

16th January 2023

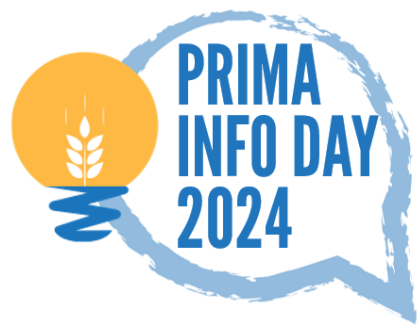


PRIMA INFO DAY 2024

FINANCIAL GUIDELINES

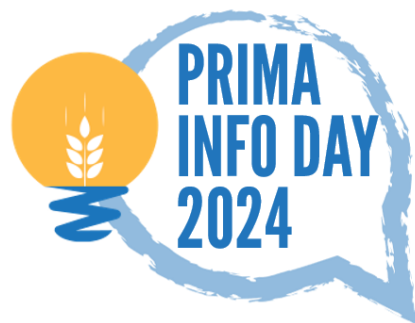
Pau Güell

Financial Manager



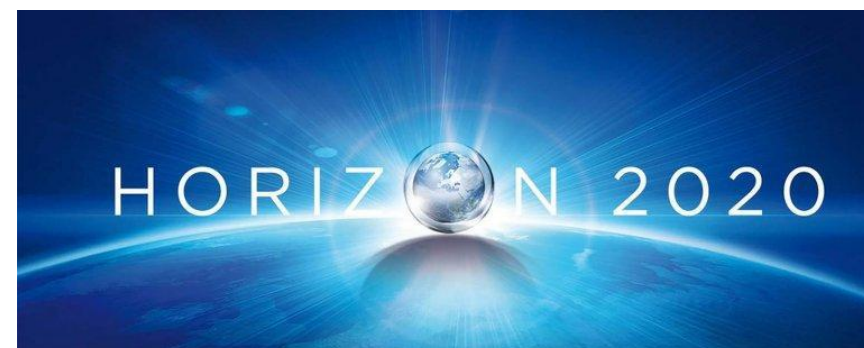
Summary

1. Budget overview
2. Eligible Costs
3. Ineligible Costs
4. Third Parties
5. Report and payment requests



1. Budget overview

- PRIMA Calls follows H2020 rules



- Check status Entity (Profit/Non-Profit)

IA Actions: 70% Profit entities

- Model Grant Agreement – AMGA

- No Budget changes between Stage 1 and Stage 2

- Check amounts submitted in the ANR vs Part 1 (Administrative form)

- Check Budget and duration on the AWP 2024

1. Budget overview

Example Budget IA-Linked Third parties

Partner number	Form of costs	A. Direct personnel costs				B. Direct costs of subcontracting	C. Direct costs of financial support	D. Other direct costs		E. Indirect costs	Total costs	Reimbursement rate	Maximum PRIMA contribution	Maximum grant amount
		A1, A2, A3, A6	A4, A5					D1, D2, D3, D4	D5					
Partner acronym		Actual	Unit	Unit	Unit	Actual	Actual	Actual	Unit	Flat rate				
		a	Total b	No hours	Total c	d	[e]	f	Total g	$h=0.25*(a+b+c+f+g-n)$	$j=a+b+c+d+e+f+g+h$	k	l	m
1	A	€ 339.719,00	€ -	€ -	€ -	€ 60.000,00	€ -	€ 67.750,00	€ -	€ 101.867,25	€ 569.336,25	100,00%	€ 569.336,25	€ 569.336,25
2	B	€ 36.000,00	€ -	€ -	€ -	€ -	€ -	€ 21.544,00	€ -	€ 14.386,00	€ 71.930,00	70,00%	€ 50.351,00	€ 50.351,00
7	G	€ 12.002,50	€ -	€ -	€ -	€ 3.500,00	€ -	€ 2.497,50	€ -	€ 3.625,00	€ 21.625,00	70,00%	€ 15.137,50	€ 15.137,50
Third party		€ 21.475,00	€ -	€ -	€ -	€ -	€ -	€ 2.000,00	€ -	€ 5.868,75	€ 29.343,75	70,00%	€ 20.540,63	€ 20.540,63
Third party		€ 52.000,00	€ -	€ -	€ -	€ -	€ -	€ 4.900,00	€ -	€ 14.225,00	€ 71.125,00	70,00%	€ 49.787,50	€ 49.787,50
9	I	€ 113.000,00	€ -	€ -	€ -	€ -	€ -	€ 46.000,00	€ -	€ 39.750,00	€ 198.750,00	100,00%	€ 198.750,00	€ 198.750,00
10	J	€ 99.000,00	€ -	€ -	€ -	€ -	€ -	€ 14.600,00	€ -	€ 28.400,00	€ 142.000,00	70,00%	€ 99.400,00	€ 99.400,00
	Total consortium	€ 1.273.321,50	€ -	€ -	€ -	€ 63.500,00	€ -	€ 532.371,50	€ -	€ 451.423,25	€ 2.320.616,25		€ 1.956.857,25	€ 1.956.857,25

