

ESF *Transnational Platform*



ESF Thematic Network on Simplification

Case study reports on SCO practices

May 2018

Acknowledgments

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List of the SCO practices

MS	PRACTICE 1		PRACTICE 2	
	No.	Description	No.	Description
Be_Fl	10	Lump sum for preparatory phase (transnational projects)		
BG	3	flat rate 40% - external monitoring and control of the judiciary reform by NGOs and professional organisations	4	SSUC for training for improving and/or acquiring vocational qualification / key competencies
CZ	8 (to 10)	flat rate for financing indirect costs (max. 25 % of direct costs), Article 68 (1)(a) CPR	14	SSUC professional training of employees - covered by DA under Art. 14(1) ESF
EE	12	40% flat rate for childcare facilities	13	SSUC - non-formal training of employees for improving life long learning key competences of adult population
EL	16	Unit cost (voucher) for Provision of Child-Care Services	29	SSUC - Operation of structures providing day care services for disabled people
ES	3 (to 7)	Standard scale of unit costs - hourly staff cost (teachers)		
FI	3	Flat rate for indirect costs (17% ESF / 24% ERDF)	7	Lump sum for small projects <€100k. Drawn up on basis of draft budget and other objective information from beneficiary
FR (Nat.)	3 (to 5)	Off-the-shelf flat rate for indirect costs in CPR	6	Standard scale of unit costs for Youth Employment Initiative - covered by DA under art 14(1)
HR	n.a.	Proposed unit cost for school assistants: hourly rate + 40%		
HU	5	Flat rate for indirect costs		
IT	7	DA for integrated pathways, esp. job coaching.		
LT	46	Unit cost for vocational training	47	Unit cost for higher education staff
LV	7	SSUC for consultative support for enterprises of high risk industries		
MT	2	67.1 unit cost. Future DA on training	7	67.1 unit cost. DA on employment services
NL	4	Unit cost for training & coaching of prisoners, Based on historical data, per day, per prisoner	n.a.	Lump Sum for technical assistance
PL	6	flat rate for financing indirect costs (max. 25 % of direct costs), Article 68 (1)(a) CPR	10	Lump sum – determined on the basis of draft (project) budget
SE	n.a.	Hourly rate for salaries and trainee allowances + 40%		
SI	n.a. I	SSUC- professional training for the unemployed	n.a. II	SSUC- Regional Scholarship scheme
SK	3	Flat rate based on list of eligible indirect costs	6 (to 13)	art. 14.1 DA SCO + real cost

1. BEnl 10 – Lump sum for preparatory phase (transnational projects)

References:

Member State / Region	BELGIUM FLANDERS
Reference number (TN's map of SCO practices)	10

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	LUMP SUM
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	PREPARATORY PHASE OF TRANSNATIONAL PROJECT

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>The operation is a preparatory phase (period of 4 months) of a transnational project.</p> <p>Transnationality is part of the priority axis 5 of the Flemish Operational Programme for ESF. This priority axis focusses on social innovation and transnationality (both in the common framework and in the flexible approach).</p> <p>After the approval of the project idea, organizations can fine-tune the forwarded societal challenges in an additional preparatory phase.</p> <p>Two objectives apply for this phase.</p> <ul style="list-style-type: none"> • A first objective states that project promoters should fine-tune and elaborate further the societal challenge which they have described in the project idea. • A second objective consists in the fact that promoters should look for Flemish and transnational partners to jointly tackle the societal challenges. The partnership should at least consist of one Flemish and one transnational partner.

A2. Definition of outputs/results *(Please give a short definition of outputs and/or results)*

The output of this phase is a report, in which prospective studies as regards partnerships as well as the content are laid down.

Moreover, a description of the partner search in one (or several) European member states / and in Flanders is added.

One has to check whether the desired products, tools, etc. provide an answer to the defined challenge that the project is tackling.

The product *as such* does not have to be a part of this report yet.

The report might as well conclude that no good products/methods/measures can be detected in other countries, no partners have been found or the subject cannot be taken up in the desired partnership. If this turns out to be the case, the project ends after the preparatory phase.

A3. Beneficiaries *(please indicate the types of beneficiaries involved in the operations covered by SCO)*

All beneficiaries (public or private) are able to set up the actions required

A4. Target group(s) *(Please list target groups within projects covered by SCO)*

The target group are service providers in the labour market.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology *(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).*
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

The SCO has not been covered by Art. 14(1).

Use of historical data (MA). Preliminary approval by the AA.

B.2 Calculation Methods *(please describe how the calculations have been made)*

The lumps sum is 15.000 EUR for 4 months. To receive an approval from the audit authority in Flanders, for using the lump sum, ESF Flanders needed to make a calculation based on the experience of similar projects run by ESF Flanders.

In the calculation following aspect have been taken into account:

Motivation of estimated workload

The motivation of the workload (0,55 FTE during 4 months) can be calculated as follows:

- 1) Literature study (4 days)
- 2) Talks with critical friends, experts, ESF (2 days)
- 3) Search for transnational partners (4 days) + visits and cross-border traveling (2x3 days)
- 4) Search for Flemish partners + traveling + introductory talks (6 days)
- 5) Brainstorming, designing project, fine-tuning with all of the partners (10 days)
- 6) Writing down and editing (8 days)

IN TOTAL: 40 days. This equals 0.55 FTE (39.6 days) divided over 4 months.

Motivation of operational costs and overhead

Apart from time investment, operational costs and overhead are included in the lump sum:

- 1) Travels abroad + meeting costs
- 2) Travels in Flanders + meeting costs
- 3) Costs to collect material (content / translations / etc.)

For more information concerning the calculation see annex 1.

B.3 Data source *(please indicate the type of data used and the data source)*

The data source is internal reports and experiences by the MA.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The result of the preparatory phase should be a report with relevant content, which contains at least the following sections:

Obligatory Sections for the report in order to be eligible for lump sum financing:

1. Description of the challenge/practice on the Flemish labour market and necessity for transnational collaboration (added value) regarding the subject;
2. Description of the problem/challenge in the consulted countries and how the experiences can be integrated in the project;
3. Presenting the own organization and the consulted partner(s), both Flemish and transnational ones;
4. Motivating of the 'common interest' and potential 'conflicts of interest';
5. Describing of the objectives for the respective partners;
6. Explaining project activities concerning content
7. Planning with:
 - role and responsibilities of each partner;
 - time schedule and respective phases;
 - milestones;
 - evaluation.

Assessment of report for start-up of phase 1

The report sections mentioned under point 1 of the report are decisive to apply for lump sum financing and concern efforts. Consequently, these efforts will be assessed as regards their content in order to start phase 1.

Phase 1 can be started up as soon as the 7 sections have also been assessed positively as regards the **content** according to the assessment criteria regarding the content for the desk and partner search report. A project has to find at least one Flemish partner with which a partnership agreement is signed and at least one transnational partner, with which the TCA is signed.

Phase 1 does not start if the deepening and the finding of partners goes wrong. In that case, the lump sum can be paid, but it will not be possible to continue the project.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

The reports are archived in the archiving system of the MA.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The audit authority was involved in the ex ante assessment of the SCO.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

The added value for the MA by using a preparatory phase and a lumps sum is that we receive qualitative better projects and that the control of the lump sum goes relatively smoothly with not much administrative work. For the beneficiaries it is an added value that they receive an amount of money which they can use to prepare their final project proposal. This is already a big plus for them. But also the fact that they can use a lump sum for that has been welcomed in a very positive way.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

The only challenge was to get the lump sum approved by the audit authority, so at the beginning the work load was high for the MA to build up the case. Once the lump sum was approved the project promoters were very positive about the fact that they could use a preparatory phase with a lump sum.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

The lumps sum for the preparatory phase has been welcomed very much. It is important though to make a realistic calculation of the lump sum and to set clear goals which have to be reached by the project promoters. If that is clear the project promoters can only benefit from such a lump sum. So, it was good that we took our time to prepare this in an efficient way. Till now, the feedback on the lump sum and the preparatory phase is very positive. The audit authority asked that the MA would do an evaluation with the project promoters to see if the lump sum of 15.000 EUR was reasonable. This process is ongoing but will give us enough material to evaluate the lump sum.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Annex 1: calculation of the lump sum.

2. BG 3 – Flat rate 40% - external monitoring and control of the judiciary reform by NGOs and professional organisations

References:

Member State / Region	<u>BULGARIA</u>
Reference number (TN's map of SCO practices)	<u>BG - 3</u>

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	FLAT RATE ART. 14(2) REGULATION 1304/2013
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	EXTERNAL MONITORING AND CONTROL OF THE JUDICIARY REFORM BY NGOs AND PROFESSIONAL ORGANISATIONS

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>The aim of the operation is active involvement of NGOs and professional organizations in the process of developing, monitoring and evaluation of the judiciary reform, generating proposals for the improvement of the sector and development and promotion of alternative methods for resolving legal disputes.</p> <p>The main activities are:</p> <ul style="list-style-type: none"> • Analyses, studies, methodologies, models and assessments related to the judicial reform; • Research and transfer of good practices and innovative solutions; • Collection of data and development of databases to support both the process of modernization of the judicial system and the monitoring of judicial reform; • Information campaigns for alternative methods for resolving legal disputes / mediation techniques and arbitration;

<ul style="list-style-type: none"> • Development of mechanisms and tools for acquiring feedback from judges, prosecutors and investigators on issues, concerning the administration of the judiciary; • Development of mechanisms and tools for acquiring feedback from the citizens and the business on the effectiveness of the judiciary; • Conferences, public discussions, round tables, etc. with the stakeholders; • Seminars and trainings for experts, jurors, lawyers, mediators, arbitration judges.
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
<p>Due to broadly formulated aim of the procedure and the large variety of eligible activities, specific outputs for the operation have not been predefined. The expected results of the operation are: increased civil control over the reform in the judicial system; increase in the number of actively involved NGOs in this process, recommendations for improvement of the judiciary and transfer of good practices; promotion of alternative dispute resolution methods; increase in the efficiency of the judiciary system and the public confidence in it.</p> <p>The following program indicators are relevant to the operation:</p> <ul style="list-style-type: none"> • CO-20 - Number of projects fully or partially implemented by social partners or non-governmental organizations • Supported analyses, studies, researches, methodologies and evaluation related to the judiciary • Projects for promotion and development of alternative methods for resolving legal disputes • Introduction of new or improvement of the existing tools for the modernization of the judiciary
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
<p>The eligible applicants under the operation are:</p> <ul style="list-style-type: none"> • NGOs; • Professional organizations in the judiciary system (associations of judges, prosecutors, investigators, court officials, lawyers, mediators and arbitrators, etc.).
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
<ul style="list-style-type: none"> • NGOs; • Professional organizations; • Stakeholders in the judicial sector; • National Institute for Reconciliation and Arbitration; • The civil society and the business.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
<p>A flat rate is applied under Article 67(5)(d) of Regulation (EU) No 1303/2013 – fund specific rules (ESF).</p>
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
<p>In accordance with Article 14(2) of Regulation (EU) No 1304/2013, a flat rate of up to 40 % of the eligible direct staff costs is used in order to cover</p>

the remaining eligible costs of the operation. The provision does not require the Member State to execute any further calculation to determine or justify the applicable rate.

Direct staff costs are defined as the remuneration costs for the employees of the beneficiary or costs deriving from service contracts for external staff (based on an hourly staff rate). Staff costs include the base salary, paid to people for the hours worked for the implementation of the operation, including social and health security contributions paid by the employer, in line with national legislation. All the other categories of eligible costs of the project (other direct costs and indirect costs) are calculated on the basis of a flat rate up to 40%.

B.3 Data source (please indicate the type of data used and the data source)

N/A

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

- The Beneficiary is responsible for the overall implementation of the project according to the contract;
- The Beneficiary does not have to provide any supporting documents concerning the costs calculated on the flat-rate basis in accordance with Article 14 (2) of Regulation (EC) No 1304/2013. Only reporting on the implementation of the activities and the achievement of the results, as well as proof of direct staff costs is required (pay slips, time sheets, etc.);
- The MA verifies the results and indicators achieved under the project and makes a 100 % verification check on the real direct staff costs. The amount verified for other costs is calculated on the basis of the eligible direct staff cost in the payment claim according to the agreed flat rate.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

In compliance with the CONDITIONS FOR IMPLEMENTATION of the Operation BG05SFOP001-3.003 - "CIVIL CONTROL ON THE REFORM IN THE JUDICIARY":

- The beneficiary/partner should establish and maintain an audit trail in accordance with the minimum requirements of Art. 25 of the Delegated Regulation (EU) No 480/2014 to allow for follow-up, verification, audit and evaluation by all stakeholders involved in the process of managing and controlling the funds under the Program;
- The BENEFICIARY should maintain an up-to-date register containing information about the location of the original project documents and the person responsible for their storage. The Register should be submitted to the Managing Authority upon submission of a request for interim and final payment;
- The beneficiary/partner is required to document and collect all information on the application of Regulation (EU) No 1407/2013. The documents thus drawn up must contain all the information necessary to show that they have been complied with the conditions of the Regulation. The documentation on individual 'de minimis' aid should be kept for a period of 10 budget years from the date of their submission.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The Audit Authority was informed about the intention of the MA to apply flat rate under Article 14 (2) of Regulation (EC) No 1304/2013, but did not give any comments or recommendations concerning the implementation of this simplified cost option.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

No information about the actual impact or added value for the MA, beneficiaries and other stakeholders could be given at this stage, due to the fact that currently only a call for proposal has been launched and the deadline for the first application form submission was April 28, 2017. The evaluation of the project proposals is on the way.

The use of simplified cost options in the form of flat rate for projects financed under operation BG05SFOP001-3.003 "Civil control over the reform of the judiciary" is considered as an important step towards the simplification of procedures both for the beneficiaries and for the MA. It is expected that this approach will save considerable time and resources and will move the focus on achieving the expected results and indicators of the projects.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

The main challenges faced while setting out the SCO scheme were:

- Should the direct staff cost concern only the internal staff of the beneficiary or the beneficiary could use external staff as well. After an internal discussion a decision was made that due to the specifics of the operation and the eligible beneficiaries (NGOs), external staff costs will also be considered as direct staff costs;
- When should the amount of 40% flat rate be paid to the beneficiary – should it be included in every interim payment (proportionally), when implementation of certain activities (deriving other costs) is reported or only in the final payment - taking into account the fact that the accomplished results could be finally checked at the end of project implementation. The proportionate approach was adopted.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

N/A

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

<http://www.eufunds.bg/op-dobro-upravlennie/item/16426-protzedura-bg05sfop001-3-003-grazhdanski-kontrol-varhu-reformata-v-sadebnata-sistema;>

<https://eumis2020.government.bg/bg/s/Procedure/Info/78ebd543-c004-46f2-8816-f4ba5c925d00;>

3. BG 4 – SSUC for training for improving and/or acquiring vocational qualifications / key competences

References:

Member State / Region	<u>BULGARIA</u>
Reference number (TN's map of SCO practices)	<u>4</u>

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	Standard scale of unit costs for acquiring professional qualification and/or key competence per person successful completed the training
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	- Provision of training for improving and/or acquiring vocational qualification; - Provision of training for acquiring key competencies.

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
Operations towards improving and/or acquiring vocational qualification and/or key competencies of unemployed, employed and inactive people under OP HRD, Priority Axes 1 - Investment Priorities – 6, Specific Objectives – 1, 2, 3; Priority Axes 1 - Investment Priorities – 1, Specific Objectives – 1 and 3, Investment Priorities – 3, Specific Objectives – 1, 2 and 3, Investment Priorities – 6, Specific Objectives – 1 and 2 There are 3 degrees of vocational training, vocational qualification for a part of profession, and 7 degrees for training for acquisition of key

<p>competences, in compliance to Council of Ministers decree 280/2015 and European Qualifications Framework.</p> <p>Distance learning is not allowed on OP operations.</p>
<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p>
<p>The condition is that all person-hours (periods) of a given participant in total reach not less than 80% of the length of the course set out in the documentation of the training course content and that participant has received a certificate of completion.</p> <p>The output indicator is “number of participants gained qualification upon leaving”.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>Employers and training organizations.</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<p>Unemployed, employed and inactive people.</p>

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i></p> <p><i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>The standard scale of unit costs has been defined by using a fair, equitable and verifiable method according to Art. 67.(5).(a). and Art. 67.(5).(c) of the CPR.</p> <p>The CSO is based on to national legislation have been used to determine the rates for trainings for vocational qualification, vocational qualification for a part of profession and key competencies – National Employment Action Plan (NEAP) and Council of Ministers Decree (CMD) 280/15.10.2015.</p>
<p>B.2 Calculation Methods <i>(please describe how the calculations have been made)</i></p>
<p>Pursuant to CMD 280/15.10.2015 and NEAP 2016, the applicable rates for training for acquiring vocational qualification and training for acquiring key competencies are as follows:</p> <p>1. Training for acquiring vocational qualification:</p> <p>a) for first degree, with duration of not less than 300 training hours – BGN 600;</p> <p>b) for second degree, with duration of not less than 660 training hours–BGN 1200;</p>

- c) for third degree, with duration of not less than 960 training hours– BGN 1800;
 - d) for part of a profession on first qualification degree, with duration of not less than 200 training hours–BGN 400;
 - e) for part of a profession on second qualification degree, with duration of not less than 300 training hours–BGN 600;
 - f) for part of a profession on third qualification degree, with duration of not less than 600 training hours–BGN 1,125;
2. Training for acquiring key competencies:
- a) for training in key competence 1 – communication in native language, with duration of not less than 16 training hours–BGN 70;
 - b) for training in key competence 2 – communication in foreign language, with duration of not less than 300 training hours and three levels of training –BGN 700;
 - c) for training in key competence 3–mathematics competence and basic knowledge of natural sciences and technology, with duration of not less than 30 training hours–BGN 140;
 - d) for training in key competence 4 –digital competence, with duration of not less than 45 training hours–BGN 250;
 - e) for training in key competence 5–skill for learning, with duration of not less than 30 training hours–BGN 140.
 - f) for training in key competence 6 - social and civil competencies, with duration of not less than 30 training hours –BGN 140.
 - g) for training in key competence 7 - enterprise and entrepreneurship, with duration of not less than 30 training hours–BGN 140.

B.3 Data source *(please indicate the type of data used and the data source)*

National Employment Action Plan (NEAP) and Council of Ministers Decree (CMD) 280/15.10.2015.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The unit cost of training covers all related costs as follows:

cost for training materials, supplies /consumables/, insurance for vocational training, issuing a certificate of completed training, remuneration of teachers, social contributions, rental of material premises, as well as all administrative, overhead and other expenses, including expenses for the activities relating to the provision of trainings under the CDM 280 /2015 and National Employment Action Plan.

The employer/training organization will receive the value of training according to the standard scales of unit costs shown above only for individuals, who have successfully completed the training. Successfully completed training is a completed full course of training according to the approved training schedule and held final exams, if any, attested by a document for completed training and a minimum of 80 percent attendance of classes.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

For the purpose of proving the training and verification of declared expenses, the employer/training organization should present:

- List of participants;
- Training schedule;
- Attendance forms for every day of training, including information about the number of classes attended by every trainee in the training;
- Questionnaires (incoming and outgoing) and micro-data table - participants;
- Certificates for successful completion of training.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The national AA was not involved in the preparation of the specific SCO, nor were audit checks carried out on operations with SCOs.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

An open call for proposal or an evaluation process is ongoing of schemes in which SCO will be used.

The expectations are:

- to simplify the evaluation process of the project proposals;
- to focus verification process on the results achieved rather than checking documents on activities carried out. .

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

- What kind of checks should the MA perform to make reasonable assurance that the costs, declared by the Beneficiary, are correctly reflected in his analytical accounting system in case of SCO?;
- What kind of document should the Beneficiary submit to prove/declare that the costs are actually incurred in case of SCO?

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

An open call for proposal or an evaluation process of projects proposals is ongoing of schemes in which SCO will be used.
On this stage, no conclusions and recommendations can be drawn.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Calls:

<http://esf.bg/procedures/bg05m9op001-1-021-obucheniya-za-zaeti-litsa/>

<http://esf.bg/procedures/gavkavi-vazmozhnosti-za-zaetost-i-obucheniya-v-predpriyatiya-s-promenliv-intenzitet-na-dejnostta-2/>

4. CZ 8 (to 10) – Flat rate for financing indirect costs (max. 25% of direct costs), Article 68 (1)(a) CPR

References:

Member State / Region	Czech Republic
Reference number (TN's map of SCO practices)	8 – data filled in only for OP Employment (two other ESF OPs in CZ have used the same approach)

Contact details:

Name of the Institution	Ministry of Labour and Social Affairs of the Czech Republic
Address	Na Poříčním právu 1, Praha 2, 128 01
Name of contact person	Věra Palowská
Telephone	+420 950 195 761
Email	vera.palowska@ mpsv.cz

Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	FLAT RATE FOR FINANCING INDIRECT COSTS (MAX. 25 % OF DIRECT COSTS), ARTICLE 68 (1)(A) CPR
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	<ul style="list-style-type: none"> • Typically activities that are not directly focused on the target groups or on outputs used by target groups. • Expenditures which are hard to declare. • Activities which are covered by flat rate for regulatory purposes.

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
All types of operations with direct costs bellow 500 mil. CZK; except for operations in the priority axis technical assistance and except for operations managed by the Labour Office in the field of active employment policy.

<p>The areas for using the flat rate for indirect costs can be summarized as follows:</p> <p>Professional training of employees, projects for support of social dialogue, projects for job-seekers and other socially excluded groups on labour market, projects on social integration, on training of social workers, transformation of social services, projects on equal opportunities, childcare facilities, social innovation and transnational cooperation, training of civil servants</p>
<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p>
<p>Outputs/results are connected with the direct costs. They differ based on the content of the projects.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>NGOs, private companies, sole traders, public entities, schools, municipalities</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<p>Virtually all the target groups</p>

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>We have used fair, equitable and verifiable method.</p> <p>Flat rate for indirect costs is not covered by article 14(1) ESF, it is based on article 68 (1)(a) CPR.</p>
<p>B.2 Calculation Methods <i>(please describe how the calculations have been made)</i></p>
<p>Calculation was done on a sample of projects from the previous programming period 2007-2013. The flat rates for indirect costs used in 2007-2013 in CZ ESF OPs (and approved by EC in 2008) were used as a basis which was updated for period 2014-2020. The main changes included shifting certain staff costs from direct to indirect (and thus using the maximum rate of 25 %) and adjusting the limits for reduction of the flat rates (due to size of direct costs or due to high levels of external services).</p>
<p>B.3 Data source <i>(please indicate the type of data used and the data source)</i></p>
<p>Historical data from similar projects in programming period 2007-2013.</p>

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

<p>Indirect costs are mainly project administration and management costs and other overheads. They are paid as a flat rate on the basis of real costs actually incurred and paid. Rates for indirect costs specified in calls of proposals are as follows:</p>
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- direct costs up to 0.37 mil. EUR – flat rate for indirect costs 25 % is applied,
- direct costs above 0.37 mil. EUR and up to 1.5 mil. EUR – flat rate for indirect costs 20 % is applied,
- direct costs above 1.5 mil. EUR and up to 3.7 mil. EUR – flat rate for indirect costs 15 % is applied,
- direct costs above 3.7 mil. EUR and up to 18.5 mil. EUR – flat rate for indirect costs 10 % is applied.
- direct cost above 18.5 mil. EUR (500 mil. CZK) – flat rate for indirect cost is not applied.

Aspect of external services are taken into account: if external services represent more than 90 % of direct costs, then the rate of indirect cost is reduced to 20 % of the basic rate, if external services are above 60 % and below 90 % of direct costs, then the rate of indirect cost is reduced to 60 % of the basic rate. If external services represent up to 60 % of direct costs then the basic rates for indirect costs mentioned above apply.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

As regards documentation for setting the rates of indirect costs, we have analysis, calculations and also supporting documents for each project in the sample.

As regards the level of beneficiaries, indirect costs are being paid based on eligible direct costs. The administrative verifications and on-the-spot controls hence concentrate on direct costs and their eligibility and also whether indirect costs are not being declared as direct. Indirect costs as such are not subject of verifications.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

According to the Czech Single methodological framework the National Coordination Authority (NCA) and the Paying and Certifying Authority (PCA) are to be consulted with the managing documentation of the operational programme and all its revisions. This documentation includes also rules for applicant and beneficiaries, which include also rules for projects with direct and indirect costs. Given the procedures in the Czech Single methodological framework, the Audit Authority has not specifically assessed the draft of the indirect costs, but it was consulted with the rules for beneficiaries, including rules for projects with direct and indirect costs.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

1. Indirect costs (up to 25 % of direct costs) are not declared and do not need to be justified by the beneficiary and checked by the MA
2. Reduction of administrative burden – typical indirect costs represent small expenditure with excessive documentation of their eligibility
3. Covering costs by the flat rate ensures their limitation – more resources remain available for direct work with the target groups and for generating outputs for the target groups.
4. Verifications carried out by the MA are more focused on outputs/results achieved instead of being concentrated on collecting and verifying financial documents for costs that do not generate outputs for the target groups.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

We experienced resistance of some beneficiaries as they in some cases had complained about the rates as being too restrictive. Our experience so far however does not suggest that using flat rate for indirect cost would limit the absorption capacity of beneficiaries.

