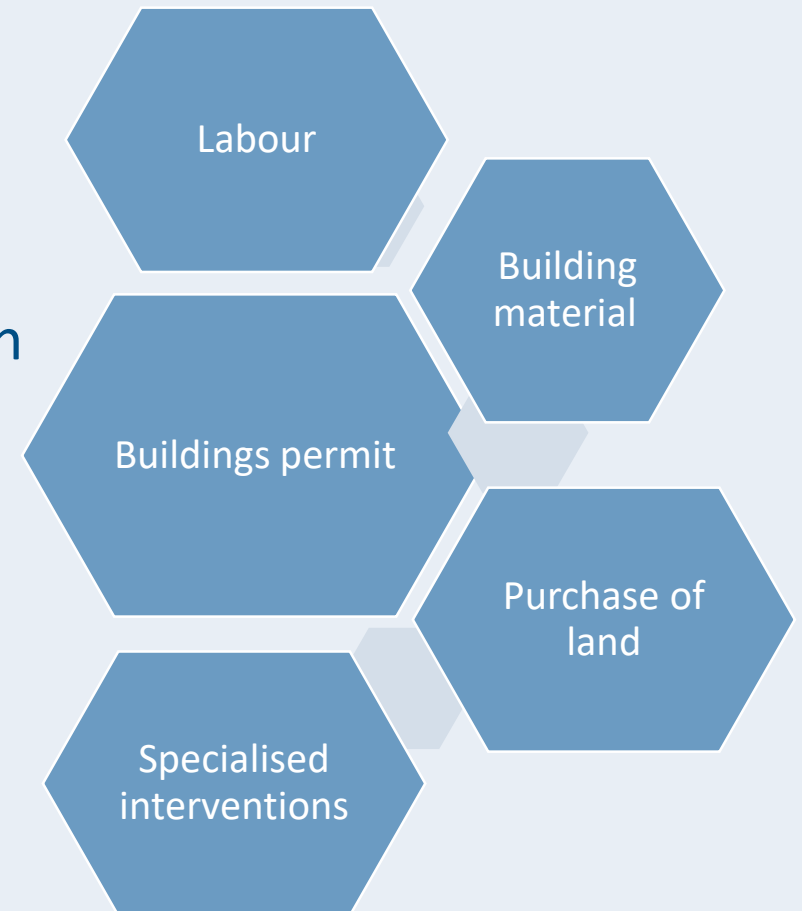
YOUR BUDGET SO FAR – 354,200 EUR



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

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



Total project budget

Lead partner **EUR 409,200**

Partner 2 **EUR 250,500**

Partner 3 **EUR 180,000**

Partner 4 **EUR 60,000**

BAMOS+

**TOTAL
PROJECT
BUDGET**





Finances in small projects

- General rules for small projects
- Budget in small projects



General rules for small projects

Dana Hennings/Finance Officer

Duration of small projects



General principles of eligibility for small projects



Project budget

- Max. EUR 500,000
- Three 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
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Further points for budget planning

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Management verification in small projects

- Simplified cost options – verified by MA/JS – **no budget to be planned**



Assessment

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Details are shown in the **State aid section of BAMOS+**

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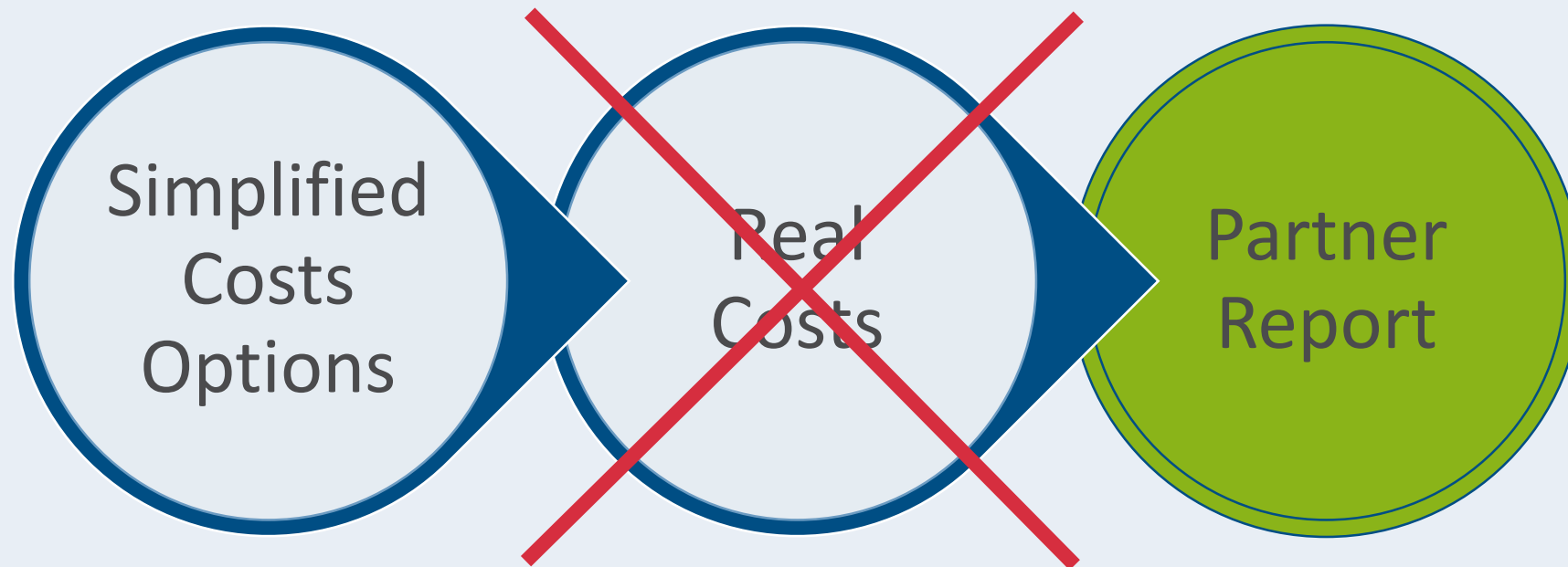