The Linked Third Party: 1 row

IMPORTANT: Profit entities max 70%!

2. Eligible Costs

General conditions

ACTUAL COSTS

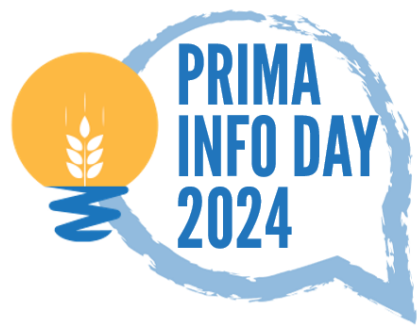
- ✓ Incurred by the beneficiaries
- ✓ According to the Annex1
- ✓ During the Period set out in Article3
- ✓ Indicated in the reports
- ✓ National law on taxes, labour and social security
- ✓ Reasonable, justified

UNIT COSTS

- ✓ The number of actual units must comply with the following conditions:
 - units must be actually used or produced in the period set out in Article 3;
 - Necessary, identified and verifiable
- ✓ be calculated as follows: Number of actual units x Amounts per unit

FLAT RATE COSTS

Calculated by applying the flat rate to eligible costs
(25% Eligible direct costs will be indirect costs)



2. Eligible Costs

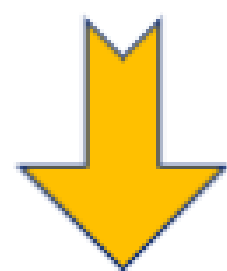
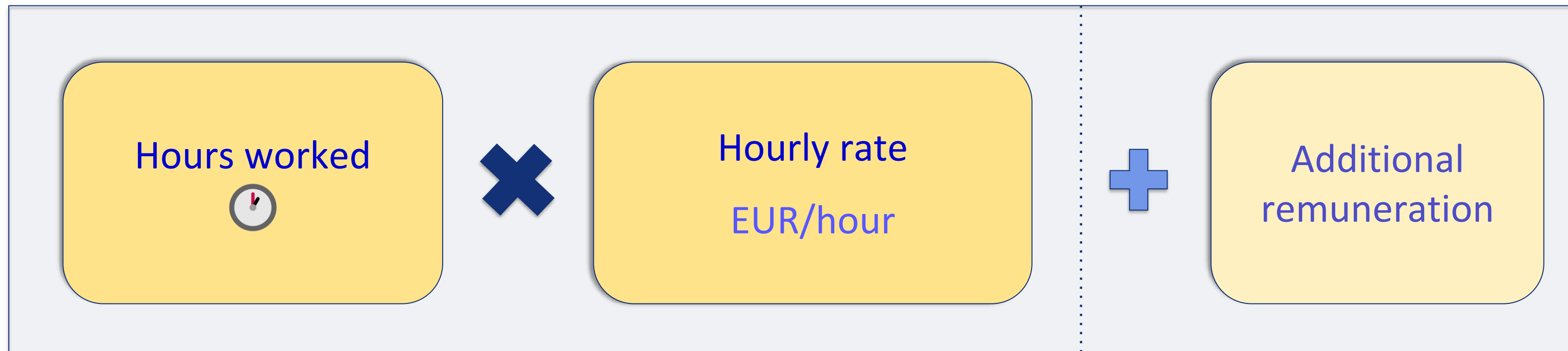
- A) Direct Personnel Costs
- B) Direct costs of subcontracting
- C) Direct costs of providing financial support to third parties
- D) Other direct costs
- E) Indirect costs

DIRECT COSTS: Costs directly linked to the action implementation and can be attributed directly to it.