The MA has decided to use flat rate for financing indirect costs up to 25 % instead of other flat rates (max. 15 % of direct staff costs or max. 40 % of eligible direct staff costs) for the following reasons:

- We have positive experience with using this type of flat rate from the programming period 2007- 2013. The flat rate is calculated on the basis of all direct costs which have incurred in a project, not only on the basis of direct staff costs so it can cover a larger scope of cost items.
- Certain staff costs (for administrative and management staff) have been shifted from direct to indirect costs in comparison with the previous programming period which allows for using the maximum rate of 25 % and it also helps to set a ceiling for administrative and management costs of projects.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

In addition to setting out the rules for beneficiaries before calls for proposals are launched, it is absolutely necessary to establish the "interpretative practice" for implementation period of projects. In this particular case it is necessary to distinguish between direct and indirect costs as the beneficiaries tend to be very creative and are motivated to declare maximum of the costs as direct costs. The MA must be prepared to apply the rules to situations that are not foreseen in advance. Any change in the list of indirect costs for the period 2014-2020 (compared to 2007-2013) creates new situations that need to be interpreted and decided by the MA. The MA however cannot predict the view of audits on these cases.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

General implementation rules for applicants and beneficiaries: <https://www.esfcr.cz/pravidla-pro-zadatele-a-prijemce-opz/-/dokument/797767>

Specific implementation rules for applicants and beneficiaries: <https://www.esfcr.cz/pravidla-pro-zadatele-a-prijemce-opz/-/dokument/797817>
(include detailed list of indirect costs, rates of indirect cost, etc.)

Calls for proposals:

<https://www.esfcr.cz/prehled-vyzev-opz>

5. CZ 14 – SSUC professional training of employees, covered by DA under Art. 14(1) ESF

References:

Member State / Region	Czech Republic
Reference number (TN's map of SCO practices)	14

Contact details:

Name of the Institution	Ministry of Labour and Social Affairs of the Czech Republic
Address	Na poříčním právu 1, Praha 2, 128 01
Name of contact person	Věra Palovská
Telephone	+420 950 195 761
Email	vera.palowska@ mpsv.cz

Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	PROFESSIONAL TRAINING OF EMPLOYEES

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
<p>The aim of the operation to which the standard scale of unit costs is applied is to support further professional training of employees. The MA has prepared seven different activities based on the types of courses that fall into these activities. These activities are: General IT, Soft and managerial skills, Language training, Advanced IT, Economic, legal and accounting courses, Technical and other professional training, and Internal lecturer. Courses included in the first six activities can only be delivered by external training providers. Courses led by an internal lecturer (by an employee of a beneficiary or a partner) fall into the activity Internal lecturer and cannot be included in any other activity. Each activity is defined by the focus of training courses which fall into it.</p> <p>Training means exclusively full-time education in the classroom or in the workplace with the participation of a lecturer (or coach/instructor). The activity is not intended for any form of distance learning.</p>
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>

<p>Indicator definition is as follows: the unit in the activity is the is employee participation in further training (course) of 60 minutes (i.e. person-hour) or 45 minutes in case of the activity Language training (i.e. period), while the focus of the course must fall within the definition mentioned in the list of courses in this activity and it must be a course provided by operators that are different from the beneficiary or its partners (in the project). Courses led by an internal lecturer (by an employee of a beneficiary or a partner) fall into the activity Internal lecturer and cannot be included in any other activity.</p> <p>Furthermore, the condition is that all person-hours (periods) of a given participant in total reach at least 70% of the length of the course set out in the documentation of the training course content and that participant has received a certificate of completion.</p> <p>As the unit of measurement for indicator is then a number of completed hours per employee.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>NGOs, private firms, sole traders, professional associations</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<p>Employees</p>

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>The standard scale of unit costs has been defined by using a fair, equitable and verifiable method according to Art. 67.(5).(a) of the CPR.</p> <p>Links to national legislation have been used to determine the value of the wage contribution for employees' participation in training.</p> <p>The standard scale of unit costs has been covered by a Delegated Act adopted under Art. 14(1) ESF.</p>
<p>B.2 Calculation Methods <i>(please describe how the calculations have been made)</i></p>
<p>The basic value of the unit cost is equivalent to the direct cost of the actual performance, i.e. the full-time training courses. This price is determined on the basis of a survey of prices in the course market.</p> <p>The cost of the direct performance is increased by other costs directly related to training within the project. These costs are indirect costs, which are project administration costs and other overheads costs. Indirect costs are calculated as a rate of direct cost of performance and wage contribution for employee participation in training. The rate of indirect costs has been determined on the basis of an analysis of data from grant projects supported in Priority Axis 1 Adaptability, OP HRE. The analysis included a total of 218 completed projects. Indirect costs data were drawn from a take-up overview from the final project monitoring report.</p> <p>The unit costs also included wage contribution for employee participation in training in the amount of hourly minimum wage and mandatory social security and health insurance contributions paid by employers.</p> <p>After adding up all the components, the total value of a unit cost was calculated.</p>

B.3 Data source *(please indicate the type of data used and the data source)*

A combination of data has been used:

- historical data from similar projects in programming period 2007 - 2013 for staff costs and indirect costs;
- market research for external training costs,
- statistical data (salaries) for internal training costs,
- legislation data for hourly wage subsidy.

C. IMPLEMENTATION OF SCO *(Please describe in brief what implementation rules and conditions have been set out).*

Projects can be implemented only by beneficiaries or in cooperation with project partners or other involved subjects. Involved subjects are not specified in a project application form and they enter the project during its implementation.

Applicants indicate in an application form which activities will be carried out within the project. For the activities selected, a planned number of person-hours (or periods) to be achieved shall be given.

The funds are reimbursed based on the declaration of the number of actual person-hours (periods) in completed courses. Completed course means the completion of training of one person in one topic or of one level of one topic.

Costs will be reimbursed based on the certificate of completion with attendance sheets attached. The actual number of hours must be indicated for each person. For each course, which has been realised in the project a beneficiary must have a documentation of the training course content. Only actual person-hours of participants who completed at least 70% of the planned course hours are eligible for reimbursement. The planned course hours are given in the documentation of the training course content (syllabus/annotation/programme/accreditation). The 70% of the planned attendance is required for a certificate of completion to be issued. If a participant fails to reach at least 70% attendance, the unit cost will not be reimbursed. A certificate of completion must be presented for every course participant. The certificate of completion must specify that the course was completed by a test of knowledge and skills (in line with the documentation of the training course content).

D. AUDIT TRAIL *(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures).*

The reimbursement of a unit cost is conditional on at least 70% of the planned attendance and the issuance of a certificate of completion, which must indicate that the course was completed by a test of the acquired knowledge and skills. Concerning courses to acquire certification required for the performance of specific activities or meeting statutory conditions, it is necessary to demonstrate that they were completed by the acquisition of the relevant certificate.

The above-mentioned documents (attendance sheets and certificates of completion) are always delivered together with a project implementation report for the specified period in which the courses (including the related tests and knowledge verification) were completed. Annexed to the project implementation report is also a table with a summary overview of courses, number of participants - graduates and the number of claimed person-hours classified into the project activities within the given monitoring period. In case of the activity Internal lecturer a beneficiary is obliged to prove an employment contract on lecturing activities between an internal lecturer and a beneficiary or a project partner.

The inspection is carried out by the MA OPE by means of an administrative verification, i.e. inspection of the submitted project implementation reports at the interval specified in the legal act concerning the provision of support.

Furthermore, there are on-the-spot controls by the OPE Managing Authority. In addition to verification of data submitted under the implementation

reports, the on-the-spot controls will also include control of trainings during their course and verification of other records, in particular a documentation of the training course content (syllabus/ annotation/ accreditation/course programme), training aids and materials, documents proving that participants are employees (employment or similar contracts. In case of the activity Internal lecturer the MA also verifies that the internal lecturer has met the minimum education requirements (qualification evidenced by relevant documentation) and has demonstrated relevant work experience (documented by employment contracts or other confirmation.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT *(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).*

According to the Czech Single methodological framework, preparation of unit costs is to be consulted with the National Coordination Authority (NCA) and the Paying and Certifying Authority (PCA). Representatives from these two bodies have been informed about the preparation of the unit costs for further professional training from the very beginning. Given the procedures in the Czech Single methodological framework, the Audit Authority has not been specifically consulted with the draft of the unit costs for further professional training.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS *(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).*

1. The process of submitting project applications has been simplified – it is easier to fill in an application form and to submit it because only standardised units are put in the application form. However, applicants shall consider whether they are able to deliver expected outputs/results at the unit costs set by the MA.
2. The selection process has been simplified – when projects/activities are standardised, then the selection process can be easily standardised as well (it means that objective criteria can be set to facilitate the selection process).
3. Verifications carried out by the MA are focused on outputs/results achieved – by setting out rules for documenting units attained the MA has decided to focus on
on the achievement of policy objectives instead of being concentrated on collecting and verifying financial documents.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO *(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)*

1. Setting out the standard scale of unit costs was a very long and demanding process before calls for proposals could be launched - data collection and their verification, negotiating with the European Commission, and setting out detailed guidance for applicants and beneficiaries.
2. Documenting how financial support has been spent in accordance with state aid rules – we have had to take state aid rules into account when setting out the rules for documenting the units achieved.

H. LESSONS LEARNED AND POINTERS *(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).*

In addition to setting out the rules before calls for proposals are launched, it is absolutely necessary to establish the "interpretive practice" for implementation period of projects. It comes a series of situations that do not exactly fall into the methodology of the SCO and the MA must be prepared to apply the rules to situations that are not foreseen in advance. Interpretation of rules is, of course, carried out in case of projects reimbursed on costs actually incurred and paid but here it is an established long-term practice. The MA can rely on previously reviewed cases. For non-standard situations in case of SCOs, the MA must make a decision without having something to build on, and it cannot be predicted how these non-standard situations will be assessed by audits.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS *(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).*

Calculation methods, documents submitted to the Commission – fiches submitted to the Commission including annexes with data used to calculate the SCO: available at the request

Guidance for applicants and beneficiaries (including detailed requirements for audit trail):

1. Guidance on how to fill in an application form - <https://www.esfcr.cz/formulare-a-pokyny-potrebne-v-ramci-pripravy-zadosti-o-podporu-opz/-/dokument/3435491>
2. General implementation rules for applicants and beneficiaries - <https://www.esfcr.cz/pravidla-pro-zadatele-a-prijemce-opz/-/dokument/797767>
3. Specific implementation rules for applicants and beneficiaries - <https://www.esfcr.cz/pravidla-pro-zadatele-a-prijemce-opz/-/dokument/3342815>

Calls for proposals:

Call no. 43 - <https://www.esfcr.cz/vyzva-043-opz>

Call no. 60 - <https://www.esfcr.cz/vyzva-060-opz>

6. EE 12 – 40% flat rate for childcare facilities

References:

Member State / Region	Estonia
Reference number (TN's map of SCO practices)	12

Contact details:

Name of the Institution	Ministry of Social Affairs
Address	Gonsiori 29, Tallinn
Name of contact person	Ingrid Manguslon
Telephone	6269 208
Email	Ingrid.Mangulson@sm.ee

Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	FLAT RATE 40 % OF DIRECT PERSONNEL COST
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	CREATION OF CHILD-CARE PLACES AND SUPPORTING THE SERVICE PROVISION

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
The direct personnel cost of childcare teacher and co-teacher (helping teacher) is financed. From this personnel cost 40 % is calculated to cover all other cost of the project (materials for teaching, equipment, rooms, music, sports lessons and project management costs).
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
Number of child-care places created.
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
In the 1 st call Local Governments in the 2 nd call Local Governments, NGOs, companies. The final beneficiaries are children and parents.

A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
In the 1 st call Local Governments in the 2 nd call Local Governments, NGOs, companies.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology *(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).*
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Per one month we are covering from ESF support max following levels, additionally to that the co-financing is added.

- 1) 938 euros per one main child-care teacher per one month (working full time)
- 2) 602 euros per one co-teacher (helping teacher) per one month (working full time).

The kindergarten can always pay higher salary if they wish, but from ESF we are covering only according to the fixed max levels. The max limits have been set taking into the consideration of the average salaries of teachers in the kindergarten.

We are covering the cost up to 3 years but each year the ESF support is decreased and co-financing should increase.

1st year up to 85% ESF support next 12-24 month up to 75 % of ESF support and 25-35 65 % of ESF support.

The project promotor should create at least 80 % of the places set in the law

For small children (1-3 years) max 14 children can be in the group

For children 4-7 years max 20 children can be in the group

In United group (different ages together) 18 children can be in the group.

To get the financing at least 80 % of the created places should be fulfilled with children (to proof that there should be available the service contract between parents and kindergarten)

B.2 Calculation Methods *(please describe how the calculations have been made)*

In each kindergarten group usually there are working 2 main teachers and one helping teacher.

The new kindergarten group will be created (18 places for children at the age of 3.-6).

For that 2 teachers and one helping teacher will be hired. The total cost per year will be calculated in following way

Teachers salary (for example 900 euros per months x 2 (teachers)x 12 months= 21 600

600 x 1 (helping teacher) x 12 months = 7200

TOTAL 28 800

From the result 40 % will be calculated to cover all other costs (11520)

Total cost of the project 33 120

B.3 Data source *(please indicate the type of data used and the data source)*

The contracts and payments of the teachers salary.

Creating new service places the project promotor has to present with the first payment claim following documents.

- 1) The local authority's decision about creation of new kindergarten or new places in the existing kindergarten. , the training licence copy
- 2) If the new childcare service provider is created the copy of activity permission should be added.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The conditions have been presented in p B

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Controlling the added copies to be sure that places are created, the payments of the salaries, the working contracts.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The projects have been audited by the AA.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

No need to prove small costs that are not avoidable in offering child-care services (for example beds, games, toys, pencils, pillows, toilet pots etc.).

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

The way to think out the rules what would be enough proof that child care places have been created.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Not so easy as it first seemed to be. As teachers are sometimes ill or participating in the trainings other teachers have to substitute them temporarily. And in this case the problems will emerge (problems with contracts, calculating the costs proportionally). Salary calculating IT systems do not support that type of calculation methods, so it means that for bookkeeping there should be additional calculations in excel tables and it is not comfortable. Additional problem is connected that parents are also partly financing the child care places and it should be fixed as profit in the project and the ESF support should be decreased (if project is over 50 000 euros) according to the structural funds rules.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Ministerial decree which sets the exact rules is available here

<https://www.riigiteataja.ee/akt/120052017013>

7. EE 13 – Unit costs for non-formal training of employees

References:

Member State / Region	Estonia
Reference number (TN's map of SCO practices)	13

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Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	UNIT COST
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	NON-FORMAL TRAINING OF EMPLOYEES FOR IMPROVING LIFE LONG LEARNING KEY COMPETENCES OF ADULT POPULATION

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
Relevant education for societal needs and good preparation for participation at the labour market.
The activities will be implemented to offer non-formal training or to improve life long learning key competences of adult population.

A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
Trained teachers is the main output of activities and the number of adults participating in adult education
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
Public legal bodies.
A4. Target group(s) (Please list target groups within projects covered by SCO)
Different type of teaching persons.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

The unit cost was built up during period 2007-2013 according to the actual costs of the adult training projects. The data and the unit cost were taken as the basis to set the unit cost for current period.

B.2 Calculation Methods (please describe how the calculations have been made)

1. The unit cost is calculated for one adult training group. It is composed of two parts: basic price and training direction. One academic training lesson is 45 minutes.
2. The unit cost is worked out per one adult training group
3. In the Field of Education it has been taken into the consideration the international educational ISCED97².
4. The Unit cost will be corrected on the basis of consumer price index (<http://www.stat.ee/34194>)

Nr	Field of Education (ISCED 97 ² liigituse järgi)	Basic price per training lesson	Field of Education (price of education) (EUR)	Total price per one lesson for training group (EUR)
1	01 General Programmes 010 Basic programmes	25,67	62,50	88,16

² ISCED - Rahvusvaheline ühtne hariduse liigitus (ingl k International Standard Classification of Education). ISCED 97 on 1997. aastal kasutusele võetud liigitus. Õppekavarühmade liigitamiseks kasutatakse kolmenumbri- hierarhilist süsteemi – esimene number tähistab õppevaldkonda, teine õppesuunda ja kolmas õppekavarühma (koolitusala). (Vt. <https://www.stat.ee/dokumendid/36463>). Käesolevas dokumendis on toodud need õppesuunad, mille alla liigituvad koolitatavad valdkonnad.

	080 Literacy and numeracy 090 Personal development				
2	21 Art 210 Arts (broad programmes) 211 Fine arts 212 Music and performing arts 213 Audio-visual techniques and media production 214 Design 215 Craft skills	25,67	39,06	64,73	
3	22 Humanities 220 Humanities (broad programmes) 221 Religion 222 Foreign languages 223 Mother tongue 225 History and archaeology 226 Philosophy and ethics	25,67	23,44	49,10	
4	31 Social and behavioural science 310 Social and behavioural science (broad programmes) 311 Psychology 312 Sociology and cultural studies 313 Political science and civics 314 Economics	25,67	68,08	93,74	

5	34 Business and administration			
	341 Wholesale and retail sales			
	342 Marketing and advertising			
	343 Finance, banking, insurance	25,67	53,57	79,24
	344 Accounting and taxation			
	345 Management and administration			
	346 Secretarial and office work			
	347 working lfe			
6	48 Arvutiteadused			
	481 Informatics, Computer Science	25,67	24,55	50,22
	482 Computer use			

5. Total cost of the training will be calculated taking into the consideration the total number of training hours x price per hour

The full price will be paid if at least 75 % of the participants will complete the training. If the number is 51-74 % then the support will be decreased proportionally. If the number is 50% or less, the costs will not be reimbursed. The participant will be considered to complete the training if she/he will participate at least in 75 % of training lessons.

Since 2016, in case of need, unit costs will be corrected based on the average consumer price of the previous year. Updated unit costs will be effective following the entry into force of the decision.

B.3 Data source (please indicate the type of data used and the data source)

The unit cost is set according to the unit cost worked out during period 2007-2013

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The conditions have been presented in p B

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

proofing documents

Report of training,

Curricula of training

Nr of training lessons per day

List of people entered to the training

Signatures of the participants in the training

List of people who have completed the training

For each training session to the list of participants will be added the name of training, trainers, the place where training took place, nr of lessons, names of participants and signatures.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The projects have been audited by the AA.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

No need to provide evidence for small costs and store supporting documents.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

In the beginning of the implementation the acceptance of the unit cost by IB and beneficiary was in doubt, as they were afraid of that the unit cost will not cover the actual expenditure accrued.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

The audit questioned the calculation methodology used, claiming that the weighted average is more precise to use than the arithmetical average.

Finally they accepted the methodology used by MA as it was justified and in line with the regulations.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

<https://www.riigiteataja.ee/akt/119022016004>

https://www.riigiteataja.ee/aktilisa/1190/2201/6004/HTM_17022016_m10_lisa.pdf#

8. EL 16 – Unit cost (voucher) for provision of childcare services

References:

Member State / Region	GREECE
Reference number (TN's map of SCO practices)	16

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	VOUCHER (A FORM OF UNIT COST)
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	Provision of Child-Care Services (day nursery) "RECONCILIATION OF PROFESSIONAL AND FAMILY LIFE"

A. PROJECT DESCRIPTION

<p>A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)</p> <p>The Action "Reconciliation of family and professional life» for the period 2014-2020 is funded by:</p> <ul style="list-style-type: none"> • Sectoral OP "Development of Human Resources, Education and Lifelong Learning", under investment priority 8iv (Specific Objective: "Improving the work situation of women, with an emphasis on working women in precarious employment"), as an horizontal action for people above the poverty threshold and • 13 Regional OPs for people below the poverty threshold under investment priorities 9i (Specific Objective: "Improve conditions for access to employment for people affected by poverty and social exclusion who are responsible for childcare") and 9iii for children with disabilities (Specific Objective: "Improving conditions for access to employment for people affected by poverty and social exclusion, responsible for the care of children with disabilities"). <p>The aim of the action is to facilitate the maintenance and / or the job searching of participants with pre-school age children or children with disabilities.</p> <p>It aims to: (a) provide substantial support to ensure equal access to participants through the provision of quality care and hospitality services for babies, infants, children and persons with disabilities; (b) equal access for vulnerable groups (Children and adults <18 with disabilities) to quality social services.</p>

The voucher (*Installation Value*) for childcare services is provided to mothers (and fathers) in order to promote their employability and reconcile their family and professional life.

It is defined as the price which is paid on behalf of the parent and upon his/her debit authorization, in units for children care and hospitality services, according to specific prices. **It remains in force throughout the course of a school year** (September – July), **but it is paid on a monthly basis**. The physical object is expressed in man-months of childcare.

The value of the voucher for childcare services is fixed and differentiates accordingly the type of childcare unit (depending on their age range and services provided):

- for babies
- for children
- for babies with disabilities
- for children with disabilities

Childcare services consists of all services that the childcare units are required to provide, in accordance with the institutional framework governing their establishment and operation. Indicative:

- Care and hospital services for babies and children
- Educational services
- Feeding
- Transportation only for babies and children with disabilities

It covers:

- Direct Staff Cost (teachers, cooker, driver when relevant)
- Other Expenses (Operating expenses, educational material etc.)

For the implementation of the program, there is a body/beneficiary which mediates between providers (childcare services units) and parents. The parent submits an application to the beneficiary who evaluates it against predefined selection criteria. **When parent is selected, he/she signs a contract with the provider chosen**. He/she also authorizes the beneficiary to carry out the payments to the provider on his behalf. The payments are calculated on a monthly basis for those months that the child remains registered to the childcare services unit and receives the corresponding services.

A2. Definition of outputs/results (*Please give a short definition of outputs and/or results*)

The unit (output) is "the total services provision for a school year (11 months)" divided in a monthly basis.

A3. Beneficiaries (*please indicate the types of beneficiaries involved in the operations covered by SCO*)

For the implementation of the program, there is **one beneficiary** which mediates between providers (childcare services units) and parents: "Greek Company of Local Development and Local Government SA" (EETAA S.A), a legal entity under private law.

A4. Target group(s) *(Please list target groups within projects covered by SCO)*

The voucher is a predefined amount provided to a parent in order to meet his/her needs for childcare services. Eligible for voucher are:

-parents of babies, infants and children and / or

-parents of infants, children, adolescents with disabilities.

-parents to whom custody of children has been granted by court order,

who meet the following conditions:

- are employed (tenants, self-employed), or

- are registered unemployed with a personalized approach certificate from the PES.

The parents are selected using rated criteria on (i) their labour status (unemployed – employed, type of job), (ii) their family status (single householders, number of children, children or parents with disabilities and other social characteristics) and (iii) their family income.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology *(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).*
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Voucher is a simplified reimbursement method that is being used for various types of operations. It is not classified as a simplified cost option under Article 67 CPR or Article 14 of the ESF Regulation. Nevertheless, the amounts of the voucher are based on survey by external expert on the real cost, for each type of unit.

B.2 Calculation Methods *(please describe how the calculations have been made)*

The value of the voucher for each type of unit is based on a survey on the real cost of the specific service, by type of unit and by category of expenses (staff cost, rent, operational expenses, feeding etc.).

The **Activity Based Costing method** was applied.

In order to identify the unit costs, primarily, the cost drivers regarding the facility operation are recognized. The cost drivers constitute the cost categories that are further distinguished into fixed and variable costs:

1. FIXED COSTS:

- Professional staff fees
- Auxiliary staff fees
- Other staff fees
- Doctor's fees
- Rentals
- Maintenance and repairs costs (buildings facilities and equipment)

- Depreciations
- Accountant fees
- Facility's insurance costs

2. VARIABLE COSTS:

- Utilities costs
- Brunch
- Stationery and Toys
- Consumables

3. COSTS THAT ARE NOT INCLUDED:

- Transportation costs (except for the units that provide services to babies and children with disabilities)
- Imputed salary of service operator (Refers to the employer's salary when the structure is private)
- Reserves for contingent expenses

Note that, cost-benefit analysis regarding the selected sample has demonstrated that staff costs stands at a percentage of approximately 77% of the comprehensive unit cost. The remaining 23% of the unit cost expenses pertain to other expenses (other costs) related to the facility operation.

B.3 Data source *(please indicate the type of data used and the data source)*

In the framework of the aforementioned study :

The cost of staff salaries was calculated on the basis of the national united payroll.

The rationale of the annual imputed income, which is predetermined by the competent economic authorities, is used for the calculation of rents.

Maintenance and depreciation costs were calculated on the basis of survey data in a targeted sample.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The payments to the services providers/units are made periodically on a monthly basis. In cases of justified absences the provider is paid for the whole month.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

In order for the childcare services provider to be reimbursed, the following documents should be displayed (administrative control):

- The contract between the childcare unit/provider and the parent
- A monthly list with the presences of the child signed by the parent
- The payment receipt issued by the provider to the parent against the voucher, for the month concerned

At the end of each month, parents are required to complete and sign the monthly follow-up list with the presences of the child that ensures that their child's care and hospitality services have been provided by the provider during that month. Childcare providers are required to issue, send and maintain on a monthly basis the required reports for the verification of the physical object and the expenditure.

The physical object is expressed in man months of childcare services. The verification of the physical object by the beneficiary (EETAA SA) is made on the basis of the monthly monitoring reports. Verification of the physical object is also made by supplementary information that the beneficiary may request if it considers it appropriate. The beneficiary confirms the agreement of the physical object in order to credit the bank account of each provider, ensuring, in this way, the alignment of the physical object with the financial one.

Administrative audit are carried out by EETEA SA. There are also on the spot verifications based on sampling by EETAA SA. On the spot checks may be carried out in any provider that hosts children without prior notice.

Administrative and on-the-spot verifications are also carried out by MA in line with the provisions of the applicable management and control system of the p.p. 2014-2020.

