

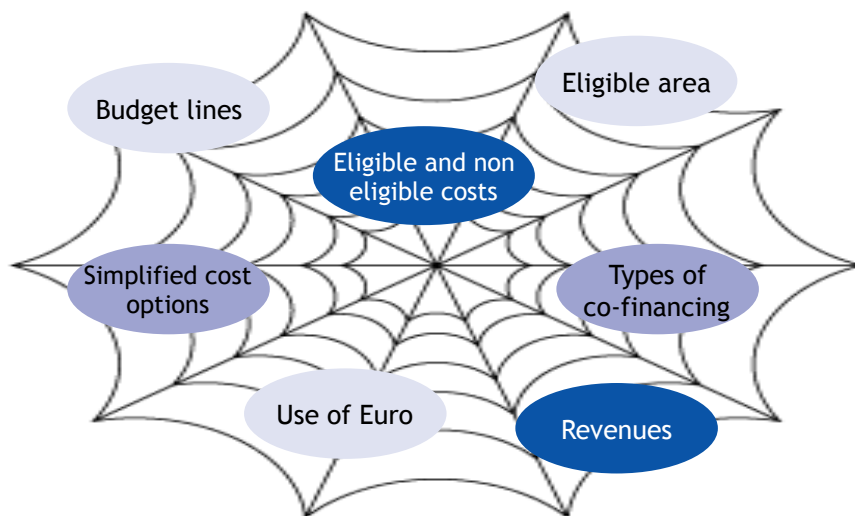
Project Budget



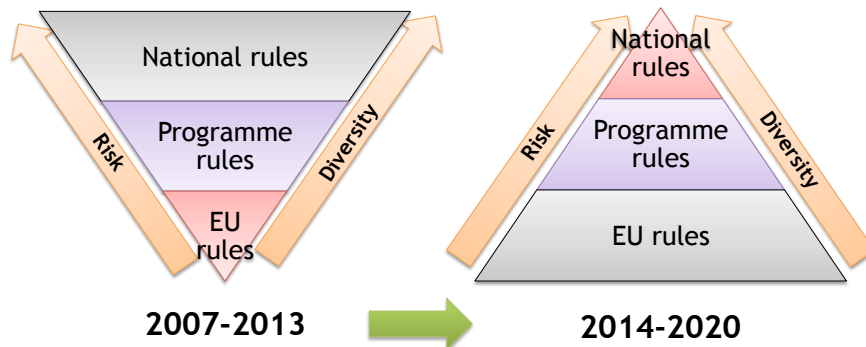
Interreg Project Management Camp
Gothenburg, 28 June - 1 July 2016

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What the project needs to know ...



Hierarchy of rules (Art. 65 CPR and Art. 18 ETC Regulation)



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Hierarchy of rules

**Rules on
eligibility of expenditure!**

1. Rules defined in EU legal framework

- Common Provisions Regulation (EU) 1303/2013
- ERDF Regulation (EU) 1301/2013
- ETC Regulation (EU) 1299/2013
- Commission Delegated Regulation (EC) 481/2014 on eligibility of expenditure - *specific rules for cooperation programmes*

2. Programme rules

3. National rules

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Hierarchy of rules

1. Rules defined in **EU** legal framework
2. **Programme** rules
 - ✓ Established jointly by the Member States in the programme Monitoring Committee
 - ✓ Apply to the programme as a whole
 - ✓ Without prejudice to the rules on EU level
 - ✓ Stricter rules in areas not precisely regulated at the EU level or in areas prescribed by EU rules
3. **National** rules
 - ✓ For any other matters not covered by EU rules and programme rules

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Categories of expenditure = Budget lines

1. Staff costs
2. Office and administration
3. Travel and accommodation
4. External expertise and services
5. Equipment

Categories of costs listed in Art 18, ETC Reg. 1299/2013

Specific rules defined in the Del. Reg. 481/2014

6. *Infrastructure and works*

General rules defined in CPR Reg. 1303/2013

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Eligibility of costs

What is the exercise?

- Which costs are eligible?
- To which budget line should costs be allocated?

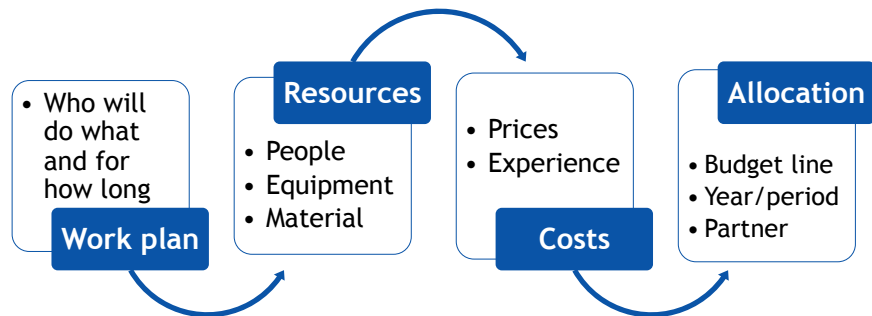
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Financing sources

| | |
|--|--|
| <u>Programme co-financing</u> <ul style="list-style-type: none">•ERDF, IPA II, ENI•ERDF equivalent | The programme financial support to the project. Depending on the programme, this entails support from EU funds (ERDF, IPA II, ENI) and ERDF equivalent (e.g. Norwegian fund, Swiss fund, etc.). |
| Co-financing rate (%) | The maximum rate of programme co-financing (separate for EU funds and each ERDF equivalent). |
| <u>Contribution</u> <ul style="list-style-type: none">•public•private | Counterpart to programme co-financing secured by the partners (paid by the partners from their own resources or paid to the partners from external sources). |
| Automatic public contribution | Public funding automatically allocated to a project partner from national/regional sources, external to the partner organisation. |

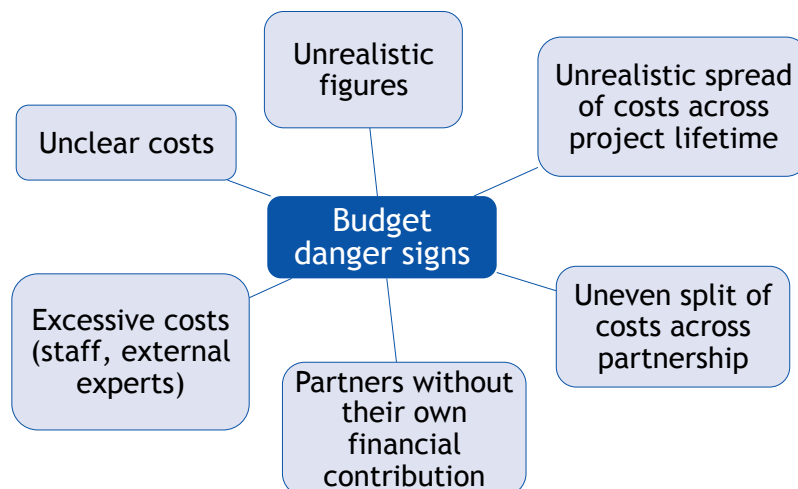
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Budget planning steps



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Project budget danger signs



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Budget planning tips

- Be realistic; check real costs.
- Project budget should reflect project partners' involvement in the activities planned.
- Tell partners how to plan the budget and what is possible/eligible.
- Make sure that partners' internal accounting systems are able to provide information on the programme's budget lines.
- Be aware that budgeting takes time. Start early enough.
- Realistic approach to the inevitable delays at project start.
- Guess based budgets are dangerous.
- No shortcuts and no standard budgets are available.