

Specification of Budget Form Guide

Transnational Cooperation Programme Interreg
Balkan-Mediterranean 2014-2020
CCI 2014TC16M4TN003

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Introduction

The present Specification of Budget Form Guide (hereinafter SoBFG) aims at providing the Lead Applicants/ Partners participating in Calls for Project Proposals of the Transnational Cooperation Programme Interreg ‘Balkan-Mediterranean 2014-2020’ (hereinafter BalkanMed Programme or BMP) with all information needed in order to fill in the Specification of Budget Form (hereinafter SoBF).

The main scope of the SoBF template is (1) to provide a common tool to Applicants for building the budget of the submitted project proposal and (2) to assist project partnerships to provide a wider and in-depth analysis of the budget stated in the Application Form. The partners must state all details according to each budget line / cost item aiming to support their budget estimations and realism.

The requirement of submitting the Specification of Budget Form duly filled in according to the instructions provided is one of the formal criteria used for project evaluation. Applicants, therefore, are strongly recommended to carefully read and follow these instructions.

The Application Document No 4: Specification of Budget Form is attached to the Application Form (as part of the Application Package) and is a binding document that has to be fully respected and followed during the project implementation.

NB: In case of any discrepancy between the Application Form and the Specification of Budget Form, the budget declared in the Application Form will be considered the one proposed by the project.

In addition, Applicants are **requested NOT to remove the protection of the Specification of Budget Form** or change its structure, since that could result in damaging it.

Attention:

Please fill in the Specification of Budget Form electronically, correctly and completely by using the template included in the Application Package of the Call for Project Proposals.

The Specification of Budget Form must be completed in English.

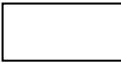
The Specification of Budget Form must be duly signed and stamped by the legal representative of the Lead Applicant/ Partner in the relevant page (see [Annex 1](#) of SoBF).

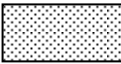
General information

The Specification of Budget Form is describing in detail the project budget and requires different levels of budget analysis. Information about the proposed budget must be accurate and correct.

The SoBF consists of the following sections:

1. 'Cover Page'
2. 'Specification - Justification of Budget Costs' per project partner
3. 'Project Budget'
4. 'Project Overview'

 white Fields are those that must be completed by the Applicant,

 fields marked in grey are those filled in by the Managing Authority/ Joint Secretariat, or fields in which data is automatically transferred or calculated based on the input provided in other fields.

While filling in the Specification of Budget Form the Applicant should take into account the limits set in the Call for Project Proposals (CfPP) and the Specification of Budget Form Guide.

In the SoBF, all costs should be calculated in Euro (in €), according to the Programme and Project Implementation Manual. Real market prices must be also applied in project budget.

Specific information

The budget is a financial plan for the project that quantifies the resource allocation plan for the duration of the project. Before beginning a budget or forecast, it is important (1) to develop the project intervention logic and to identify its overall objective and specific objectives, activities, outputs/ deliverables and estimated results, (2) to identify the partnership scheme and (3) to distribute tasks among partners, in order to formulate a coherent, consistent and realistic work plan. The estimated budget and spending forecast are then calculated based on available resources (financial, human, premises etc.), real costs of activities and time-planning of the project implementation. Input from all project partners is required, since each one has a diverse organizational structure, experience and competences in the thematic field of the project concerned. For example, certain funding or expense types may be the largest part of the budget and may dictate the budgeting criteria.

Therefore, the approach to begin a budget will vary according to the needs. The source of funding is also a determining factor (ERDF/ IPA).

The project budget is reviewed and compiled by the Lead Applicant/ Partner in close cooperation with all partners. The result is an overall project budget that is declared also to the Application Form per project partner for project evaluation.

The budget analysis will be set according to the Commission Delegated Regulation (EU) No 481/2014 which establishes specific rules on eligibility of expenditure as regards to the following expenditure categories: *Staff, Office and Administration, Travel and Accommodation, External Expertise and Services, and Equipment. Infrastructure and Works* is an additional budget line applied to the BalkanMed Programme.

During project generation and development, partners are suggested to consult all main reference documents of the BalkanMed Programme and the applicable Community and National legislation.

The following sections outline issues and guidelines to consider when budgeting costs of the project.

Sections of the Specification of Budget Form

COVER PAGE

This section provides details on the BalkanMed Programme in the frame of which the SoBF is submitted and general information identifying a project proposal. Information per part and field is provided below.

Version of Specification of Budget Form: The version number of the SoBF filled in by the JS. Version 1 of the SoBF will be the one of the Application Form attached to the Subsidy Contract.

Date of approval: The date of approval of the AF by the responsible Programme bodies (Managing Authority, Monitoring Committee) filled in by the JS.

MIS Code: The unique identification code of the project as generated by the MIS when the project is approved filled in by the JS.

Project title: Please insert the title of the proposed project.

Project acronym: Please insert the acronym of the proposed project.

Priority Axis: Please insert the title of the priority axis of the Programme in the frame of which the project is proposed. The relevant priority axis must be selected from the drop-down list. For more information on priority axis please consult the Cooperation Programme.