Audits can, also, be done by relevant National or European auditing bodies.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The audit authority has not been involved in preparation and assessment of the unit cost.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

There are many advantages of using vouchers such as :

- Simplification of administrative procedures
- limited or no financial object control
- Emphasis on the results of an intervention
- Strengthening the dimension of the personal choice of the citizen by offering the possibility to select a provider of services according to his/her own needs.
- Giving motives to the providers in order to upgrade the quality of their own services.
- Much faster process by avoiding implementation with use of contractors (public procurement).

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

As the voucher is offered to parents the intervention is not consider as state aid.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).


Voucher summary
methodology.doc

9. EL 29 – SSUC – Operation of structures providing day care services for old people

References:

Member State / Region	GREECE
Reference number (TN's map of SCO practices)	29

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	Standard scale of unit cost
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	Operation of structures providing day care services for disabled people

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>The "Day Care Centres for People with Disabilities" (DCPD-KDIF in Greek), is funded by the 13 Regional OPs under investment priority 9iii or 9iv (Specific Objective: "Improving the provision of social services and educational support to socially vulnerable groups (disabled, pupils with disabilities and / or special educational needs)").</p> <p>They provide daily care services for people with disabilities. It operates 5 days a week, from 8:00 a.m. to 21:00 p.m. maximum, in 2 shifts of 8 hours each one, in order to provide for max 8 hours care services per person per day, including the transportation time. The objectives of the action are:</p> <ul style="list-style-type: none"> • Improving the quality of life of disabled people in need of support services, • Strengthening social cohesion and preventing marginalization and social exclusion, and • Combating discrimination and promoting equal opportunities <p>The services provided include at least:</p> <ul style="list-style-type: none"> • transfer to and from the Centre • stay and snack/lunch

- special treatment according to the needs of each participant (Ergonomics, Logotherapies, Physical Therapies, etc.), based on the individual program of each one
- individual or group bodywork
- training in self-service and the learning of everyday life activities.
- creative occupation and socialization activities.
- their participation in entertainment, culture and sports programs
- networking and co-operation actions with other social services, institutions and providers and the local community in general (e.g. municipalities, sports, cultural or other associations, educational community, etc.) in order to interconnect with the local community, to integrate people with disabilities into it and thus to strengthen social cohesion at local level.

For each participant, an Individual Plan for day care services is drawn up by the centre's scientific team, based on its special needs.

The cost of providing all the above mentioned services per participant is included in the unit cost, which covers staff cost, operating cost, cost for materials, transportation cost etc.

A2. Definition of outputs/results *(Please give a short definition of outputs and/or results)*

The unit (output) is the services received by each individual per month.

A3. Beneficiaries *(please indicate the types of beneficiaries involved in the operations covered by SCO)*

Non-profit legal entities under private law, operating "Day Care Centres for People with Disabilities", have been legally licensed and so have met the terms, conditions and specifications of the relevant institutional framework (Ministerial Decisions, Ministry of Health).

Such legal entities could be: Associations of parents with children with disabilities, Social Organizations of Care for Sensitive Social Groups, etc.

A4. Target group(s) *(Please list target groups within projects covered by SCO)*

Participants are people with mobility, sensory, mental or multiple disabilities or with a different type of disability.

Participants are selected on the basis of criteria based on:

1. the residence scheme (institutions, family or other housing)
2. insurance capacity
3. individual or family income (minus any allowance)
4. marital status
5. working status of the parent / legal guardian

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology *(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).*
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Use of existing own national schemes for similar types of operations and beneficiaries.

The unit cost hasn't been covered by Art. 14(1) ESF.

B.2 Calculation Methods *(please describe how the calculations have been made)*

The unit cost amounts to € 800 per month per participant. It is based on the current institutional framework for the amount of hospitalization provided by the National Organization for Primary Health Care and in particular the Presidential Decree 383/2002 "Determination of Special Nursing of Rehabilitation Centres and Rehabilitation of Closed and Daily Nursing" (Government Gazette 332, A', 30.12.2002) as amended by the Presidential Decree 187/2005 (Government Gazette 231, A', 22.09.2005).

B.3 Data source *(please indicate the type of data used and the data source)*

Not relevant

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The unit cost is per month per person. The call for proposals, determines that the person must have at least 15 presences per month in order to be eligible. In cases of less than 15 presences in a month, if the absences are justified (official holidays or/and with medical certificate or hospital admission) the unit cost is paid to the centre. Otherwise (less than 15 presences per month without justification), the unit cost is not paid.

As the operation of these cofounded centres has been recently started, we have not yet any feedback concerning the use of unit cost during the implementation.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

The verification of the physical object is carried out by the MA and requires checking of the following:

The “Total Participants Monthly Monitoring Fiche”, showing the presences per participant and per calendar day of the reference month. These data are based on the Individual Monthly Monitoring Reports and the Weekly Schedule of Services of the centre.

The Total Participants Monthly Monitoring Fiche should be co-signed by the responsible of the structure and by each participant or parent/guardian.

It is submitted to the MA accompanied by the relevant Monthly Expense Statement.

The check of the Total Participants Monthly Monitoring Report and the relevant Monthly Expense Statement consist the minimum obligatory documents for the administrative verification.

Furthermore, there are on-the-spot verifications by the Managing Authority. In addition to the verification of the above documents submitted, on-the-spot verifications will also require checks on the following documents, which should be kept and submitted by the Beneficiary whenever requested by the MA, as well as the competent Control Authorities:

1. Individual Monthly Plan, signed by the interdisciplinary team (what each participant should do/receive during the following month).
2. Weekly schedule of services, signed by the person responsible for the structure (it refers to the whole structure, is based on all the Individual Monthly Plans, taking into consideration the possibilities, the staff, the planned activities, etc. of the centre)
3. Individual Monthly Monitoring Reports, presenting the services actually provided by day under the Individual Monthly Plan and signed by the structure manager at the end of each month.
4. Session and communication booklet, which will be co-signed by the participants in the sessions (interdisciplinary group, participant and/or parents/guardians).

Each month, the Beneficiary is required to certify to the MA the provision of care services by submitting the Total Participants Monthly Monitoring Report, as mentioned above.

In addition, the Beneficiary has to submit to the MA a Mid-term Assessment Report in the middle of the implementation period and a Final Assessment Report at the end of the implementation period.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The audit authority has not been involved in preparation and assessment of the unit cost.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

Simple simplification!
Not checking the financial implementation is a great help and service for the beneficiaries of this category, as they have no “know-how” in the management of co-financed operation.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Certifying the services provided per person, given that they differ according to the needs of each participant and therefore does not result in one and the same service “package” (output) per participant. What is common for all participants is the obligation of the structure to cover all his/her individual needs, plus a minimum of services needed to be provided such as networking, socializing. At the call for proposals level it was determined that the verification of the physical object carried out by the MA is done by checking the Total Participants Monthly Monitoring Fiche as described in unit D.
Due to the lack of a legal framework concerning the documents which must be kept by the structure, it is not always simple/clear for beneficiaries to collect and keep the necessary documents and data. For this reason MA determined in the call for proposals which documents and data have to be kept in the premises.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

As the operation of these cofounded centres has been recently started, we have not yet any feedback concerning the use of unit cost during the implementation.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

10. ES 3 (to 7) – Standard scale of unit costs – hourly staff cost (teachers)

References:

Member State / Region	SPAIN
Reference number (TN's map of SCO practices)	3 (to 7)

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	Standard scale of unit costs - hourly staff cost (teachers) (Other costs are not included, for example costs related to accommodation, travel of students or allowances for students)

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
The aim of the operation to which the SSUC is applied is to support the cost of formal education and initial vocational training.
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
Indicator definition is as follows: real hours taught (although SSUC is based on the total hours one course is planned, SSUC is multiplied by real hours)

taught –it means if any hours is not taught has to be discount of the final declaration). For part-time courses, a pro-rata can be claimed.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
Educational public bodies
A4. Target group(s) (Please list target groups within projects covered by SCO)
People in education and initial vocational training

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)
<p>The standard scale of unit costs has been defined by using a fair, equitable and verifiable method according to Art. 67.(5).(a) of the CPR.</p> <p>One the one hand, links to national legislation have been used to determine the value of the wage contribution for employees’ participation in education and initial vocational training and on the other hand, links to Educational services declaration and school calendar setting out by Responsible Public bodies.</p>
B.2 Calculation Methods (please describe how the calculations have been made)
Taking into account standard scales of unit costs can be used to calculate all or part of the eligible costs of an operation on the basis of quantified activities, input, outputs or results multiplied by standard scales of unit costs established in advance; MA has defined the eligible costs calculated on the basis of a direct teaching staff costs per hour of teaching x number of real and effective taught hours. The cost per hour (cost of taught hour) has been defined in advance by the managing authority. It has been calculated with the annual budgetary law (all teacher are civil servant and their salaries are public) and the educational law establishing all the arrangements for the courses (duration, pupils per course, training planning, etc...) and is shown in the document setting out the conditions for support.
B.3 Data source (please indicate the type of data used and the data source)
<p>A combination of data has been used:</p> <ul style="list-style-type: none"> • legislation data for hourly wage subsidy • Educational services declaration and school calendar.

C. IMPLEMENTATION OF SCO (Please describe in brief what implementation rules and conditions have been set out).

<p>Projects can be implemented only by educational public bodies.</p> <p>Application has to be done with the funding application by the beneficiary (educational public body). MA/IB, as responsible for selecting operations,</p>
--

has to launch documents setting out conditions for support with indications of the method to be applied for determining the costs of the operation and the conditions for payment of the grant.

The IO in collaboration with the education authorities must have identified the selected centres and the actions eligible for the ESF. Likewise, they will be informed of the obligations to be assumed by the centre in terms of monitoring and control, as well as the dissemination and publicity of the ESF.

The funds are reimbursed based on the declaration of the number of real teaching-hours (attendance sheets attached) in courses certified by the Director of the centre.

Time spent in the workplace cannot be claimed to ESF.

Considering combination of simplified cost options are possible in accordance with Article 67(3) CPR, these options may be combined only in the following cases, in order to prevent any double financing of the same expenditure they must each cover different categories of eligible costs; or they must be used for different projects in the same operation; or they must be used for successive phases of an operation.

Taking into account described operation is based on direct teaching staff costs, covering only one category of eligible costs, it is possible use other options to calculated the rest of the eligible costs. MA has implemented option of flat financing for other costs different than direct teaching staff costs.

D. AUDIT TRAIL *(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures).*

The reimbursement of a unit cost is conditional on the certificate of attendance sheets attached.

Prior to the certification of actions under these Instructions, the intermediary organizations in collaboration with the educational authorities will carry out 100% administrative verifications of the actions and a sample of on-the-spot verifications

In any case, verifications (in addition with guidelines on verifications requirements) at least will be verified:

- Established amount of the unit cost schedule for teaching staff A1 and A2 (the have different SSUC), corresponding to the type of operation (Cycle or Program).
- List of execution centres of the actions, with indication of the locality, summary of number of hours given by teachers A1 and A2
- Amount of the eligible expenditure to be certified once the unit cost has been applied.

E. ASSESSMENT BY THE AUDIT AUTHORITY (IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT *(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).*

According to the Spanish methodological framework, preparation of unit costs is not consulted with the National Audit Authority.

Guidelines to implement SSUC to direct teaching staff costs in education and initial vocational training were prepared in accordance with Intermediated Bodies and Certifying Authority.

Nevertheless, SSUC system described has been audited by audit authorities with no objections to the methodology.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS *(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).*

The process of calculating SSUC has been not difficult taking into account the amount comes from legislation (budgetary law and educational regulation); but, supporting documents to justify the quantities declare by the beneficiary has been and nowadays is a very huge administrative burden.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO *(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)*

Calculating on the basis of cost/hours and checking attendance sheets has not any advantage on simplification.

Although verifications and audits will be carried out in a different manner, on the basis of the calculation method used to set the simplified cost and not on the basis of supporting financial documents per project, checking all attendance (per hour, discounting hours not real taught) modify administrative burden from financial documents to attendance sheets documents, with no simplification.

H. LESSONS LEARNED AND POINTERS *(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).*

In addition to previous paragraph, lesson learnt is SSUC have to be based on, not only easily identifiable quantities, but also, quantities easily to check and follow audit trail.

Concerning SSUC defined in this operation, we have to evolve to the calculation of a SSUC on the basis of direct teaching staff cost, BUT, not checking all attendance sheets but also checking if the complete course has been taught. If so, SSUC will be multiply by all hours of the course.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS *(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).*

Guidelines to IB for calculating direct staff cost (and Annex) are attached to this document



Anexo I FICHA
RESUMEN HORAS IMI



INSTRUCCIONES AG
SOBRE APLICACIÓN I

11. FI 3 – Flat rate for indirect costs (17% ESF / 24% ERDF)

References:

Member State / Region	Finland
Reference number (TN's map of SCO practices)	3

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	FLAT RATE FINANCING
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	ALL ACTIVITIES (EXCEPT TECHNICAL SUPPORT, OPERATIONS NOT INCLUDING STAFF COSTS AND OPERATIONS INCLUDING LABOUR POLICY INSTRUMENTS)

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
All kinds of ESF projects (except technical support, operations not including staff costs and operations including labour policy instruments).
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
Varies depending of the activity and project content. Flat rate –cost option is not output/result based.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
Educational and research institutions, municipalities and joint municipal authorities, foundations, NGOs, social partners, companies, other organisations (all kinds of beneficiaries included in the OP).

A4. Target group(s) (Please list target groups within projects covered by SCO)

All kinds of target groups included in the OP.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).

Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Fair, equitable and verifiable method.

B.2 Calculation Methods (please describe how the calculations have been made)

Calculation method was established in the programming period 2007-13 and was approved by the EC (separately by DG EMPL and DG REGIO).

Method was based on statistical analysis of historical data of ESF and ERDF projects in the programming period 2007-13. A representative sample of the historical data of ESF and ERDF funded projects was established by using Monetary Unit Sampling method with the confidence level of 95 percent. ESF and ERDF projects were examined separately. A total of 59 ESF projects and 59 ERDF were studied. The size of the ESF population was 774 projects and 124.373.844 Euros. The ESF sample represented eight (8) percent of the total quantity of ESF projects and 17 percent of the total financial input (Euros) associated with the projects. The size of the ERDF population was 499 projects and 115.717.221 Euros. The sample represented twelve (12) percent of the quantity of ERDF projects and 26 percent of the total financial input (Euros) associated with the projects.

The total flat rate percentage for each project in the sample was calculated as indirect costs per direct staff costs multiplied by 100. The total flat rate percentage was calculated as the average of the flat rate percentage of each project in the sample.

The results in the survey revealed no correlation between project size and the calculated flat rate percentage. According to the survey, when the Euro amount of the project increases, the ratio between the indirect costs and the direct costs does not change. As a general rule, the variance in the flat rate percentage between projects seemed to be fairly moderate and small enough to allow the application of one percentage per fund no matter which priority or programme section is in question. This was also justified for the simplification and efficiency of the calculation model.

B.3 Data source (please indicate the type of data used and the data source)

SF database "EURA 2007" and project accounting data and other project documentation from the Intermediate Bodies.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Implementation rules and conditions have been set out in the national eligibility act. The main conditions are:

- Flat rate –option must be used as the main rule instead of real costs.
- Costs of the project are divided into 1) **staff costs which are the basis for the flat rate calculation** 2) **other eligible direct costs not taken into account in the flat rate calculation** and 3) **indirect costs which are covered by the flat rate (17 % in the ESF and 24 % in the ERDF).**
- **Staff costs** for the project personnel are calculated as direct salary costs covering also statutory supplement staff expenses. The staff working in the project has to have written job description. Full-time employees cannot have other tasks than those to do with the project. A part-time employee has to have a follow-up of his/her total working time on daily basis. Staff costs that are included in the outsourced services are not included in the scope of the flat rate calculation.
- Following **other direct costs** are eligible but they are not included in the flat rate calculation (there is an exhaustive list of direct costs in the national eligibility act):

- outsourced services (staff costs that are included in the outsourced services are paid as invoiced by the service provider and thus are not included in the scope of the staff costs that are the basis for flat rate calculation)
 - rental costs of premises for participant groups
 - small material and immaterial purchases for participant groups (ESF) / investments and purchases related to the content of the project (ERDF)
 - marketing and communication that is directly linked with the project
 - auditing costs of the project
- **All other costs are considered as indirect costs and are covered by the 17 % flat rate in the ESF and 24 % flat rate in the ERDF.** They include for example **travel costs**, acquisition of equipment for the project staff and other office costs, financial management services and other shared support services and costs of the project steering committee.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

- The beneficiary reports electronically in the SF information system "EURA 2014" the direct staff costs and other direct costs of the project in the project application and in the payment claims. EURA 2014 system calculates the 17 % (ESF) / 24 % (ERDF) flat rate share automatically to the application and payment claim based on the reported direct staff costs.
- The Intermediate Bodies perform desk-based checks to every payment claim to verify the direct costs to make sure that they are eligible and that they don't include any costs that are already covered by the flat rate share. EURA 2014 system calculates the 17 % (ESF) / 24 % (ERDF) flat rate share automatically to the payment decision based on the verified eligible direct staff cost.
- The IBs perform also on-the-spot checks where the correct application of flat rate –option is verified among other subjects of inspection. On-the-spot checks are documented electronically to the EURA 2014 system.
- All the project documents (application, project decisions, payment claims, monitoring and final reports, management verifications etc.) are created and stored electronically in the EURA 2014 database, which functions as an electronic archive and controls the audit trail.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The AA was consulted several times during the preparation of the flat rate scheme in the programming period 2007-13. The AA was also asked to give an official statement of the flat rate scheme before Finland made the proposition to the EC in the programming period 2007-13, which the AA did give.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

Based on comments from some of the Finnish Intermediate Bodies:

- In general the flat rate –option has speeded up the payment process, especially if the project budget has been clearly defined and the project costs have been sufficiently accurately defined in the approved project plan.
- Flat rate has also made the process more reasonable and has enabled the IBs and beneficiaries to focus more on the project content and results.
- The beneficiaries, IBs and other stakeholders are usually pretty satisfied with the flat rate model compared to real costs.

- However, some beneficiaries, especially universities, research institutions and universities of applied sciences still consider the flat rate share to be too low. To some extent, this might have affected to the number of applications from these organizations.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

- It was quite burdensome for the MA to establish the calculation method for the first time, although we used a contractor for the calculation. We had to make several modifications to the calculation method during the process, because it was all new to us. The process took quite a long time. That is one of the reasons why we decided to use the same methodology for the 2014-20 programming period and also because the model was already known by the beneficiaries and the IBs.
- The MA has been satisfied with the decision to calculate the flat rate share only based on direct staff costs (as opposed to all direct costs). This was also originally recommended by our AA. This way we didn't have to take into account separately the impact of outsourced services / public procurement on the calculation methodology.

Based on comments from some of the Finnish IBs:

- Although the flat rate option has simplified the payment process the implementation is not without questions: The IB usually has to discuss beforehand with every beneficiary which salaries can be included in the project staff costs. The beneficiaries tend to offer all pay-offs to be included, but we do accept only those which are essential to project. And in checking one has to be quite explicit with the costs that are included and also with working hours. But in general the model works quite well.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

- It is important that the project budget is sufficiently clearly defined and especially the project staff costs are accurately defined in the project plan before it is approved by the IB.
- For the programming period 2014-20 we have allowed the use of 15 % flat rate for the projects with high travel costs. The 15 % flat rate option is otherwise exactly similar to 17 % (ESF) / 24 % (ERDF) option, but in the 15 % flat rate option the travel costs of the project are considered as direct costs and are reimbursed for the beneficiary based on real costs. In the ESF it is also possible to use 40 % flat rate, but this option has not been used in many projects so far.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Legal acts, guidance for beneficiaries etc. (in Finnish and in Swedish):

<http://www.rakennerahastot.fi/>

12. FI 7 – Lump sum for small projects <€100k. Drawn up on basis of draft budget and other objective information from beneficiary

References:

Member State / Region	Finland
Reference number (TN's map of SCO practices)	7

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	LUMP SUM
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	SEVERAL ACTIVITIES

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
Small projects (up to 100 000 € public funding) <u>in which the results of the project can be clearly defined.</u>
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
Results are determined separately for each project in the document setting out the conditions for support.
Some examples of implemented lump sum projects: Feasibility studies, preliminary reports, action plans and strategies (each before starting a wider project), knowledge strategies and learning surveys, new operational models (for example to improve the productivity of employees over 50 years), a new internet based service platform, developing and testing the suitability of an Internet-based user interface with real-time translation service to support the integration of immigrants and to promote the paths of education and employment of immigrants, a training program designed for real estate energy economy (project includes the design of the training content, training materials preparation, piloting the training and assessing the

piloting training), data collection by interviews and questionnaires + seminar, an intensive club + workshops organized in job searching for people with immigrant background etc.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
Educational and research institutions, municipalities and joint municipal authorities, foundations, NGOs, social partners, companies, other organisations (all kinds of beneficiaries included in the OP).
A4. Target group(s) (Please list target groups within projects covered by SCO)
All kinds of target groups included in the OP.

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</p> <p>Combination of methodologies:</p> <ul style="list-style-type: none"> - draft budget <ul style="list-style-type: none"> - objective information to justify the draft budget (for example pay rolls from previous year and price comparison) - 17 % flat rate in the ESF and 24 % in the ERDF of direct staff costs can be used to calculate the indirect cost (including also travel costs) inside the draft budget. 17 % / 24 % flat rate is based on our flat rate calculation methodology explained in another template (reference number 3). This choice has been made because otherwise it would be very difficult to calculate indirect costs separately for each lump sum project and we already had an approved calculation methodology for the flat rate share.
<p>B.2 Calculation Methods (please describe how the calculations have been made)</p> <p>Calculations are made separately for each project because we don't have many standardized project types. The basis of the method is set and the costs that can be included in the draft budget are defined in the national eligibility act. Elements needed to specify the lump sums are explained in advance to the applicants in the calls for proposals. The IBs also organize information events for beneficiaries.</p> <p>The applicant presents the draft detailed budget and documents to justify all the costs in the draft budget (for example pay rolls from previous year, historical data and/or price comparison). Lump sum projects usually have only a few cost categories, for example staff cost and small material purchases + flat rate to cover the indirect costs (including also travel costs). It is the responsibility of the IB to verify the calculation and if necessary, get additional information / data. The IB can for example make additional comparisons to similar projects.</p> <p>Lump sum is determined in the project decision (=the document setting out the conditions for support).</p> <p>(According to our eligibility act it is also possible for the IB to draw up the draft budget, get the necessary data and do all the calculations beforehand and then launch the call for the best projects, but this option has never been used so far.)</p>
<p>B.3 Data source (please indicate the type of data used and the data source)</p> <ul style="list-style-type: none"> • Draft budget and other objective information from the applicant (for example pay rolls from previous year historical / statistical data and/or price comparison). • Similar projects comparison from SF database.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Implementation rules and conditions are set out in the national eligibility act and in more detail for each project in the project decision (= the document setting out the conditions for support). Rules are based on EU legislation and guidance.

The main general conditions are:

- Lump sums up to 100 000 € of public funding are allowed for ESF and ERDF.
- Lump sum option can only be used for projects in which the results of the project can be clearly defined.
- The intermediate body (IB) decides if lump sum option is suitable for the project.
- The lump sum results of the project have to be defined beforehand in the project decision and they cannot be changed during the project. Only the project implementation period can be extended with a decision by the IB if there is a justifiable cause (for example sick leave of the project manager).
- Lump sum can be divided into several phases. For each phase a separate result must be specified in which the payment is based. The evidence documents required to approve the results of each phase have to be explained in the project decision by the IB.
- The draft budget in which the calculation of the lump sum is based can only include costs that are eligible according to the national eligibility act. The applicant must provide proof documents for each cost type in the draft budget in the project application phase.
- The IB must use fair, equitable and verifiable method when calculating the lump sum. This means, for example, that the elements needed to specify the lump sums have to be explained in advance to the applicants in the calls for proposals. The IB must treat similar projects with the same standards. Regional differences in the price level must be taken into account.
- The payment for the beneficiary is made only if the result defined in the project decision has been fulfilled and the beneficiary has provided the evidence documents as specified in the project decision.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

All the project documents (applications including the draft budget and the project plan, project decisions, payment claims, monitoring and final reports, management verifications etc.) are created and stored electronically in the EURA 2014 database, which functions as an electronic archive and controls the audit trail.

