**Appendix 1**

**Union contribution based on unit costs, lump sums and flat rates**

**Template for submitting data for the consideration of the Commission (Article 94) CPR**

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| Date of submitting the proposal |  |
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This Appendix is not required when Union-level simplified cost options (SCO) established by the delegated act referred to in Article 94(4) CPR are used.

1. **Summary of the main elements**

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| Priority | Fund | Specific objective | Category of region | Estimated proportion of the total financial allocation within the priority to which the SCO will be applied in % | Type(s) of operation covered | | Indicator triggering reimbursement | | Unit of measurement for the indicator triggering reimbursement | Type of SCO (standard scale of unit costs, lump sums or flat rates) | Amount (in EUR) or percentage (in case of flat rates) of the SCO |
|  |  |  |  |  | Code(1) | Description | Code(2) | Description |  |  |  |
| 3. Cooperating border region | ERDF | ISO6.3 | 33. Other approaches – No territorial targeting | 8,51 | 171 | Type I - Cooperation project based on unit costs | RCO 115 | Public events across borders jointly organised | participant | Unit cost –participants at event | 125,00 EUR |
| 3. Cooperating border region | ERDF | ISO 6.3 | 33. Other approaches – No territorial targeting | 5,91 | 171 | Type II – Mutual trust building projects based on lump sum | RCO 115 | Public events across borders jointly organised | event | Lump sum - 2 events | 31.250,00 EUR |
| 3. Cooperating border region | ERDF | ISO6.3 | 33. Other approaches – No territorial targeting | 2,36 | 171 | Type III – Employee exchange projects based on lump sum | RCO 87 | Organisations cooperating across borders | project | Lump sum – 1 year exchange | 31.250,00 EUR |
| (1) This refers to the code for the intervention field dimension in Table 1 of Annex I to the CPR and Annex IV to the EMFAF Regulation.  (2) This refers to the code of a common indicator, if applicable. | | | | | | | | | | | |

1. **Details by type of operation (to be completed for every type of operation)**

Did the managing authority receive support from an external company to set out the simplified costs below?

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| **No** |

If so, please specify which external company:

