Annex AG\_B

**LIST OF ELIGIBLE EXPENDITURES**

**for INTERREG VI-A ROMANIA-BULGARIA PROGRAMME**

Having regard to:

Articles 63 to 68 of Regulation (EU) No 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy

Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund

Articles 37 to 44 of Regulation (EU) No 2021/1059 of the European Parliament and of the Council of 24 June 2021on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments

Regulation (EU, Euratom) No 2024/2509 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 23 September 2024 on the financial rules applicable to the general budget of the Union

The Monitoring Committee of Interreg VI-A Romania-Bulgaria have adopted the following list of eligible expenditure for projects financed under Priority 4 of the Programme, except the Governance Project. Additional, specific provisions may be introduced at a later stage, upon the launch of the call dedicated to SMEs.

**Article 1.**

1. Expenditure under Interreg VI-A Romania-Bulgaria Programme is considered eligible when fulfilling all general eligibility requirements listed below, as follows:
2. It relates to the costs of implementing a project according to the latest approved application form;
3. It relates to items that did not receive support from other EU funds or other contributions from third parties (so as to avoid double financing);
4. It is essential for the achievement of the project objectives/outputs and it would not be incurred if the project was not carried out;
5. It is borne directly by the beneficiary and supported by accounting documents justifying incurred expenses/payments (invoices, pay rolls, etc.) except for costs calculated as flat rates, unit costs and lump sums;
6. It is incurred and paid out within the eligibility period, starting with 1st of January 2021, but not later than 31.12.2029. Preparation costs are eligible if they were incurred between 01.01.2021 and the submission of the Application Form;
7. It is incurred in the interest of Interreg VI-A Romania-Bulgaria Programme. Any investment activity (such as works, equipment, installation of equipment etc.) carried out outside the ITS area shall not be eligible from Programme funding, unless it is allowed by the dedicated Invitation for submission of the full application for the project ideas accepted by the Interreg VI-A Romania-Bulgaria Programme in the context of the Integrated Territorial Strategy or the related Applicant’s Guide, where applicable. If specified by the dedicated Invitation for submission of the full application or the related Applicant’s Guide, the purchased equipment must be located, installed and used in the ITS area; as an exception, in duly justified cases, IT equipment (laptops and/or desktops) can be purchased and used outside the ITS area, provided they are used in the interest of the programme and ITS and are necessary for implementing the project activities. If specified by the dedicated Invitation for submission of the full application of the related Applicant’s Guide, the IT equipment (laptop and/or desktops, printers, scanners etc.) for equipping the project implementation team for carrying out the project management tasks are included under the Office and administration costs, covered by the flat rate and can be used outside the ITS area;
8. Comply with the principle of real costs except for costs calculated on basis of simplified cost options (flat rates, unit costs, lump sums);
9. It complies with the principle of sound financial management, in particular value for money and cost-effectiveness;
10. It is registered in the beneficiary’s accounts through a separate accounting system or an adequate accounting code set in place specifically for the project (with the exception of costs calculated on basis of simplified cost options);
11. Is not in contradiction with any specific eligibility criterion applicable to the respective cost category (see below);
12. It complies with eligibility rules at European, Programme and national level; it observes the relevant procurement rules, if applicable.
13. **No sub-contracting between project partners or associated partners is allowed.**
14. It is included in the present list of eligible expenditure.
15. In case expenditures are reimbursed on flat rate, beneficiaries do not need to present for further controls supporting documents proving that the expenditure has been incurred and paid or that the flat rate corresponds to the reality. However, documents proving the actions related to the cost reimbursed on flat rate could be requested during the project implementation.

**Article 2**. The provisions of the present document shall be supplemented by the provisions of the Invitation for submission of the full application or the relevant Applicant’s Guide, valid for the respective call.

**Article 3.** According to article 37, paragraph 3 of Regulation (EU) No 2021/1059, for matters not covered by the eligibility rules laid down in Articles 63 to 68 of Regulation (EU) 2021/1060, Regulation (EU) 2021/1058 and Regulation (EU) No 2021/1059, or in the present rules established jointly by the participating Member States, the national rules of the Member State in which the expenditure is incurred shall apply.

**Article 4.**

1. The hierarchy of rules on eligibility of expenditure applicable to Interreg projects is as follows:
2. EU rules on eligibility as set out in:

* Regulation (EU, Euratom) No 2024/2509 on the financial rules applicable to the general budget of the Union;
* Regulation (EU) No 2021/1060 (Common provisions regulation);
* Regulation (EU) No 2021/1058 (ERDF regulation);
* Regulation (EU) No 1059/2021 (Interreg regulation).