Budget in small projects

Václav Kaplan/Finance Officer

Forms of support



Simplified Costs Options



What can be planned?

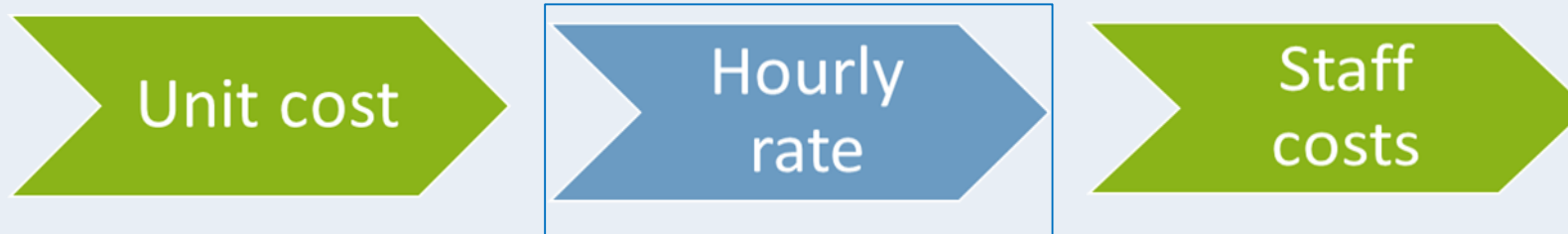


Preconditions for reimbursement of preparation cost:

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



Lump sum 10,000 EUR ~ **8,000 EUR** 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