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| 1.1 Description of the operation type including the timeline for implementation(1) | The calculated unit cost will be applicable only for small-scale projects, which are implemented exclusively under ISO1-SO 6.3. Small-scale projects will be used to address the specific aim to enhance people-to-people activities.  A separate call (*submission open for 4-5 months)* could be launched at the end of 2022 or in the beginning of 2023. All 3 defined types of operations would be subject of the same Call.  **Type I – Cooperation project based on unit costs**  The project is at most 1 year long and supports events that build up mutual trust, and enable or improve cooperation of institutions and target groups. At least two events (each min 4 hrs long) per project (at least one per member state) and minimum of 25 participants per event are required. Events include workshops, conferences, seminars, and trainings.  Within unit cost all costs occurring in phases of preparation as well as project implementation (staff costs, administrative costs, travel and accommodation costs, translation/interpretation costs, venue (room, equipment), moderation of the event and catering) are included. |
| 1.2 Specific objective(s) | Priority axis 3, ISO1 (SO6.3) |
| 1.3 Indicator triggering reimbursement(2) | - Signed subsidy contract  - Implemented events |
| 1.4 Unit of measurement for the indicator triggering reimbursement | Signed subsidy contract by the lead partner (10% of project value reimbursement)  No. of participants (the rest of the project value) |
| 1.5 Standard scale of unit cost, lump sum or flat rate | Unit costs |
| 1.6 Amount per unit of measurement or percentage (for flat rates) of the SCO | **125,00 EUR** |
| 1.7 Categories of costs covered by the unit cost, lump sum or flat rate | By unit costs all cost categories are covered.  See Methodology I (C.3 below). |
| 1.8 Do these categories of costs cover all eligible expenditure for the operation? (Y/N) | Yes |
| 1.9 Adjustment(s) method(3) | Set amounts represent the co-financing of projects to partners of both member states without any (later) adjustments. |
| 1.10 Verification of the achievement of the units  — describe what document(s)/system will be used to verify the achievement of the units delivered  —describe what will be checked and by whom during management verifications  — describe what arrangements will be made to collect and store the relevant data/documents | a) Obligatory documents are:  - Signed subsidy contract  - Lists of participants, and the event report about each implemented event that must clearly describe the event implementation (in words and picture where and when the event took place; who attended and what was presented, offered and shared with the participants and in what way).  b) After signing the subsidy contract 10% of the project planned value is to be reimbursed. Lists of participants and reports about each event will be checked. The reimbursement of the rest of the project costs (90%) will be paid after the last event is implemented. It will be checked whether translations and catering were carried out during the events, and whether the events were carried out at the location of the partners or at a rented location. The payment will be depending on the no. of participants at the events.  The MA/JS will be carrying out the management verifications for the reimbursements; it will verify that the project was approved, the subsidy contract signed by the lead partner and all conditions set for event implementation and reporting met. Control will be done by MA/JS; the original documentation will be checked.  c) The original documents are kept by the project partners (beneficiaries) and shall be made available in case of site visits and audit controls. The relevant data/documents will be collected by beneficiaries and uploaded in Jems monitoring system in the process of reporting. |
| 1.11 Possible perverse incentives, mitigating measures(4) and the estimated level of risk (high/medium/low) | All project proposals are subject to an assessment, performed by the Joint Secretariat according to quality criteria in line with provisions of Article 22 of the Interreg regulation before approval and only relevant projects are approved by the Monitoring Committee. The quality criteria are published with the call for proposal and equally applied to all small-scale project applications.  The risk of the project not being implemented after the first 10% of project value is reimbursed is classified as low and the risk of the number of participants at the events not reaching the set value also (low).  To avoid unfortunate scenarios, monitoring of project implementation could be done six months after start of the project. The partners will be encouraged to hold the events with more than the minimum required participants in order to ensure better quality of events. As a consequence of not reaching the obligatory no. of participants at the events additional events could be organized by partners.. |
| 1.12 Total amount (national and Union) expected to be reimbursed by the Commission on this basis | Total reimbursed amount for the type I projects is about 225.000,00 EUR (180.000,00 EUR ERDF (80%) and 45.000,00 EUR of national contribution(20%)). |
| (1) Envisaged starting date of the selection of operations and envisaged final date of their completion (ref. Article 63(5) CPR).  (2) For operations encompassing several simplified cost options covering different categories of costs, different projects or successive phases of an operation, the fields 3 to 11 need to be filled in for each indicator triggering reimbursement.  (3) If applicable, indicate the frequency and timing of the adjustment and a clear reference to a specific indicator (including a link to the website where this indicator is published, if applicable).  (4) Are there any potential negative implications on the quality of the supported operations and, if so, what measures (e.g. quality assurance) will be taken to offset this risk? |  |