1. Programme eligibility rules as set out in this document;
2. National (including institutional) eligibility rules. Such rules only apply for matters not covered by eligibility rules set in the abovementioned EU and programme rules.
3. This hierarchy of rules only applies to eligibility rules of expenditure. All applicable EU and national rules, apart from eligibility of expenditure, are on a higher hierarchical level than rules set by the Interreg VI-A Romania-Bulgaria Programme and must therefore be followed (e.g. procurement law, law on state aid). In such cases, the partner has to follow the stricter applicable rule.

**Article 5.** The following costs are not eligible:

1. fines, financial penalties and expenditure on legal disputes and litigation;
2. costs of gifts;
3. costs related to fluctuation of foreign exchange rate;
4. interest on debts;
5. costs for alcoholic beverages;
6. value added tax (‘VAT’), except:
7. for operations the total cost of which is below EUR 5 000 000(including VAT);
8. for operations the total cost of which is at least EUR 5 000 000(including VAT) where it is non-recoverable under national VAT legislation;
9. the purchase of land for an amount exceeding 10% of the total eligible expenditure for the operation concerned; for derelict sites and for those formerly in industrial use which comprise buildings, that limit shall be increased to 15%;

**Article 6. (1)** Without prejudice to the eligibility rules laid down in or on the basis of Articles 63 to 68 of Regulation (EU) 2021/1060, Regulation (EU) 2021/1058 and Regulation (EU) No 2021/1059, this document sets out specific rules on eligibility of expenditure for Interreg VI-A Romania-Bulgaria Programme with regards to the following expenditure categories:

1. Staff costs;
2. Office and administrative costs;
3. Travel and accommodation costs;
4. External expertise and services costs;
5. Equipment costs;
6. Costs for infrastructure and works.

(2) The starting date of the expenditure eligibility, other than preparation costs, is set by specific provisions within the Invitation for submission of the full application or the relevant Applicant’s Guide for each call.

**Article 7.**

**(1)** For the purpose of this document, the direct costs shall include the following expenditure categories:

1. External expertise and services costs;
2. Equipment costs;
3. Costs for infrastructure and works.

(2) **These costs shall be reimbursed on real cost principle (supported by documents).**

**Article 8. Project preparation costs**

1. Preparation costs are eligible as of 1 January 2021.
2. Preparation costs shall be reimbursed based:
3. **on basis of a lump sum** for all projects financed via the Interreg VI-A Romania-Bulgaria Programme, as decided at Programme level, once the subsidy contract has been signed and its evidence has been registered in the Programme electronic system:

* lump sum for preparation costs covers the expenditures generated by the development of the application form and the documents mandatory for all applications;
* **lump sum for project preparation of 14,000 Euro (total value)** to be paid out by the Programme after the financing contract (subsidy) is signed (condition triggering the payment of the lump sum for project preparation);

1. **on real cost principle** (supported by documents):

* for the expenditures incurred before the launching date of a specific Invitation for submission of the full application or relevant call are eligible provided they are observing the rules of the Programme and are made in the interest of the project;
* these costs should cover preparatory technical documents, studies, cost benefit analysis, studies and costs for documentation necessary to obtain the necessary endorsements and authorizations, technical design etc. documents necessary to be submitted depending on the specificity of the application;
* the real costs must be requested in the 1st reporting period, if not the costs shall not be eligible for reimbursement under the Programme;
* **the project cannot request for reimbursement based on real costs the types of expenditures covered by the Preparation lump sum.**

**Article 9. Staff costs**

1. Staff costs expenditure consists of the gross employment costs of staff employed by the partner for implementing the project. Staff can either be already employed by the partner or contracted specifically for the project.
2. The project partners shall be able to demonstrate the existence of employment/works contracts or other equivalent legal agreement that allow the identification of the employment relationship with the partner’s organisation.
3. Payments to natural persons working for the Interreg partner under a contract other than an employment or work contract will be assimilated to salary payments and such a contract shall be considered to be an employment document (art. 39 paragraph 2 of Regulation 1059/2021).
4. **Staff costs shall be reimbursed as a flat rate of 20% or up to 20% (depending on the conditions established in the corresponding Invitation for submission of the full application or the related applicant’s guide) of direct eligible costs of the operation (see art. 7(1)). The beneficiary does not need to document that the expenditure has been incurred and paid out.**
5. Direct costs that form the basis for calculation of staff costs must be incurred and paid by the beneficiary as real costs.