INDIRECT COSTS: Costs NOT directly linked to the action implementation and cannot be attributed directly to it.

2. Eligible Costs

A) Direct Personnel Costs



Time records



Formula for actual costs &
specific unit costs

Only eligible for non-
profit legal entities

2. Eligible Costs

A) Direct Personnel Costs

$$\text{Hourly rate} = \frac{\text{Personnel costs}}{\text{Productive hours}}$$

Personnel Costs

- ✓ Salaries (basic remuneration)
- ✓ Social security contributions (employers' and employees')
- ✓ Taxes and other costs included in the remuneration if they arise from national law or the employment contract

Productive hours

1- 1720 hours

you must use this option if the employment contract does not specify the working time conditions or if the "annual workable hours" cannot be determined

2- Individual annual productive hours

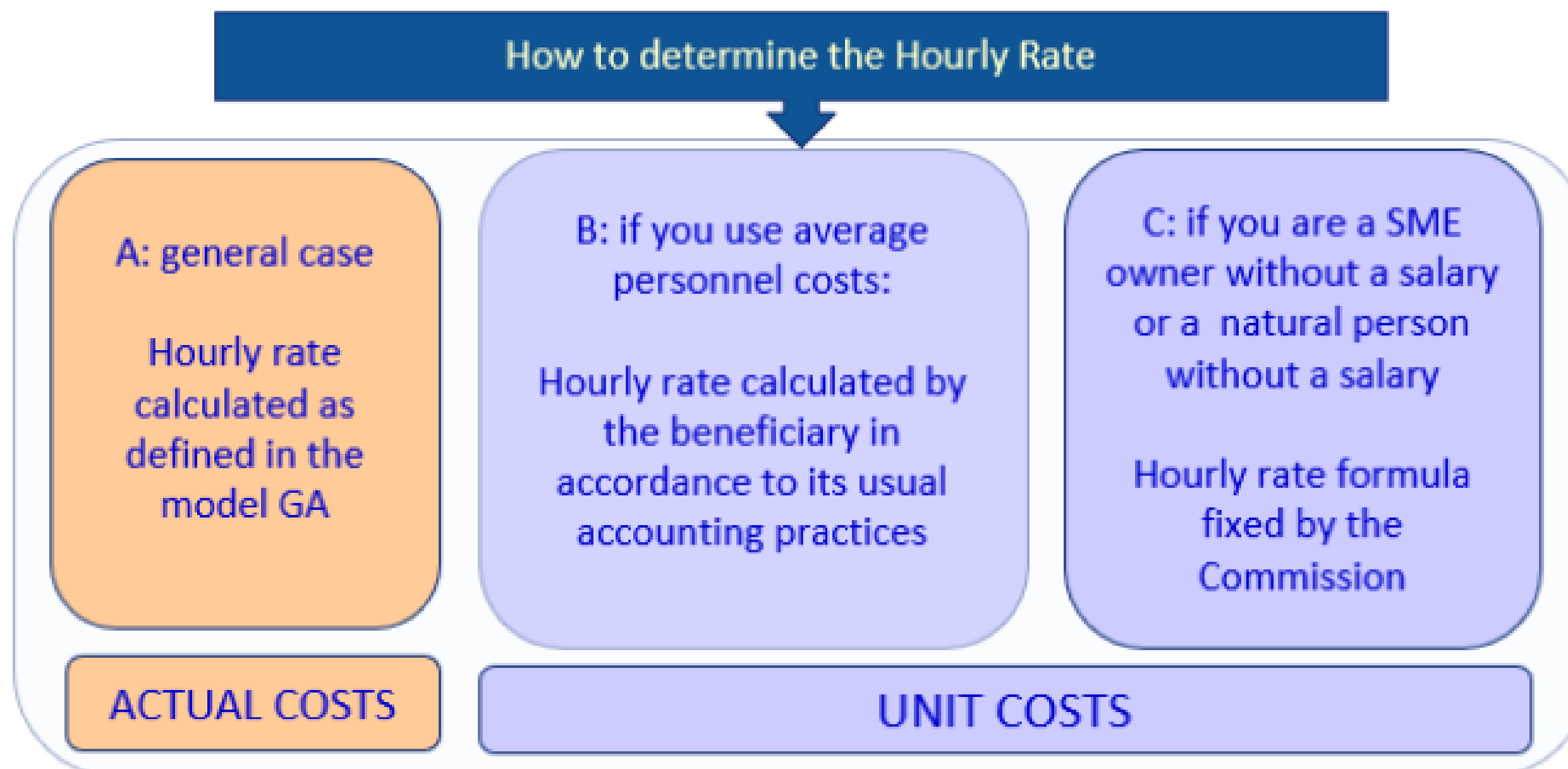
Formula: annual workable hours + overtime - absences