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| 1.1 Description of the operation type including the timeline for implementation(1) | The calculated unit cost will be applicable only for small-scale projects, which are implemented exclusively under ISO1 (SO6.3). Small-scale projects will be used to address the specific aim to enhance people-to-people activities.  A separate call (*submission open for 4-5 months)* could be launched at the end of 2022 or in the beginning of 2023. All 3 defined types of operations would be subject of the same Call.  **Type II – Mutual trust building projects based on lump sum**  The project is at most 1 year long and supports public events that strengthen mutual trust building.  Two 1-day events, each per one member state are required. Open events are considered, with approximately 200 people attending; such as concerts and markets/fairs.  Within the proposed lump sum all costs occurring in phases of preparation and project implementation (staff costs, administrative costs, travel and accommodation costs, translation/interpretation costs, venue (room, equipment), moderation of the event and catering) are included. |
| 1.2 Specific objective(s) | Priority axis 3, ISO1 (SO 6.3) |
| 1.3 Indicator triggering reimbursement(2) | - Signed subsidy contract  - Implementation of both planned events |
| 1.4 Unit of measurement for the indicator triggering reimbursement | Signed subsidy contract (10% of project value reimbursement)  Implementation of both events (the rest of the project value) |
| 1.5 Standard scale of unit cost, lump sum or flat rate | Lump sum |
| 1.6 Amount per unit of measurement or percentage (for flat rates) of the SCO | **31.250,00 EUR** |
| 1.7 Categories of costs covered by the unit cost, lump sum or flat rate | By lump sum all cost categories are covered.  See Methodology II (C.3 below). |
| 1.8 Do these categories of costs cover all eligible expenditure for the operation? (Y/N) | Yes |
| 1.9 Adjustment(s) method(3) | Set amounts represent the co-financing of projects to partners of both member states without any (later) adjustments. |
| 1.10 Verification of the achievement of the units delivered  — describe what document(s)/system will be used to verify the achievement of the units delivered  —describe what will be checked and by whom during management verifications  — describe what arrangements will be made to collect and store the relevant data/documents | a) Obligatory documents are:  - Signed subsidy contract  - Lists of service providers (in the case of a cultural event, a list of program providers is required; in the case of a market/fair, a list of suppliers of goods and/or services) is required, and the event report about each implemented event that must clearly describe the event implementation (in words and picture where and when the event took place; who attended and what was presented, offered and shared with the participants and in what way).  - In addition, about each event at least 3 articles in different local media must be published.  b) After signing the subsidy contract 10% of the project value is to be reimbursed. Lists of participants and event reports will be checked. The realisation of the operation is the key to trigger the full payment (after the last event is implemented). It will be checked whether translations and catering were carried out during the events, and whether the events were carried out at the location of the partners or at a rented location. It is essential to get assurance that the outputs/results reported are real. The control thus consists of checking whether the events were fully implemented and the outputs/results were delivered in line with the conditions set by the programme authorities (the outputs/results need to be well documented). The actual costs borne by the beneficiary in relation to the delivered outputs/results will not be checked.  Control will be done by MA/JS; the original documentation is checked.  c) The original documents are kept by the project partners (beneficiaries) and shall be made available in case of site visits and/or audit controls. The relevant data/documents will be collected by beneficiaries and uploaded in Jems monitoring system in process of reporting. |
| 1.11 Possible perverse incentives, mitigating measures(4) and the estimated level of risk (high/medium/low) | All project proposals are subject to an assessment, performed by the Joint Secretariat according to quality criteria in line with provisions of Article 22 of the Interreg regulation before approval and only relevant projects are approved by the Monitoring Committee. The quality criteria will be published with the call for proposal and equally applied to all small-scale project applications.  The risk of the project not being implemented after the first 10% of project value is reimbursed is classified as low; as it is for the fulfilment of set targets (e.g. number of articles in the media; number of providers at fairs coming from both countries).  To avoid unfortunate scenarios, monitoring of project implementation will be done within six months after start of the project. The partners will be encouraged to inform the public about the planned events via several media channels and invite more than the minimum required participants (providers) in order to ensure better quality of events and results of the project. |
| 1.12 Total amount (national and EU) expected to be reimbursed by the Commission on this basis | Total reimbursed amount for the type II projects is about 156.250,00 EUR (125.000,00 EUR ERDF (80%) and 31.250,00 EUR of national contribution(20%)). |
| (1) Envisaged starting date of the selection of operations and envisaged final date of their completion (ref. Article 63(5) of CPR).  (2) For operations encompassing several simplified cost options covering different categories of costs, different projects or successive phases of an operation, the fields 3 to 11 need to be filled in for each indicator triggering reimbursement.  (3) If applicable, indicate the frequency and timing of the adjustment and a clear reference to a specific indicator (including a link to the website where this indicator is published, if applicable).  (4) Are there any potential negative implications on the quality of the supported operations and, if so, what measures (e.g. quality assurance) will be taken to offset this risk? |  |