**Article 10. Office and administrative costs**

1. Office and administrative costs covers operating and administrative expenses of the beneficiary that are necessary for the implementation of the project.
2. Office and administrative costs/Indirect costs are costs which are not or cannot be connected directly to the implementation of the operation in question[[1]](#footnote-1).
3. Office and administrative expenditure shall be limited to the following elements:
4. office rent;
5. insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances);
6. utilities (e.g. electricity, heating, water);
7. office supplies;
8. accounting;
9. archives;
10. maintenance, cleaning and repairs;
11. security;
12. IT systems (e.g., administration and management of office hard- and software);
13. communication (e.g. telephone, fax, internet, postal services, business cards);
14. bank charges for opening and administering the account or accounts where the implementation of an operation requires a separate account to be opened;
15. charges for transnational financial transactions.
16. **Office and administrative expenditure shall be reimbursed as a flat rate of or up to 15% of eligible direct staff costs of the operation, in accordance with the Invitation for submission of the full application or the related Applicant’s Guide for the call.**
17. Beneficiaries do not need to document that the expenditure has been incurred and paid. However, documents proving the actions related to office and administrative costs could be requested during the project implementation.

**Article 11. Travel and accommodation costs**

1. Travel and accommodation costs refers to the expenditure for travel and accommodation of staff of the beneficiary for missions that are necessary for the project implementation, regardless whether such costs refer to missions taking place inside or outside the ITS area.
2. Travel and accommodation costs can be incurred and paid inside or outside the ITS area and shall be limited to the following cost elements:
3. travel costs (such as tickets, travel and car insurance, fuel, car mileage, toll, and parking fees);
4. the cost of meals;
5. accommodation costs;
6. visa costs;
7. daily allowances.
8. Any elements listed in points (a) to (d) of paragraph 2 covered by a daily allowance shall not be reimbursed in addition to the daily allowance.
9. Travel and accommodation costs shall cover the participation of project partners in events organised within the project (such us partners meetings etc.) or by other entities, relevant for the project implementation (such us the meetings organized by the Programme’s structures, other projects etc.).
10. The travel and accommodation expenses of external experts (including invited speakers, experts and chairpersons of meetings) and service providers fall under external expertise and services costs listed in Article 12 and shall be reimbursed on basis of real costs. The same applies to travel and accommodation costs of staff of institutions acting as associated partners.
11. **Travel and accommodation costs shall be reimbursed as a flat rate of or up to 15% of the eligible direct staff costs of the operation, in accordance with the Invitation for submission of the full application or the related Applicant’s Guide for the call.**
12. The beneficiaries do not need to document that the expenditure for travel and accommodation costs has been incurred and paid. However, documents proving the actions related to travel and accommodation could be requested during the project implementation.

**Article 12. External expertise and services costs**

1. External expertise and services can be provided by a public or private body or a natural person outside of the beneficiary organisation.
2. External expertise and services costs are paid on the basis of contracts or written agreements and against invoices or requests for reimbursement to external experts and service providers who are sub-contracted to carry out certain tasks or activities linked to the implementation of the project.
3. Expenditure on external expertise and service costs shall be limited to the following elements (exhaustive list):
4. Studies or surveys (e.g. evaluations, strategies, concept notes, design plans, handbooks);
5. Training;
6. Translations;
7. Development, modifications and updates to IT systems and website (strictly related to the project);
8. Promotion, communication, publicity or information linked to the project;
9. Financial management;
10. Services related to the organisation and implementation of face-to-face events or meetings (including rent, catering or interpretation);
11. Participation in events (e.g. registration fees);
12. Legal consultancy and notarial services, technical and financial expertise, other consultancy and accountancy services;
13. Intellectual property rights;
14. Provisions of guarantees by a bank or other financial institution where required by EU or national law or in the programme manual;
15. Travel and accommodation for external experts, speakers, chairpersons of meetings and service providers;
16. Other specific expertise and services needed for the project.
17. External expertise and services must be clearly and strictly linked to the project and be essential for its effective implementation;
18. External expertise and services have to be clearly foreseen in the application and shall not duplicate costs already budgeted under staff costs or the task of project management team;
19. Promotional materials are eligible only if referring to items included in the programme pre-defined list of eligible materials, namely: pens and pencils; (Paper) notebooks; Bags (made of sustainable materials like cotton, paper or linen); cardboard conference folders; USB Sticks. The promotional materials imposed by the regulations are eligible, based on the type of the project. All promotional items must respect the green principle and the quality produced should be reasonable and justified;
20. Promotional material is eligible provided that the costs of a single item remain limited and do not exceed EUR 50 and that it clearly serves the objectives of the project communication strategy;
21. Complementary activities to events (e.g. site visits) must have clear and demonstrable project relevance, otherwise costs linked to them are not eligible;
22. Travel and accommodation costs of staff of associated partners, if the case, as well as of external speakers and external participants in project meetings and events must be included under this cost category. Such costs must comply with applicable national and institutional rules about travel and accommodation;
23. Sub-contracting between partners of a same project or associated partners, if the case, is not allowed.
24. External expertise and services costs shall be reimbursed on a real costs basis.

