

Eligible expenditures of the Bilateral Fund

1. 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)**.

Accounting documents (invoices, receipts, contracts, etc.) must clearly show that they relate to the EEA / Norway Grants (e.g. by including information in the text of the accounting document, marking the printed document with the text "*Financed from the EEA and Norway Grants 2014 – 2021*" or by the code of the accounting centre designated to the EEA / Norway Grants).

2. Rules for budget planning

The Grant Application shall be budgeted in CZK. You shall use the exchange rate set for this open call – **24,450 CZK/EUR** for the calculation of planned expenditure from EUR. For conversions from other currencies (i.e. NOK, ISK, CHF) you shall use the monthly exchange rate of the ECB valid in the month of preparation of the *Grant Application*.

3. Rules for reporting of realized expenditures in the Request for payment

The payment request is **always** submitted in CZK.

We recommend the final beneficiary ("FB"), when possible, to settle the costs related to partner's involvement in the initiative directly to the supplier of services/deliveries, i.e. partner's flight tickets, rooms rental, conference services or refreshment in partner's country etc.¹. It's easier to report primary expenditures directly settled by FB than to ask a partner to send his copies of primary accounting documents / reports certifying partner's eligible expenditures, to reimburse those expenditures to partner retroactively and to prove reimbursed amounts in a payment request.

In case of retroactive reimbursement of expenditures realized by a partner, FB reimburses partner's expenditures via bank transfer before submission of the monitoring report.

Expenditures realized in a foreign currency are reported in the payment request in CZK as follows²:

1. In case that a payment is realized from or to an account held in CZK, a reported CZK amount is equal to an amount recorded on a bank account statement.
2. In case that a cash payment or payment from an account held in foreign currency that is not possible to prove according to par. 1. is realized, for the conversion to CZK amount:

¹ In case the grant or its respective part is provided as **de minimis** aid, the costs related to partner's involvement **shall be paid directly by the FB**.

² Not valid for daily per diems lump-sum

- a) monthly exchange rate of the ECB valid in the month of the realization of the payment in foreign currency is applied (valid for donors entities)
- b) exchange rate set in the internal procedures of the FB or daily exchange rate of CNB³ valid on the date of realization of a primary expenditure is applied (valid for Czech entities).

The exchange rate for per diems lump sum expenditures applied for reporting in a payment request shall be the same as the exchange rate used for the calculation of planned expenditures in the Grant Application, i.e. exchange rate set for this open call.

4. List of eligible expenditures

Only direct expenditures are eligible, i.e. only individual expenditures supported by particular accounting documents – see more in the table below (not valid for per diems lump sum). For the purposes of reporting of expenditures in the payment request, it is also possible to use a **Report certifying eligibility of costs** (see Annex 14) instead of copies of the originals of accounting documents.

Project partner is not allowed to claim the sum of his primary expenditures in one summary invoice submitted to FB for reimbursement.

Simultaneously, it is necessary to attach to the payment request **a printout from the accounting records of all transactions**, i.e. mainly costs and expenditures of entities that must account for costs and expenses **in order to prove that all expenditures are recorded on accounting centres/items of EEA/ Norway Grants.**

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

In case of contracting services/equipment the Final Beneficiary has to follow the Public procurement law (Act no. 134/2016 Coll.) and be in line with Conflict of interest Law (Act no. 159/2006 Coll.), namely §4b where the conflict of interest of public officials and their companies is described.

Category of expenditure	Thresholds (incl. VAT) / rules	Documents
International travel costs Return air ticket (economy class) incl. cancellation insurance (e.g. flight cancellation)	25 000 CZK (1 022 EUR)	<ul style="list-style-type: none"> - documents substantiating the realization of trip (e.g. boarding passes, eventually invoice and attendance list, approved business trip report, etc.) - accounting document - bank account statement (if

³ Such calculated CZK equivalent must be recorded and traceable in accounting of FB. When entering expenditure into accounting, the FB proceeds according to either its own internal procedures or enters an expenditure into accounting in an appropriate amount set by CNB daily exchange rate.

