



**FCH 2 JU Financial Workshop  
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## **Direct Costs**

**Thanos BATSILAS, FCH 2 JU Financial Officer**



<http://www.fch.europa.eu/>

### Article 6

- Actually incurred 
- Incurred during the action duration
- Seen in the estimated budget of the action
- Costs must be identifiable and verifiable 
- Necessary to achieve the action's objectives
- Compliant with applicable national laws on taxes, labour and social security
- Reasonable + sound financial management

 = This is a common error

## Can I claim estimated personnel costs?

- A. Yes, if I am in a hurry and the Periodic Report submission is already due
- B. No, unless it concerns period of time for which no actual data are available, in which case closest possible estimates (e.g. data of last year) may be used
- C. No, only the Coordinators are allowed to do so

Can I claim estimated Subcontracting or Other Direct Costs (travel, equipment, other goods and services)?

- A. Yes, estimated costs aren't allowed for personnel costs only.
- B. Yes, if I have lost the invoices but I evidence my travel, show the equipment etc
- C. No, claims must be based on invoices. Keep invoices!!

Can I claim the budgeted costs (personnel or whatever) as indicated in the budget tables (DoA and Annex II)?

- A. No, these are budgeted and indicative costs
- B. Yes, this is what we have agreed by signing the GA
- C. Yes, on condition the actual exceed the budgeted costs

Can I charge costs of administrative staff members doing project accounting?

- A. No, we exclusively fund research activities
- B. No, these are overheads and covered by the Indirect Costs 25% flat rate
- C. Yes, if there are timesheets

Can I charge energy and power supply as direct in H2020?

- A. Yes, if I can measure it
- B. Yes, if it is for equipment necessary and used in the project
- C. No, these are overheads and covered by the Indirect Costs 25% flat rate

Can I charge costs of “indirect” nature in general (e.g. maintenance, insurance, supplies and petty office equipment, communication and connection costs, postage etc) as direct ?

- A. Yes, if I can measure it
- B. Yes, if I can measure it + my accounting system doesn't consider them as overheads (IC)
- C. No, no matter whether my accounting system considers them as DC or IC, for H2020 these are IC covered by the 20% flat rate



**Can I buy and claim spare parts?**

- A. Yes, but only the actual consumption for the action is charged
- B. Yes, if bought after the start date of the project
- C. No, because I am supposed to have the operational capacity for the action

Can I charge the depreciation of a multi-purpose or used in several activities and projects equipment to a FCH project as a % of total capacity based on my experience and estimates?

- A. No, I have to measure its use. In case of shared use, the time that the equipment has been used for the project must be recorded.
- B. Yes, estimated costs for equipment are allowed
- C. Yes, only if it is the final period

DoA: partner X will build a machine and give it to partner Z to operate it.

Partner X built the machine and cost him 15.000. He sold it to the partner Z at the market price as indicated in his price list for the particular machine (20.000). Who must claim the equipment and how much?

- A. Partner X at 20.000, otherwise he earns nothing.
- B. Partner Z at 20.000, following the DoA, he is the end user
- C. Partner X at 15.000, no matter if finally the equipment ends up in another Partner

## Time for QUIZ!!! (10)

Project starts on 01/01/2017 and the Kick-off meeting is scheduled for 18/01/2017. However, my plane ticket was bought much before the start date, in particular on 12/12/2016. Is it eligible?

- A. No way! The ticket was bought before the start date and the costs must be incurred during the project duration
- B. Yes, because the meeting is held during the project duration
- C. Yes, if it is my organisation`s policy to travel by plane

I bought an important consumable but forgot to mention it initially in the DoA. Can I still claim it?

- A. No, unless there is amendment to include this cost in the DoA
- B. Yes, if accepted as necessary by the FCH JU and all other eligibility criteria are met
- C. No, it is too late now



**THANK YOU FOR YOUR ATTENTION!**