**Article 13. Equipment costs**

1. Equipment costs refer to equipment purchased, which is used exclusively to carry out the project activities and to infrastructures which are essential for the implementation of the project.
2. Expenditure for the financing of equipment purchased by the beneficiary of the operation other than those covered by Article 10 shall be limited to the following:
3. office equipment;
4. IT hardware and software;
5. furniture and fittings;
6. laboratory equipment;
7. machines and instruments;
8. tools or devices;
9. vehicles;
10. other specific equipment needed for operations.
11. Equipment must be clearly linked to the project and **be essential** for its effective implementation;
12. Equipment items for general office use for which the exclusive use in the project cannot be demonstrated fall under Office and administrative costs listed in Article 10 and shall be reimbursed as a flat rate of 15% of eligible direct staff costs of the operation.
13. Equipment items have to be duly described in the application form
14. Equipment expenditure cannot refer to items already financed by other EU or third party funds;
15. Where applicable, equipment items must respect the relevant branding rules;
16. Equipment cannot be purchased from another project partner or associated partner, if the case, within the project.
17. The procurement of hybrid or electric vehicles is supported. Only in dully-justified cases, the purchase of vehicles using fossil fuel is accepted (this justification should be detailed in the application form).
18. Equipment costs shall be reimbursed on a real costs basis.

**Article 14. Infrastructure and works**

1. The costs for infrastructure and works shall be limited to the following elements
2. Purchase of land for an amount **not** exceeding 10% of the total eligible expenditure for the operation concerned; for derelict sites and for those formerly in industrial use which comprise buildings, that limit shall be increased to 15%;
3. Building permits;
4. Building material;
5. Labour;
6. Specialised interventions (e.g. soil remediation, mine-clearing).
7. Costs of feasibility studies, environmental impact assessments, architectural or engineering activities and any other expertise needed for the realization of the infrastructure, shall be allocated under the cost category “External expertise and services costs”, listed in Article 12 (if drafted with the support of external suppliers).
8. Costs must be clearly linked to the project and be essential for its effective implementation;
9. Costs for infrastructure and works have to be in line with the approved application form;
10. Full costs for infrastructure and works within the project are eligible;
11. Eligibility of costs is subject to the respect of EU, national and programme procurement rules;
12. Depending on the nature of the intervention to be carried out, all compulsory requirements set by EU and national legislation on environmental policies, must be fulfilled;
13. Where applicable, works must have been previously authorised by national/regional/local authorities (building permits);
14. The land or buildings where works will be carried out must be in the ownership of the partner or the partner must have set in place long-term legally binding arrangements in order to fulfil durability (including maintenance) requirements;
15. Infrastructure and works expenditure cannot refer to items financed by other EU or third party subsidies and must not be already depreciated;
16. In case of infrastructure and works that are part of a larger infrastructural investment funded through other sources, the part financed by the Interreg VI-A Romania-Bulgaria project must be clearly and univocally identifiable;
17. Where applicable, infrastructure and works realised by the project must respect the relevant branding requirements;
18. Requirements concerning durability, including ownership and maintenance, as provided by art.65 from EU Reg. 1060/2021, apply to infrastructure funded within a project;
19. Investments in infrastructure which have an expected lifespan of at least 5 years shall ensure their climate proofing.

**Article 15 Project closure costs**

1. Closure costs shall be reimbursed on basis of a lump sum as decided at Programme level for all projects financed via the Interreg VI-A Romania-Bulgaria Programme;
2. **Lump sum for project closure of 6,500 Euro** (total value) will be paid out by the Programme;
3. **Reimbursement of the granted lump sum for project closure is linked to the delivery of predefined output** (final project report approved);
4. This form of reimbursement is obligatory for all beneficiaries.

1. EC Guidance on Simplified Cost Options, page 20, Indirect costs and Regulation 2021/1059, art. 43 [↑](#footnote-ref-1)