- The beneficiary draws up the application including the draft budget and the project plan electronically in the SF information system "EURA 2014". All of the supporting documents including the evidence documents to support the draft budget and lump sum calculation are electronically attached to the application and are stored in the EURA 2014 system.
- The processing of the application by the IB, including the confirmation of the lump sum calculation is stored electronically in the EURA 2014 system in specified information fields.
- The IBs perform desk-based checks to every payment claim to verify that the results of the lump sum project have been realised and that the beneficiary has complied with the conditions for support set up in the project decision.
- The IBs perform also on-the-spot checks where the correct realisation of the results can be further verified if necessary among other subjects of inspection. On-the-spot checks are documented electronically to the EURA 2014 system.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The AA was consulted during the preparation of the lump sum scheme in the programming period 2007-13. The Ministry of Finance where the AA is situated has also given an official statement of the national eligibility act which includes the rules for lump sum option and other SCOs.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

Based on comments from some of the Finnish IBs:

- In general, the basic idea of the lump sum option has been realized well.
- Due to the lump sum option also smaller beneficiaries have been more involved. However some of the personnel of the IBs think that this option is more suitable for experienced beneficiaries which are already familiar with the implementation of projects.
- The management of lump sum project, especially the payment process, is really simple which has been welcomed by the beneficiaries. The beneficiaries have been also happy with the fact that it is possible to adjust the way the project is implemented without changing the project decision as long as the results defined in the decision are achieved.
- For the IB, the lump sum option causes work in the decision phase, when you anyway have to figure out how much the operations are likely to cost and defining of course the outcome of the project. But it is so easy to pay – when everything has gone as planned.
- Sometimes the lump sum option is useful for trying / testing a new, maybe a bit risky idea on a small scale.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

We don't have many "standardized" project types in our OP, which means that the contents and form of the projects varies quite a lot. That is why it was not possible to calculate specific lump sums beforehand for specific activities. We are still quite satisfied with the solution.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Based on comments from some of the Finnish IBs:

- The crucial point of the lump sum option is the definition and documentation of results of the project. Definition must be made in co-operation with the beneficiary so that there will not be any misunderstandings on either side. The lump sum is really easy to pay, if the required results have been clearly documented in the project decision.
- The lump sum option suits well for example different kinds of surveys, reports, workshops, seminars etc., where the results can be clearly defined. However, the results should not be either defined yet too explicit. The option suits best for quite short period projects.
- The risk for the beneficiary can be considerably reduced by dividing the results and thereby the payments into parts. However, sometimes it is difficult to define intermediate results. It depends of the project.
- The importance of achieving the results must be really underlined for the beneficiary (several times).
- The possibility to use flat rate –option to calculate the indirect costs inside the draft budget of the lump sum project has been considered a really good reform which we made for the programming period 2014-20.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Legal acts, guidance for beneficiaries etc. (in Finnish and in Swedish):

<http://www.rakennerahastot.fi/>

13. FR (nat) 3 (to 5) – Off-the-shelf flat rate for indirect costs in CPR

References:

Member State / Region	FRANCE National OP
Reference number (TN's map of SCO practices)	3 to 5

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	FLAT RATES
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	ALL TYPES OF ACTIVITIES

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>Off the shelf flat rates :</p> <ul style="list-style-type: none"> - flat rate for financing indirect costs (15 % of direct staff costs), Article 68 (1)(b) CPR - flat rate for financing the remaining eligible costs (max. 40 % of eligible direct staff costs), Article 14 (2) ESF Regulation - flat rate for financing indirect costs (20 % of direct costs), Article 68 (1)(a) CPR + national regulation (Arrêté du 1er avril 2016 relatif à la forfaitisation des dépenses indirectes des opérations recevant une participation du Fonds social européen et de l'Initiative pour l'emploi des

jeunes). All types of projects with indirect costs can use the flat rates. Beneficiaries with no indirect costs are not allowed to use the flat rates. As for the 20% flat rate (based on a study at national level), some beneficiaries cannot apply the SCO because the study found that this rate could lead to overfinancing or underfinancing : projects over 500 000 € ; certain local public employment services...
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
The expected results are those mentioned in the act setting out the conditions of the grant (-> implementation of the project). There are no specific results expected, contrary to lump sums or SSUCs.
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
Almost all beneficiaries with indirect costs (or other costs than staff costs for the 40% rate) can use the flat rates. Beneficiaries with no indirect costs or projects with staff costs only (40% rate) are not allowed to use the flat rates. As for the 20% flat rate (flat rate set at 20%, based on a study at national level), some beneficiaries cannot apply the SCO because the study found that this rate could lead to overfinancing : projects over 500 000 € ; certain local public employment services...
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
No specific target group.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
Two off-the-shelf flat rates (15% and 40%) are provided for in Article 68 (1) (b) CPR and Article 14 (2) ESF Regulation. The 20% flat rate is provided for in the CPR (article 68 (1) a) but the rate itself was determined at national level after a study.
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
<ul style="list-style-type: none"> - As for the 40% flat rate, the French authorities decided to apply a 40% fixed flat rate (equal treatment of the beneficiaries + allowed by article 14 (2) ESF Regulation) - The 20% flat rate was determined at national level after a study on 2007-2009 historical data. The indirect costs were compared to the direct costs, in order to set the rate. The EC authorised the use of this flat rate on the 2014-2020 period, provided that the conditions set out in the study remained the same as in 2007-2009 (same rate, same excluded beneficiaries and projects...)

B.3 Data source *(please indicate the type of data used and the data source)*

For the 20% flat rate: historical data (sample of ESF operations). The national study was released in 2009 and based on 2007-2009 data.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

For all flat rates :

In the application for a grant, the beneficiary can choose a flat rate, according to the project's types of costs. The application is made through an IT system (Ma Démarche FSE), which was developed by the Ministry of Labour's European and International Department. The IT system was designed in order to lead the beneficiary to the appropriate flat rate → the beneficiary describes the project and the types of costs related to the project (answers questions in the IT system). This information is used by the IT system to suggest the right flat rate. The managing authority then analyses the application and decides whether the flat rate can actually be applied or not, according to the managing authority's analysis of the project and to the applicable rules. The managing authority can also choose between the 40%, 15% or 20% rate if the flat rate selected is not the most appropriate to the project.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

As stated in the regulations, when the payment claim is issued, the beneficiary does not have to justify the incurred costs if they are covered by a flat rate. The beneficiary provides supporting documents only for the project's implementation. Whenever procured costs are covered by the 40% rate, the French managing authority recalled that the beneficiaries have to comply with the public procurement rules and keep track of the procedure.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

The administrative burden is alleviated, because the supporting documents to provide are related to the project's implementation.

The checks on the payment claim are therefore easier to perform.

+ Lower error rates.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Legal uncertainties slowed down the use of the flat rates : at the beginning it was not clear whether the incurred costs shall be justified or not and whether these SCOs were compatible with state aid rules.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

- ➔ This SCO helps to reduce error rates and administrative burden, especially with regard to supporting documents.
- ➔ Off-the-shelf SCOs without a preliminary study or calculation method are the easiest to use and to implement. These SCOs provide more legal certainty.
- ➔ It would be simpler if off-the-shelf flat rates had a fixed rate. Indeed, if the rate is fixed by the regulations, it cannot be challenged by auditors and the managing authority does not have to justify the chosen rate.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

1) Pages 59 et 60 du guide des procédures :



guide_des_procedur
es

2) Arrêté du 1er avril 2016 (20%):



Arrêté_du_1er_avril
_2016.pdf

14. FR (nat) 6 – Standard scale of unit costs for Youth Employment Initiative, covered by DA under art. 14(1)

References:

Member State / Region	FRANCE National OP
Reference number (TN's map of SCO practices)	6

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	PATHWAYS TO EMPLOYMENT FOR YOUNG NEETS

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>Project : the French Youth Guarantee Scheme</p> <p>A 12-month programme (pathway to employment) for young people neither in education, employment or training. It consists of:</p> <ul style="list-style-type: none"> • Advice and counselling, aiming at developing the young person's skills. This aspect is carried out by local public employment services. • A monthly financial allowance (up to € 452) for every young person, paid out by the State. <p>The Youth Guarantee Scheme may receive financial support from the Youth Employment Initiative (€ 37.4 million) and the ESF (€ 37.4 million)</p>

<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p>
<p>Result : the young person attended the full 12-month programme and the payment of the YEI support is conditional on the achievement of certain goals (→ « positive outcomes ») : the young person enrolled for vocational training or studies ; the young person starts a business ; the young person is hired by a company ; the young person spent at least 80 days in work related situations during the 12-months programme.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>Beneficiary : the Ministry of Labour's Department in charge of promoting youth employment. The Department coordinates the local public employment services that implement the operation in the YEI regions.</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<p>Young NEETS under 26</p>

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>The standard scale of unit costs covers the costs of 1 participant in a 12-month programme. This amount takes into account both the costs related to the counselling activities carried out by the local public employment services and the costs of the monthly allowance to the young person.</p> <ul style="list-style-type: none"> • Counselling/support costs determined using article 67, (5), c. of the Common Provisions Regulation (1303/2013). Existing own national scheme for similar types of operations and beneficiaries. • Financial support for the young person attending the programme determined through historical data. <p>The standard scale of unit cost was covered by a delegated act under article 14 (1) ESF regulation : Delegated Regulation n°2015/2195.</p>
<p>B.2 Calculation Methods <i>(please describe how the calculations have been made)</i></p>
<ul style="list-style-type: none"> • Counselling/support costs (€ 1 600 / person / year) : determined using article 67, (5), c. of the Common Provisions Regulation (1303/2013). • Financial support for the young person attending the programme (4 800 € / person / year) : determined by analysing the average costs of this allowance after 2 years of implementation.
<p>B.3 Data source <i>(please indicate the type of data used and the data source)</i></p>
<ul style="list-style-type: none"> • Counselling costs : national regulation (instruction ministérielle du 11 octobre 2013 relative à l'expérimentation Garantie Jeunes prise pour l'application du décret 2013-80 du 1er octobre 2013) • Financial support for the young person : analysis of the 2 first year's payment data.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The standard scale of unit costs covers the costs of 1 participant in a 12-month programme. This amount takes into account both the costs related to the counselling activities carried out by the public local employment services and the costs of the monthly allowance to the young person.

The payment of the YEI support is conditional on the achievement of certain goals (→ « positive outcomes »). There is no positive outcome if the young person has not completed the 12-month programme. Each type of positive outcome has to be proved by supporting documentation.

If there is no positive outcome for a young person, the incurred expenditure is excluded from the financing draft and not declared to the European Commission.

Rules set out in the Delegated Regulation n°2015/2195.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

The payment of the YEI support is conditional on the achievement of certain goals (→ « positive outcomes »). There is no positive outcome if the young person has not completed the 12-month programme.

4 indicators :

The young person enrolled for vocational training or studies

The young person starts a business

The young person is hired by a company

The young person spent at least 80 days in work related situations during the 12-months programme.

Each type of positive outcome has to be proved by supporting documentation.

The beneficiary (Ministry of Labour's Department for youth employment) collects and compiles the data from the local public employment services and issues the payment claim.

The Ministry of Labour's ESF Department performs the checks on the payment claim and declares the eligible expenditure to the EC.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

Benefits :

- Result-oriented procedure : Focus on the Youth Guarantee's objectives and goals rather than on justifying the incurred costs.
- Simplification : A national calculation method was used to determine part of the standard scale of unit costs (article 67, (5), c). The French authorities are reimbursed as soon as a young person has achieved one of the goals.
- Legal certainty is achieved through this procedure (upstream validation by the Commission)
- Flexibility : The beneficiary is not necessarily paid according to the method used by the Commission to pay the Member State.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

- The payment is conditional on a positive outcome. Hence the importance of carefully defining the goals to be achieved and the supporting documentation (easy to provide and of sufficient legal value). It turns out that the administrative burden to justify some of the positive outcomes is still high.
- The amount of support granted to this kind of operations should be high enough.
- Part of the standard scale of unit costs was determined using 2014 data. This kind of data needs to be available and the quality shall be sufficient, so as to enable a sound analysis. In the case of the French Youth Guarantee Scheme, the available data covered only one year of implementation. Due to this lack of available data, the amount of the standard scale of unit cost was underevaluated. This year, France asked the EC for a re-evaluation of the amount.
- It took 14 months for the delegated act to be published. It is therefore necessary to think ahead and start the procedure early enough.
- It took one more year to update the amount in a modified delegated act in 2017, so we couldn't use the new amount to declare expenditures in that year. It seemed also quite difficult to modify the expenditures' declaration afterwards even if a guidance provides it.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

- The positive outcomes should be defined carefully. It is necessary to think ahead (are the supporting documents difficult to provide?). It is important to involve the implementing bodies, to make sure there will be able to provide the documents.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

15. HR n.a. – Proposed unit cost for school assistants: hourly rate + 40%

References:

Member State / Region	Croatia
Reference number (TN's map of SCO practices)	n/a

Contact details:

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Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	SPECIFIC SUPPORT TO STUDENTS WITH DISABILITIES AT THE LEVEL OF PRE-TERTIARY EDUCATION

A. PROJECT DESCRIPTION

A1. Description of the type of operation *(Please describe in brief what types of operations are covered by SCO)*

The aim of the operation to which the standard scale of unit costs is proposed is to improve access to education for disadvantaged students at pre-tertiary level by providing targeted professional support of teaching assistance. Teaching assistants can be assigned to a student (or a small group of students) with developmental difficulties in order to help them master educational content and overcome socio-psychological obstacles. The assistants are provided to students having major difficulties with the following: motor functioning of the lower or upper extremities; communication, social interactions and sensory integration connected with autism spectrum disorder; intellectual functioning; sensory difficulties connected with vision or hearing disorders; behavioural problems which endanger their own safety and the safety of their peers (determined according to the Orientation list of difficulties as per Attachment 1. to the Regulation on Primary and Secondary School Education of Students with Developmental Difficulties (Official Gazette, No. 24/15)). The current model for financing teaching assistants include combination of funding from several sources: funds secured by the local authorities (resources from local budgets), funds allocated to non-governmental organisations from a portion of proceeds from lottery funds (in accordance with Decree on the criteria for defining beneficiaries and the allocation of a portion of proceeds from games of chance passed by the Government of the Republic of Croatia), state funds secured by a joint policy measure and decentralised funds.

Main objective of the teaching assistants' support is to ensure equal opportunities for students with developmental difficulties in order to enable them to obtain appropriate education and to encourage an increase in self-reliance in the school environment. Teaching assistants are not involved directly into the teaching process and they are not entitled to plan the appropriate teaching programme for students with disabilities. Their role is not to replace other forms of educational and rehabilitation support and they cannot provide information on the advancement of the student on their own. The primary role of teaching assistants is to support students in the following: communication and social inclusion (e.g. encourage communication with other students, assisting in following the work and/or play instructions); mobility (e.g. assisting with wheelchair use); toileting; meals. In cooperation with teachers and other education staff, the teaching assistants also provide support to students in carrying out their school work (e.g. assistance with using equipment, writing down teacher's instructions, reading written assignments). Teaching assistants are supervised and managed by the expert educational staff employed in the institution and appointed by the director (i.e. school principal). The staff appointed prepares the assistant's work plan, in cooperation with other teaching and non-teaching staff working with the individual student, and supervises implementation of the plan.

The operation is supported through *Operational programme Efficient Human Resources 2014.-2020.*; investment priority *10iii Enhancing equal access to lifelong learning for all age groups in formal, non formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences*; specific objective *10iii1 Improving access to education for disadvantaged students at pre-tertiary level.*

<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p> <p>Indicator definition is as follows: monthly work of teaching assistant providing targeted professional support to students with disabilities at pre-tertiary level during academic year.</p> <p>Aim of the operation is to ensure this specific type of support to students with disabilities who fulfilled prerequisites (specific level and type of disability).</p> <p>Selection process is being conducted in two stages: In the first phase, Ministry of Science and Education, and the Agency for Vocational Education and Training and Adult Education assess the eligibility of the target groups (students with disabilities) and in the second, the same authorities assess the eligibility and quality of submitted project proposals. In the first phase, in order to qualify for the support provided by the teaching assistant, an official decision on the assessment of the difficulties that hinder their independent functioning must be submitted for each student. In the second phase, after being informed on the students' eligibility, the applicants (founders of the primary and secondary education institutions in the Republic of Croatia) submit the full project proposals. The operation is specific, and is related and focused only on providing the targeted support to the certain categories of students with disabilities as eligible target group under the operation.</p> <p>The operation is focused in terms of cost as well. Majority of costs are related to the work of teaching assistants during one school year and just minor part is related to selection process of candidates who apply for this working post, implementation of short training programmes (training of selected candidates before they start to work as teaching assistants) and other costs regarding project management and visibility. Thus, the flat rate of 20% of the eligible direct staff costs is applied, as well, to cover all remaining eligible costs of the operation (according to Article 14(2) of the Regulation (EU) No 1304/2013) and to arrive to the final unit cost according to the Article 14(1).</p> <p>Output indicator defined within the Operational program is counting number of students with disabilities with assured targeted professional support provided by personal (teaching) assistants.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p> <p>Founders of schools (regional and local administrative units) in partnership with schools where students with disabilities are enrolled</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p> <p>Students enrolled in primary and secondary schools and having major difficulties with the following: motor functioning of the lower or upper extremities; communication, social interactions and sensory integration connected with autism spectrum disorder; intellectual functioning; sensory difficulties connected with vision or hearing disorders; behavioural problems which endanger their own safety and the safety of their peers</p>

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology *(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).*
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Calculation was conducted by the Intermediate Body level 2, Agency for Vocational Education and Training and Adult Education. Internal historical data of IB2 were used in relation to the same operation awarded in previous years. Calculation is based on the historical data related to total documented number of gross salary costs related to the work with disadvantaged students at pre-tertiary level in school year 2014/2015 and 2015/2016. Data were gathered from salary slips submitted by the beneficiaries and from internal records in order to extract approved, reimbursed amount to the beneficiary (eligible expenditure). Verified data were used in order to ensure only eligible expenditure have been taken into analysis.

Therefore, historical data from the previously implemented projects were used for calculation of direct staff unit costs of teaching assistant. From valid collective agreement (OJ, 14/2017) value of awards paid by the employer to the employees in public sector were applied as well. The analysis included a total of 260 teaching assistants working in school in two academic year 2014/2015 and 2015/2016 within the 26 completed projects implemented in the programming period 2007-2013 and 2014-2020. The scope of data analysis included all counties in the Republic of Croatia based on NUTS II classification. In case when data were not fully available, the representativeness of the sample was expanded on the level of the City (i.e. no contract was awarded to Šibenik-Knin County in referenced period and therefore the data from City of Šibenik was included).

Data included in the methodology and calculation is based on historical data of direct staff costs of teaching assistants from the completed projects (as already mentioned). The costs included wage contributions, mandatory social security and health insurance contributions paid and awards paid by employers to all employees working in education institution according to the valid Collective Agreement (one-time payment for Christmas and regress).

The proposal for concerned SCO has been submitted for the consideration of the EC regarding use of Article 14(1) ESF.

B.2 Calculation Methods *(please describe how the calculations have been made)*

Data were gathered from payment documents/salary slips submitted by the beneficiaries and then from internal records by using a reimbursement approved amount of eligible expenditure. Verified data were used in order to ensure only eligible expenditure have been taken into analysis. Since the number of working hours of teaching assistants varies across the schools, an average working hour and average cost of work was calculated. Calculation of the cost of work for each of the selected assistant was conducted by dividing the total verified eligible expenditure and total documented expenditure of work from salary slips with the total number of months in which the person had been working in school during one academic year. As a result of the calculation, the average monthly gross cost of work of teaching assistants was defined.

B.3 Data source *(please indicate the type of data used and the data source)*

Internal historical data of IB2 were used in relation to the same operation awarded in previous years. Calculation is based on the historical data related to total documented number of gross salary costs related to the work with disadvantaged students at pre-tertiary level in school year 2014/2015 and 2015/2016. Data were gathered from salary slips submitted by the beneficiaries and from internal records in order to extract approved, reimbursed amount to the beneficiary (eligible expenditure).

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Within GfA and under the specific provisions of the contract the following conditions are set:

beneficiary is obliged to submit quarterly implementation reports in a form of application for the reimbursement. IB2 is responsible for verification of monthly progress/result that the support is actually provided, and quality control based on reports submitted by the beneficiaries. Verification on progress is based on the following documents:

- work contract
- documentary evidence that assistant provided support to disadvantaged students in school (monthly work log followed with the declaration of the authorized person – school principle stating that support)
- certificate of education of teaching assistant.

In addition to verification of data submitted under the implementation reports, the on-the-spot visits include on site control that assistants are actually in school, providing support to the student; and control of the records that beneficiary has to keep at its premises (salary slips and obligatory documentation for the selection/qualification of the teaching assistant).

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Verification on progress is based on following documents:

1. Work contract (with the first Application for the reimbursement)
2. Activity report – work log which contains at least following information: the identification of the person; description of activities; project title and project registration number; month and year; date and signature both of school director and the employee (teaching assistant in particular)
3. Declaration by the school director confirming the support has been provided and to which student exact, by which teaching assistant exact, as additional confirmation of the activity report
4. Certificate of education of teaching assistant (prior to work).

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

Audit authority provided an opinion regarding the quality of data/appropriateness of methodology used within Annex 1: Template for submitting data for the consideration of the Commission (article 14.1).

AA confirmed the sample for the analysis (26 projects with 260 teaching assistants working in school in two academic years 2014/2015 and 2015/2016). AA checked the calculation of the gross salary monthly cost based on the judgemental sample of teaching assistants working in schools and they believe that the provided sampling, in the absence of fully available data, is appropriate. Management verifications of IB2 were previously assessed by AA with the category 2 and thus provide reasonable assurance that they work properly. AA also considers that development of SCO for this type of projects is very beneficial as the estimated proportion of the total ESF financial allocation to which the SCO will be applied is 2,8% of the entire OP.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

While taking into account the number of teaching assistants employed under the operation, the use of simplified cost option is of great importance. Not only that administrative burden will be less, management and control system can be focused more on the result of the operation and that is additional benefit. The main condition for efficient project implementation and simplification of the management process will help to achieve the purpose and objective of the operation and contribute to more correct use of the Funds by lowering error rate.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Demanding workload because there are no separate unit within the Ministry of education and the Agency for vocational education (intermediate bodies) in charge of SCO.

Furthermore, the quality of data covered by the analysis conducted under the process of preparing SSUC for teaching assistants was very heterogeneous.

Finally, due to the fact that some aspects of teaching assistants' work still have not been adequately addressed (e.g. precisely defined work load per different categories of teaching assistants respecting the fact that students are attending different type of educational programs), the duration of the process establishing SSUC was time consuming.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Just few insights obtained so far:

concerning development of SCO practice:

- it is extremely import to start with the process early enough
- consultation with potential applicants and other relevant stakeholder is an obligatory factor
- checking in advance whether some obstacles within national legislation exist and could negatively affect the use of SCO is important;

concerning implementation of SCO:

- it is important to educate Beneficiaries and prepare them for new modalities of reimbursement that don't concern real costs
- additional benefit of using SCO is reduced administrative burden on IB level - management and control system can be more focused on actual result of the operation
- project implementation is more efficient and there are no delays in financial transaction towards Beneficiaries.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Call for proposals, along with other related documentation (e.g. guidelines for applicants, criteria and methodology of project evaluation, draft contracts, templates for application and the list of selected projects), is available at:

<http://www.esf.hr/natjecaji/obrazovanje/osiguravanje-pomocnika-u-nastavi-i-strucnih-komunikacijskih-posrednika-ucenicima-s-teskocama-u-razvoju-u-osnovnoskolskim-i-srednjoskolskim-odgojno-obrazovnim-ustanovama-faza-iii/>

Documentation for submitting data for the consideration of the Commission (Article 14(1) ESF) is available at:



Template for
submitting data for

16. HU 5 – Flat rate for indirect costs

References:

Member State / Region	Hungary
Reference number (TN's map of SCO practices)	5

Contact details:

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Name of contact person	Marietta Szabó
Telephone	+36 (1) 7955-609
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<u>Type of SCO reported</u>	FLAT RATE FINANCING
<u>Type of activities covered by the SCO</u> (Please indicate what type of activities is targeted by the SCO).	<p>The following indirect costs can be paid as calculated costs according to this flat rate financing method:</p> <ul style="list-style-type: none"> - cost of publicity, - rental fee, - amortisation, - documentation fee, - filing fee, - archivation fee, - accounting fee, - communication, - postal fee, - banking, - utilities, - project management, - project preparation, - public procurement fee, - audit by chartered accountant.

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
The aim was to make a flat rate financing methodology which is applicable to any calls supported by ESF resources in our OP.
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
As typical of flat rate financing, this method of financing is not output or result based.
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
The methodology can be used in all types of ESF projects within the Operational Program, there are no specific beneficiary types targeted.
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
The methodology can be used in all types of ESF projects within the Operational Program, there are no specific target groups who could benefit more from the use of this type of SCO.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
The methodology has been defined by using a fair, equitable and verifiable method according to Art. 67.(5).(a)and (i) of the CPR. Statistical data and other objective information are considered and applied in the methodology. The methodology based simplified cost option <u>has not been</u> covered by a Delegated Act adopted under Art. 14(1) ESF.
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
272/2014 (XI.5.) Government Decree (hereafter as Government Decree) sets percentage limits for certain costs <u>compared to all eligible costs</u> in the projects. These costs are considered indirect costs as they are necessary for the implementation of the projects, but do not relate directly to the product, outcome or result of the project. As a result of the methodology, the aim to be achieved was that all these indirect costs with a percentage limit set to all eligible costs of the project could be paid to the Beneficiary on a flat rate basis. In order to attain the objective, it was necessary to analyse which of the indirect costs enlisted in the Government Decree are relevant and typical in a project supported by ESF.

Type of cost	% of eligible cost set to all eligible costs of the project
project preparation	5
public procurement fee	1
project management	2,5
cost of publicity	0,5
audit by chartered accountant	0,5
General expenses (overhead, communication, banking, postal fee, documentation fee, filing fee, rental fee, amortisation)	1
Ratio to all eligible costs (%)	10,5

Three of the above indirect costs are eligible only in specific cases in ESF projects, while the rest are typical costs in all type of ESF calls. Of the three, if **project preparation (1)** is relevant in the call, all types of beneficiaries will plan with that. There may be some calls where preparation is not necessary, thus it is not eligible.

Public Procedures fee (2) is relevant only for some types of beneficiaries, and the call is to be considered heterogeneous in this sense. Similarly **audit by chartered accountant (3)** is relevant only for some of the beneficiaries because audit is compulsory and thus eligible only in projects above 150 Million HUF support. If the applicable amount in the call is below and above 150 Million HUF (e.g. 100 Million – 200 Million HUF), not all of the project will reckon with audit by chartered accountant cost.

In order to clearly identify **eligible indirect costs in the given call**, the following **variants** were established. X denotes the costs that can be considered eligible in the given call.