3- Standard annual productive hours

According to the beneficiary's usual accounting practices.

2. Eligible Costs

A) Direct Personnel Costs



2. Eligible Costs

A) Direct Personnel Costs

ERRORS TO AVOID



- 1- Wrong calculation on the cost per PM.
- 2- No time-sheet signed (at least Monthly)
- 3- Each worker has its PM's cost
- 4- Hourly rate full financial year
- 5- Exchange rate not well calculated
- 6- Missing labour contract

2. Eligible Costs

B) Direct costs of Subcontracting

Covers the **price paid for subcontracts** and related taxes.

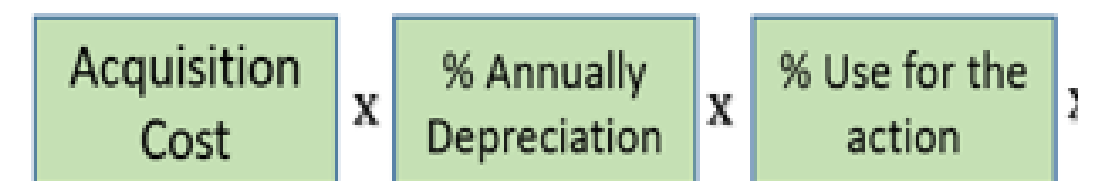
- Must be declared as **actual costs**
- Not core tasks
- Be incurred for the subcontracting of action tasks **described in Annex 1**.

C) Other Direct Costs

- **Travel costs:** *TRAVEL POLICY*

- **Equipment**

a) Depreciation costs of equipment, infrastructure or other assets



Exception: *PROTOTYPE or PILOT PLANT: 100% eligible*

b) Costs of renting or leasing equipment

-**Other goods:** Goods and services purchased for the action.

Rule: **BEST VALUE FOR MONEY!**

2. Eligible Costs

D) Indirect Costs

Indirect costs are eligible if they are declared on the basis of the **flat-rate of 25%** of the eligible DIRECT costs from which are **EXCLUDED**:

-Costs of subcontracting

EXAMPLE:

A public university is a beneficiary under a GA and has incurred the following costs:

- 100.000 € personnel costs
- 20.000 € subcontracting costs
- 10.000 € Other direct costs

Eligible DIRECT costs: $100.000 + 20.000 + 10.000 = 130.000$ €

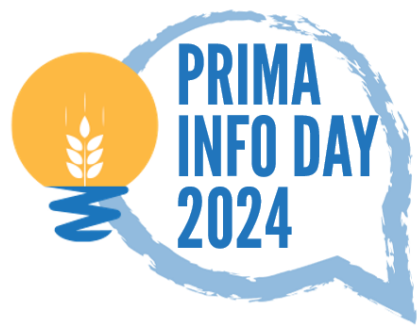
Eligible INDIRECT costs: $(100.000 + 10.000) \times 25\% = 27.500$ €

Total ELIGIBLE costs: 157.500 €

2. Eligible Costs

Budget category transfer

Estimated eligible* costs (per budget category)								
A. Direct personnel costs				B. Direct costs of subcontracting	[C. Direct costs of fin. support]	D. Other direct costs	E. Indirect costs	
Form of costs****	A.1 Personnel		A.4 SME owners without salary		Actual	Actual	Actual	Flat-rate
	A.2 Natural persons under direct contract		A.5 Beneficiaries that are natural persons without salary					
	A.3 Seconded persons		[A.6 Personnel for providing access to research infrastructure]					
Actual	Unit	Unit		Actual	Actual	Actual	Flat-rate	
(a)	Total (b)	No hours	Total (c)	(d)	(e)	(f)	(g)	
Beneficiary 1	500.000	0	100	3.213	150.000	0	325.000	207.053
Beneficiary 2	0	300.000	0	0	0	0	125.000	106.250



