



Practical budgeting exercise-budget process

The EU funds

What is the difference between Call for Tender and Call for Proposal?

- **Eligibility criteria**
- **Procedures**
- **Nature of the financial contribution.**
- **Profit**

Financial Guidelines: GENERAL PRINCIPLES

- European Funding and Grants are subject to the principles laid down in the Financial Regulation
- Co-financing principle
- No double financing rule
- No-profit rule

Financial Guidelines: GENERAL PRINCIPLES



Eligible direct costs

- *Staff costs*
- *Travel, accommodation and subsistence allowances*
- *Catering*
- *Administration Costs*
- *Costs of services :*

Information dissemination and publications

Translation

Interpretation

Evaluation

Subcontracting and provision of services

Financial Guidelines: GENERAL PRINCIPLES



Eligible indirect costs

- *Overheads*

Indirect costs are general administrative costs – overhead costs incurred in connection with the eligible direct costs of the action. They are limited to a maximum flat-rate of 7% of the total eligible direct costs for the action.

Financial Guidelines: GENERAL PRINCIPLES



Non-eligible costs

- contributions in kind: these are contributions that are not invoiced, such as voluntary work,
- equipment or premises made available free of charge;
- - return on capital;
- - debt and debt service charges;
- - doubtful debts;

Financial Guidelines: GENERAL PRINCIPLES



Non-eligible costs

- provisions for losses or potential future liabilities;
- - interest owed;
- - exchange losses;
- - VAT, unless the beneficiary can show that he/she is unable to recover it according to the applicable national legislation. VAT paid by public bodies is not an eligible cost.

INCOME: must be identical to total expenditure and must show:



The beneficiary's contribution in cash



The revenue generated by the action



The EU grant

HOW THE GRANT WILL BE CALCULATED

- the Commission will calculate the EU contribution as a percentage of the total eligible costs as shown in the estimated budget for the implementation of the action
- Application of the "**double ceiling**" rule limiting the grant both to the percentage of the eligible costs and to the maximum amount mentioned in the grant agreement



Do You Have Any Questions?

We would be happy to help.

Working Groups: preparation of budget





GRAZIE PER L'ATTENZIONE

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