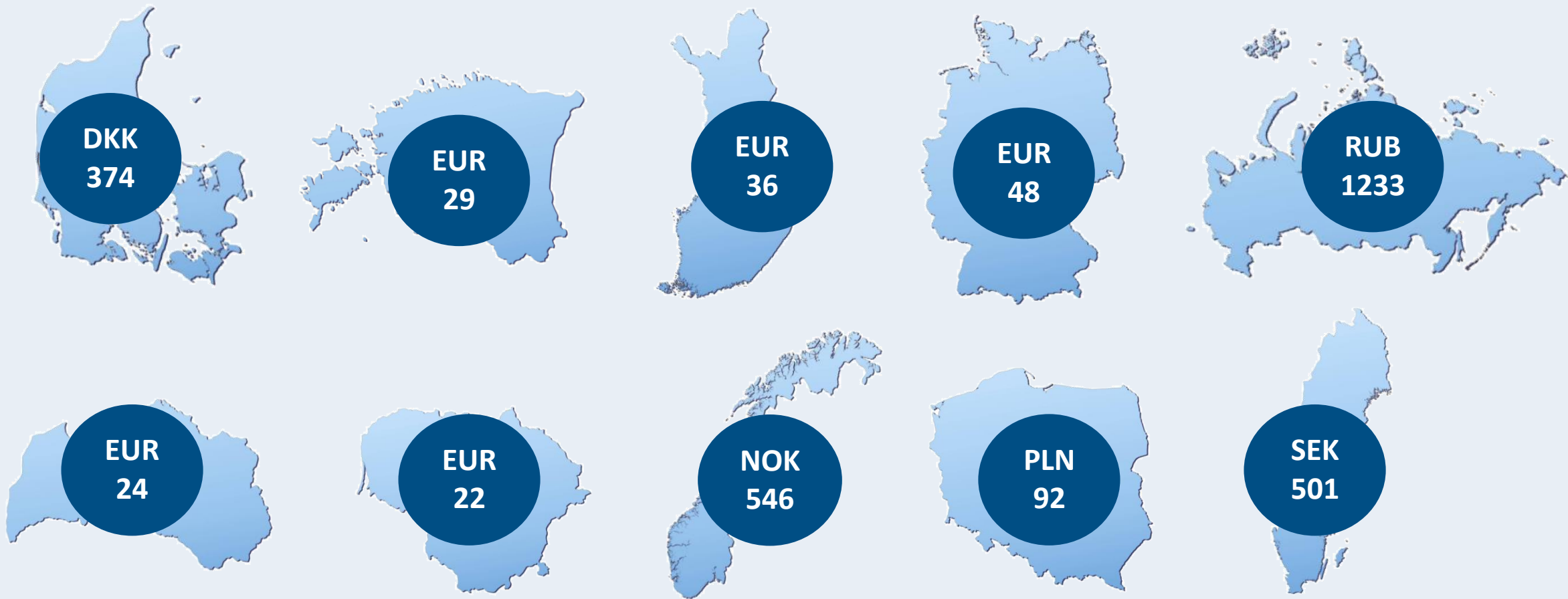
The same for each employee

Per productive working hour

**STAFF
COSTS**



Hourly rate



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

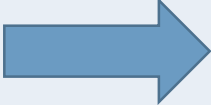

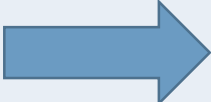
Part-time (X%)
Y% for project

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



CAT1 – Unpaid voluntary work

Specific case for small projects

- In small projects only  in other project types not allowed
- No indication in the application  limits to be considered in planning
- Max. amount of own contribution  only in addition to regular employees

