



**ENI
CBCMED**
Cooperating across borders
in the Mediterranean



Programme funded by the
EUROPEAN UNION



**REGIONE AUTÒNOMA
DE SARDIGNA
REGIONE AUTONOMA
DELLA SARDEGNA**

Eligible costs and specific budget rules

ELIGIBLE COSTS

(ref: GfA par. 4.6.4 and info note on eligible costs)

In order to be eligible, costs shall meet the following conditions:

- a. Incurred during the implementation period of the project
- b. Indicated in the estimated overall budget for the project;
- c. Necessary for the implementation of the project;
- d. Identifiable and verifiable
- e. Comply with the requirements of applicable tax and social legislation;
- f. Supported by expenditure and payment documents (e.g. contracts, invoices, proofs of payment documents etc.).

ELIGIBLE COSTS AND BUDGET STRUCTURE

DIRECT COSTS (Budget Part 1): are incurred by each organization involved in the partnership. They must be **supported** by original expenditure documents as well as the occurred payment documents

Cost Categories

0. Preparatory costs
1. Human resources
2. Travel / subsistence
3. Infrastructures
4. Equipment and supplies
5. Subcontracted Services
6. Other costs

INDIRECT COSTS (Budget Part 2):

Contingency reserve
Administrative costs



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Specific financial rules and distribution among partners

- ✓ **Min** ENI contribution **€ 2.500.000** and **max. € 3.500.000**
- ✓ Maximum total cost of the project € 4.000.000
- ✓ Co-financing min. 10%
- ✓ **Min. 50% total direct costs** for activities implemented in MPCs
- ✓ Max **35%** total direct costs can be allocated to a **single partner**
- ✓ **Max. 20%** of the budget for partners located in **adjoining regions**
- ✓ WP1 cannot exceed 20% of the total budget
- ✓ No threshold concerning the other WPs



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Specific rules concerning cost categories

- ✓ No max/min allocation for the cost categories
- ✓ Preparatory costs cannot exceed 10.000€
- ✓ Subgrants cannot exceed 30% of the total direct costs and a single subgrant cannot exceed 60.000€
- ✓ Administrative costs cannot exceed 7%
- ✓ Contingency reserve cannot exceed 3% of the total direct costs.

ELIGIBLE COSTS: 0. Preparatory costs

Eligibility conditions:

- a) travel and subsistence costs **only for staff employed** by the Applicant and/or the Partners according to its rules and regulations or the rates published by the Commission at the time of the mission;
- b) incurred **after** the publication of the call for proposals and **before the deadline** for the submission of the proposal;
- c) cannot exceed the amount of 10.000 euro at project level (proven by supporting documents);
- d) need to be reported in the first interim report.



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ELIGIBLE COSTS: 1. HUMAN RESOURCES

Eligibility conditions:

- a) they shall correspond to **actual gross salaries** including social security charges and other components (in national legislation);
- b) related to the **actual time** worked for the implementation of the project by the permanent or temporary (*ad hoc recruited*) employees of the Lead Beneficiary and partners organisations;
- c) overtime only for full time staff;
- d) staff costs from non-partner organizations are not eligible.



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ELIGIBLE COSTS: 2. TRAVEL AND SUBSISTENCE

Eligibility conditions:

- a) related to staff and other persons involved in the Project such as speakers or participants, including those of associated partners;
- b) cannot exceed those normally borne by the organization according to its internal rules and regulations **nor** the rates published by the Commission at the time of the mission if reimbursed on the basis of flat rate allowances.

ELIGIBLE COSTS: 3. INFRASTRUCTURES

Eligibility conditions:

- a) Basic facilities, and installations providing services needed for project implementation (including also Public works for restoring/adapting existing infrastructures. No feasibility studies since considered as external services).
- b) If they **exceed € 1 Million** checklist C to be filled in (Similar infrastructures - composed by several units in different territories - are not considered as a “one component”).
- c) They must be purchased following specific procurement procedures according to the thresholds indicated in art. 52, 55 and to 56 of the ENI Implementing Regulation 897/2014.



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ELIGIBLE COSTS: 4. EQUIPMENT AND SUPPLIES

Eligibility conditions:

- a) Purchasing or leasing costs for equipment and durables (new or used) specifically identified and exclusively devoted for the purpose of the project including their installation and transportation costs;
- b) Supplies are purchased following specific procurement procedures according to the thresholds indicated in art. 52, 54 and to 56 of the ENI Implementing Regulation 897/2014
- c) equipment and vehicles whose cost is more than EUR 5.000 per item, **must be transferred** by the end of the project to the MPCs beneficiaries.



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ELIGIBLE COSTS: 5. SUBCONTRACTED SERVICES

Eligibility conditions:

- a) cost of services and expertise not available within the partnership: external expenditures verification (max. 3% total direct costs), evaluations, printing, translation, financial services costs etc., in line with market prices;
- b) services are purchased following specific procurement procedures according to the thresholds indicated in art. 52, 54 and to 56 of the ENI Implementing Regulation 897/2014
- c) it is **not possible to subcontract the bulk of the project** to any third parties *including in-house organisations*.

ELIGIBLE COSTS: 6. OTHER COSTS

Eligibility conditions:

- a) any cost not falling in the scope of the previous budget lines should be validated under the “Other costs” budget line.
- b) **Sub-grants:** financial support to third parties (also physical persons) to be involved in the implementation of some project activities proposal (for example the need for involving Start-up companies to carry out a pilot project etc.).

Max. 60.000 euro per sub-grantee located in **the countries involved in the partnership**. These costs will need to be reported to the organization which granted the amount according to the same eligibility rules of the cost category.



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Ineligible costs

- a. Debts and charges (interest), loans to third parties, fines, and expenses of litigation
- b. Provisions for losses or liabilities;
- c. Purchases of land or buildings for an amount exceeding 10 % of the eligible expenditure of the concerned project;
- d. Exchange-rate losses;
- e. Duties, taxes and charges, including VAT, except where non-recoverable under the relevant national tax legislation, unless otherwise provided in appropriate provisions negotiated with CBC partner countries, as per the provisions of the related Financing Agreement;
- f. Costs for project website and logo (see section 2.6 “Communication and visibility for more information”).

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- ✓ it is in the Applicant's interest to submit a **realistic and cost-effective budget**