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| 1.1 Description of the operation type including the timeline for implementation(1) | The calculated unit cost will be applicable only for small-scale projects, which are implemented exclusively under ISO1 (SO6.3). Small-scale projects will be used to address the specific aim to enhance people-to-people activities.  A separate call (*submission open for 4-5 months)* could be launched at the end of 2022 or in the beginning of 2023. All 3 defined types of operations would be subject of the same Call.  **Type III – Employee exchange projects based on lump sum**  The projects are up to 1 year long and support cooperation in the field of education and labour market (emphasis on language education) to achieve a build-up of mutual trust, and enable or improve important cooperation of institutions and target groups.  Within the project for the period of 1 year one employee is full-time working in host country, at location of the other project partner. It can be also implemented in the way that 2 people are employed within one project but the duration of the project shortens with respect to it (each employee 6 months, respectively).  Within the proposed lump sum costs occurring in phases of preparation of the project and project implementation (staff costs and administrative costs) are included.  Beneficiaries represent institutions in the programme area, which consists of budget users (i.e. state bodies and self-governing local communities, public agencies, public funds, public institutes and public economic institutes, other public law entities that are indirect users of the state budget or local community budget), associations and small institutions in the programme area. |
| 1.2 Specific objective(s) | Priority axis 3, ISO1 (SO6.3) |
| 1.3 Indicator triggering reimbursement(2) | Either employment of 1 person for 1 year, or employment of 2 persons for half a year |
| 1.4 Unit of measurement for the indicator triggering reimbursement | Signed subsidy contract (10% of project value reimbursement)  Implementation of the project (the rest of the project value) |
| 1.5 Standard scale of unit cost, lump sum or flat rate | Lump sum |
| 1.6 Amount per unit of measurement or percentage (for flat rates) of the SCO | **31.250,00 EUR** |
| 1.7 Categories of costs covered by the unit cost, lump sum or flat rate | By the lump sum cost categories staff and administrative costs are covered.  See Methodology III (C.3 below). |
| 1.8 Do these categories of costs cover all eligible expenditure for the operation? (Y/N) | Yes |
| 1.9 Adjustment(s) method(3) | Set amounts represent the co-financing of projects to partners of both member states without any (later) adjustments. |
| 1.10 Verification of the achievement of the units delivered  — describe what document(s)/system will be used to verify the achievement of the units delivered  —describe what will be checked and by whom during management verifications  — describe what arrangements will be made to collect and store the relevant data/documents | a) Obligatory documents are:  - Signed subsidy contract  - Signed employment contract or another relevant act by which the employee is assigned to the project and in which there is a clear definition of his tasks. The employment contract is concluded between the beneficiary and the employee.  - Monthly report on the work on the project with a timetable. The report must be approved by the responsible person of the hosting beneficiary, and it must clearly describe what was done by the employee and where.  b) After signing the subsidy contract 10% of the project value is to be reimbursed. Before reimbursement of the remaining costs other documents from point a) will be checked.  It is essential to get assurance that the outputs/results reported are real. The control thus consists of checking whether the project was fully implemented and the outputs/results were delivered in line with the conditions set by the programme authorities (the outputs/results need to be well documented). The actual costs borne by the beneficiary in relation to the delivered outputs/results will not be checked.  Control is done by MA/JS; the original documentation is checked, which is kept by the beneficiaries.  c) The original documents are kept by the project partners (beneficiaries) and shall be made available in case of site visits and/or audit controls. The relevant data/documents will be collected by beneficiaries and uploaded in Jems monitoring system in process of reporting. |
| 1.11 Possible perverse incentives, mitigating measures(4) and the estimated level of risk (high/medium/low) | All project proposals are subject to an assessment, performed by the Monitoring Committee/JS according to quality criteria in line with provisions of Article 22 of the Interreg regulation before approval and only relevant projects will be approved. The quality criteria will be published with the call for proposal and equally applied to all small-scale project applications.  The risk of the project not being implemented after the first 10% of project value is reimbursed, due to human factor or force majeure (illness) which may lead to termination of the contract between the employer and the employee, is classified as low. Project partners could have a possibility to assign another employee in case of termination of the contract (the quality of the project must not be influenced).  To avoid any other bad scenarios, monitoring of project implementation will be done within six months after start of the project.  The partners will be encouraged to fully involve and use the opportunity of having a host employee in partner organizations to contribute at most to the quality of project results, strengthen the cooperation and increase the trust among organizations and target groups. |
| 1.12 Total amount (national and EU) expected to be reimbursed by the Commission on this basis | Total reimbursed amount for the type III projects is about 62.500,00 EUR (50.000,00 EUR ERDF (80%) and 12.500,00 EUR of national contribution(20%)). |
| (1) Envisaged starting date of the selection of operations and envisaged final date of their completion (ref. Article 63(5) of CPR).  (2) For operations encompassing several simplified cost options covering different categories of costs, different projects or successive phases of an operation, the fields 3 to 11 need to be filled in for each indicator triggering reimbursement.  (3) If applicable, indicate the frequency and timing of the adjustment and a clear reference to a specific indicator (including a link to the website where this indicator is published, if applicable).  (4) Are there any potential negative implications on the quality of the supported operations and, if so, what measures (e.g. quality assurance) will be taken to offset this risk? |  |