	A	B	C	D	E	F	G	H
project preparation	x	x	x					x
public procurement fee	x				x	x		x
project management	x	x	x	X	x	x	x	x
cost of publicity	x	x	x	X	x	x	x	x
audit by chartered accountant	x	x			x		x	
General expenses (overhead, communication, banking, postal fee, documentation fee, filing fee, rental fee,	x	x	x	X	x	x	x	x

amortization)								
Ratio of indirect costs to all eligible costs in the project (%)	10,5	9,5	9	4	5,5	5	4,5	10
Ratio of direct costs to all eligible costs in the project (%)	89,5	90,5	91	96	94,5	95	95,5	90
Flat rate % Indirect costs/ direct costs	11,7318 43%	10,4972 37%	9,89010 9%	4,16666 6%	5,82010 5%	5,26315 7%	4,71204 1%	11,1111 11%

When the MA prepares the call, they have to decide which variant is applicable. If public procurement fee and audit by chartered accountant fee would be eligible only for some of the beneficiaries, the MA has to choose a variant in which these costs are not financed in flat rate but in real costs.

In the methodology real data of projects from the 2007-2013 programming period were also examined. The team selected 51 calls (1138 projects).

The selection criteria were the following:

- the calls contain similar development goals than those of the 2014-2020 programming period,
- the absorption of the call is above 95%,
- the projects are not involved in irregularity.

The examination of these projects strengthened that the above flat rate measures are realistic. The team also examined the impact of public procurement on indirect costs. According to the calculation indirect costs that were publicly procured were not significantly or at all higher than other costs.

B.3 Data source *(please indicate the type of data used and the data source)*

A combination of data has been used:

- historical data from similar projects in programming period 2007 - 2013;
- objective data: the limitation set in Government Decree on indirect costs

C. IMPLEMENTATION OF SCO (Please describe in brief what implementation rules and conditions have been set out).

The following rules were set:

- 1: Indirect costs are to be paid in line with direct costs
- 2: Any reduction of direct costs (i.e. following a financial correction) will affect proportionally the amount accepted by the flat rate financing.
- 3: No redeployment is permitted between indirect and direct cost categories during the implementation of the project.
- 4: If the project is implemented in a consortium, the flat rate is to be kept on project level.

Practically it means the following (example):

In EFOP-1.5.2, the following cost categories were included in the indirect costs:

- project preparation
- project management
- cost of publicity
- general expenses (overhead, communication, banking, postal fee, documentation fee, filing fee, rental fee, amortisation)

The percentage of the flat rate is 9.890109% (= VARIANT C).

The total budget of a consortium is HUF 109,890,109. The amount of direct costs is HUF 100,000,000. Therefore at consortium level HUF 9,890,109 can be paid in flat rate financing.

The two partners in the consortium planned the budget as follows:

The **Head of the Consortium** planned the following costs that will be paid in flat rate:

Project preparation: HUF 3,700,000;

Cost of publicity: HUF 190.109

The **Consortium Partner** has calculated the following costs on a flat rate basis:

Project management: HUF 5,000,000;

General expenses: HUF 1.000.000

The flat rate percentage **per partner** is shown in the table below:

	Direct costs:	Indirect costs:	Total:	Flat rate percentage:
Head of the Consortium	68.000.000 HUF	3.890.109 HUF	71.890.109 HUF	5,720748%
Consortium Partner	32.000.000 HUF	6.000.000 HUF	38.000.000 HUF	18,750000%
<i>Total:</i>	<i>100.000.000</i> HUF	<i>9.890.109</i> HUF	<i>109.890.109</i> HUF	<i>9,890109%</i>

D. AUDIT TRAIL *(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures).*

Indirect costs are to be paid in line with direct costs. No documents are needed for justification of indirect costs.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT *(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).*

The National Coordination Authority made a formal assessment while the Directorate-General for European Funds in Hungary (national audit authority) made an informal assessment. Both bodies accepted formally/ informally the methodology, the calculation method and the results.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS *(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).*

The MA started to apply the methodology 5 months ago, so it is too early to make an impact assessment. What the MA expects is that the verification process will be simpler.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO *(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)*

The guidance for applicants, beneficiaries and MA colleagues must be detailed and illustrated with examples.

H. LESSONS LEARNED AND POINTERS *(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).*

The development of the methodology required 6 to 8 weeks not including the consultations with the audit and coordinating authorities. It is crucial to set the rules for application in a detailed guide both for the MA and the applicants. If the guidance is not detailed enough, or if the phrasing is not accurate, it would cause implementation and audit problems in the future.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS *(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).*

The calculation method, guidance and documentation are available only in Hungarian. Should anyone interested, feel free to get in touch with us. Contact detail is above.

17. IT 7 – DA for integrated pathways, especially job coaching

References:

Member State / Region	Italy
Reference number (TN's map of SCO practices)	7

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	JOB COACHING

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
The aim of the operation is to design and activate job placement measures, supporting young NEET/unemployed people to start a work experience. To reach this goal, is provided support to the young NEET / unemployed targeted by the operation through several activities, e.g.: Identification of the most suitable job opportunities for the candidate, Promotion of profiles, skills and professionalism of youth people; Pre-selection; Access to identified measures; Assistance of the candidate in the access to the identified path and activation of the associated measures; Assistance of the candidate in the first phase of integration within the business; Assistance of the candidate in the definition of a possible training project; Assistance of the candidate in the identification of an appropriate contract (open-ended, fixed term, apprenticeship etc.).
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
The recipient of the operation starts a job experience with one of the following types of contract: a) second level of apprenticeship or fixed-term or temporary contract for ≥ 12 months; b) fixed-term or temporary contract for 6-12 months; c) Open-ended contract.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)

Employment Services and other entities authorised and/or accredited to employment services pursuant to Legislative Decree n. 150/2015. Services may also be provided under subsidiarity, in agreement with the Region/P.A. interested.
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
Young NEET; Unemployed people

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
The standard scale of unit costs has been defined by using a fair, equitable and verifiable method according to Art. 67.(5).(a) of the CPR. The standard scale of unit costs has been covered by a Delegated Act adopted under Art. 14(1) ESF.
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
The calculation of the SCO (as cost per hour) was made through a combination of simple and weighted average of regional SCO used for similar operations (see point B.3) updated as at 2014. The adjustment of regional values was made by using the FOI index (consumer price index). In order to ensure the robustness of the calculation of the national Standard Cost identified, the values of regional SCOs considered as “extreme” were eliminated. This elimination was made without taking into consideration the SCOs of the two Regions with the highest and the lowest values within the calculation. The national SCO (as cost per hour) so identified was multiplied for the number of hours provided for the carrying out of the activities. The number of hours needed for the carrying out of the activities was identified according to the profiling of the young NEET / unemployed targeted by the operation and to the employment result achieved (see point B.3). This calculation led to the identification of 12 different SCOs, as combination of different profiling levels (4) and different types of contract (3), directly linked to the result expected by the operation.
B.3 Data source <i>(please indicate the type of data used and the data source)</i>
To define the cost per hour value of the activity, useful to identify the total value of the SCO linked to the employment result achieved, has been taken SCOs used from similar operations in programming period 2007 – 2013 by several Italian Regions: Abruzzo, Basilicata, Emilia-Romagna, Friuli Venezia Giulia, Lombardia, Marche, Piemonte, Veneto. To ensure the robustness of the Regional SCOs, regional data bases used for their definition were analysed. If necessary, data bases were corrected of any detected error. The use of data taken by these Regions has ensured a good level of national representativeness for the entire methodology. To define the number of hours needed for proper service delivery, diversified according to the profiling of the recipient of the operation and to the employment result achieved (e.g. the type of contract), has been considered the Decree 8617/2013 of the Lombardy Region.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

After the registration to the program and after being taking in charge, recipients can access different employment paths (e.g. training, self-employment, etc.). In the case of job coaching, the employment services (or other authorized or accredited entities) actively assist the young / unemployed in job searching, providing support in: the enhancing of the owned experiences/know-how; the identification of the best career path given the recipient’s profile; the increase of the skills needed to cover the job desired. Once these services have been performed, on the basis of parameters described in point B.3, to obtain the recognition of the SCO the service provider will only need to show the documentation attesting the

class of profiling of the recipient and the copy of the employment contract or the copy of compulsory communications attesting the employment contract activation and the type of contract activated. The SCO will be recognized in a different value depending on the different combination of these two variables (see point b.2).

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Regional and/or national units in charge of controls under their relevant procedures carry out the verifications. Verifications accompany the entire lifecycle of the operation and are divided into: on desk, entailing administrative-documentary verifications of the operation, and *in loco*, aimed to the physical and financial control of each operation, made on a sample basis. These verifications guarantee a timely assessment of the quality of operation.

In particular, the documentation to be produced for the purpose of on desk controls is the following:

- service pact signed by the recipient and by the services in charge and/or centralized taking in charge implemented by the Central Administration, that specify the class of profiling of the youth;
- copy of the employment contract or copy of compulsory communications or any other documentation attesting the notification of the employment contract activation (if applicable).

In loco verifications are performed on a periodic basis and must evaluate the validity of the operation as a whole and all the relevant documentation, even beyond documentation foreseen for on desk controls.

Administrative verifications are included in the national and regional information systems guaranteeing the registration of data and of the outcomes of controls.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

Managing Authority has defined the SCOs for NOP YEI without consulting any other Authority, as it is not expected. However, the audit and certification authorities were promptly informed of the possibility of using SCOs for the PON 2014-2020 and of the adoption of the SCOs with Delegated Act under Art. 14(1) ESF.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

1. Verifications carried out by the MA are focused on outputs/results achieved – by setting out rules for documenting units attained the MA has decided to focus on the achievement of policy objectives instead of being concentrated on collecting and verifying financial documents;
2. Assurance on the goodness of the methodology used to define the SCOs, that will not be audited by Commission after the submitting of the expenses;
3. Less documentation required from beneficiaries for obtain the reimbursement of the expenses, since it is only necessary to certify that the expected output has been reached.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

1. Issues were faced in the setting out the standard scale of unit costs. The process has been lengthened because of difficulties on the negotiation with the European commission, which has led to misunderstandings about the methodology and data used for calculation. Once these problems have been solved, further delays have been due to the difficulty in the process of regional data bases collection and their verification, carried out with the aid of the European Commission.
2. Difficulties for non-PA service providers in the understanding the way of implementation of SCOs. These difficulties are strictly linked to the attitude still focused to a real costs accounting

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Many of the problems faced in SCOs definition were linked to the launch of the process by the MA without speaking previously with the EC for show the intent of request the adoption of a delegated act.

A better attention, since the early stage of the process, in the sharing of information with the EC on how cost will be defined and on the quality of data bases used could have led to a significant reduction in the approval timing of the Delegated Act itself. Indeed, without such sharing of information the entire process, since the first submission of the fiche to the EC, has taken 2 years, leading to several delays on the implementation of the SCO.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Calculation methods, documents submitted to the Commission – fiches submitted to the Commission including annexes with regional data bases used to calculate the SCO are available at the request.

18. LT 46 – Unit cost for vocational training

References:

Member State / Region	Republic of Lithuania
Reference number (TN's map of SCO practices)	46

Contact details:

Name of the Institution	European Social Fund Agency
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Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	UNIT COST FOR VOCATIONAL TRAINING OF UNEMPLOYED PEOPLE

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
<p>The operation is designed for integration of the unemployed people into the labour market, i.e. to enhance employability of the unemployed people by active labour market policy measures, which are designed to provide or improve professional qualification of the unemployed people, to develop practical skills, to encourage territorial mobility and to increase motivation of the unemployed people to learn and to seek for job as well.</p> <p>Support is given for vocational training under the formal vocational training programs, which are listed in the official register of study, education and qualification programs, or non-formal vocational training programs, listed in the official register of non-formal education programs.</p>

A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
The unit is the unemployed person who has successfully completed vocational training. The unit costs differ for: long-term formal training (from 184 days and more), medium-term formal training (from 97 days to 183), short-term formal training (up to 96 days) or non- formal training.
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
The only beneficiary is the Lithuanian Labour Exchange (LLE) under the Ministry of Social Security and Labour.
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
Unemployed people registered with LLE. The priority is for those unemployed people who confront difficulties to integrate into labour market: long-term unemployed people (unemployed people up to 25 years, who are unemployed more than 6 months, and unemployed people above 25 years, who are unemployed more than 12 months), unemployed people over 54 years, disabled people, who can work, unqualified unemployed people.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
Fair, equitable and verifiable method. The unit cost is to be covered by a Delegated Act adopted under Art. 14(1) ESF (now under procedure of adoption).
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
In accordance with the Republic of Lithuania Law of the Employment (21th of June 2016 No. XII-2470) Article 37 the total direct cost of vocational training for the unemployed people depends on the rates determined by the legislation and consists of five different components: costs on vocational training services, vocational training scholarships costs, travel expenses to the place of vocational training and back, accommodation costs, costs on compulsory health screening and vaccination against infectious diseases. Each component was analysed separately on the basis of historical data of six projects: <ul style="list-style-type: none"> - The historical data of vocational training services was clustered (the segmentation model) by using a Two Step algorithm and vocational training costs were divided into four groups according to the type of training (formal and non-formal) and the duration of the training – average values of vocational training costs for each group were calculated from historical data. - As it is set in the legislation the scholarship directly depends on the duration of training program in months, minimum monthly salary and coefficient for the vocational training scholarship stated in the Republic of Lithuania Law of Employment Support. Average vocational training

duration in months per person was calculated from historical data separately for each group indicated above. According to the Law on the choice of the unemployed participant (who is on unemployment insurance benefit) the vocational training scholarship may be replaced by an allowance in the size of an unemployment insurance benefit (hereinafter – UIB). The influence of this factor on the scholarship component has been assessed as well.

- As it is stated by the Law the travel expenses of unemployed people are paid according to a route specified in the person’s application and 1 kilometre tariff approved by Ministry of Social Security and Labour of the Republic of Lithuania. The average number of kilometres travelled during the training period per participant has been calculated from historical data separately for each of the four groups indicated above.
- Average accommodation costs per participant were calculated from historical data separately for each of the four groups indicated above.
- Average costs of health screening and vaccination against infectious diseases per participant were calculated from historical data.

In accordance with The Application of Flat rate to Indirect Project Costs Scheme (Order of the Minister of Finance, 8 October 2014, Order No 1K-316 “On the projects administration and financing regulation approval”) the sixth component of the indirect project costs was added to the unit cost of vocational training.

The total value of a unit cost was calculated by adding the values of the six components.

B.3 Data source *(please indicate the type of data used and the data source)*

A combination of data has been used:

- historical data of six projects for vocational training services cost, vocational training scholarships costs, travel expenses to the place of vocational training and back, accommodation costs, costs on compulsory health screening and vaccination against infectious diseases. Two projects were implemented in the 2007-2013 programming period and four of them are implemented in 2014-2020 period. Historical data has been collected and used from March 2012 to May 2016 (i.e., 4 years and 2 months’ period);
- legislation data for minimum monthly salary;
- legislation data for training scholarship coefficient;
- legislation data for 1 kilometre tariff fee;
- legislation data for indirect costs flat rate.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Beneficiary will be paid on the basis of the unit cost after reporting the number of participants who have successfully completed their vocational training program by applying one of the four unit costs depending on the type and duration of the program completed.

Successful completion of the training has to be verified by the certificate issued (certificate of acquired qualification in formal education or certificate of competence in non-formal education). Exceptions determined by the legislation are allowed: death, illness, injury, pregnancy of the participant etc. In these cases, costs will be reimbursed on pro rata basis and verification of the above mentioned cases will be made by the alternative documents set out in the national law.

Additionally, as an eligibility criterion, the conditions of the tripartite agreement between unemployed participant, employer and territorial labour exchange or bipartite agreement between unemployed participant and territorial labour exchange should be fulfilled in a period of 6 months after completing the training (i.e. the participant should be employed or engage himself/herself in the individual job activity).

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

For reimbursement a participant must meet all target group requirements, receive a certificate of acquired qualification (in formal education) or competence (in non-formal education), conditions of vocational training agreement and vocational training coupon must be fulfilled.

By performing the administrative review ESF agency will verify that all documents and expenditures related to unit costs are eligible. ESF agency will perform desk-based verification with every payment claim provided by LLE. The administrative verification will be carried out based on sample of participants using the methodology in line with the chapter 1.7 of the Guidance on management verifications (EFESIF_14-0012_02 final).

Desk-based verification consists of:

- verification of the list of unemployed participants who had successfully completed the training;
- verification whether participant meets all the target group requirements (data dump from LLE database);
- verification of start date and end date of training according to the vocational training coupon or agreement;
- verification of type of trainings according to the vocational training coupon;
- verification of successful completion of training – receiving of the certificate;
- verification of the tripartite/bipartite agreement conditions of employment fulfilment (data dump from LLE database);
- verification whether for each successful participant the three underlying documents are available;
- verification of the documents in a case of exceptions (death, illness, injury, pregnancy of the participant, etc.);
- verification of the calculations made by LLE for reimbursement;
- verification of the indicators to be reached according to the requirements stated in the call for proposals and the Operational Programme;

By performing the sample testing ESF agency will carry on-spot checks once a project, these checks include:

- verification of original documents and expenditures according to check list;
- verification whether participant meets all the target group requirements (is unemployed when starting training and is in LLE database of unemployed persons, and etc.);
- verification if participants are attending training as it is agreed.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The representative of the national Audit Authority has been included in correspondence with EC on drafting the unit cost. No official opinion has been received from the Audit Authority.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

1. The process of submitting project applications has been simplified – applicants fill in the application form based on standardised units.
2. The evaluation of application process has been simplified and standardised.
3. Administrative verifications (both desk-based and on-spot) are focused on outputs and results achieved instead of detailed verification of financial documents.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Establishing the unit cost was a challenging process, which required a rigorous data collection, validation and analysis. Finding applicable method and getting approval from European Commission was also a demanding process.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Knowing other member states practices in setting out the standard scale of unit costs before calculating and developing standard scale of unit costs would be very useful and may alleviate the process.

Though negotiating with the European Commission to cover standard scale of unit costs by a Delegated Act adopted under Art. 14(1) ESF was a challenging process, but it was also a very helpful – remarks of experts were useful in determining applicable method.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Calculation methods, documents submitted to the Commission (fiche including annexes) are available at the request.

19. LT 47 – Unit cost for higher education staff

References:

Member State / Region	Republic of Lithuania
Reference number (TN's map of SCO practices)	47

Contact details:

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Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	Standard scale of unit costs
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	Unit cost for salary of executive staff of higher education institutions

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
Unit costs are applied when projects include intellectual work of the staff of higher education institutions. These unit cost are applying in Public education and the empowerment of human resources priority. They can be used in a variety of activities, which must be related with intellectual work. For example, these unit costs are using in project, which main aim is Strengthening Lithuanian (Baltic) Centres Abroad, promoting their activities and cooperation with Lithuanian research and higher education institutions in order to improve the quality of higher education and ensure its competitiveness. Unit cost for salary of executive staff of higher education institutions in this project intended for teaching at foreign Baltic Centres, for the organization of lecturers' visits.
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
Unit costs are set for salary costs per working hour per person when the project executive staff is the staff of higher education institution. Amounts

were calculated based on "Erasmus+" Programme. Outputs/results may vary project by project, depending on the aim of the project. Outputs are intellectual tasks evaluated by working hours (e. g. reviewed university's study program and renewed according the requirements, etc.).
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
Institutions providing higher education (universities, colleges).
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
<ol style="list-style-type: none"> 1. Students 2. Teachers, trainers

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
Use of existing EU schemes for similar types of operation and beneficiary
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
<p>Erasmus+ Programme rates (used as unit costs under the <i>Key Action 2 Strategic Partnerships</i>) for staff performing intellectual tasks (rates for a country group including Lithuania) were taken as a basis for this unit cost. Analyses and comparison of the tasks performed under Erasmus+ and tasks to be performed under 2014-2020 Operational programme has been carried out.</p> <p>The unit costs differ for the three categories of staff (team/activity leader; lecturer/expert/researcher; technical staff). Administrative staff (the category used in Erasmus+) is not included, as it is paid under the indirect cost category.</p> <p>Additionally wages of the staff of national higher education institutions were analysed and compared with the above mentioned Erasmus+ rates. The analyses showed that "Erasmus+" fees highly correspond with the national wage rates of the concerned staff and discrepancies both ways are insignificant.</p> <p>Erasmus+ rates per day were further recalculated to be used per working hour (by dividing a day rate by 8 hours).</p>
B.3 Data source <i>(please indicate the type of data used and the data source)</i>
<p>A combination of data has been used:</p> <ul style="list-style-type: none"> • Erasmus+ rates for staff performing intellectual tasks (rates for Lithuania); • Data from the national higher education institutions on the wages of staff.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Beneficiary costs are reimbursed based on the number of actual working hours and output provided (depends on the project). The position (category) of staff in the project has to be verified by employment documents.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

For the reimbursement the beneficiary has to provide: a summary statement on the working hours of the project staff and calculation of the costs to be reimbursed on the basis of the unit costs; documents setting out a personal job function and duration; information on the achieved results or product created (e.g. a methodology, an updated program of the study, etc.).

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

According to the national rules, the developed unit costs had been verified by the Managing Authority and the Implementing Body. The Audit Authority has not been specifically consulted on the draft of the unit cost.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

1. The process of submitting project applications has been simplified – it is easier to fill in an application form. However, applicants shall consider whether they are able to deliver expected outputs/results at the proposed unit costs.
2. The selection process has been simplified and are standardised.
3. Verifications carried out by the Implementing body are focused on outputs/results achieved instead of concentrating on verifying financial documents.
4. All applicants and beneficiaries have equal opportunities: the unit costs are the same for a similar type of operation and beneficiary.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Setting out the standard scale of unit costs was a very long and effort demanding process before the calls for proposals could be launched - data collection from different schools of higher education and their verification, comparison with the wage rates set by the Erasmus+ Programme.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

List of relevant documents:

- European Commission, Directorate-General for Employment, Social Affairs and Inclusion, „The use of lump sums, the reimbursements on the basis of unit costs and the flat-rate financing under the Erasmus+ Programme“, C(2013)8550 of 4 December, 2013;
- [European Commission, „Erasmus+ Programme Guide“, Version 2, 2016.](#)

Study in Lithuanian is available at the request.

20. LV 7 – SSUC for consultative support for enterprises of high-risk industries

References:

Member State / Region	Latvia
Reference number (TN's map of SCO practices)	7

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS + 15 % FLAT RATE
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	CONSULTATIVE SUPPORT FOR ENTERPRISES OF HIGH RISK INDUSTRIES

A. PROJECT DESCRIPTION

<p>A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)</p> <p>Standard scale of unit cost in SO 7.3.1 project determined by the methodology is applied by the State Labour Inspectorate (hereinafter - SLI), institution which in compliance with the State Labour Inspection Law provides state supervision and control in the fields of labour legal relations and labour protection, and which is as a beneficiary in SO 7.3.1 project.</p> <p>Standard scale of unit cost¹ is applied for assessment costs of SLI, in order to provide assessment of enterprises of high risk industries², which applied for consultative support:</p> <ol style="list-style-type: none"> 1. Pre-inspection and preparation of initial assessments (hereinafter – pre-inspection) (1 unit = 1 pre-inspection = 122.07 + 15% = 140.38 euro); 2. Post-inspection on introduction of recommendations proposed while receiving consultation support (hereinafter – post-inspection) (1 unit = 1 post-inspection = 122.07 + 15% = 140.38 euro).

¹ Unit include salary (preparation phase for pre or post – inspection, inspection phase, after pre or post inspection recommendation preparation) and indirect costs.

² List of high risk industries - <https://likumi.lv/ta/en/id/101364-regulation-regarding-the-types-of-commercial-activities-in-which-an-employer-shall-involve-a-competent-authority> Annex 1

<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p>
<p>To justify the eligibility of performance indicator and unit cost to carry out pre-inspections the following conditions are taken into account:</p> <ol style="list-style-type: none"> 1. Enterprise is applied for support; 2. SLI has taken the decision on providing the support to enterprise in the framework of SO 7.3.1. project; 3. The pre-inspection has been carried out in the enterprise and the initial assessment has been prepared. <p>To justify the eligibility of performance indicator and unit cost to carry out post-inspections the following conditions are taken into account:</p> <ol style="list-style-type: none"> 1. SLI has taken the decision on providing the support to enterprise in the framework of SO 7.3.1. project; 2. The pre-inspection has been carried out in the enterprise and the initial assessment has been prepared; 3. the post-inspection has been carried out in the enterprise; 4. In the framework of 7.3.1 project assessment of the received consultative support has been carried out. <p>Copies of the justifying documents are enclosed to payment requests:</p> <ol style="list-style-type: none"> 1. For justification of carried out pre-inspections: application of enterprises for getting support, decision of SLI for granting support, initial assessment; 2. For justification of carried out post-inspections: assessments of implementation of given recommendations made within given support.
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>State Labour Inspectorate, enterprises</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<p>Target groups are:</p> <ol style="list-style-type: none"> 1. Workers and employers, enterprises of high risk industries that are economically active; 2. Occupational health and safety professionals; 3. State Labour Inspectorate officers and employees.

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>Fair, equitable and verifiable method - Calculation of unit cost is based on substantiated information and data and it is based on SLI data of 2013, 2014 and 2015 on human and time resources, and additional costs (use of rates and specific methods enshrined in the regulation – 15% flat rate) necessary to provide one inspection carried out by SLI.</p>

B.2 Calculation Methods *(please describe how the calculations have been made)*

Calculation of unit cost is based on substantiated information and data and it is based on State Labour Inspectorate 3 year historical data for the same type of operations (average salary for one inspection = 3 year average salary for inspections / 3 years average number of inspections = unit cost).

