

SCOs - what is available and what do programmes do?

Staff costs in Interreg – Theory and practice
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What is available?

“Off the shelf”

Art. 19, ETC (Art. 68a CPR)

Staff costs of an operation may be calculated at a flat rate of up to 20 % of the direct costs other than the staff costs of the operation

Art. 68a. CPR (Omnibus)

[...] Member States shall not be required to perform a calculation to determine the applicable rate provided that the direct costs of the operation do not include public works contracts which exceed in value the threshold set out in point (a) of Article 4 of Directive 2014/24/EU

(applicable as of 02 August 2018)

Individual setting-up of SCOs

Art. 67, CPR (Omnibus)

- Standard scales of unit costs
- Lump sums
- Flat rates
- *Milestone achievements, disconnected from any costs*

Individual setting-up of SCOs

Art. 67, CPR (Omnibus), text (applicable as of 02 August 2018)

1. Grants and repayable assistance may take any of the following forms:
 - (a) reimbursement of eligible costs actually incurred and paid, together with, where applicable, contributions in kind and depreciation;
 - (b) standard scales of unit costs;
 - (c) lump sums ~~not exceeding EUR 100 000 of public contribution;~~
 - (d) flat-rate financing, determined by the application of a percentage to one or more defined categories of costs.

Individual setting-up of SCOs

Art. 67, CPR (Omnibus), text cont. (applicable as of 02 August 2018)

(e) financing which is not linked to costs of the relevant operations but is based on the fulfilment of conditions related to the realisation of progress in implementation or the achievement of objectives of programmes as set out in the delegated act adopted in accordance with paragraph 5a.

Fund-specific rules may limit the forms of grants or repayable assistance applicable to certain operations.

For the form of financing referred to in point (e) of the first subparagraph, the audit shall exclusively aim at verifying that the conditions for reimbursement have been fulfilled.

Individual setting-up of SCOs – HOW?

Art. 67, CPR (Omnibus)

- Own calculation (fair, equitable, verifiable): historical or statistical data, objective information, *expert knowledge*, usual practices of project partners
- *Draft budget on a case-by-case basis and agreed ex ante by MA, if less than 100.000 ERDF*
- SSUC, lump sums, flat rate applicable in other EU programmes, e.g. H2020, or national programmes
- Rates from CPR or other Fund-specific rules
- Specific methods for determining amounts established in accordance with Fund-specific rules

Individual setting-up of SCOs – HOW?

Art. 67, CPR (Omnibus), text (applicable as of 02 August 2018)

5. The amounts referred to in points (b), (c) and (d) of the first subparagraph of paragraph 1 shall be established in one of the following ways:

(a) a fair, equitable and verifiable calculation method based on *any of the following*:

(i) statistical data, ~~or~~ other objective information *or an expert judgement*;

(ii) the verified historical data of individual beneficiaries; or

(iii) the application of the usual cost accounting practices of individual beneficiaries;

Individual setting-up of SCOs – HOW?

Art. 67, CPR (Omnibus), text cont. (applicable as of 02 August 2018)

(aa) a draft budget established on a case-by-case basis and agreed ex ante by the managing authority, or in the case of EAFRD the authority responsible for the selection of operations, where the public support does not exceed EUR 100 000

(b) in accordance with the rules for application of corresponding scales of unit costs, lump sums and flat rates applicable in Union policies for a similar type of operation and beneficiary;

(c) in accordance with the rules for application of corresponding scales of unit costs, lump sums and flat rates applied under schemes for grants funded entirely by the Member State for a similar type of operation and beneficiary;

Individual setting-up of SCOs – HOW?

Art. 67, CPR (Omnibus), text cont. (applicable as of 02 August 2018)

(d) rates established by this Regulation or the Fund-specific rules;

(e) specific methods for determining amounts established in accordance with the Fund-specific rules.

5a. The Commission is empowered to adopt delegated acts in accordance with Article 149 supplementing this Regulation with regard to the definition of the standard scales of unit costs or the flat-rate financing referred to in points (b) and (d) of the first subparagraph of paragraph 1 of this Article, the related methods referred to in point (a) of paragraph 5 of this Article and the form of support referred to in point (e) of the first subparagraph of paragraph 1 of this Article, by specifying detailed modalities concerning the financing conditions and their application.

What do programmes do?

What do programmes do?

Limited application of SCOs for staff costs

- 20%: not fitting (too low), applicable if no employees?, uncertainty of public procurement limitation
- Other flat rates: anybody?
- Lump sums & milestone achievements: n/a
- Standard scale of unit costs: not many, but they exist...

How to read reference to CPR (Omnibus)

~~Strikethrough~~: no longer applicable in the updated CPR (Omnibus)

Italics: new element in updated CPR (Omnibus)

Cooperation works

All materials will be available on:

www.interact-eu.net