



Info Day on the 2024 AGRIIP Calls

Budgetary Aspects

Anne Burchett



AGENDA



1. First Principle
2. Cost distribution
3. Cost estimation
4. Eligible costs

FIRST PRINCIPLE



“Know your numbers is a fundamental precept of business”

Figures give reviewers an instant feel for the proposal.

REA’s scoring grid:

- *There are no errors in the analysis of costs in part B and in the Detailed budget table.*
- *Detailed budget table is reconciled with the budget presented in Part A of the proposal, and with the description in Part B, Section 4.*



Check and double check your work

COST DISTRIBUTION

REA's scoring grid:

The budget is efficiently split between the activities. It is commensurate with the described strategy and expected impact.



Put costs under the right headlines, e.g. online advertising is to be presented under this subheading and not under “3. Website, social media” costs.

COST ESTIMATION



- **The budget analysis shall provide a sufficient level of detail: using estimated costs for each deliverable.**
- **The costs of activities are coherent with the description and scope of the deliverables.**
- **The description is detailed enough to estimate their cost-efficiency.**
- **Costs of individual activities are comparable to the usual market rates in the target country.**
- **For each deliverable, costs are described and presented by using costs per output.**
- **The number of person-days estimated for activities implemented by the applicant(s) is proportional to the level of its(their) involvement in the programme implementation; their rates are justified.**

ELIGIBLE COSTS



Costs eligible for EU funding shall meet all of the following criteria:

- ✓ **They are actually incurred by the beneficiary during the implementation of the programme, with the exception of costs relating to final reports and evaluation.**
- ✓ **They are indicated in the estimated overall budget of the programme.**
- ✓ **They are necessary for the implementation of the programme.**
- ✓ **They are identifiable and verifiable.**
- ✓ **They comply with the requirements of the applicable tax and social legislation;**
- ✓ **They are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency.**

ELIGIBLE COSTS



The following categories of costs are **ELIGIBLE**:

- ✓ **Costs relating to an advance guarantee provided by a bank or financial institution.**
- ✓ **Costs relating to external audits where such audits are required in support of the requests for payments.**
- ✓ **Personnel costs limited to salaries, social security charges and other costs included in the remuneration of personnel assigned to the implementation of the programme, the costs for natural persons working under a direct contract with the beneficiary other than an employment contract or seconded by a third party against payment.**
- ✓ **Value added tax ('VAT') where it is not recoverable under the applicable national VAT legislation.**
- ✓ **Costs of studies to evaluate the results of promotional and information measures performed by an independent and qualified external body.**

NON-ELIGIBLE COSTS



The following categories of costs are **NOT ELIGIBLE**:

Financial : return on capital, debt and debt service charges, provisions for losses or debts, interest owed, doubtful debts, exchange losses, costs of transfers from the Commission charged by the bank of a beneficiary

Double-funded: costs declared by a beneficiary and covered by another action receiving a European Union grant. contributions in kind

Inflated: excessive or reckless expenditure

Illegal: deductible VAT

Not necessary for implementation: costs (especially travel and subsistence costs) for staff or representatives of EU institutions, bodies or agencies.

AND ANOTHER THING...

Please think about the planet!



ENJOY
IT'S FROM
EUROPE



Funding rules are simple and based on common sense: if you use the same logic as you would when hiring a subcontractor/agency, you're unlikely to go wrong.