

BUILDING  
A COMMON  
FUTURE

## INFO DAY

INTERREG IPA CBC

ITALY-ALBANIA-MONTENEGRO PROGRAMME

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**The new trilateral Programme: guide for project proposals**

# How much funds are available?

Budget

	IPA FUND 85%	NATIONAL CO-FINANCING 15%	TOTAL FIRST CALL
Priority axis 1	4.722.221,75	833.333,25	5.555.555
Priority axis 2	6.611.111,30	1.166.666,70	7.777.778
Priority axis 3	5.902.778,25	1.041.666,75	6.944.445
Priority axis 4	4.013.888,70	708.333,30	4.722.222
<b>TOTAL</b>	21.250.000,00	3.750.000,00	25.000.000

# How big are the projects?

Budget

## Minimum

- EUR 500.000
- Per partner 10% each
- Minimum 3 partners (incl. 1 lead)

## Maximum

- PA 1,2,3 -> EUR 1.500.000
- PA 4 -> EUR 2.000.000
- Maximum 6 partners (+ 6 associated)

**Expected no. of projects**  
(budget/average size)

- PA 1 -> Approx. 6    PA 2 -> Approx. 8
- PA 3 -> Approx. 7    PA 4 -> Approx. 3

# How are we financed?

Budget

- ❖ 85% EU contribution, IPA II Funds
- ❖ 15% national co-financing

## Italian public partners

Rotation fund, CIPE Resolution no. 10  
28/01/15

## Public/private AL, ME and IT private partners

Own resources

- ❖ 20% of EU co. pre-financing to be requested
- ❖ expenditures occurred are reimbursed

# Where are the partners?

## Partners

Partners are

- ❖ **At least one per country** (Italy-Albania-Montenegro)
- ❖ Registered headquarter with full legal capacity in **Puglia, Molise, whole AL and ME**
- ❖ Art. 44 IPA IR: **activities outside the area**, only if
  - ❖ Approved/monitored by JS
  - ❖ Benefit of the area

# Who do we finance?

## Partners

- ❖ One Lead Partner (LP), responsible towards MA
- ❖ Project partners (PP), responsible towards LP
- ❖ Associated partners (max. 1 /PP), no financing
- ❖ Cooperating in
  - ❖ project development +
  - ❖ implementation +
  - ❖ financing and staffing
- ❖ Do not fulfill exclusion criteria according to art.106 Reg. 966/2012

# Who do we finance?

## Partners

As general eligibility rule, Lead Partners and Project Partners must be established in the eligible territories of the Countries participating to the Programme.

### Eligible partners must be (3 Categories)

- ❖ **Public bodies**
- ❖ **Bodies governed by public law**
- ❖ **Private non-profit Bodies**

# Who do we finance?

## Partners

### ❖ **BODIES GOVERNED BY PUBLIC LAW**

#### *Article 2(4) of the EC Directive (2014/24)*

- ❖ established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;
- ❖ legal personality;
- ❖ financed, for the most part, by the State, regional or local authorities, or by other bodies governed by public law; or are subject to management supervision by those authorities or bodies; or have an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law;



# Who do we finance?

## Partners

### ❖ PRIVATE NON-PROFIT BODIES - 1

Established according to the applicable legal framework/law in the respective Country that fulfils the following characteristics:

- (a) Not established with the goal to obtain profit;
- (b) Not distribute profits to the shareholders;
- (c) Not have the organizational structure of an undertaking or a regular presence on the market;
- (d) They have legal personality.

(art. 131 of Regulation (EU, Euratom) 966/2012)

# Who do we finance?

Partners

## ❖ Private non-profit Bodies – 2

**1- Non-profit organisations must be operational for at least 12 months before the launching of the call for proposals**

**2 - Financial guarantee covering the whole EU pre-financing amount for the duration specified in the subsidy contract once the project proposal is approved and before contracting.**

Don't forget!

# Where are the partners?

## Partners

### **Other indications regarding the quality of the partnership**

All applicants, irrespective of their legal status, must ensure that:

- ❖ They have adequate human and technical resources to ensure a sound project implementation and management.
- ❖ Their administrative involvement in the project does not undermine their daily activities.
- ❖ Their financial commitment within the project is adequate to their size and capacity.
- ❖ They have the capacity of advancing payments for the implementation of project activities and eventual delays in reimbursement of EU contributions will not undermine their capacity of implementing the foreseen activities within the project.

