Fact Sheet 7 - Preparation costs

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<th>Valid from</th>
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<tbody>
<tr>
<td>Version 2</td>
<td>10.06.15</td>
<td>....</td>
<td>Preparation costs are only paid to approved projects</td>
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<td>Version 1</td>
<td>27.04.15</td>
<td>09.06.15</td>
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**Core message:** A lump sum one-off payment of €20,000 is available to cover all project preparation costs. Projects apply for this payment as part of submitting the Full Application.

Background

The project budget is used to cover costs incurred by the project *after the date of approval*. Preparation costs are granted to cover all costs from the time before approval such as the travel and staff costs involved in planning, meetings and writing the application.

When can you claim preparation costs?

The North Sea Region programme uses a two-step application process. Projects submit an Expression of Interest and if the Steering Committee feels that the idea fits well in the programme, projects are asked to prepare a Full Application. Projects which submit a Full Application to one of the next two meetings of the Steering Committee after approval of their Expression of Interest will be considered for preparation costs.

Preparation costs cover the full preparation period including time spent on preparing the Expression of Interest.

How do you claim preparation costs?

The Full Application form includes a request for payment of preparation costs.

Each project can only receive preparation costs once. In cases where a project is rejected and resubmits, preparation costs will be paid only once. The Steering Committee will decide whether an application is a resubmission or is sufficiently new to justify payment of preparation costs.

When are preparation costs paid and how much is available?
Approved projects will as a rule receive payment as part of their first regular project payment after submitting the first claim. Requests for alternative arrangements must be agreed with the Joint Secretariat.

Preparation costs are €40,000 funded at a 50% rate meaning that the programme will pay out €20,000. Payment will be made to the Lead Beneficiary stated in the application form and can be distributed amongst the beneficiaries according to whatever agreements have been made by the partnership.

The payment is made as a lump sum in line with Common Provisions Regulation 1303/2013 §67 1 (c). This means that you do not need to keep audit trail evidence to justify individual cost items.

First Level Control for these costs is carried out by the Joint Secretariat (JS) under the responsibility of the MA. This control consists of an assessment of whether the received Full Application complies with the Operational Assessment Criteria as outlined above and is sufficiently different to all applications submitted previously. Preparation costs are the only type of costs where the Joint Secretariat plays a role in first level control.