1. **Calculation of the standard scale of unit costs, lump sums or flat rates**
2. Source of data used to calculate the standard scale of unit costs, lump sums or flat rates (who produced, collected and recorded the data; where the data are stored; cut-off dates; validation, etc.).

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| The expenditures of current period 2014-2020 were verified and validated as eligible expenditure by national controllers through management verifications before the submission to the MA/JS (in line with the management and control system of the programme and the relevant provisions in the CPR and Interreg Regulation). The corresponding list of expenditures, certification of the expenditure as well as overall project payment claims are stored in the electronic monitoring system (eMS). Until the cut-off date, almost half of approved projects for the 2014-2020 programming period had their expenditures verified and submitted to MA/JS.  For the purposes of the SCO calculation necessary data was extracted from the electronic monitoring system and validated costs of approved projects have been considered for the calculations to define the cost simplifications that are proposed (unit cost, lump sum) in the 2021-2027 programming period.  The data (i.e. reported and certified events related expenditures) that were used for analyses were collected from the eMS of the respective programme at the invoice level. The data are stored in eMS under partner/project progress reports, attachments uploaded by the partners and the FLC in the reports and the relevant invoices. The data were carefully checked to ensure completeness and to assure, they are of proven quality in relation to its objectives. The reliability of data is supported by the confirmation of the national control as well as our own and CA confirmation. All together 11 (of 24) projects were considered, from which 8 were finished and 3 were missing the last projects progress report. The cut-off date for gathering the information was 31 August 2021. |

1. Please specify why the proposed method and calculation based on Article 94(2) is relevant to the type of operation.

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| According to regulation the use of SCOs in projects below 200.000,00 EUR is compulsory.  The proposed simplifications are needed, as they are the introduction of SCOs to small-scale projects to the programme in the period 2021-2027. Only unit costs and lump sums are independent value; all other are connected to real costs.  Simplification mean a significant reduction in the administrative burden for both the beneficiaries and the control that carries out pre-payment administrative checks, as well as for all other bodies in the follow-up procedures. Obtaining evidence for claiming actual costs by individual cost categories (staff costs, administrative costs, travel and accommodation costs, external experts’ costs, equipment costs) and their verification would be a disproportionate amount of work in the case of small-scale projects. At the same time, it would be time consuming and therefore prolongs the time for the beneficiaries to get their reimbursements. Also the potential for errors that could occur in transcribing and entering data if such costs were claimed on the basis of actual costs is reduced. |

1. Please specify how the calculations were made, in particular including any assumptions made in terms of quality or quantities. Where relevant, statistical evidence and benchmarks should be used and, if requested, provided in a format that is usable by the Commission.