# When is a project active?

## Timeline

- ❖ From 01.01.14(IT),15.12.15(AL/ME) to 31.12.23
- ❖ Between planned start / end date
- ❖ Maximum 24 months of implementation
- ❖ Expenditures paid after start & before end dates
- ❖ Before start: **project preparation** (lump sum 10.000)
- ❖ After end: **project closure** (lump sum 5.000)

# What costs are eligible?

## Eligibility

- ❖ **Principles economy:** the resources used by the institution in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price.
- ❖ **Principle of efficiency:** the best relationship between resources employed and results achieved.
- ❖ **Principle of effectiveness:** attainment of the specific objectives set and the achievement of the expected results.
- ❖ **Necessary for activities (AF) / reasonable**
- ❖ **Actually incurred and paid in eligible period/area/partner**

# What costs are eligible?

## Eligibility

- ❖ **Verifiable and documented / simplified cost options:**
  - ❖ reimbursement of eligible costs actually incurred and paid;
  - ❖ lump sums (preparation and closure project costs);
  - ❖ flat-rate financing (staff and O&A costs), determined by the application of a percentage to one or more defined categories of costs.

# What costs are eligible?

## Eligibility

### ❖ Identified in separate or integrated accounts

- ❖ Beneficiaries may have a separate set of accounts specifically for the project, or may include the project's accounts in their own accounting system, ensuring that the project's records are still easily identifiable.
- ❖ The account system shall be run in accordance with the accounting rules that apply in the country concerned

# What costs are eligible?

## Eligibility

- ❖ **No double financing / ineligible items (69 CPR, 43 IPA IR, 2 DR):**
  - ❖ interest on debt, value added tax (VAT) recoverable under national VAT legislation,
  - ❖ purchase of land not built on and land built on in the amount exceeding 10 % of the total eligible expenditure for the operation (15% in case of derelict sites and for those formerly in industrial use which comprise buildings),
  - ❖ fines, financial penalties and expenditure on legal disputes and litigation
  - ❖ costs of gifts, except those not exceeding EUR 50 per gift where related to promotion, communication, publicity or information
  - ❖ costs related to fluctuation of foreign exchange rate etc....
- ❖ **Euro/exchange rate (month of submission to FLC)**
- ❖ **Complying with EU, programme and national rules**



# What kind of costs?

Eligibility

ETC eligibility EC Del. Reg. **no. 481/2014**

- ❖ Staff
- ❖ Office and administration (O&A)
- ❖ Travel and accommodation (T&A)
- ❖ External experts and services (External)
- ❖ Equipment
- ❖ Infrastructure and works (Works)

# What Staff costs?

Eligibility

- ❖ Full time
- ❖ Part time fixed % / flexible no. of hrs.
- ❖ Hourly contract
- ❖ **Attention to calculation methods:** Real costs / flat rate (up to 20%)
- ❖ **Attention to required audit trail** (contract/assignment, pay slip, timesheet/report)
- ❖ Attention to contract nature (e.g. internal staff equivalent)

# What O&A costs?

## Eligibility

- ❖ Real costs / flat rate (15% of eligible Staff)
- ❖ Exhaustive list in art. 4 ETC eligibility:
  - ❖ office rent
  - ❖ insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances)
  - ❖ utilities (e.g. electricity, heating, water)
  - ❖ office supplies
  - ❖ general accounting provided inside the project partner organisation
  - ❖ archives
  - ❖ maintenance, cleaning and repairs
  - ❖ security

# What O&A costs?

Eligibility

- ❖ IT system support of an administrative nature, linked to the implementation of the operation
  - ❖ communication (e.g. telephone, fax, internet, postal services, business cards)
  - ❖ bank charges for opening and administering the account or accounts where the implementation of an operation requires a separate account to be opened
  - ❖ charges for transnational financial transactions
- ❖ **Attention: do not include in other budget lines!**

# What T&A costs?

Eligibility

- ❖ Real costs occurred by staff, efficient/effective
  - ❖ travel costs (e.g. tickets)
  - ❖ accommodation costs
  - ❖ visa costs
  - ❖ daily allowances
- ❖ **Attention: Do not include external experts costs!**

# What External costs?

Eligibility

- ❖ All specific expertise/services needed for projects, incl. e.g. experts travel costs, financial guarantees costs for private partners, etc.
- ❖ **Attention: Public procurement rules (IPA, EU and national)!**
- ❖ Attention: Sound financial management principle

# What Equipment costs?

Eligibility

- ❖ General office equipment or specific for the activities
- ❖ Attention: Depreciation according to national rules
- ❖ Attention: IT Hardware acquired specifically for project activities (not under O&A)
- ❖ Attention: EU, IPA, national public procurement!

# What Works costs?

Eligibility

- ❖ Infrastructure only if necessary in the scope of and to achieve the project objectives
- ❖ Attention: **Time planning**
- ❖ Attention: EU, IPA and national **Public procurement rules**



# What other rules are key?

## Eligibility

- ❖ Recoverable VAT rule (not eligible)
- ❖ Project modification rule (esp. above 25% of budget)
- ❖ Durability rule (5 yrs. after project closure)
- ❖ Revenues rule (esp. above 1 Mio. EUR)
- ❖ Retention of document rule (after project closure)
- ❖ **EU, IPA CBC, national public procurement**

## Thanks for your attention

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