

Eligible expenditures of the Bilateral Fund

General rules

When planning and implementing expenditures for the initiatives, it is necessary to proceed on the basis of the **principles of economy, efficiency and effectiveness (3E)**.

All accounting documents (invoices, bills, contracts etc.) must be provided with text **“Financed from the EEA and Norway Grants 2014 – 2021”**.

Rules for planning of expenditures in the Application

In case that planned expenditures proposed in the Application **exceed the thresholds specified below**, an adequate justification must be included in the relevant part of the Application – Detailed Budget.

The monthly exchange rate of the European Central Bank (ECB)¹ valid in the month of announcement of this open call – 25.843 CZK/EUR – shall be used for calculation of planned expenditures. For conversions from other currencies (i.e. NOK, ISK, CHF) to EUR/CZK, we also recommend to use the **monthly exchange rate of the ECB** valid in the month of preparation of the Application.

The Application submitted by the Czech entity, as well as by the donor state entity, shall be budgeted in CZK. Planned expenditures of the donor state partner of the Czech applicant shall be converted to CZK using the above mentioned exchange rates.

Currency for reporting of actually incurred expenditures and conversion principles

The request for payment is submitted in CZK. If the final beneficiary realises payments in local currency of the respective donor state (e.g. NOK), the **monthly exchange rate of the European Central Bank** valid in the time of realisation of payment shall be used for conversion to CZK. The exchange rate for the lump sum expenditures shall be the same as the exchange rate used for the calculation of planned expenditures in the Application (i.e. **25.843 CZK/EUR**).

Options for settlement of expenditures between partners

Czech final beneficiary and donor state partner

Czech final beneficiary reimburses expenditures of donor state partner **before submission of the monitoring report** via bank transfer, the payment made in foreign currency must be equal to the amount of the incurred donor state partner expenditures. The equivalent in CZK stated on the bank account statement is then included in the request for payment. The same applies for transfer of advance payment.

The similar principle applies in case of Donor state final beneficiary and Czech partner.

¹ http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm

List of eligible expenditures

Category of expenditure	Thresholds (incl. VAT) / rules	Documents
International travel costs Return air ticket (economy class) incl. cancellation insurance	25 000 CZK / 967 EUR	<ul style="list-style-type: none"> - copies of boarding passes - accounting document and bank account statement / bill
Subsistence allowance Daily lump sum including accommodation, local transport, meals and travel insurance per person (Per diems) ²	<p>1) Standard rate - set according to EU flat rates in Annex 1 to the Commission decision of 18.11.2008 and subsequent updates. (for latest update see https://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/index_en.htm_en)³</p> <p>2) Reduced rate – to be applied when standard rate would not be economic and effective with regard to the planned scope and purpose of the initiative (for example foreign travels involving higher number of participants, long term stays etc.)</p> <p>The applicant shall determine the reduced rate in the proposed budget of the initiative according to the planned real costs of individual per diem components (i.e. accommodation, local transport, meals and travel insurance). The calculation of costs for individual per diem components per person shall be indicated and justified in the Grant application, incl. the amount of individual per diem components.⁴</p>	<ul style="list-style-type: none"> - proved by documents substantiating implementation and eligibility of activities and expenditures (f.e. boarding passes, attendance sheets etc.)
Admission fees – related to the substance of the initiative	Fee per person / number of persons	<ul style="list-style-type: none"> - accounting document and bank account statement / bill
Local business trip expenditures in the country of origin of FB/partner	<p>Czech entity shall follow the Labour Code, Act no. 262/2006 Coll. as amended.</p> <p>Donor state entity shall follow respective national legislation/internal procedures of the particular entity.</p>	<ul style="list-style-type: none"> - approved documents related to settlement of business trip

² If free accommodation or meals were provided, the amount of per diem will be lowered by the amount corresponding to 40 % per diem for accommodation (regardless the accommodation with or without breakfast), 40 % for meals (20 % lunch, 20 % dinner). In case that the participant of international travel does not stay overnight, the per-diem is automatically lowered by 40%. Per diems for any day not comprising an overnight stay shall be lowered by the amount corresponding to 40 % per diem for accommodation.

³ For Liechtenstein, the same amount is relevant as the mentioned flat rate for Switzerland.

⁴ The calculation shall be based on prices that are standard in the given time and place and that are appropriate for specific activity and the overall initiative purpose. The draft budget will be assessed as if it was based on the real costs, therefore, within the assessment process, individual per diem components may be reduced, leading thus to the reduction of the proposed per diem rate.