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| **Methodology I**  **Type I projects (Cooperation projects based on unit costs)**  This type of events is intended for implementation of workshops, conferences, seminars, and trainings. For the calculation of the amount per unit of measurement (unit cost per participant) at least two events (each min 4 hrs long) per project (at least one per member state) and minimum of 25 participants per event representing both MS are required.   1. The preparation costs were already in use in the current programming period as a lump sum in regular-size projects in the amount of 2,000.00 EUR. The preparation costs lump sum covers all expenditure needed for the preparation of the project until the date of submission of a project to the programme. The amount from the current period (2014-2020) was reduced to 500.00 EUR for small-scale projects in the period 2021-2027. It is estimated that the amount is sufficient, as these are simpler projects of lower value. All projects when submitting a project proposal have generated costs for the preparation of the proposal, independent from the question whether they can be claimed or not. We can safely identify the following costs: staff costs (writing the application, communicating & working with potential partners), linked administration costs, travel costs and costs for meetings to discuss content and meeting partners, translation costs for necessary documents and in some cases external service providers (some projects hire consultants to help with the application, which then reduces the direct involvement of staff), and equipment (IT for writing the application).   **Preparation costs** are estimated to **500,00 EUR**. They include at least 2 meetings, staff costs, and administration costs.  With average monthly gross earnings in August (according to Statistical office of Republic of Slovenia) being 1.900,43 EUR, and the assumption that 2 people had 2 full-day meetings, the staff costs amount about 375,00 EUR; 15% are used for administrative costs and remaining 68,75 EUR covers traveling costs.   1. *Unit costs\** for events per participant per event covering moderation, venue (room, equipment), and catering were set in the following way:   The data considering all events were gathered (see Chapter C, point 1 of this document). After collecting them, they were checked and all incomplete data were excluded (with missing no. of participants, only translation costs reported). Finally, the “non representative” events were omitted from the clean data set due to their specificity (study tours, excursions and trips, presentations at fairs which were not organized by beneficiaries, certain specific thematic events, meetings, and other not specified events, reported events without costs reported). As representative events workshops, conferences, and trainings were observed.  The events were calculated to one-day unit and for all types of events average and median unit cost value were set. The calculated value was expressing the costs for one participant per day per event.  The calculated average and median values for 1 participant at a 1-day workshop are rounded to 31,00 and 30,00 EUR, respectively.  The calculated average and median values for 1 participant at a 1-day conference are rounded to 34,00 and 27,00 EUR, respectively.  The calculated average and median values for 1 participant at a 1-day training are rounded to 55,00 and 59,00 EUR, respectively.  Use of the average/median is considered appropriate as it reflects best the programme reality and levels out extremes. After taking into consideration also the number of each type of event and calculated mean and median values, the unit cost\* per participant per one day event was calculated to 45,00 EUR (see the MS Excel document).  The decision was made to set the limit of at least 25 participants at “Type I” events.   1. The translation cost of documents stand at 20,00-30,00 EUR per page, and the interpretation costs (simultaneous, consecutive) are 110,00-140,00 EUR per hour. Since we made the length of the event obligatory to at least 4 hrs, the estimation of 500,00 EUR translation costs per event is reasonable. 2. Remaining (other) costs that were considered in the project size are: staff costs, administration costs, travel and accommodation costs); they are summarized to approximately 40 % of the whole project budget. The justification of estimation of other costs to approximately 40 % is explained in the calculation below.   **CALCULATION OF UNIT COST** (project with 2 project partners; planning each one event with 25 participants):  In the calculation the 2.500,00 EUR is calculated as other costs. This amount must be divided to 2 partners (each 1.250,00 EUR). If 100,00 EUR are traveling costs used to attend the event within the programme area, 1.150,00 EUR remain. 15 % of 1.150,00 EUR represent administration costs (172,50 EUR), which leaves 987,50 EUR. With average monthly gross earnings in August (according to Statistical office of Republic of Slovenia) the amount of approximately 1.000,00 EUR means about 10 working days that are available for each partner’s staff to prepare and implement the event, and report afterwards.  