

Cost eligibility criteria

Eligible costs are actual costs incurred by the beneficiary(ies) which meet all the following criteria:

1. they are incurred during the implementation of the action as specified in Article 2 of the special conditions. In particular:
 - Costs relating to services and works shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period. Signature of a contract, placing of an order, or entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies after expiry of the implementation period do not meet this requirement. Cash transfers between the coordinator and/or the other beneficiary(ies) and/or affiliated entity(ies) may not be considered as costs incurred;
2. Costs incurred should be paid before the submission of the final reports;
3. They are indicated in the estimated overall budget for the action;
4. They are necessary for the implementation of the action;
5. They are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary(ies) and determined according to the accounting standards and the usual cost accounting practices applicable to the beneficiary(ies);
6. They comply with the requirements of applicable tax and social legislation;
7. They are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

Eligible direct costs

Subject to the above point, the following direct costs of the beneficiary(ies) shall be eligible:

1. the cost of staff assigned to the action, corresponding to actual gross salaries including social security charges and other remuneration-related costs (excluding bonuses); salaries and costs shall not exceed those normally borne by the beneficiary(ies), unless it is justified by showing that it is essential to carry out the action;
2. travel and subsistence costs for staff and other persons taking part in the action, provided they do not exceed those normally borne by the beneficiary(ies) according to its rules and regulations;
3. purchase costs for equipment (new or used) and supplies specifically dedicated to the purposes of the action;
4. depreciation, rental or leasing costs for equipment (new or used) and supplies specifically dedicated to the purposes of the action;
5. costs of consumables specifically dedicated to the action;

6. costs of service, supply and work contracts awarded by the beneficiary(ies) for the purposes of the action;
7. costs deriving directly from the requirements of the contract (dissemination of information, evaluation specific to the action, audits, translation, reproduction, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees where required according to the contract);
8. duties, taxes and charges, including VAT, related to the purposes of the action, paid and not recoverable by the beneficiary(ies);

NB 1: Dedicated staff costs are eligible provided that they do not exceed 30% of the grant amount. As an indication, staff costs must also be allocated to the partners and not only to the lead partner.

NB 2: For guidance, direct costs related to activities must represent at least 30% of the grant amount.

Eligible administrative costs

Administrative costs cover the costs incurred by the beneficiary in carrying out the project, excluding direct expenditure. These may include staff costs not directly linked to the project, office equipment (computer, printer, video projector, etc.), consumables, telecommunications costs, office supplies and the association's offices (electricity, etc.).

Ineligible costs

The following costs are considered ineligible:

1. debts and debt servicing costs (interest);
2. provisions for losses, debts or possible future debts;
3. costs declared by the beneficiary(ies) and covered by another project or work programme;
4. purchases of land or buildings;
5. exchange losses;
6. credits to third parties, unless otherwise specified in the special conditions;
7. contributions in kind;
8. the cost of salaries for national government staff.