



10 January 2023, MA/JS

Financial webinar

Questions during the financial webinar and their answers

Disclaimer

The document summarises the questions raised by applicants and the answers provided by the MA/JS at the financial webinar on 10.01.2023. Even the MA/JS made its best to answer all questions sufficiently, please be aware that the answers do not replace or overrule any relevant provisions set by the EU regulations, Programme Manual and/or applicable national law. The MA/JS cannot under any circumstances or for any reason whatsoever be held liable for completeness, correctness and up-to-dateness of the answers provided.

Abbreviations

CAT - cost category

SCOs - simplified cost options

Question 1: Can we plan staff costs on closure stage? if yes, only for lead partner or for all partners?

Answer: Lead partner and project partners can plan also staff costs within the closure phase. These staff costs must refer to administrative project work only and cannot refer to working on project activities that should be finalised by this time.

Question 2: When would we receive money from the preparation costs category?

Answer: If a project applied for preparation costs and this project was approved, the preparation cost lump sum will be transferred to the project after signing the subsidy contract.

Question 3: Lithuanian partner will have costs only from cat0, cat1, cat2 and cat3. Do they need to plan and procure national controller?

Answer: As the cost categories 0-3 are so-called “simplified cost options” (SCOs), no national controller is needed. The MA/JS will check the SCOs.

Question 4: Cost Sharing: If a project has three partners and has to hire external experts for i.e. 100.000 EUR. Can that cost not be carried by the three partners?

Answer: Cost sharing (= one invoice issued to one partner but divided and paid by three partners) is not possible. A joint procurement would be possible in this case, however, we strongly advise checking the requirements with the national controllers for it, as this procurement type means usually a lengthy and complicated procurement process, especially if among the three partners different countries are involved.

Question 5: Can we plan staff costs for the contracting phase? Lead partner or for all partners?

Answer: Lead partner and project partners can plan also staff costs for the contracting phase. Before the subsidy contract is signed, the partners work with involved staff on the project at their own risk.



Question 6: What qualifies as a 20% in-kind contribution? Can science parks report the cost for providing facilities (workshop + seminar rooms) and equipment as co-financing?

Answer: The Programme does not have the option of in-kind contribution in core projects. In-kind contribution in form of unpaid voluntary work is possible in small projects only. Own contribution amounting to 20% which needs to be provided by the partners from the EU part of the Programme area is not checked by the Programme. The Programme works with the reimbursement principle, e.g. only occurred and paid costs by the partner are reimbursed. If a partner had a project cost of EUR 10,000 which was paid, the Programme reimburse EUR 8,000 and does not check the own contribution of EUR 2,000.

Question 7: Is it possible to cost split a jointly organized conference, or laboration?

Answer: It is possible to split the costs if each partner will receive own invoice for the assigned sub-cost (e.g. one partner pays for catering, another for the venue, another one for the moderation of a conference). It is not possible that one partner procures the whole service (one invoice for a conference) and divides it among different partners.

Question 8: What is the date for the project approval/decline?

Answer: The decision will be made in June 2023 by the Monitoring Committee for core projects.

Question 9: SMEs can declare the working hours of their owners not receiving a salary as staff costs. Does is mean that SMEs owner's cost is reimbursed, but not as salary?

Answer: The staff costs of the SME owner are reimbursed in the same way as of any other employee, e.g. the hourly rate defined for the country is multiplied by the number of hours the owner worked on the project.

Question 10: How specific/detailed should be described the External & Services costs and Equipment, Infrastructure costs in project application. What is the level of details required?

Answer: Each cost item description has 100 characters only in the budget section. To not raise any questions about what is meant by especially more pricy services, their description could be integrated into the work plan (activities description) in the application form.

Question 11: What supporting documents do we need for reporting staff costs?

Answer: The document is called “report of hours and employment confirmation” and consists of two parts: employment confirmation and a timesheet on daily basis.

Question 12: Can an employee has an hourly rate based contract and then report the hours spent on the project?

Answer: The hourly rate is predefined by the Programme, this hourly rate cannot originate from any other sources. An employee of project partner reports hours spent on the project multiplied by the hourly rate predefined by the Programme for the country.



Question 13: Can person participate in the meetings with no staff costs?

Answer: Yes, an employee of a project partner can participate in a meeting without reporting staff costs (travel costs are reimbursed as a flat rate and the actual costs occurred for travels are not checked).

Question 14: Can the 50% 'own contribution' (in Norway) be applied for from the Research Council of Norway funding?

Answer: Yes, public cash inflows (international, national, local funds) are possible up to the own contribution.

Question 15: If the leading partner is achieving other EU funding for their other projects, can they still apply this funding for the new Core project if no shared resources?

Answer: Yes, if the costs occurred for the Interreg BSR core project have not been reported under the other projects the partner is working on.

Question 16: Can non-financial support to third parties by the project activities be provided to companies larger than SMEs to comply with GBER 20a?

Answer: Yes, the non-financial support to third parties of the GBER Article 20a covers all types of organisations.

Question 17: Is it enough to give a percentage of hours, i.e. 50% of working time, or do all need to fill time sheets?

Answer: All employees reporting staff costs to the Programme need to fill in timesheets provided by the Programme.

Question 18: Can a percentage of hours be changed during a reporting period, i.e. from 25 % to 50 % of employees whole working time?

Answer: It is not allowed to report staff costs as a fixed percentage of time. Each employee reports productive hours spent on the project work using a timesheet provided by the Programme. The template is available under https://interreg-baltic.eu/wp-content/uploads/2022/09/Report_of_hours_and_employment_confirmation_v1.1.pdf

The number of productive hours per month is not fixed and might vary depending on the workload.