3. Ineligible Costs

Costs that **do not comply with the conditions** set out in the eligible costs:

- a) Doubtful debts
- b) Currency Exchange losses
- c) Excessive or reckless expenditure
- d) Deductible VAT

GENERAL RULE: *All the costs incurred before the start or after the end of the action are NOT eligible!*

4. Third Parties

⇒ What is a third party?

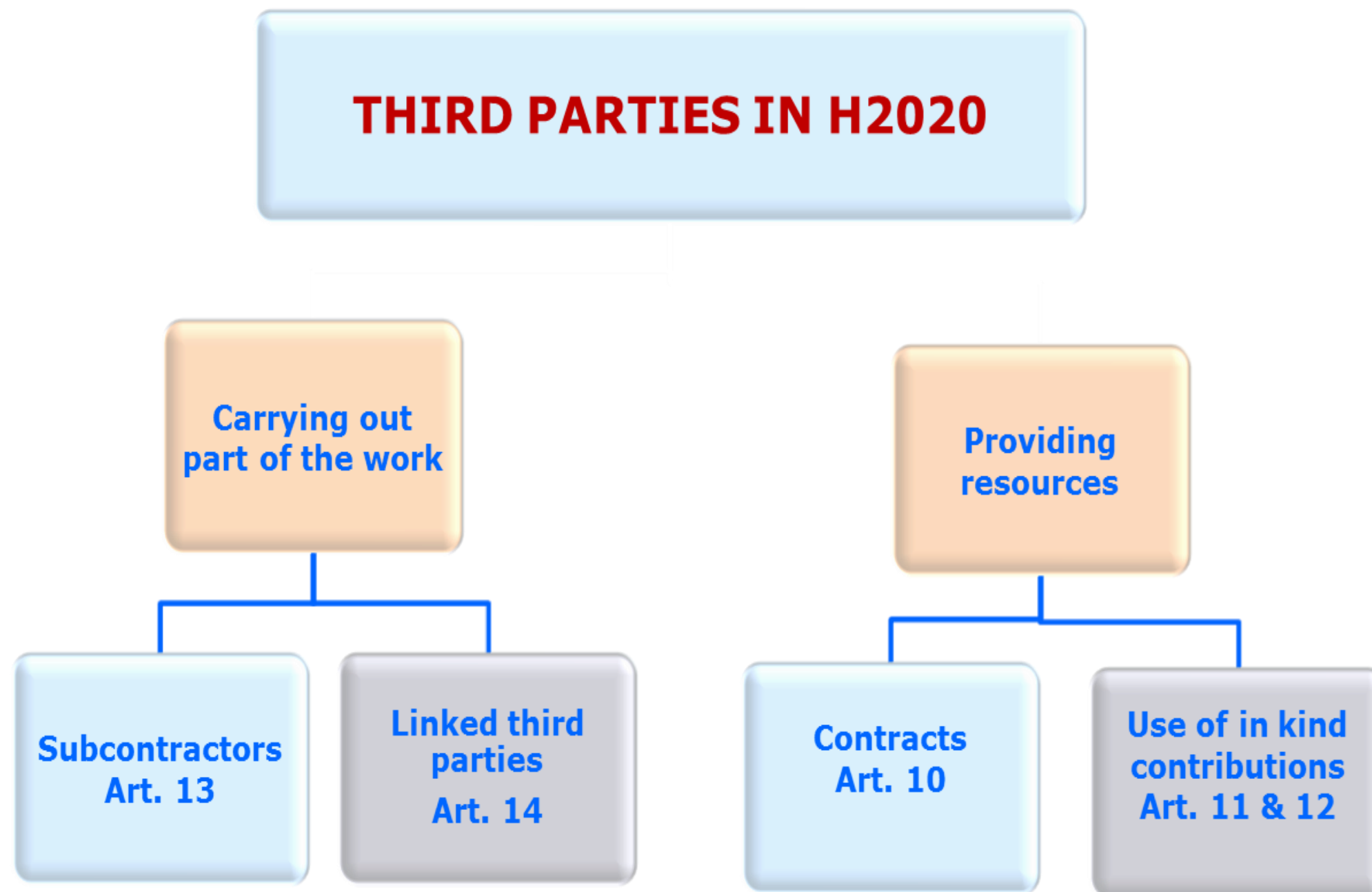
A legal entity which **carries out work of the action**, supplies goods or provides services for the action, but which **did not sign the grant agreement**