B.3 Data source *(please indicate the type of data used and the data source)*

State Labour Inspectorate 3 year historical salary data for one inspection and inspection total number in each year.

State Labour Inspectorate is under the Ministry of Welfare supervision. State Labour Inspectorate governed by the State Labour Inspectorate law. Wages in State Labour Inspectorate are set in national regulation (Regulations of the Cabinet of Ministers).

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Methodology determine the standard rate of unit cost applied to remuneration of SLI employee involved in action and overhead expenses of one pre-inspection or post-inspection in one enterprise which applied for consultative support within SO 7.3.1 project according to the Regulations of the Cabinet of Ministers No. 127 of 1 March 2016 "Regulations for implementation of Operational programme "Growth and Employment" specific support objective 7.3.1. "To improve labour safety, especially in enterprises of hazardous industries"".

Pre-inspections are carried out in enterprises of high risk industries, which have not received free of charge assessment of work environment risks within EU funds before, and for which SLI adopts a decision for granting consultative support.

Post-inspections are carried out in enterprises of high risk industries, for which SLI adopted a decision for granting consultative support and which received consultative support determined by initial assessments made during pre-inspections, e.g. consultations for employers on assessment of work environment risks, laboratory measurements, training.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Copies of the justifying documents are enclosed to payment requests:

1. For justification of carried out pre-inspections: application of enterprises for getting support, decision of SLI for granting support, initial assessment;
2. For justification of carried out post-inspections: assessments of implementation of given recommendations made within given support.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

National Audit authority has not been involved in preparation and assessment of the methodology.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

1. Less documentation for payment requests.
2. Less mistakes in salary calculation.
3. Not necessary to prepare payment approval documentation for indirect costs.
4. Faster payment request checks (focus on outputs/results achieved).
5. Faster money flow.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Setting out the standard scale of unit costs was a very long and demanding process. At the beginning it is complicated to define unit and definition of outputs/results and documentation which will prove results. Second complicated part of process was valid data collection.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

If it is possible to use wage numbers in unit cost calculation which are defined in national regulations, all methodology development process isn't too long, because it is possible to use safe data for calculation. In this methodology responsible authority use salary data from national organization where salaries (maximum limits are set) are defined in national regulation and use EC defined 15% flat rate for indirect costs.

MA must make a decision without any before audited experience, and it cannot be predicted how these non-standard situations will be assessed by audit authority in future.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

- Regulations of the Cabinet of Ministers No. 127 of 1 March 2016 "Regulations for implementation of Operational programme "Growth and Employment" specific support objective 7.3.1. "To improve labour safety, especially in enterprises of hazardous industries"" - <https://likumi.lv/ta/id/280645-darbibas-programmas-izaugsmenodarbinitiba-7-3-1-specifiska-atbalsta-merka-uzlabot-darba-drosibu-it-ipasi-bistamo>
- All documentation for project proposal - <http://cfla.gov.lv/lv/es-fondi-2014-2020/izsludinas-atlases/7-3-1>
- State Labour Inspectorate law - <https://likumi.lv/doc.php?id=177910>

21. MT 2 – 67.1 unit cost – future DA on training

References:

Member State / Region	Malta
Reference number (TN's map of SCO practices)	2

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	TRAINING AID

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>The <i>Investing in Skills</i> scheme is funded under Operational Programme II – <i>Investing in human capital to create more opportunities and promote the wellbeing of society</i>, Investment Priority 10iii – <i>Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences</i>, Specific Objective 1 – <i>Upgrading the knowledge, skills and competences of the workforce through increased participation in Lifelong Learning (LLL) including Post-Doctoral Studies</i>. The scheme will assist employers train their staff both locally and abroad to enhance the competitiveness of enterprises. The scheme will:</p> <ul style="list-style-type: none"> • Facilitate training of undertakings, including partnerships, companies, self-employed persons, family businesses, associations or other bodies, whether vested with legal personality or not, having an economic activity; • Increase productivity and enhancing adaptability in the local workforce; • Bridging the gap between current skills and any skills gap identified by employers; and • Increase social cohesion by enhancing the competitiveness of assisted enterprises.

<p><i>Investing in Skills</i> is intended to promote access to the training of persons actively participating in the Maltese labour market, with a view to increasing productivity and enhancing adaptability of the same workforce by improve the knowledge and skills of employed persons. This would enhance the competitiveness of enterprises but at the same time indirectly increase the employability of the workforce.</p> <p>The training envisaged under this scheme will cover both accredited training and unaccredited training.</p>
<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p>
<p>The IIS scheme will provide training aid to enterprises in Malta and Gozo to promote continuous education and training in the private sector. Companies will be able to submit applications on behalf of their employees for training, both in-house and external. The training aid will be in the form of subsidies on the employees' wages attending the training and the trainer giving the training.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>Private enterprises.</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<ul style="list-style-type: none"> - Micro / Small companies - Medium sized companies - Large companies

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>Methodology applied: <i>Fair, equitable and verifiable method</i></p> <p>Rate of €25 per hour to cover the cost of external training only for both accredited and non-accredited courses:</p> <p>The source of the data used to establish these rates were the actual training costs incurred under the Training Aid Framework (TAF) scheme funded through ESF under the 2007-2013 Programming Period in Malta for non-accredited training only. Data used came from the first 'phase' of this scheme implemented between 2009 and 2013. The Maltese PES which implemented this scheme was the IB responsible for TAF. A study was carried out to establish the average cost of training funded under TAF. Given that data on accredited courses is still being gathered, the MA applied the same rate for non-accredited courses to accredited courses given that by definition accredited courses will entail trainers with higher qualifications and more teaching hours, therefore a higher cost overall. A Delegated Act application was submitted for this rate under Article 14(1) of the ESF regulation.</p>

Methodology applied: *Use of rates and specific methods enshrined in the regulation or in a delegated act*

Rate of €4.90 per participant per hour to cover the participants' wages (for both internal and external training) as well as the wage of the trainer for internal training only:

The national minimum wage for persons aged 18 years or over as at 2017 was applied given that the national minimum wage sets the standard across the country for the lowest possible wage that can be given. This scheme intends to provide companies with training aid by subsidising the wage of the participating employees as well as any internal trainers giving the training.

B.2 Calculation Methods *(please describe how the calculations have been made)*

Rate of €25 per hour to cover the cost of external training only for both accredited and non-accredited courses:

The source of the data used to establish these rates were the actual training costs incurred under the Training Aid Framework (TAF) scheme funded through ESF under the 2007-2013 Programming Period in Malta for non-accredited training only. Data used came from the first 'phase' of this scheme implemented between 2009 and 2013. The research focused on the number of persons receiving the same training per undertaking when looking at a Standard Scale of Unit Cost/s for training. The best scenario that lent itself to simplification and stayed true to the market in the reflection of the cost established, was a rate based on the number of employees per undertaking receiving the same training in line with the following:

	Number of cases	Average hourly rate per person
1 trainee	308	€48.36
2 - 5 trainees	333	€24.72
6 - 15 trainees	380	€13.89
More than 15 trainees	168	€8.27
Total	1,189	€25.06

The rate of €25.06 has been rounded down to €25 per person per hour for simplification purposes.

Rate of €4.90 per participant per hour to cover the participants' wages (for both internal and external training) as well as the wage of the trainer for internal training only:

The assumptions taken in terms of quality and quantities are in line with the national minimum requirements for wages.

The methodology for the hourly rate of €4.90 was as follows:

Rate of pay for trainees that are 18 years of age and over (in 2017):	Per annum
Basic wage - €169.76 x 52 weeks	€8,827.52
Statutory bonus payable June and December - €135.10 x 2 =	€270.20
Weekly allowance bonus payable March and September - €121.16 x 2 =	€242.32
Employer's share of National Insurance - €16.98 x 52 Mondays =	€882.96
Total gross pay plus National Insurance per annum =	€10,223
Hourly rate = Total gross pay plus National Insurance per annum divided by 52 weeks, further divided by 40 hours	€4.91

The rounded figure of €4.90 per training participant per training hour was chosen as the standard rate to be applied across the board, irrespective of the age of the training participant.

B.3 Data source (please indicate the type of data used and the data source)

The rate of **EUR 25 per hour** to cover the cost of external training (only for both accredited and non-accredited courses) was based on the actual training costs incurred under the Training Aid Framework (TAF) scheme funded through ESF under the 2007-2013 Programming Period in Malta for non-accredited training only. Data used came from the first 'phase' of this scheme implemented between 2009 and 2013. The data was produced and collected by Jobsplus (previously known as the Employment and Training corporation) which was passed on to the National Commission for Further and Higher Education (NCFHE) for analysis. The latter were commissioned by the Managing Authority to carry out a study to propose a standard scale of unit cost/s for the training aid scheme – Investing In Skills.

The rate of **EUR 4.90** per participant per hour to cover the participants' wages (for both internal and external training) as well as the wage of the trainer for internal training only was based on Subsidiary Legislation (SL) 452.71 – *National Minimum Wage Standard Order*. Justification for the statutory bonus payments can be found at: <https://dier.gov.mt/en/Employment-Conditions/Wages/Pages/Bonus-and-Weekly-Allowances.aspx>. Rates for employers' social security contributions can be found at: <https://ird.gov.mt/services/sscrates.aspx>. Subsidiary Legislation 452.87 – *Organisation of Working Time Regulation* specifies the minimum and maximum working time. Article 8(1) states that *Every worker shall be entitled to paid annual leave of at least the equivalent in hours of four weeks and thirty-two hours calculated on the basis of a forty-hour working week and an eight-hour working day*. The 40 hr week is taken as the standard working week in Malta.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Eligibility check:

1. In the case of **non-accredited** training the number of training hours is being capped up to 25, 15 persons per group. The IB will be keeping a database for all the training being delivered and claimed through IIS. Therefore, in the event that a trainer/training provider claims that they have given the same training to more than one Beneficiary undertaking at the same time, this will be flagged and investigated by the IB.
2. In the case of **self-accredited** training providers including but not limited to MCAST and ITS, the training given by these institutions will be capped on the number of contact hours.
3. In the case of **accredited training** the Intermediate Body will be checking that the hours claimed are in line with NCFHE guidelines for that level rated course or the course prospectus for self-accrediting institutions. These will be checked between the training programme submitted by the applicant undertaking against NCFHE guidelines and/or the course prospectus for self-accrediting institutions on the basis of contact hours. The IB will also be checking that the participant nominated for training is legally employed with the applicant organisation. This will be carried out through the IB's (PES) database.
4. With regards to NI contributions, the IB may ask for a declaration from the employer stating that the payments related to the National Insurance for the participant have been paid if such claims are included for reimbursement. The same applies to trainers wages.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Management verifications (desk-based checks) shall be carried out by the Intermediate Body (IB) implementing this scheme and a sample check by the Managing Authority. The IB will be conducting checks on all Undertakings to ensure that expenditure is carried out in line with the Covenant/Commission Decision, Delegated Act and that the relevant procedures have been followed, and that operations and expenditure comply with Community and national rules.

Payments related to the **€25** per hour to cover the cost of external training will be processed upon evidence of participation including attendance sheets and certificate of qualifications / participation.

Payments related to the **EUR 4.90** per participant per hour to cover the participants' wages (for both internal and external training) as well as the wage of the trainer for internal training only will be processed upon evidence of training given including attendance sheets and the NI declaration issued by the employer.

The IB and MA will also be conducting physical checks which will focus on the physical deliverables of the project. Physical checks will take place to verify the actual delivery of the training, to cross-checks between the number of signatures on the attendance sheets and the number of actual participants on site, and to verify that the training being delivered is in line with the training course listed in the agreement between IB and undertaking.

The trigger for declaration to the EC will be once requests for reimbursement are processed through Treasury, verified by the MA and certified by the Certifying Authority.

E. ASSESSMENT BY THE AUDIT AUTHORITY (IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The Maltese national audit authorities have not assessed these SCOs ex-ante. However they have been informed on the study conducted, related workings, SCOs established and relevant implementation measures through their participation within the national Steering Committee on simplification measures.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

SCOs under the IIS Aid Scheme will reduce the administrative burden for all stakeholders involved. Both the IB and the MA will be able to focus on tasks such as carrying out sample physical on-the-spot checks in order to keep a constant tab on the quality of the training delivered and achievement of objectives through the programme indicators. The administrative burden on private undertakings is also reduced resulting in quicker disbursement, which should result in more encouragement for the private sector to continue to invest in training.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

The standard rate of €25 is based on historical data. The raw data obtained was filtered for exclusions and this left the MA with a small albeit representative sample.

The national minimum wage is revised from year to year therefore the established rate may be revised. In this regard an adjustment method was included in order to be able to revise the year in line with national increases in the Cost of Living Adjustments as well as any revisions made to social security contributions, statutory bonuses and weekly allowances. Even though this rate is providing the minimal amount allowed by law, given that this is a state aid scheme, the intention is to incentivise the private sector with a subsidy.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

These standard scale of unit costs are based on the use of timesheets which can at times be error-prone. This has resulted in SSUCs that are output based instead of result based. The MA is actively looking to avoid establishing future SCOs that are solely input based and move to a more result oriented approach, even though at this initial phase a potential mix of both input and result based SCOs is likely to be the case.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

- With regards to accredited training, the study *Referencing Report: Referencing the Malta Qualifications Framework (MQF) to the European Qualifications Framework (EQF) and the Qualifications Framework of the European Higher Education Area (QF/EHEA)* published by the National Commission for Further & Higher Qualification in Malta (4th revised edition, February 2016) is available at <http://ncfhe.gov.mt/en/Documents/Referencing%20Report/Referencing%20Report%202016.pdf>
- The rates of inflation are published by the National Statistics Office and can be found at: https://nso.gov.mt/en/nso/Selected_Indicators/Retail_Price_Index/Pages/Index-of-Inflation.aspx.
- Any adjustments to the Statutory Bonuses and Social Security Contributions emanating from Chapter 452 of the Maltese legislation on the Employment and Industrial Relations Act are specified on the following two websites: <https://dier.gov.mt/en/Employment-Conditions/Wages/Pages/Bonus-and-Weekly-Allowances.aspx> and <https://ird.gov.mt/services/sscrates.aspx>

22. MT 7 – Unit costs on employment services

References:

Member State / Region	Malta
Reference number (TN's map of SCO practices)	7

Contact details:

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Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	STANDARD SCALE OF UNIT COST
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	EMPLOYMENT SERVICES

A. PROJECT DESCRIPTION

<p>A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i></p> <p>The Access to Employment (A2E) Scheme is funded under Operational Programme II – <i>Investing in human capital to create more opportunities and promote the wellbeing of society</i>, Investment Priority 8i – <i>Access to employment for job seekers and inactive people, including the long term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility</i>, Specific Objective 1 – <i>Improve the employment levels and labour mobility through incentives for employers and support measures for jobseekers / workers</i>. The scheme will provide employment aid to enterprises in Malta and Gozo to promote the recruitment of the more challenged amongst job seekers and inactive people.</p> <p>The scheme is in line with Commission Regulation (EC) 651/2014 of the 17th June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.</p> <p>The scheme aims to facilitate the integration of job seekers and inactive people in the labour market by:</p>

- Enhancing opportunities to access the labour market and providing work experience to those furthest away from gainful occupation;
- Bridging the gap between labour market supply and demand;
- Increasing social cohesion.

A2. Definition of outputs/results *(Please give a short definition of outputs and/or results)*

The A2E scheme will support persons falling under the disadvantaged, severely disadvantaged persons and persons falling within the disability category by subsidising the pay of these new recruits upon employment for a maximum number of weeks depending on the employment, age, educational attainment and vulnerability status of the employee.

A3. Beneficiaries *(please indicate the types of beneficiaries involved in the operations covered by SCO)*

Private enterprises.

A4. Target group(s) *(Please list target groups within projects covered by SCO)*

The A2E target groups are the following:

Client Group	Client Group Description	Duration of Assistance
1	Any person who has been unemployed / inactive for the previous six months	26 weeks
2	Any person who has been unemployed for the previous 12 months during which he / she participated in a traineeship with the applicant Undertaking	52 weeks
3	Any person who is living as a single adult who has one or more dependants and is not in full-time employment	52 weeks
4	Any person who has attained an upper secondary educational or vocational qualification (ISCED 3) who does not have a job	52 weeks
5	Any person older than 50 years who does not have a job	52 weeks
6	Any person who has been unemployed / inactive for the previous 12 months during which he / she has not benefitted from a traineeship with the applicant Employer Undertaking and who belongs to one of the categories (3) to (5)	104 weeks
7	Any person who has been unemployed / inactive for the previous 24 months during which he / she has not benefitted from a traineeship with the applicant Employer Undertaking	104 weeks
8	Any person who is a registered disabled person under national law and is not in full-time employment	156 weeks

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Methodology applied: *Use of rates and specific methods enshrined in the regulation or in a delegated act*

The national minimum wage sets the standard across the country for the lowest possible wage that can be given. This scheme intends to aid employment through subsidising wages for a limited period of time depending on the employment, age, educational attainment and vulnerability status of the employee in line with national legislation. This SCO is covered through a Delegated Act under Art. 14(1) ESF Regulation.

B.2 Calculation Methods (please describe how the calculations have been made)

The benchmarks taken are in line with Subsidiary Legislation 452.71. The assumptions taken in terms of quality and quantities are in line with the national minimum requirements for wages. The scheme will be subsidising 50% of the equivalent of the national minimum wage for each new employee.

Rate of pay for trainees under 17 years of age (as at 2015)	Per Annum
Basic Wage - €156.64 * 52 weeks	€8,145.28
Statutory Bonus payable in June and December - €135.10 * 2	€ 270.20
Weekly Allowance Bonus payable in March and September - €121.16 * 2	€ 242.32
Employer's share of National Insurance - €6.62 * 52 Mondays	€ 344.24
Total Gross Pay + National Insurance per annum	€9,002.04

Hourly Rate = Total Gross Pay + National Insurance per annum / 52 weeks / 40 hrs	€4.33
Weekly Wage - €4.33 * 40 hrs	€173.20

50% Aid Intensity **€86.60 per week rounded down to €85 per week**

Employers will receive a flat rate of €85 per week for a full-time 40-hour week. In relation to the employment of a person with disability, employers will receive a flat rate of €125 per week for a full-time 40 hour week. In case of part-time employment the grant will be pro-rated to 50% of the allocation identified above. A participant recruit under Target Groups 3 and 8 who is in part-time employment can still be eligible for subsidy as follows:

(a) If the recruit is in part-time employment, the A2E scheme will enable the individual to increase his / her weekly working hours to full-time. If

the applicant undertaking is the same one providing the part-time employment, the grant will be a flat sum of €42.50 per week (for disadvantaged and severely disadvantaged persons) while €62.50 per week (for the registered disabled persons) for a term as indicated in the tables above.

- (b) If the applicant employer undertaking is different from that of the part-time employment, the new employer undertaking will be eligible for the whole €85 per week (for disadvantaged and severely disadvantaged persons) while the whole €125 per week (for the registered disabled persons) for a term as indicated above.

The above represent only those eligibility conditions which affect the established rate.

B.3 Data source (please indicate the type of data used and the data source)

- (i) Subsidiary Legislation 452.71 – *National Minimum Wage National Standard Order*
- (ii) Justification for the statutory bonus payments can be found at: <https://dier.gov.mt/en/Employment-Conditions/Wages/Pages/Bonus-and-Weekly-Allowances.aspx>
- (iii) Rates for employers' social security contributions can be found at: <https://ird.gov.mt/services/sscrates.aspx>
- (iv) *Subsidiary Legislation 452.87 – Organisation of Working Time Regulation* specifies the minimum and maximum working time. Article 8(1) states that *Every worker shall be entitled to paid annual leave of at least the equivalent in hours of four weeks and thirty-two hours calculated on the basis of a forty-hour working week and an eight-hour working day*. The 40 hr week is taken as the standard working week in Malta.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

ELIGIBILITY CRITERIA FOR EMPLOYER UNDERTAKINGS:

- a. Complete documentation
- b. All Employer Undertakings having an economic activity and recruiting new employees
- c. The specific recruitment must represent a net increase
- d. Incentive effect
- e. Project implemented within / for the direct benefit of the eligible territory
 - Employer undertaking is financially sound.
 - Shareholders and directors of the Undertaking will not be eligible to benefit from the A2E if they take up employment with the same Undertaking.
 - Persons reaching pensionable age before the end of the Grant Agreement period will not be eligible.
 - New participating recruits will be eligible as long as the applicant undertaking is different from an employer who previously employed the prospective new recruits within the previous 12 months.
 - A participant can apply only once under the A2E Scheme with the same undertaking.
 - Apprenticeship:
 - i. Apprentices participating in subsidised Apprenticeship Schemes may participate in the Access to Employment Programme with an undertaking other than the same undertaking who provided their apprenticeship.
 - ii. Apprentices remaining unemployed for a period of twelve months after the end of their apprenticeship contract will become eligible to participate with the same Undertaking who provided their apprenticeship.
 - iii. Registered Disabled Persons who are recognised as 'worker with disabilities' under national law and participating in subsidised

Apprenticeship Schemes may participate in the A2E Programme with the same Undertaking who provided their apprenticeship.

- Upon premature termination of the grant agreement both the undertaking and the Participant must fill in the A2E Scheme Justification Forms. The undertaking will be refunded only on the whole weeks that the participants will be employed on the A2E Scheme.
- A mandatory retention period following the subsidy period has been established to further secure the employment of participants.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Management verifications (desk-based checks) shall be carried out by the IB implementing this scheme. The IB will be conducting checks on all undertakings to ensure that the employment of the new recruit under the A2E Scheme has been effected through its own records as the Public Employment agency in Malta.

At application stage the IB will also check compliance with State Aid Rules in line with Articles 32 and 33 of the General Block Exemption Regulation. The MA will check data through Progress Reports presented biannually (to confirm frequency) by the IB. Such reports will include achievements of indicators as well as data on participants. The MA will also be conducting physical checks on data held by the PES on the scheme. Documents that will be checked in relation to A2E include (for eligibility purposes) by Client Group:

Documentation	Client Groups							
	1	2	3	4	5	6	7	8
Identity Card / Maltese Residence Permit Card	•	•	•	•	•	•	•	•
Client History (from PES database)	•	•	•	•	•	•	•	•
Application Form	•	•	•	•	•	•	•	•
Single Adult Dependant Verification Form			•			• ³		
Registered Disabled Person (RDP) Confirmation								•
Records on A2E Database to check if participant had already participated in the A2E Scheme	•	•	•	•	•	•	•	•

Documents that will be checked (at payment stage):

Interim Payments

- PES Database check to ensure that person is still in employment

Final Payments

³ Form required if applicant is applying for client group 6 category 3. If applying for client group 6 category 4 or 5 this form is not required

- PES Database check to ensure that person is still in employment
- Declaration from the employer stating that the payments related to National Insurance for the individual participant have been paid.

Grants under the A2E can be of a duration of six months, one year and three years. In the case of the six month grants, payments will be effected at the end of the six month period. For the one year and 3 year grants, disbursement will be quarterly. No money will be held until after the retention period. The IB will retain the prerogative to reimburse the Undertaking only for the weeks completed in full on the A2E scheme in case the retention period is not respected.

E. ASSESSMENT BY THE AUDIT AUTHORITY (IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The Maltese National Audit Authorities have not assessed this SCO ex-ante. However they have been informed on the study conducted, related workings, SCOs established and relevant implementation measures through their participation to the national Steering Committee on simplification measures.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

The introduction of SCOs to this state aid scheme will mean less documents required from the applicant undertaking to claim reimbursements, thus making it easier for undertakings to submit claims in time resulting in earlier payment of the support to undertakings and the claims will be less prone to arithmetical errors. The faster disbursement will encourage undertakings to support more vulnerable persons as well as having a positive impact on the programme implementation and the achievement of the programme objectives.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

The national minimum wage is revised from year to year therefore the established rate may be revised. In this regard an adjustment method was included in order to be able to revise the applicable rate to take into consideration the Cost of Living Adjustments as well as any revisions made at a national level to social security contributions, statutory bonuses and weekly allowances. Even though this rate is providing the minimal amount allowed by law, given that this is a state aid scheme, the intention is to incentivise the private sector to provide an opportunity to vulnerable individuals to be in gainful employment by lowering the initial cost to undertakings for the engagement of vulnerable persons through the provision

of a subsidy.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

This standard scale of unit cost was initially going to be based on the use of timesheets which can at times be error-prone. Following discussions with the Commission, the MA revised the intended approach and went for a more result oriented approach by checking that the person is in employment and a declaration from the employer that payments related to National Insurance for the participant have been paid. By way of a general remark, the MA is actively looking to avoid establishing SCOs that are input based and move to a more result oriented approach, even though a potential mix of both input and result based SCOs is likely to be the case at this initial phase.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

- (i) Statutory bonus payments can be found at: <https://dier.gov.mt/en/Employment-Conditions/Wages/Pages/Bonus-and-Weekly-Allowances.aspx>
- (ii) Rates for employers' social security contributions can be found at: <https://ird.gov.mt/services/sscrates.aspx>

23. NL 4 – Unit cost for training & coaching of prisoners, based on historical data, per day, per prisoner

References:

Member State / Region	Netherlands
Reference number (TN's map of SCO practices)	4

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	Activities aimed at labour market activation to detainees, such as training and coaching of prisoners.