Question 19: Are student scholarships eligible under Staff Costs? In a way that students perform some tasks within the Project, but are not employed under an employment contract?

Answer: Scholarships are not eligible under staff costs. An employee must have an employment contract or equivalent to be able to report staff costs to the Programme.

Question 20: Do SME owners need an employment contract?



Answer: Owner managers of an SME not having an employment contract but working for the project shall select "equivalent" in the document "report of hours" (in the part "employment confirmation") during the reporting to the Programme and describe what is their relation to the project partner. This would be acceptable instead of a regular employment contract for SME owners.

Question 21: Could you please explain the "plausibility check" - Which documents or justifications are needed from partners to carry out the plausibility check? Which are evaluation criteria?

Answer: The plausibility check refers to the State aid classification of a partner. Partners who are either "higher education and research institution" or "sectoral agency" are understood as those with medium risk for State aid. These partners have the possibility to either require a plausibility check of State aid by the MA/JS in the application form or not. If the partners mark this option, the MA/JS will do the plausibility check based on an internal procedure and assess the described activities of the partner. If the partners do not mark the option of plausibility check in the application form, the MA/JS will automatically classify these partners as State aid relevant.

Question 22: If we have to have verification from the national controller, should those expenses be planned in category 4?

Answer: Yes, the costs for the national controller belong to the cost category 4 (CAT 4).

Question 23: What if the applied project budget is valid for the core project (500k Eur+) but in the end, the core project limit was not reached?

Answer: Core projects do not have a limit for the total budget. If at the end the amount approved in the application form was not spent, then only the spent amount will be reimbursed to the project.

Question 24: Is the melioration works eligible?

Answer: Yes, such works are eligible under the CAT 6 (infrastructure and works), provided they are necessary for the project and contributes to its objectives aims and deliverables.

Question 25: Can we plan study visit to associated organisations with car, delegation would be from staff, target group workers and local politicians. And spend money from cat3 for this costs-accommodation etc. In example politicians from delegation are not staff of the partner?

Answer: Travel costs of employees of a project partner can be covered by CAT 3. Travel costs of externals (who are not employees of project partner) can be reported under CAT 4 if these people had an active role.

Question 26: In our organization, full-time employees have about 1640 productive working hours per year. Is it possible to allocate less than 1720 hours for full-time employees in the budget?



Answer: Yes, it is possible.

Question 27: Can an employee of an institution (especially an executive person) which is a partner to a project who is not on the pay list, is not paid by the project not in the staff costs, take part in events, international meetings?

Answer: Yes, it is possible.

Question 28: Is it possible to get some money in advance?

Answer: No, the Programme works with the reimbursement principle. First, the costs have to be occurred and paid by the partner, then they will be reimbursed by the Programme.

Question 29: How should associate commercial partners budget and cost plan?

Answer: Associated organisations are involved in the project work, but do not have any budget. Only regular project partners have each their own budget.

Question 30: According to the BSR program manual the preparation costs are "up to EUR 24000". What does this "up to" depend on?

Answer: The possibility of receiving preparation costs is mentioned in the announcement note. For call 2 (this currently open call) it is EUR 24,000 (equalling to the co-financing of EUR 19,200).

Question 31: Can the lead partner be from category b (companies)?

Answer: No, as the category "b" in the application form stays for a private organisation. Only public organisations can be lead partners in Interreg BSR projects.

Question 32: Can work hours from SME owners be used as in-kind contribution?

Answer: No, in-kind contribution is not possible in core projects.

Question 33: Can regional funding be used as co-financing?

Answer: Yes, this is possible for own contribution.

Question 34: Can a public sector (as a project partner) finance the project with in-kind - parts or by 100%?

Answer: In-kind contribution is not eligible in core projects. Project partners from the EU part of the Programme area can finance the project with 80% of the Programme funds and 20% of own contribution which could be obtained from other national, regional, or local funds.



Question 35: Can some staff working for the project live outside the defined Baltic Sea countries? I.e staff salary is paid for example to UK?

Answer: It is possible if an employee is working for a partner located in the Programme area, but the person himself lives in the UK. The hourly rate of the country the partner is located in would apply.

Question 36: Where can I found hourly rate for different countries?

Answer: In table 8 “The hourly rate per country” in the Programme manual chapter D.3.6 https://interreg-baltic.eu/wp-content/uploads/2022/05/BSR_Programme-Manual_version-4.0.pdf

Question 37: Do partner-university has to do something in addition when applying according to the state aid? (is the plausibility check mandatory)?

Answer: The plausibility check of State aid relevance for universities is not mandatory. A project partner being a university can either mark it or not in the application form. Nothing else is required by these partners.

Question 38: If all Interreg programme funding is state aid, is it allowed to combine it with other type of funding (not state aid) as co-financing from national authorities? What could be the sources of national co-financing - state aid, de minimis, other type of funding?

Answer: If a partner is regarded as State aid by the Programme and the State aid instrument is the General Block Exemption Regulation (GBER) then 80% comes from the Interreg BSR Programme. The remaining 20% can come from national funds if these funds are not regarded as State aid. If the national funds for 20% are regarded as State aid too, then the combination with GBER is not possible. An alternative would be in this case the State aid instrument de-minimis, however this instrument brings more limitations. More information is available in the State aid factsheet https://interreg-baltic.eu/wp-content/uploads/2022/10/10.2022_De-minimis-factsheet.pdf