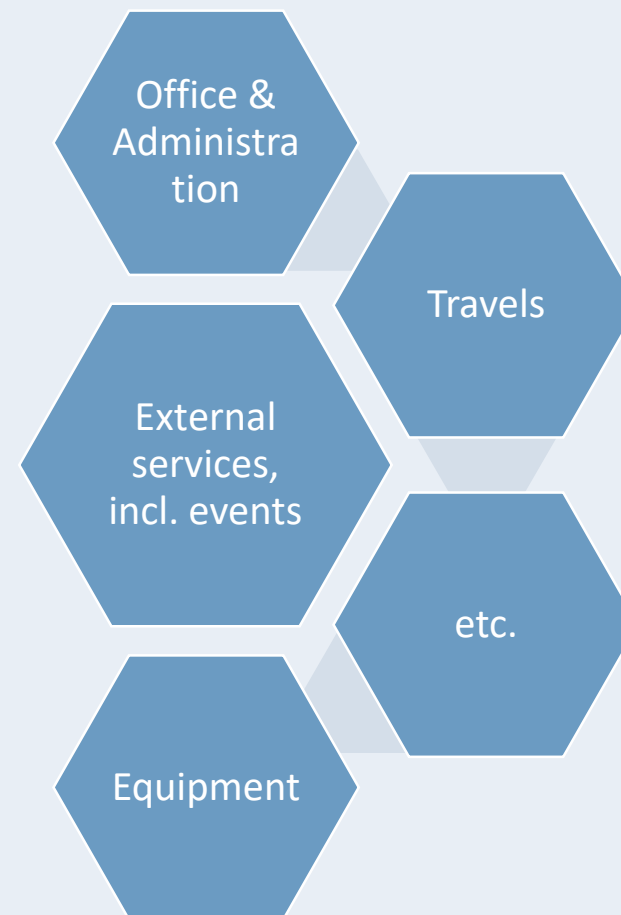


Flat rate – 40 % of eligible staff costs

Automatic calculation

No supporting documents

Over or under-compensation possible



Budget planning

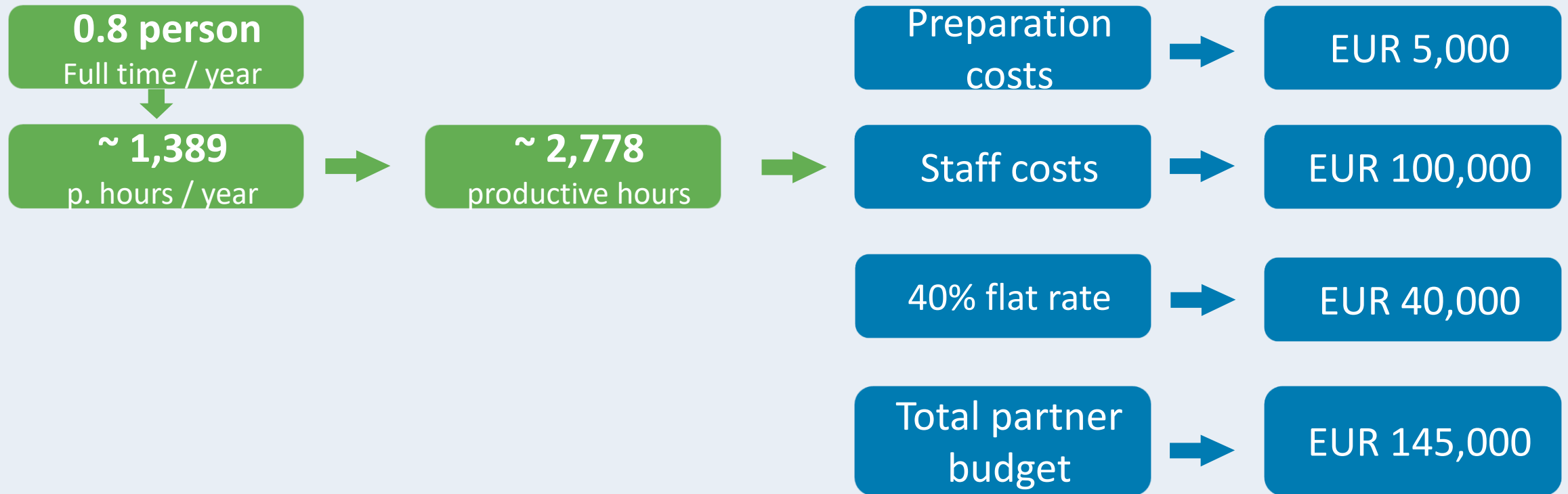
Example budget
project partner from Finland
project duration: two years



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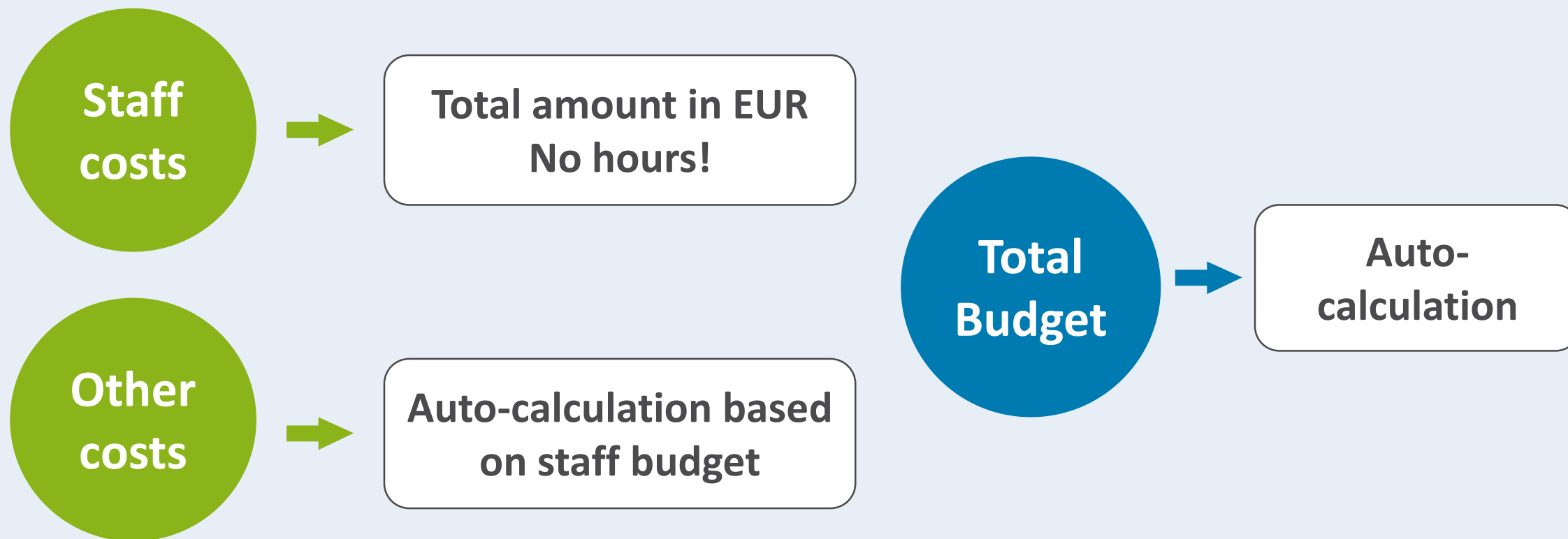


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Budget planning

Application form – BAMOS+



Total project budget





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!



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

Investitionsbank Schleswig-Holstein

Interreg Baltic Sea Region

Managing Authority/Joint Secretariat

Grubenstraße 20, 18055 Rostock, Germany

Tel: +49 381 454 84 5281

E-mail: info@interreg-baltic.eu





Thank you and goodbye!





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