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
The activities during the intervention period can consist of different activities like labour orientation, jobsearch skills, social and communicational skills, vocational education and training labour market or basic training. All focused on reducing the distance to the labour market. The direct costs of this operation consist of procurement of education and training, books, clothes, tuition fees and so on.
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
Period of intervention during the detention of the detainees. This is the number of calendar days from the start of the intervention (the date the intake takes place) until the moment the participant exits the intervention.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
The only beneficiary is the Ministry of Security and Justice.
A4. Target group(s) (Please list target groups within projects covered by SCO)
detainees in the sector Prison Services.

detainees in forensic care (Forzo)

juvenile offenders

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology *(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).*

Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Participants are selected when they meet the minimum criteria

If the participant meets the minimum criteria, the responsible case managers will make an individual plan for the intervention (trajectplan). In this individual plan is also taken into account (partly professional judgement) the following criteria: the employment opportunities in the labour market, motivation for the intervention and the behaviour record.

In order to verify the total number of calendar days of intervention per participant that will be declared, the evidence can be found in the participant files. The different detention institutions keep separate files for each participant. Next to demographic and regular information, information is collected about the intervention activities of the detainees.

When, according to the judgement of the case manager, the detainee is a promising participant in the ESF Project the case manager starts the intervention by performing an intake and filling out an intake form. In this intake form various data is collected, amongst others, the date of the intake (intervention starts directly after the intake) and the arrangements which are made for the participants and the steps needed to achieve the best possible result (a paid job, a certificate of a training, etc.). These arrangements and foreseen steps for the participant are included in an individual intervention plan (trajectplan). The file of the participant is updated every 3 months and also when milestones are achieved.

When the intervention for the participant ends an "exit form" is filled out and the intervention file is closed. The exit form will be dated on the day the intervention is terminated.

The number of calendar days between the starting date of the intervention (the date of intake on the intake form) and the exit date from the intervention (on exit form) determines the number of days in intervention for the calculation of the standard costs (Q).

The main reason for closing a file is usual the ending of the prison sentence.

We choose to calculate with the number of calendar days of the whole period of intervention because this is a simple way based on the information available (historical data).

B.2 Calculation Methods *(please describe how the calculations have been made)*

Based on two declarations of the applicant the total costs of the whole project has been calculated and divided by the total number of days of the intervention period. This has been done for the three different target groups and therefore three different prices are calculated.

B.3 Data source *(please indicate the type of data used and the data source)*

Historical data. Data produces by the applicant (DJJ) in their final declaration of the years 2014 and 2015. These numbers have been checked by the MA and the declaration is incorporated in the costs declared to the EC and thus subject to the audit (on a sample basis) by the AA.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The SCO can be implemented the year 2017. The applicant had to check whether all institutions are ready so that all participant files will meet the agreed minimum criteria. Beside the minimum criteria also extra on the spot checks are done to ensure the collected data is correct. Finally the internal audit department will check the ESF procedure once a year.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

In the final declaration the calendar days of the intervention period per institution are reported. The calendar days of the intervention period per participant will be checked by the MA by means of a test sample. Selected files are checked on the following criteria:

1. The minimum criteria (age and less than 4 years of sentence to go)
2. Detainee is in one of the institutions in the sector prison services based on the individual court judgment
3. The intake form and individual plan
4. The quarterly updates (each quarterly update their should be at least one activity)
5. The exit form
6. The reported number of days

Finally, the AA can in their audits, pursuant to art. 127.1 of 1303/2013, check the correct application of the standard unit costs. (PxQ)

Extra checks to ensure the right procedure is followed:

Apart from the case manager the ESF project leader of the institution signs the intake and exit form and checks if all the requirements are met. The administrator of the detention institution gathers the information monthly and prepares lists with the number of calendar days of intervention. These lists are provided once a month and also signed by the ESF project leader of the institution.

The signed lists and the related files of the participants are collected by the "ESF bureau"⁴ each month. The ESF bureau is responsible for the administration of the whole ESF-project and the preparation of the ESF-declaration. The ESF bureau checks the information in the lists with the files of the participants.

The files of all institutes are than combined by the ESF-bureau.

Once a year an employee of the ESF bureau will do a on the spot check at the participating institutions and take samples and will verify if the collected data are correct and if the participants files meets the minimum requirements and report about this. This whole ESF-procedure and the compliance with this procedure is checked by the department 'Audit' of the Directie Audit en Concern control' of DJI once a year.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The audit authority is involved in the process of developing this DA by means of the weekly progress meeting. In this weekly progress meetings the MA and the AA discussed the development and arrangements of this DA together with a representative of The Ministry of Social Affairs and Employment. Also the AA will review the figures on which this SCO is based.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

Added value for the beneficiaries is that the administration is less complex. No need to fill in time sheets and keep separate files on the other expenses. Much of the needed information for this DA was already available in the participant files.

Added value for MA and AA is that the verification and audit can be much quicker because of less separate administration.

⁴ ESF Bureau is a department of DJI responsible for the administration of the ESF projects and the collection of data from the different institutions.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Two main lessons:

1. Always involve the beneficiary when you construct a SCO.
2. Always involve the AA
3. Agree upon the way the verifications from the MA and the audit from the AA is done. Agree upon what supporting documents the beneficiary need to keep.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2016.133.01.0001.01.ENG&toc=OJ:L:2016:133:TOC

24. NL n.a. – Lump sum for technical assistance

References:

Member State / Region	Netherlands
Reference number (TN's map of SCO practices)	n.a. (Sco on TA)

Contact details:

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Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	LUMP SUM
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	<i>Cover the costs of technical assistance</i>

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
<p>Technical assistance will primarily be used for covering the costs of the Managing authority. Its primary tasks are broken down into two categories:</p> <ol style="list-style-type: none"> 1. tasks relating to the allocation of grants to the institutions applying for them and the verification of a lawful implementation by these beneficiaries; 2. tasks in relation to the information supply relating to the performance of the ESF and support to the Ministry of SZW, the European Commission and other European institutions. <p>A lawful implementation of the ESF programme will be promoted along three lines:</p> <p>(1) using a grant scheme that is as simple and transparent as possible, 2) promoting the use of simplified cost options at the level of the beneficiary and (3) overall control: the Managing Authority(MA) will check all projects for which ESF is declared (100% management verifications).</p>
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
<i>Each payment claim a lump sum of € 5.690 per € 100.000 is included in the payment claim will be claimed to cover for costs for technical assistance</i>
A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>

MA
A4. Target group(s) (Please list target groups within projects covered by SCO)
EC

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

The lump sum for executing the ESF programme

Total ESF budget for Technical Assistance (TA) for The Netherlands: € 507,318,228 * 4% = € 20,292,729. This ESF amount is needed to cover for the cost of TA. Based on the previous period the declared cost for technical assistance is 5.69% of the total programme budget. So each payment claim a lump sum of € 5.690 per € 100.000 is included in the payment claim to cover the costs of technical assistance until the maximum total ESF amount of TA is reached.

B.2 Calculation Methods (please describe how the calculations have been made)

B.3 Data source (please indicate the type of data used and the data source)

The calculations of a lump sum of € 5.690 per € 100.000 for technical assistance were based on the payment claims submitted to the COM. In these claims only verified and certified costs have been included. The payment claim is also being audited by the AA.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Each payment claim an amount of Technical assistance is claim according to the DA Article 14 (1). (ones this DA is implemented)

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

- Every year the MA is required to report to the EU about the implementation and the progress of the ESF programme. This report is based on regulation (EU) 1303/2013 article 50 and 111 and regulation (EU) 1001/2014 article 2 and regulation 2015/207 article 5;
- In the annual implementation report the MA reports to the COM on the (financial) progress of the ESF programme and the results based on the specific indicators of the operational programme. The MA also reports on the implementation requirements included in the CPR (Regulation (EU) No. 1303/2013) and the ESF regulation (Regulation (EU) No. 1304/2013);
- This way the COM can follow the progress of the implementation of the ESF programme and can assess if the necessary implementation tasks have been fulfilled (i.e. meaning that costs of TA have been incurred).
- Each payment claim has been certified by the CA and will be audited by the AA.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The audit authority is involved in the process of developing this DA by means of the weekly progress meeting. In this weekly progress meetings the MA and the AA discussed the development and arrangements of this DA together with a representative of The Ministry of Social Affairs and Employment. The audit authority agrees with proposed method. The real costs for technical assistance have been and will be much higher than the costs included in the payment claim.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

For the MA, AA, EC nog more verification and auditing of costs of technical assistance

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

25. PL 6 – Flat rate for financing indirect costs (max. 25% of direct costs), Article 68 (1)(a) CPR

References:

Member State / Region	Poland
Reference number (TN's map of SCO practices)	6

Contact details:

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Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	FLAT RATE FINANCING
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	INDIRECT COSTS

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
Flat rate financing for indirect costs covers <u>all operations financed by the ESF in Poland</u> in financial period 2014-2020 (i.e. national OP – Knowledge Education Development, and 16 Regional Operational Programmes). There is no possibility to claim indirect costs on the basis of real cost. Either there is a flat rate financing for indirect costs, or there is no indirect costs at all within an ESF operation. The only exception are projects implemented as financial instruments – in such cases instead of indirect costs, management costs are eligible. It is applied in all Thematic Objectives and Investment Priorities of ESF interventions, except for: <ul style="list-style-type: none"> - projects implemented by the Public Employment Services (financed by the national Labour Fund), - Technical Assistance.
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
In case of indirect costs, they are claimed proportionally to direct costs incurred within the project with the use of agreed flat rate. If the project is not implemented and does not achieve agreed targets, indirect costs are not eligible.

A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
All types of beneficiaries implementing ESF operations, e.g. NGOs, private companies, self-government units, state budgetary units.
A4. Target group(s) (Please list target groups within projects covered by SCO)
Application of flat rate for indirect costs does not depend on target groups. All types of projects (and therefore all types of target groups) are covered by the SCO.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)
Methodology for flat rate for indirect costs was applied according to Art. 67(5) a) ii) – with the use of a fair, equitable and verifiable method based on the verified historical data of individual beneficiaries. The SCO has not been covered by Art. 14(1) EFS Regulation.
B.2 Calculation Methods (please describe how the calculations have been made)
Ministry of Economic Development analysed budgets of 2157 ESF projects from 2007-2013 financial perspective. The analysis of data was presented in the report: <i>Analysis of indirect costs and management costs within projects under Human Capital OP 2007-2013</i> (PL: <i>Raport z analizy kosztów pośrednich i kosztów zarządzania w projektach PO KL 2007-2013</i>). The link to the report can be found in Part I. All financial data concerning management and administration of projects was analysed (a.o. staff costs, info-promo costs, purchase of equipment, collaterals) and put together in one Excel sheet. The idea was to calculate 5 flat rates depending on the value of the project (the higher the value of the project, the lower the flat rate) with the use of the collected data. However, as there was a common understanding that in case of partnership projects, management and administrative costs are higher, there was a need to verify whether flat rates should depend on the project's implementation mode (single beneficiary, partnership projects). It turned out that the mode of project's implementation does not differentiate the level of management and administrative costs (what was surprising, the more partners implementing the project, the lower management and administrative costs). Therefore, this aspect was not taken into account while setting the final flat rates. Special attention was a(so given in the analysis to the influence of outsourcing at the level of administrative costs in operations. In the previous financial perspective outsourcing was deducted from the basis of direct costs (due to the EC remarks). However, it made the system of calculating the rates very complicated and burdensome. Therefore, the level management and administrative costs was verified within the projects with outsourced activities. The comparison of data between projects with outsourced activities and without outsourced activities showed that there were slight differences in the level of management and administrative costs (in the projects with the lowest total cost the management and administrative costs in projects without outsourced activities were 5,03 p.p. higher than in projects with outsourced activities). Therefore, the final flat rates were

reduced by the amount of correction resulting from this analysis.

Finally, the level of flat rates was rounded down, so that there was no risk that it would be assumed as overestimated by the EC auditors.

B.3 Data source (please indicate the type of data used and the data source)

Financial data analysed were taken from budgets of 2157 ESF projects from 2007-2013 financial perspective.

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

Below mentioned implementation rules and conditions are set in the national *Guidelines on eligibility in projects financed by the ESF, ERDF and Cohesion Fund 2014-2020*.

Indirect costs cover all administrative costs connected with the project's implementation. The catalogue of indirect costs is open. It covers among others:

- a) staff costs – coordination and other staff costs directly involved in management, monitoring, accounting, carrying out administrative tasks,
- b) renting of premises connected with project's administration,
- c) banking services,
- d) purchasing of equipment for staff connected with project's administration,
- e) electricity, heating, gas, water, sewage disposal connected with project's administration,
- f) postal service, telephone, Internet, courier services connected with project's administration,
- g) copying documents connected with project's administration,
- h) office supplies connected with project's administration,
- i) property insurance,
- j) costs of security,
- k) costs of cleaning of premises,
- l) costs of collaterals for advance payments.

There is no cross-financing within indirect costs.

No indirect costs can be included within direct costs. Therefore, during assessment of a project application it is crucial to verify whether within direct costs there are no costs which constitute indirect costs. Moreover, at the stage of project's implementation, an institution before approving payment claims verify whether in the statement of incurred eligible expenditure there are no expenditures that constitute indirect costs.

There are the following flat rates applicable for indirect costs:

- 25% of direct costs – in case of projects with direct costs up to 830 000 PLN (app. 207 500 EUR⁵)
- 20% of direct costs – in case of projects with direct costs between 830 000 PLN (app. 207 500 EUR) and 1 740 000 (app. 435 000 EUR)
- 15% of direct costs – in case of projects with direct costs between 1 740 000 PLN (app. 435 000 EUR) and 4 550 000 PLN (app. 1 137 500 EUR)
- 10% of direct costs – in case of projects with direct costs above 4 550 000 PLN (app. 1 137 500 EUR).

with an exception that in case of projects implemented by the public employment services (PES), flat rates are applied according to the national act on employment promotion, i.e. 3% of direct costs.

⁵ for the use in this material 1 EUR equals to 4 PLN.

In case there is a standard scale of unit costs within a project, which comprises indirect costs, the basis for calculation for a flat rate for indirect costs is reduced.

The flat rate applicable to a given project is indicated in the financing agreement. There is also a provision that the intermediate body can reduce the flat rate in case of material breach of the financing agreement in project's management.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

In case of flat rate for indirect costs, there is no need to provide any financial documents to claim indirect costs eligible. Flat rates – according to CPR – are treated as incurred expenditure if the direct costs (which are the basis for calculating a flat rate) are eligible and claimed within a payment claim by a beneficiary. An intermediate body verifies in the payment claim whether the flat rate was applied according to the financing agreement and whether the amount of direct costs was indicated correctly.

All financial corrections on direct costs influence (lower) the amount of indirect costs.

During on the spot check, the verification is limited to direct costs i.e. implementation of activities, progress in achieving targets, documentation of the project, etc.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The Audit Authority has not been involved neither in preparation nor assessment of the flat rates for indirect costs.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

For the Managing Authority:

- positive: transparency of indirect costs, less irregularities, possibility to focus on results within projects
- negative: enormous workload connected with analysis of financial data, problems in explaining the change of approach among control units

(tendency to check invoices and other equivalent documents);

For the institutions involved in ESF management:

- positive: less administrative burden – less documents to be verified, less irregularities within management costs
- negative: problems in understanding the change of approach among controllers (tendency to check invoices and other equivalent documents);

For the beneficiaries implementing ESF projects:

- positive: possibility to focus on results within the project
- negative: flat rates for indirect costs are too low (beneficiaries often treat it as their income)

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

At the stage of calculation the SCO the main challenge was to analyse data from 2 157 ESF projects (see p. B.2.).

At the stage of implementation, the main problem is connected with application of flat rates in state budgetary units. Many accountants claim that it is not possible to apply flat rates in projects due to restraints resulting from the national accounting law. However, the analysis of legislative provisions shows that there are no obstacles in Polish law to apply SCOs. The only problem is the practice that accountants are used to. Therefore, there is a need for a change in attitude to financial management of an ESF project.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

It is indispensable to analyse the fact of outsourcing activities in order to have the system simple and transparent for the beneficiaries.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Methodology for calculating flat rates (in Polish):

https://www.efs.2007-2013.gov.pl/analizyraportypodsumowania/documents/raport_2014.05.19_final.pdf

Guidelines on eligibility in projects financed by the ESF, ERDF and Cohesion Fund 2014-2020 (chapter 6.6 and 8.4 refers to indirect costs) (in Polish):

https://www.funduszeuropejskie.gov.pl/media/27633/Wytyczne_w_zakresie_kwalifikowalnosci.pdf

26. PL 10 – Lump sum – determined on the basis of draft (project) budget

References:

Member State / Region	Poland
Reference number (TN's map of SCO practices)	10

Contact details:

Name of the Institution	Ministry of Investments and Economic Development
Address	Ul. Wspólna 2/4, Warszawa 00-926, Poland
Name of contact person	Aleksandra Dmitruk
Telephone	+48 22 273 8055
Email	aleksandra.dmitruk@miir.gov.pl

Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	LUMP SUM
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	ALL TYPES OF OPERATIONS IN WHICH THE PUBLIC SUPPORT DOES NOT EXCEED 100 000 EUR

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
Lumps sums cover <u>all operations financed by the ESF in Poland</u> in financial period 2014-2020 (i.e. national OP – Knowledge Education Development, and 16 Regional Operational Programmes), <u>in which the public support does not exceed 100 000 EUR</u> . It is applied in all Thematic Objectives and Investment Priorities of ESF interventions, except for Technical Assistance.
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
Within each operation there are individual output or result indicators that specifically apply to each lump sum. They are defined in the application form and after acceptance by the intermediate body – included in the financing agreement.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
All types of beneficiaries, who apply for public support, which does not exceed 100 000 EUR.
A4. Target group(s) (Please list target groups within projects covered by SCO)

All target groups can be covered by the lump sum.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

Methodology for lump sums is applied according to Art. 67(5) d) – rates established by the Fund-specific rules, i.e. ESF Regulation.

According to Art. 14 (3) ESF Regulation, *In addition to the methods stipulated in Article 67(5) of Regulation (EU) No 1303/2013, where the public support for grants and repayable assistance does not exceed EUR 100 000, the amounts referred to in Article 67(1)(b), (c) and (d) of Regulation (EU) No 1303/2013 may be established on a case-by-case basis by reference to a draft budget agreed ex ante by the managing authority.*

The SCO is not covered by Art. 14(1) EFS Regulation.

B.2 Calculation Methods (please describe how the calculations have been made)

Lump sums are established individually on a case-by-case basis by defining in the application form (additionally to a project implemented on a basis of real cost):

- names of tasks/activities covered by lump sums;
- for each lump sum – output or result indicators to measure the implementation of a given task/activity (names and values);
- documents to prove the implementation of indicators;
- detailed costs needed to be incurred for each task/activity – with calculation method and justification.

100 000 EUR is calculated with the use of ECB euro reference exchange rate applicable at the date of announcing the call for proposal.

As a lump sum is based on draft budget, a project provider in the project application gives a detailed list of costs, which need to be incurred in order to implement each activity covered by the lump sum. Therefore, the project provider fills in the detailed budget form in which he/she explains what kind of expenditure is needed for project's implementation and gives unit cost (per month / entity / etc.) and total cost. Moreover, each cost is justified in the attachment to the form, so that the intermediate body can get the assurance that each expenditure is:

- indispensable for project's implementation;
- reasonable and effective - there needs to be a market research done by the beneficiary to prove that expenditure is reasonable.

Then, the budget is negotiated between an intermediate body and each project provider. The costs are compared by the intermediate body:

- with a list of the most commonly incurred expenditure within that call and their rates (the list is prepared by the intermediate body before each call on the basis of the previous projects and market research);
- among projects within each call.

The lump sums agreed after negotiations are included in the financing agreement.

B.3 Data source (please indicate the type of data used and the data source)

n/a

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

All conditions for implementation of a project financed by lump sums are set out in a financing agreement.

First of all, the names of lump sums together with indicators and documents that are necessary to prove the implementation of indicators for a specific project, are repeated from an application form to the financing agreement. Therefore, their implementation is crucial for eligibility of expenditure.

There is a binary approach – the expenditure is eligible only if the predefined indicators are achieved; if the indicators are not achieved, the expenditure is not eligible.

As in case of projects based on real expenditure, also in case of projects with lump sums the beneficiary is given advance payments. The beneficiary gets the first advance payment at the start of the project. Each quarter the beneficiary needs to submit the payment application, in which he/she explains the progress in project's implementation and gives an information how much of the advance payment was spent (no documents are needed to prove that). If he/she spends 70% of the first advance payment, the second tranche is made. There is also a possibility for an intermediate body to stop advance payments in case of an information that there are irregularities within the project. The advance payments are settled when the activity is finished and the agreed indicator achieved (eligibility of expenditure is proved). Otherwise, the beneficiary is asked to pay the advances back.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

The documents to prove lump sums (presence lists, pictures, reports, etc.) are defined in the financing agreements. They are to be sent with the payment claim at the stage of implementation of an operation, no later than at the stage of final payment claim. The documents must also be available during on-the-spot checks carried out by an intermediate body.

No invoices nor other financial documents are to be collected and stored by the beneficiary.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The Audit Authority has not been involved neither in preparation nor assessment of lump sums.

For the moment, there are no findings made by the Audit Authority as regards the lump sums.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

For the Managing Authority:

- positive: possibility to focus on results within projects
- negative: problems in explaining the change of approach among control units (tendency to check invoices and other equivalent documents)

For the institutions involved in ESF management:

- positive: less administrative burden – less documents to be verified
- negative: difficult and burdensome process of assessing cost of project and correctness of definition of lump sums

For the beneficiaries implementing ESF projects:

- positive: possibility to focus on results within the project
- negative: difficulty in naming correctly lump sums and their indicators

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

The MA and intermediate bodies find it challenging to assess the budget of a project (e.g. if justification is satisfactory for eligibility of expenditure). It is also difficult to choose best lump sums for specific activities.

Beneficiaries find it quite difficult to define correctly the lumps sums. They are not convinced that controllers will not check financial documents connected with projects.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

There is a necessity to provide comparability of assessment among projects in a given call for proposals.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

Guidelines on eligibility in projects financed by the ESF, ERDF and Cohesion Fund 2014-2020 (chapter 6.6 and 8.5 refers to indirect costs) (in Polish):

https://www.funduszeuropejskie.gov.pl/media/27633/Wytyczne_w_zakresie_kwalifikowalnosci.pdf

27. SE n.a. – Hourly rate for salaries and trainee allowances + 40%

References:

Member State / Region	Sweden
Reference number (TN's map of SCO practices)	n.a.

Contact details:

Name of the Institution	Swedish ESF Council
Address	Box 47 141, 100 74 Stockholm Sweden
Name of contact person	Håkan Forsberg / Mikael Olsson
Telephone	08-579 171
Email	Hakan.forsberg@esf.se mikael.olsson@esf.se

Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	Standard scale of unit costs + flat rate 40 %
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	Professional training and other competence development. Activities to strengthen the link between education, training and the working life.

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
All kind of operations in priority axis 1 "Skills supply" (thematic objectives 10). 1.1 - Actions to support education and skills development contributing to employment, growth and sustainable working life. The initiatives shall be based on the need for workplace development and women's and men's working capacity. They shall also contribute to strengthen participating women and men and to satisfy supply of labour and competence. 1.2 Actions to develop and apply methods and forms for collaboration to strengthen the connection between education and work-life.
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
The indicator is defined to <i>unit cost covering all costs of one hour of training, except allowances and salaries for participants</i> . The measurement indicator is defined to <i>number of hours worked differentiated by wage group</i> .

A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
All kind of beneficiaries – for example public body's, private organisations and NGO: s.
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
Employees and participants in operations in priority axis 2.

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i></p> <p><i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p> <p>The standard scales of unit costs are defined according to CPR art. 67.5 (fair, equitable and verifiable method). National wage statistics, national legislation (holiday payment and employers' contribution to the social security system) and statistics for pensions and insurance has been the base for the calculation of the standard scales of unit costs. The 40 percent flat-rate (ESF art. 14.1) has been added to the calculated unit costs.</p> <p>The standard scales of unit costs have been adopted in Delegated act 2015/2195 under ESF art. 14.1.</p>
<p>B.2 Calculation Methods <i>(please describe how the calculations have been made)</i></p> <p>The standard scale of units' costs is based on wages statistics from Statistics Sweden (SCB). The wage statistics have been clustered in seven wage groups (with three subgroups for managers) covering the entire occupations on the Swedish labour market. To the wage statistics have a flat-rate for holiday payments been added (12 % according to Swedish law) and a flat-rate for employers' social contributions (according to Swedish law) and pensions and insurance (according to collective agreements on the labour market). Finally, a 40 % flat-rate (the omnibus interpretations of ESF art. 14.2) to cover all costs of the operation except direct wages and participants' salaries' and allowances.</p> <p>The standard scales of units' costs automatically increased by 2 % on the 1st of January each year as from 2016 until 2023</p>
<p>B.3 Data source <i>(please indicate the type of data used and the data source)</i></p> <ul style="list-style-type: none"> - National wage statistics - Swedish legislation - Collective agreements on the Swedish labour market

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

<p>Operations is fully implemented and calculated on the basis of the standard scales of unit cost. For this reason, the assessment of personal resources becomes an important part of the implementation. In the applications for grants, the applicant must describe witch personal resources which are necessary to carry out planned activities and achievements to reach the planned results and effects of the project. The managing authority assesses the reasonableness of the resource assessment before grant decision.</p> <p>Costs will be reimbursed based on the operations time reporting of number of hours worked in the operation. For that reason, time reporting has a central role in the implementation of the standard scales of unit costs. The managing authority provides a time reporting system that is mandatory to use.</p>
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D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

The time report, signed by the employee and another competent person confirming that the assignment is correct. Time reports are sent to the ESF Council when the time is reported in the application for payment together with a progress report for the actual period.