Category of expenditure	Thresholds (incl. VAT) / rules	Documents
		applicable) or bill / cash expenditure document
Daily lump sum for per diems ⁴ including accommodation, local transport, meals and travel insurance per person	<p>1) Standard rate - set according to the flat rates specified in section 5 of this Annex.</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 note to this budget item must include justification for the lower amount.⁵</p>	<ul style="list-style-type: none"> - documents substantiating implementation and eligibility of activities and expenditures (e.g. boarding passes, attendance lists, approved business trip reports etc.)
Admission fees – related to the substance of the initiative	Fee per person / number of persons	<ul style="list-style-type: none"> - accounting document - bank account statement (if applicable) or bill / cash expenditure document
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 incl. copies of documents (tickets etc.)
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/ salaries⁶ including gratuities, bonuses, statutory contributions for health insurance and social security paid by the employer, including any other levies that the</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 - bank account statement (if applicable) or bill / cash expenditure document /

⁴ 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.

⁵ 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.

⁶ **Nominal wage/ salary** is the gross wage/ salary that covers the basic wage/ salary, gratuities and supplements to the wage or salary as well as compensations given by the law (e.g. paid vacation, time spent at a doctor, weddings, funerals, personal time off, sick leave or sickness benefits for the period in which they are paid by the employer) and any benefits included as a standard in the contract, net of income not directly related to the given programme/ project. Other wage/ salary compensations such as gifts for jubilees, contributions to supplementary pension schemes, contributions to recreation, or any other similar expenditures of the employer, which are not given by the law, are not included in the nominal wage/salary.

Category of expenditure	Thresholds (incl. VAT) / rules	Documents
	<p>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>	<p>payroll (if applicable)</p> <ul style="list-style-type: none"> - proof of work, i.e. timesheet filled in and signed by the employee and approved by his/her superior⁷ 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 (the common price).</p> <p>The procurement process shall proceed in line with public procurement rules (if relevant).</p>	<ul style="list-style-type: none"> - order / contract - accounting document - bank account statement (if applicable) or bill / cash expenditure document (if applicable)
Rental of meeting/conference rooms including technical equipment	60 000 CZK (2 454 EUR) /day	<ul style="list-style-type: none"> - order / contract - accounting document - bank account statement (if applicable) or bill / cash expenditure document
Refreshment (catering)	1 500 CZK (61 EUR) /person/day	<ul style="list-style-type: none"> - order / contract incl. calculation per person (if relevant) - accounting document - bank account statement (if applicable) or bill / cash expenditure document
Coordination of the initiative	Expenditure on salaries of the FB/partner (in duly justified cases – justification given in the <i>Grant Application</i> – part Detailed Budget).	<ul style="list-style-type: none"> - employment contract of the coordinator (if applicable) - accounting document - bank account statement (if applicable) or bill / cash expenditure document - proof of work, i.e. timesheet, confirmation of work executed in

⁷ 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.

Category of expenditure	Thresholds (incl. VAT) / rules	Documents
		connection with the initiative
Consecutive interpretation ⁸	10 000 CZK (409 EUR) /day Eligible for financing within mass events (e.g. workshops, seminars, conferences). Utilisation for realization of working meetings of FB and project partners or within foreign trips is a subject to approval by JCBF within the processes of <i>Grant Application</i> assessment.	- order / contract - accounting document - bank account statement (if applicable) or bill / cash expenditure document
Simultaneous interpretation ⁹ (including interpretation equipment)	40 000 CZK (1 636 EUR) /day Eligible for financing within mass events only (e.g. workshops, seminars, conferences).	- order / contract - accounting document - bank account statement (if applicable) or bill / cash expenditure document
Translation of documents ¹⁰	600 CZK (24 EUR) /standard page	- order / contract - accounting document - bank account statement (if applicable) or bill / 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 <i>Grant Application</i> .	- order / contract - accounting document - bank account statement (if applicable) or bill / cash expenditure document

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 *Grant Application* or within the modification request(s);
- expenditures related to the preparation of the *Grant Application* (incl. its translation into English)
- exchange fees;

^{8, 10, 11} 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

- interest on debt, debt service charges and late payment charges;
- charges for financial transactions and other purely financial costs, except for bank fees for foreign payments related to eligible expenditures within the initiative;
- 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 *Grant Application* budget;
- excessive or reckless expenditures.

5. Per diems rates

Donor States	EUR
Iceland	349
Liechtenstein	348
Norway	275
Beneficiary States	EUR
Bulgaria	227
Croatia	180
Cyprus	238
Czech Republic	230
Estonia	181
Greece	222
Hungary	222
Latvia	211
Lithuania	183
Malta	205
Poland	217
Portugal	204
Romania	222
Slovakia	205
Slovenia	180

Rates for other states not listed above are available [here](#).