⇒ What types of third parties?

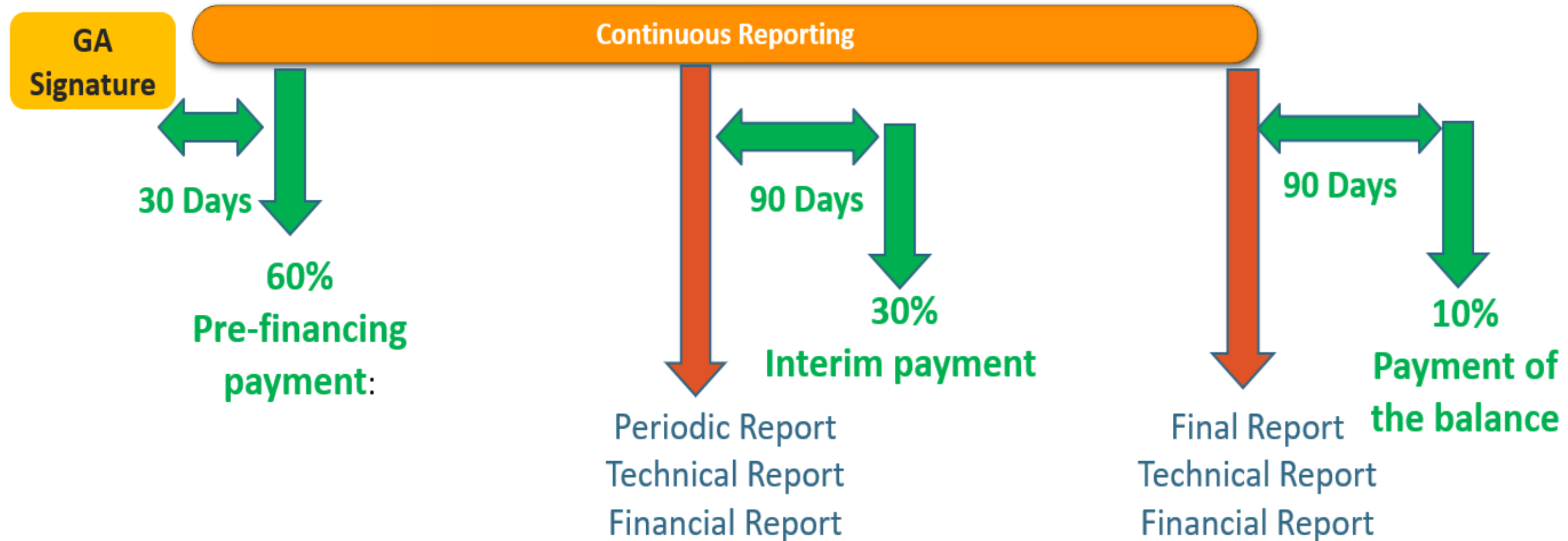
1. Third parties **directly carrying out** part of the work described in Annex 1
2. Other third parties: **providing resources, goods or services** to the beneficiaries for them to carry out the work described in

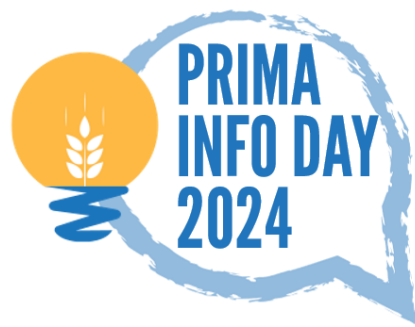
Annex 1

4. Third Parties



5. Report and payment requests







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Thank you

Pau Güell
Financial Manager

| 16th January 2023

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