The managing authority conduct a desk control of time reporting and progress report before payment. In addition, the managing authority performs the on-the-spot controls of the time report and the project's procedures for compiling it. On-the-spot controls also include control of procurement, demarcation to regular operations, revenue, archiving, visibility of EU funding and anti-fraud.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

The national auditing authority has been an active part in the preparation of the standard scales of unit-costs. They conduct an ex-ante assessment of standard scales of unit costs model and issued a statement which was attached to the application for delegated act.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

Shift in focus from project administration to results of the operations and their contribution to long term effects of the OP.

Reduced administrative burden for the beneficiaries' releases resources for better implementation of the operations.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

It takes some time and effort to shift both the managing authority and the beneficiaries' mindset from the cost actually incurred and paid to SCOs, but when done, all see the benefits of the simplifications.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

28. SI n.a. I – SSUC – professional training for the unemployed

References:

Member State / Region	SLOVENIA
Reference number (TN's map of SCO practices)	n.a. (I)

Contact details:

Name of the Institution	Ministry of Labour, Family, Social Affairs and Equal Opportunities
Address	Kotnikova 28, 1000 Ljubljana
Name of contact person	Polona Samec
Telephone	+386 1 369 76 52
Email	polona.samec@gov.si

Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	PROFESSIONAL TRAINING FOR THE UNEMPLOYED

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>Within this program the beneficiary published a public procurement for employers. The employers, who will fulfil the conditions and measurements required, submit an application to be involved in one or more professional trainings.</p> <p>In the second phase the beneficiary sends suitable workers to the selected employers. The selected employer enables 2 or 3-months professional training together with a full time mentorship on a concrete working place with the purpose of improving workers' employability and gaining professional experience. Professional training is specific, adapted to the needs and specifics of each individual worker.</p>
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
The aim is to facilitate professional training to 4.525 unemployed persons from target groups. After the professional training it is expected that at least 20% of these persons from Western Slovenian Cohesion Region and 25% from the Eastern Slovenian Cohesion Region shall obtain job or will be employed.
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)
Employment Service of Slovenia, Employers/Companies

A4. Target group(s) (Please list target groups within projects covered by SCO)

The following target groups are included in this program:

- unemployed, over 50 years old persons, registered at the Employment service for at least 3 months;
- unemployed persons, registered at the Employment Service for 12 or more months;
- unemployed persons with the education level below ISCED 3 and registered at the Employment Service for at least 3 months.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget / combination of methodologies).

Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

The SCO is based on combination of methods:

- a fair equitable and verifiable method, based on statistical data and other objective data (to determine minimum wage, price of medical examination and insurance)
- method of gathering historical data from similar operation from the past (2012, 2013).

B.2 Calculation Methods (please describe how the calculations have been made)

Standard scale of unit costs is a cost, that shall be refunded to employers for the execution of professional training for each included person. It is defined on the basis of EU Regulation no. 1304/2013, from 17 December 2013, with amendments, and Delegated EC Regulation no. 2015/2195, from 9. July 2015. It comprises of:

- costs for internal mentor, who offers mentorship to the person from the target group;
- costs of medical examination prior to the professional training;
- costs of insurance against accidents at work.

The SCO is defined per person, included in professional training and depends on the duration of the training (2 or 3 months).

The cost for internal mentorship is based on minimum hours of mentorship per month and minimum wage. A mentor has to ensure 30 hours of mentorship from a full working time per month (i.e. 30 hours or 17,24% of average number of hours per month). The cost is then calculated as 17,24% of the minimum wage, which adds up to 136,33 EUR per month per included person. Since it is necessary to take into account the fact, that this cost is way lower in the case of self-employed persons (only 57,00 EUR). Taking into account the frequency of both costs from the similar program in 2012/2013, the average cost for internal mentorship per month was determined as 116,48 EUR per included person.

The cost of prior medical examination is based on the market price for 34 typical groups of professions, that require the same size of examination. The base average price in 2014 was 135,85 EUR. However, as calculated from the past similar program in 2012/2013, the price for 13,5% of the individuals was lower (their profession was classified as simple, auxiliary, so the medical exam was not so extensive). Therefore, the cost was reduced for 13,5% and the final cost was calculated as $135,85 - 18,34 = 117,51$ or rounded to 118,00 EUR.

The cost for insurance against accidents at work was determined on the basis of a market price, which was 6,45 EUR per month (from day 1 to day 30 of on month). We had to take into account the fact, that one individual might start his training on day 15 of one month. In order to cover a 2-month training, the employer would have to pay a 3-months insurance and in case of a 3-month training, the employer would have to pay a 4-month insurance. The final cost was calculated as:

$6,45 \text{ EUR} \times 3 = 19,35 \text{ EUR}$, rounded to 19,00 EUR in case of 3-month training

$6,45 \text{ EUR} \times 4 = 25,80 \text{ EUR}$, rounded to 26 EUR in case of 4-month training.

The calculation of the final SCO:

$116,48 \times 2 + 118 + 19 = 370 \text{ EUR per person for the 2-month training}$

$116,48 \times 3 + 118 + 26 = 493 \text{ EUR per person for the 3-month training.}$

We realise that the costs, covered by the program, is minimal and usually lower than real cost. But based on our previous experience from the same program in the past, it was assessed that the program brings a high added value to employers, so our financial means only represent an additional stimulation and are not the main reason, the employers decide to participate.

B.3 Data source *(please indicate the type of data used and the data source)*

A combination of data sources has been used:

- statistical legislation data (minimum wage)
- market research on prices for medical examination and cost for insurance against accidents at work, and
- historical data from other similar programmes in the past (Professional training for the unemployed 2011/2012)

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The beneficiary published an invitation of tenders for employers. Employers have to submit an application with a detailed description of the professional training program and the exact number of individuals to attain the program. The program is afterwards assessed by the beneficiary; a contract is signed for the execution of one project. In the next phase the beneficiary sends an individual from the target group to the employer. After the completion of the professional training, the employer submits a claim for payment.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

After the completion of professional training, an employer shall submit a request for payment together with the following documents:

- a list of presence of a person, who attained the training, for each calendar month of training
- evidence of hours from a mentor for each calendar month of training,
- a copy of medical examination results for the included person,
- a report on successful completion of professional training, with detailed description of the skills and knowledge obtained.

The beneficiary executes 100% administrative control and verification of the documentation before the payment. The IB (Intermediary Body) executes a sample control as well as on-the-spot control.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

For the SCO in question, the methodology was prepared by the Beneficiary together with the Intermediary Body and afterwards approved by the Managing Authority. Audit authorities have no relevant role in the preparation or assessment of the methodology of SCO in Slovenia.

For the operation in question, there have been no audit assessments yet. However, in the previous Financial perspective 2007-2013, this same program was assessed by the PA- Budget Supervision Office and Court of Audit and no irregularities were discovered.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

1. The process of submitting requests for payment by the employers has been simplified. More employers decide to submit applications, since their administrative burden has reduced and procedures of reimbursement have speeded up.

2. Beneficiaries can execute 100% control and verification much faster and reimburse the payment in much shorter period than before.
3. Verifications and controls by the IB are simplified, with only a few documents, so the procedures can be carried out in shorter period and can focus more on the results and outputs.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Since all information was available to calculate the SCO and the SCO was determined already in the previous Financial perspective, the process was not so demanding and we only had to deal with concrete situations and questions.

In the preparation of SCO the following questions had to be solved:

- The case, when an individual takes the medical examination, employer covers the cost, but afterwards the person does not attain the training. In such case, only costs of medical examination shall be reimbursed to the employer if the results of medical examination were negative and the employer already payed the costs.
- In case where professional training was interrupted, there were two options foreseen:
 - a) If professional training was interrupted because the participant was employed by the employer in question; in such case, the employer is eligible for the costs of 2-months training, regardless of the actual duration of the training;
 - b) If professional training was interrupted due to specific reasons on the side of the participant, the employer can claim a reimbursement of the proportional part of the SCO, depending on the actual period of participation. This period, in any case, cannot be longer than 2 months.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Every SCO must be developed and determined carefully, taking into account all the deviations and cases, that may occur. Calculation of SCO is very important and should be carefully and well thought.

In case of longer operations or programs, the SCO, its methodology and value should be revised and adapted to new circumstances, changed conditions or market prices.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

29. SI n.a. II – SSUC – regional scholarship scheme

References:

Member State / Region	SLOVENIA
Reference number (TN's map of SCO practices)	n.a.(II)

Contact details:

Name of the Institution	Ministry of Labour, Family , Social Affairs and Equal Opportunities
Address	Kotnikova 28, 1000 Ljubljana
Name of contact person	Polona Samec
Telephone	+386 1 369 76 52
Email	polona.samec@gov.si

Type of SCO reported (Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO (Please indicate what type of activities is targeted by the SCO).	REGIONAL SCHOLARSHIP SCHEMES

A. PROJECT DESCRIPTION

A1. Description of the type of operation (Please describe in brief what types of operations are covered by SCO)
<p>Within this program the IB (Ministry of Labour, Family, Social Affairs and Equal Opportunities) published a public procurement for regional development agencies (RDA). Regional development agencies are the beneficiaries, chosen for the period 2017- 2022. During this period, they are obliged to prepare yearly public tenders, promote, coordinate and offer a full support to employers as well as individuals, obtaining the scholarship.</p> <p>In the second phase the selected agencies which fulfil conditions and are chosen as suitable, publish a public procurement for employers interested in scholarships. The employers are selected on the basis of their application and program according to the Scholarship Act. Prior to submitting an application, employers must sign a contract with individual students, defining educational program, amount of scholarship and other relevant issues according to the Scholarship Act. The selected employers then start paying the defined amount to students and each month submit claim for reimbursement for the 50% of total scholarship amount.</p>
A2. Definition of outputs/results (Please give a short definition of outputs and/or results)
The aim is to include 4.000 young people in regional schemes of scholarships (3.080 from the Eastern Slovenian Cohesion Region and 920 from Western Slovenian Cohesion Region).
A3. Beneficiaries (please indicate the types of beneficiaries involved in the operations covered by SCO)

Regional Development Agencies
A4. Target group(s) (Please list target groups within projects covered by SCO)
The following target groups are included in this program: <ul style="list-style-type: none"> • High school and university students; • Employers.

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology (please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).
Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)

The SCO is based on combination of methods:

- method of gathering historical data from similar operation from the past (2012, 2013) and
- a fair equitable and verifiable method, based on statistical data (level of growth for minimum gross wage).

B.2 Calculation Methods (please describe how the calculations have been made)

Standard scale of unit costs covers the cost of work and administrative costs of RDA and are calculated per one scholarship per month. They are refunded to RDAs.

The SCO is based on calculations from previous public tenders for regional scholarship schemes from 2008 until 2015.

These costs were calculated as the average from the total amount of eligible costs from RDAs, divided by the number of monthly scholarships. The average represented the basis of SCO per scholarship per month. Since the operation will last from 2016 until 2022, the methodology also includes growth level of average gross wage, so that each year the SCO changes according to the growth level of the average gross wage.

B.3 Data source (please indicate the type of data used and the data source)

A combination of data sources has been used:

- historical data from other similar programmes in the past (Regional Scholarship schemes 2008-2015)
- statistical legislation data (average gross wage).

C. IMPLEMENTATION OF SCO

(Please describe in brief what implementation rules and conditions have been set out)

The beneficiary (RDA) publishes a public tender for employers. Employers have to submit an application with a detailed description of the program and signed contracts with students obtaining scholarship. One project is one scholarship. After being selected, employers start paying scholarship on monthly basis and prepare claim for reimbursement for part (max 50%) of this scholarship and submits it to RDA.

The RDA collects claims for reimbursement from all employers in the region, add their costs (1 SCO for 1 scholarship) and prepare one claim for reimbursement and submit it to the IB.

D. AUDIT TRAIL

(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures)

Beneficiaries collect documentation from employers and prepare one claim for payment. This claim for payment is submitted to the IB together with the following documentation:

- contacts on co-financing of projects between employers and RDAs together with all possible annexes (only when submitting the first claim for payment)
- a print-out of the transaction account of the beneficiary, where it is visible the transfer of financial means from the beneficiary to employers.

The beneficiary executes 100% administrative control and verification of the documentation submitted by employers before the payment. The IB executes 125. Article administrative control as well as on-the-spot control.

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT

(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).

For the SCO in question, the methodology was prepared by the Intermediary Body and afterwards approved by the Managing Authority. Audit authorities had no relevant role in the preparation or assessment of the methodology of the SCO.

For the operation in question, there have been no audit assessments yet. However, in the previous Financial perspective 2007-2013, this same program was assessed by the Audit authority (Budget Supervision Office) and Court of Audits and no irregularities were discovered.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS

(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).

4. The process of submitting requests for payment by the RDAs has been simplified.
5. Verifications and controls by the IB are simplified, with only a few documents, so the procedures can be carried out in shorter period and can focus more on the results and outputs.

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO

(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)

Since all information was available to calculate the SCO and the SCO was determined already in the previous Financial perspective, the process was not so demanding and we only had to deal with concrete situations and questions.

We had some doubts regarding the calculation of SCO, since the first two public tenders in 2008 and 2009 included real costs and afterwards the SCO was introduced. Consequently, one option would be to keep the same SCO and only raise it for the growth level of gross wage. However, it was decided to calculate the cost based on all previous public tenders with calculation of cost from all eligible costs divided by the number of paid scholarships.

H. LESSONS LEARNED AND POINTERS

(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).

Every SCO must be developed and determined carefully, taking into account all the deviations and cases, that may occur. Calculation of SCO is very important and should be carefully and well thought.

In case of longer operations or programs, the SCO, its methodology and value should be revised and adapted to new circumstances, changed conditions or market prices.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS

(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).

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30. SK 3 – Flat rate based on list of eligible indirect costs

References:

Member State / Region	Slovak Republic
Reference number (TN's map of SCO practices)	3

Contact details:

Name of the Institution	Ministry of Labour, Social Affairs and Family of the Slovak Republic
Address	Špitálska 4, 6, 8, Bratislava, 816 43
Name of contact person	Juraj Lucák
Telephone	+421 2 2046 2007
Email	juraj.lucak@employment.gov.sk

Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	FLAT RATE UP TO 15%
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	INDIRECT COSTS

A. PROJECT DESCRIPTION

A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i>
<p>Flat rate used in operations e.g.:</p> <ul style="list-style-type: none"> - education of pedagogical and specialised staff, - trainings - language, IT (employees, unemployed) - social inclusion – social field work, support of integration of health disadvantaged pupils, support of social care, community centres
A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i>
<p>Flat rate is applied to cover only indirect costs including administration (publicity manager; accountant; public procurement expert), communication and information technology (laptops, printers, scanners), refreshment and supporting processes for project; domestic travel costs for the project team, consumables and equipment for project administration, overheads (water, electricity, lease for administration premises), other operation costs (e.g. property insurance) and others.</p>

A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i>
for example: NGOs, private entities (entrepreneurs, professional associations), public entities – schools, legal persons directly managed by state, municipalities
A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i>
Employees, unemployed people, socially excluded persons

B. METHODOLOGY AND CALCULATION METHOD

B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies). Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i>
Use of rates and specific methods enshrined in the regulation - flat rate according to Art. 68 (1) (b) of the CPR.
B.2 Calculation Methods <i>(please describe how the calculations have been made)</i>
Applying 0 - 15 % value without a requirement to perform a calculation to determine the applicable rate, nevertheless, when project requirements (draft budget) indicated higher % than 15% flat rate 15% is applied, when project requirements (draft budget) indicated lower % than 15% flat rate 0 - 15% is applied.
B.3 Data source <i>(please indicate the type of data used and the data source)</i>
Data source: specific method in the regulation - flat rate according to Art. 68 (1) (b) of the CPR

C. IMPLEMENTATION OF SCO *(Please describe in brief what implementation rules and conditions have been set out).*

Flat rate is applied according to Art. 68 (1) (b) of the CPR. The basis is total value of direct staff costs of the operation.

D. AUDIT TRAIL *(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures).*

In previous program period 2007-2013 were indirect costs reported on real documentation. In most cases this documentation consisted of large quantity of paper documents with small values. For MA was difficult to verify these documents. In this point of view flat rate for MA is the best choice how to improve effectiveness and apply a principle value for money (MA costs vs. eligible expenditures). Direct staff costs as the basis are verifying by MA. Then the correct (approved value by MA) % of flat rate is checked and finally, correct application of relevant % is considered.
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E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT *(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).*

Audit Authority has not been involved in setting of flat rate - flat rate is applied directly pursuant to Art. 68 (1) (b) of the CPR.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS *(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).*

For the MA:

1. preparing of calls – simplified setting of rules for indirect costs
2. selection process - simplified and faster evaluation
3. first level control - MA focuses on direct staff costs, indirect costs are calculated accordingly.

For the beneficiaries:

1. budget - simplified setting of the amount of indirect costs
2. eligibility - no need to submit any further documentation
3. first level control - faster verification of expenditure eligibility

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO *(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)*

First of all there is decision, whether to use max. 15% or to thoroughly analyse project requirements or draft budget (when available in advance).

H. LESSONS LEARNED AND POINTERS *(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).*

MA didn't identify any problems with applying flat rate. The main question would be AA approach – possible consequences to a flat rate, related to AA findings (e. g. public procurement within indirect costs covered by flat rate).

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS *(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).*

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31. SK 6 – Article 14.1 Delegated Act SCO + real cost

References:

Member State / Region	Slovak Republic
Reference number (TN's map of SCO practices)	6

Contact details:

Name of the Institution	Ministry of Labour, Social Affairs and Family of the Slovak Republic
Address	Špitálska 4, 6, 8, Bratislava, 816 43
Name of contact person	Juraj Lucák
Telephone	+421 2 2046 2007
Email	juraj.lucak@employment.gov.sk

Type of SCO reported <i>(Please choose one of these types of SCO: flat rate financing, standard scale of unit costs, lump sum).</i>	STANDARD SCALE OF UNIT COSTS
Type of activities covered by the SCO <i>(Please indicate what type of activities is targeted by the SCO).</i>	IT TRAINING (ECDL)

A. PROJECT DESCRIPTION

<p>A1. Description of the type of operation <i>(Please describe in brief what types of operations are covered by SCO)</i></p> <p>The aim of the operation to which the SSUC is applied is to support IT training of employees and unemployed. Every graduate obtains ECDL Profile Certificate with exams overview.</p> <p>ECDL refers to a system for the verification of knowledge and skills of common users related to work with computer technology. It is based on standards which determine the scope of required knowledge and skills in selected thematic areas (called syllabi) and global methodology for verifying whether the candidate meets the set level of knowledge and skills. The ECDL system certificates are internationally recognised documents certifying that their holder has reached the set level (standard) of knowledge and skills in the respective field on the basis of tests designed according to global methodology.</p> <p>ECDL syllabi define in detail the areas of knowledge and skills needed for basic use of personal computers. The areas of knowledge are divided into different thematic units – modules. A syllabus is formulated independent of software and hardware.</p> <p>This refers both to NPs (national projects) and DDPs (demand-driven projects).</p> <p>ECDL modules currently localised in the Slovak Republic: Base modules category</p>

<p>M2. Computer essentials M3. Word processing M4. Spreadsheets M7. Online collaboration</p> <p>Standard modules category</p> <p>M5. Using databases M6. Presentation M12. IT security</p> <p>Advanced modules category</p> <p>AM3. Advanced word processing AM4. Advanced spreadsheets AM5. Advanced database AM6. Advanced presentation</p> <p>ECDL Profile Certificate can be obtained one or more tests from different module categories (Base, Standard, Advanced).</p>
<p>A2. Definition of outputs/results <i>(Please give a short definition of outputs and/or results)</i></p>
<p>The output of operation is the ECDL (European Computer Driving Licence) Profile Certificate obtained. The funds will be reimbursed to the beneficiary on the basis of proving of actually obtained ECDL certificates with the list of completed ECDL certification exams, while the recipient provides data on certificates and taken exams in electronic form.</p> <p>Eligible expenditure of the project is expenditure for no more than one certificate for modules Base/Standard and no more than one certificate for modules Advanced for each participant.</p> <p>The implementation of unit costs for training activities related to the ECDL is not covered in described SSUC.</p>
<p>A3. Beneficiaries <i>(please indicate the types of beneficiaries involved in the operations covered by SCO)</i></p>
<p>for example: NGOs, private entities (entrepreneurs, professional associations), public entities – schools, legal persons directly managed by state, municipalities</p>
<p>A4. Target group(s) <i>(Please list target groups within projects covered by SCO)</i></p>
<p>employees, unemployed</p>

B. METHODOLOGY AND CALCULATION METHOD

<p>B.1 Methodology <i>(please indicate which methodology/ies has/have been used: Fair, equitable and verifiable method / use of existing EU schemes for similar types of operation and beneficiary / Use of existing own national schemes for similar types of operations and beneficiaries / use of rates and specific methods enshrined in the regulation or in a delegated act / use of a draft budget /combination of methodologies).</i> <i>Please indicate if the concerned SCO has been covered by Art. 14(1) ESF)</i></p>
<p>The SSUC was calculated by using a fair, equitable and verifiable method according to Art. 67 (5) (a) of the CPR and was covered by the Delegated Act under Art. 14 (1) of the ESF Regulation.</p>

B.2 Calculation Methods *(please describe how the calculations have been made)*

The price for ECDL certification consists of the following parts:

- the price for index of ECDL system

The index price is established based on the price set by the Slovak Society for Computer Science, which is the only ECDL licensee in Slovakia.

- the price for taking an ECDL test

The price for making one test was set as an average price based on a market research according to the type of the test separately for tests for modules Base and Standard and separately for modules Advanced

- the price for issuing an ECDL certificate

At sitting the price of issuing ECDL certificate we base from the price of Slovak Society for Computer Science which is the only holder of ECDL license in Slovakia.

For more information click on Annex listed in part I.

B.3 Data source *(please indicate the type of data used and the data source)*

market research - the website of the Slovak Society for Computer Science used for the setting of the price for the ECDL index and for the issue of the ECDL certificate, and the websites used for the market survey of the prices of certification exams are provided in the annex specifying the calculation of the prices of certification exams

C. IMPLEMENTATION OF SCO *(Please describe in brief what implementation rules and conditions have been set out).*

The funds will be reimbursed to the beneficiary on the basis of proving of actually obtained ECDL certificates with the list of completed ECDL certification exams, while the recipient provides data on certificates and taken exams in electronic form.

These documents must be submitted and attached to the request for payment together with the document "Additional Monitoring Data".

The MA/IB records these data into an electronic register of certificates and will check their accuracy and eligibility.

MA/IB verifies the authenticity of the certificates and exams at the Slovak Society for Computer Science.

The MA/IB will carry out on-the-spot inspections during the project implementation process. Every demand-driven project must be subject to at least one on-the-spot inspection during implementation. With regard to national projects, at least one on-the spot inspection will be carried out per year.

The control will aim to verify whether ECDL certification has actually taken place – according to binding instructions (annex to the Grant Contract).

D. AUDIT TRAIL *(Please provide a brief description of the audit trail for the concerned SCO, including documents, key contents/conditions and procedures).*

The funds will be reimbursed to the beneficiary on the basis of proving of actually obtained ECDL certificates with the list of completed ECDL certification exams, while the recipient provides data on certificates and taken exams in electronic form.

These documents must be submitted and attached to the request for payment together with the document "Additional Monitoring Data".

The MA/IB records these data into an electronic register of certificates and will check their accuracy and eligibility.

MA/IB verifies the authenticity of the certificates and exams at the Slovak Society for Computer Science.

The MA/IB will carry out on-the-spot inspections during the project implementation process. Every demand-driven project must be subject to at least

one on-the-spot inspection during implementation. With regard to national projects, at least one on-the spot inspection will be carried out per year. The control will aim to verify whether ECDL certification has actually taken place – according to binding instructions (annex to the Grant Contract).

E. ASSESSMENT BY THE AUDIT AUTHORITY(IES) INCLUDING EVENTUAL EX ANTE ASSESSMENT *(If relevant, please explain how the audit authority has been involved in preparation and assessment of the SCO).*

SSUC was consulted with AA. The key comments aimed at overlapping of SCO/UC/expenditures and at precise control mechanism during first level control of Requests for Payment and during on the spot control. MA/IB added precise control mechanism.

F. IMPACT OR ADDED VALUE FOR THE MA, BENEFICIARIES AND OTHER STAKEHOLDERS *(Please explain how you have perceived impact/added value of the SCO for the MA, beneficiaries and other stakeholders).*

For the MA/IB:

1. preparing of calls – simplifying of the rules for direct costs
2. selection process - simplifier and faster evaluation
3. fist level control - MA focuses only on certificates

For the beneficiaries:

1. budget - easier setting of direct cost amounts
2. eligibility - cost eligibility is based on certificate verification, there is no need to submit any further documentation
3. first level control - faster verification of expenditure eligibility

G. SPECIFIC ISSUES FACED WITHIN CALCULATION AND IMPLEMENTATION OF THE SCO *(Please indicate any issues/problems/challenges you have experienced when setting out or implementing the SCO, i.e. high workload, state aid, public procurement, national legislation, revenues etc.)*

Setting out the SSUC was a very long and demanding process before calls for proposals could be launched - data collection and their verification, negotiating with the European Commission, and setting out detailed guidance for applicants and beneficiaries.

H. LESSONS LEARNED AND POINTERS *(Please indicate any unforeseen practical implications that have emerged and any key lessons you have learned from the development and implementation of the concerned SCO practice).*

N/A - no projects under implementation, just call for proposals were published.

I. ANNEXES OR LINKS TO ONLINE DOCUMENTS *(Please list documents or links to online documents like complete methodology, calculation methods, documents submitted to the Commission, guidance for MAs and beneficiaries, calls for proposals, audit trail, legal acts etc.).*



2.Report.on.SCO.prac
tice.SK.6.unit.cost.ann