

Eligibility of expenditure

Context

Compared to 2014-2020, just a few major changes regarding the eligibility of expenditures were introduced in 2021-2027. E.g., eligibility of VAT for projects where total costs do not exceed EUR 5M (recoverable or not) and for SPF/ small projects within (except State aid projects); no more 'in or outside programme area' expenditures; gifts are ineligible. The system introducing a clear hierarchy of rules on eligibility of expenditure (EU/Programme/National rules) has been maintained.

Similarly to Commission Delegated Regulation (DR) in 2014-2020, Interreg Regulation (IR) 2021-2027 establishes specific rules on the eligibility of expenditure with regard to 6 cost categories: staff costs, office and administrative costs, travel and accommodation costs, external expertise and services costs, equipment costs, and costs for infrastructure and works (not existed in DR in 2014-2020). Articles 39-44 of IR provide lists of expenditures eligible under these 6 cost categories. The lists for some cost categories are non-exhaustive and some expenditure items are of a broad character (e.g., tools and devices), for which examples of different itemized costs can be identified. In other words, some of the costs presented in IR can be further broken down into more specific examples.

Even though there are no significant changes between the 2 programming periods in the legislation on eligibility, the long history of exchanges and harmonization of approaches between Interreg programmes brings some new/ old questions on the topic.

Do you know?

Interact updated fact sheets on all cost categories ([library](#)) that might serve as guidance and in 2023 [launched](#) the work on the new Matrix of costs (collection of practical examples). It will be available in autumn 2023 and it is meant to be a living document where more practical examples will be added as the programmes encounter them with the implementation.

Group work

Discuss the topic:

- Do you have any burning question(s) regarding the eligibility of expenditure? Has any programme at the table come across a similar case?
- Has your programme developed any additional eligibility rule (Article 38 IR, for matters not regulated at the EU level)?
- Which category(-ies) of costs raises the largest number of questions from your beneficiaries? What are the root causes for that? And how do you address these causes?
- Other concerns/ questions related to eligibility of expenditure