For the programming period 2021-2027 the calculated unit cost per participant per event is therefore estimated to:  **Methodology II**  **Type II – Mutual trust building projects based on lump sum**  For the calculation of the amount per unit of measurement (lump sum for events) at least two events (each min 4 hrs long), one per each member state are required. Open events are considered, with approximately 200 people attending; such as concerts and markets/fairs.   1. **The preparation costs** are estimated to **500,00 EUR** using the same methodology as for type I projects 2. *Lump sum\** for 1 event covering moderation, venue (room, equipment), and catering was set in the following way:   We used event cost expenditures declared to the EC from the 2014-2020 programming period as source of data to establish the *unit cost\** per participant per daily event; the calculated *unit cost\** was 45,00 EUR per participant per event per day (see Methodology I).  Since open events are considered, the decision was made to set an estimation of 200 people joining the event, thus the proposed *lump sum\** per daily event was calculated to 9.000,00 EUR.   1. Possible other costs that were considered in the project size are: staff costs, administration costs, travel and accommodation costs, translation costs, external experts’ costs); they are summarized to approximately 40 % of the whole project budget. The justification of estimation of other costs is explained in the calculation below.   **CALCULATION OF EVENT LUMP SUM** (project with 2 project partners; planning each one event):  For the programming period 2021-2027 the calculated lump sum per project with 2 events was rounded to 31.250,00 EUR which was also set as the limit value for small scale projects by the programme:  From the calculation and final set size of the project Type II we can see that 12.750,00 EUR is for covering other costs. This amount is divided to 2 partners (each 6.375,00 EUR). Translation cost of documents stand at 20,00-30,00 EUR per page, and the interpretation costs (simultaneous, consecutive) are 110,00-140,00 EUR per hour. Since we made the length of each event obligatory to at least 4 hrs, the estimation of 500,00 EUR translation costs per event is reasonable. With average monthly gross earnings in August (according to Statistical office of Republic of Slovenia) the amount of 1.000,00 EUR means about 10 working days that are available for each partner’s staff to prepare and implement the event, and report afterwards. 15 % represent administration costs (150,00 EUR). Withdrawing all mentioned from 6.375,00EUR per partner about 4.725,00 EUR remains for traveling costs and costs for external experts (in the case of a cultural event for providers; in the case of a market/fair for suppliers of goods and/or services, payments of articles, photographers, security at the event and other).  **Methodology III**  **Type III – Employee exchange projects based on lump sum**  For the calculation of the amount per unit of measurement (lump sum for employee exchange) employee exchange for 1 person for a period of 1 year (or 2 people for the period of 6 months), enabling him/her a full-time employment for the whole time of project duration is required.   1. **The preparation costs** are estimated to **500,00 EUR** using the same methodology as for type I projects   For the programming period 2021-2027 the lump sum per project with either employment of 1 person for 1 year, or employment of 2 persons for half a year was set to 31.250,00 EUR (25.000,00 EUR ERDF) which was also set as the limit value for small scale projects by the programme. The justification of estimation of other costs is explained in the calculation below.  **CALCULATION OF LUMP SUM**:   1. Remaining (other) costs that were considered in the project size are staff costs and administration costs.   From the calculation and proposed size of the project Type III it can be seen that 30.750,00 EUR is primarily for covering the gross salary costs (costs of salary for the employee, together with contributions in the calculation of salary paid by the employer instead of employees, and reimbursement of costs incurred in connection with work (16,1%) and holiday pay (in the year 2021: 1.024,24 EUR)). Remaining amount is for covering the administrative costs that occur. |

1. Please explain how you have ensured that only eligible expenditure was included in the calculation of the standard scale of unit cost, lump sum or flat rate.

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| The data used for the calculation of standard scale of unit costs and lump sums was verified in accordance with the management and control system description of the programme (e.g., management verifications, quality checks & audits) and part of audit of operations with no findings. The programme’s electronic monitoring system was assessed by the audit authority during their system audit assessed as category 1 in the 2014-2020 programming period.  In addition, statistical data about average gross salary were used, that were published by Statistical office of Republic of Slovenia; thus eligibility is assured. |

1. Assessment of the audit authority(ies) of the calculation methodology and amounts and the arrangements to ensure the verification, quality, collection and storage of data.

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