Fees for experts (employees of the FB and partner/s)	<p>Expenditures related to remuneration of agreements to perform work/ agreements to complete a job, or, alternatively, to wages/salaries based on the employment contract. Expenditures must correspond to standard remuneration in the given place and time and follow the 3E principle.</p> <p>Expenditures are eligible at the level of nominal wages/ salaries⁵ including gratuities, bonuses, statutory contributions for health insurance and social security paid by the employer, including any other levies that the employer is obligated to pay pursuant to applicable legislation (e.g. contribution to Cultural and Social Needs Fund) at the ratio of the working time spent by the employee on an initiative.</p> <p>Gratuities and bonuses are eligible only if they were awarded for the work performed within the initiative. Regular gratuities/bonuses or gratuities/bonuses not related to the work on the initiative are not eligible for financing.</p> <p>Reporting of overtime work of employees is not considered eligible expenditure.</p>	<ul style="list-style-type: none"> - agreements to perform work/ agreements to complete a job/ employment contract of an expert or its amendment (if applicable) - accounting document and bank account statement / cash expenditure document - payroll (if applicable) - proof of work, i.e. timesheet filled in and signed by the employee and approved by his/her superior⁶ or, alternatively, confirmation of work executed within the initiative
External services (including external experts)	<p>The price shall be specified on the basis of a preliminary inquiry (<i>the common price</i>).</p> <p>The procurement process shall proceed in line with public procurement rules (<i>if relevant</i>).</p>	<ul style="list-style-type: none"> - order / contract - accounting document and bank account statement / cash expenditure document
Rental of meeting/conference rooms including technical equipment	60 000 CZK (2 321 EUR) /day	<ul style="list-style-type: none"> - order / contract - accounting document and bank account statement / bill
Refreshment (catering)	1 500 CZK (58 EUR) /person/day	<ul style="list-style-type: none"> - order / contract incl. calculation per person (if relevant) - accounting document and bank account statement / bill

⁵ Nominal wage/ salary is the gross wage/ salary that covers the basic wage/ salary, gratuities and supplements to the wage or salary, paid vacation, sickness benefits for the period in which they are paid by the employer and any benefits included as a standard in the contract (e.g. CSNF), net of income not directly related to the given initiative. Other wage/ salary compensations such as indisposition leave, personal leave, contributions to supplementary pension schemes, or any other similar expenditures of the employer are not included in the nominal wage/salary.

⁶ In case the employee works on the initiative only part time, the costs related to his/her work must be split up to costs related to the initiative and the costs not related to the initiative. The split has to be based on the verifiable criterion (for example based on percentage of the fulltime equivalent). The applicant/FB must be able to prove the application of the selected criterion. In case of full time job related exclusively to the implementation of the initiative, timesheets are not requested.

Coordination of the initiative	Expenditure on salaries of the FB/partner (in duly justified cases – justification given in the Application form – part Detailed Budget).	<ul style="list-style-type: none"> - employment contract of the coordinator (if applicable) - accounting document and bank account statement / cash expenditure document - proof of work, i.e. timesheet, confirmation of work executed in connection with the initiative
Consecutive interpretation ⁷	10 000 CZK (387 EUR) /day	<ul style="list-style-type: none"> - order / contract - accounting document and bank account statement / cash expenditure document
Simultaneous interpretation ⁸ (including interpretation equipment)	40 000 CZK (1 548 EUR) /day	<ul style="list-style-type: none"> - order / contract - accounting document and bank account statement / cash expenditure document
Translation of documents ⁹	600 CZK (23 EUR) /standard page	<ul style="list-style-type: none"> - order / contract - accounting document and bank account statement / cash expenditure document
Other expenditures	Expenditure not specified above necessary and directly connected to the implementation of the initiative. Justification shall be included in the application for grant.	<ul style="list-style-type: none"> - order / contract - accounting document and bank account statement / cash expenditure document

^{7, 8, 9} Prove of eligibility of translator/interpreter:

1. entry in the register of experts and interpreters or a court interpreter/translator associated in the Chamber of Court Interpreters of the Czech Republic, a member of the Association of Conference Interpreters (ASKOT), a member of the Translators' Guild, a member of the Union of Interpreters and Translators **and/or**
2. a university degree in translating or interpreting, university studies of the relevant language, completed translating or interpreting course, study of the relevant language at a language or other school – state exam, international tests (CV, certificate, diploma) **and/or**
3. proven experience/practice in translating / interpreting (CV, references) **and/or**
4. proven cooperation with translating and interpreting agency, preferably certified **and/or**
5. self-employed, licence no. 69 Translating and interpreting

Non-eligible expenditures

The following costs are not considered eligible:

- expenditures not incurred in connection with the subject of the initiative and/or not approved for financing within the Application or within the modification request(s);
- exchange fees, exchange losses;
- interest on debt, debt service charges and late payment charges;
- charges for financial transactions and other purely financial costs, except costs related to accounts required by the FMC, the National Focal Point or the applicable law and costs of financial services imposed by the project contract;
- provisions for losses or potential future liabilities;
- recoverable VAT, i.e. VAT with the right to deduct input tax;
- paid tax (road tax, real estate tax, gift tax, inheritance tax etc.) and customs duties;
- indirect costs (overheads);
- costs that are covered by other sources;
- administrative charges;
- fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the initiative and is included in the Application budget;
- excessive or reckless expenditures.