Investment Priority: Please insert the investment priority of the Programme in the frame of which the project is proposed. The relevant investment priority must be selected from the drop-down list. For more information on investment priority please consult the Cooperation Programme.

Project Partner No: The number identifying the specific partner.

Partner Institution: The full name of the partner.

Country: The country of origin of the partner.

Partner Role: The role of the partner in the project.

WP for activities outside the programme area (if applicable): Please select the appropriate value, indicating whether such an action is not applicable to the project or if it is applicable, in which Work Package such activities are analysed further. In case a project incorporates activities outside the programme area, these should be part of a unique WP.

All data (Name, Title, Institution and date of signature) must be completed by the signatory (normally the Legal Representative of the Lead Partner's Institution) and **officially be stamped and signed** by the Legal Representative of the Lead Partner's Institution.

SPECIFICATION - JUSTIFICATION OF BUDGET

In this section the Applicant shall include all relevant information and further analysis required for specifying the budget costs of the project proposal according to the expenditure categories identified also in the Application Form, per project partner and deliverable. The budget costs of the project shall further break-down, in cost categories. This will allow the evaluator to understand what each deliverable includes and how it is budgeted.

In general, the analysis requested in this series of excel worksheets is based on specific fields for all budget lines/ cost items **per project partner**.

Each project partner is represented in different **pre-defined worksheet**, based on Project Partner Number.

NB: Be careful to fill in the appropriate worksheet of the project's SoBF for each project partner, according to the Project Partner Number declared in the Cover Page. The information presented in the project's Specification of Budget Form has to be in accordance with the project's Application Form.

In addition, each Project Partner shall make use of **maximum 200 lines** for providing details of its budget, analyzing it further into cost components.

Further to that, the Applicant is asked to complete a *brief justification of expenditure* in the sections related to *Specification – Justification of Budget Costs*, in which a set number of characters are defined. The Applicant should not exceed the **maximum number of characters** defined. Each description should not exceed 350 characters, as defined in each field. In case, any text exceeds the word limit a warning message appears in the screen.

Due to character restrictions, the Applicants shall submit any other supporting document to justify the declared costs, if applicable. The JS reserves the right to request additional information, if required.

The column **“Work Package”** concerns the definition of the *Work Package (WP)* assigned to the specific cost described in the specific row. The WP is selected through a drop-down list.

The column **“Deliverables”** concerns the definition of the *Deliverable* assigned to the specific cost described in the specific row. The Deliverable is selected through a drop-down list. The Applicant can select a *Deliverable* only after a *WP* is selected.

The column **“Budget line”** concerns the definition of the *Budget line* assigned to the specific cost described in the specific row. The Budget line is selected through a drop-down list.

NB: The fields “Deliverables” and “Budget line” are mandatory for the budget calculation. When a cell in the “Deliverable” and “Budget Line” columns is not filled in, any value inserted in the respective calculations’ cells will not be valid and will not be calculated in the overall project budget. **In this case the “Total costs” column will return a 0,00€ value marked in red.**

The column **“Cost item”** concerns the definition of the *Cost item* assigned to the specific cost described in the specific row. The Cost item is selected through a drop-down list. The Applicant can select a *Cost item* only after a *Budget line* is selected.

The column **“Brief justification of the expenditure”** describes the cost item and unit that will be used for the measurement of the specific cost. It varies according to the expenditure and cost categories. In this field, the Applicant shall **explain in depth** the reasons justifying the necessity of the respective expenses to occur and the actual cost analysis, in order to prove that the budget is realistic and it is based on market prices. Further analysis is provided below, in each cost item.

NB: The description must not exceed the 350 characters.

The column **“Quantity of item (#)”** refers to the number of the aforementioned items that will be charged for the specific cost/ row and partner. Only numbers should be inserted in the cells of this column, since they are calculative cells.

The column **“Time of item (Tol)”** refers to the amount of time of the aforementioned items that will be charged for the specific cost/ row and partner. This column is grey for all expenditure categories, **unless Staff costs if calculated as real costs and/ or Travel & Accommodation costs are selected**, in which case the Applicant should

include a value. Only numbers should be inserted in the cells of this column, since they are calculative cells.

The column “**Cost per item (in EUR)**” refers to the cost per aforementioned item. Only numbers should be inserted in this column, since it concerns the cost in Euro. The cells in this column are also calculative, so extra attention is required.

The column “**Total Costs (in EUR)**” concerns the total cost for the specific cost/ row and partner as described/ stated in the specific row. This information is calculated automatically; hence, no data/ numbers should be added manually.

$$\text{Total Cost} = \text{Quantity of Item} \times \text{Cost per item}$$

For the cases of *Staff* costs when calculated as real costs and the *Travel & Accommodation* costs, the **Total Costs** is the product of the following function:

$$\text{Total Cost} = \text{Quantity of Item} \times \text{Time of item} \times \text{Cost per item}$$

Finally, if for the *Staff* costs and the *Office & Administration* costs, the *Flat Rate Calculation method* is selected, the **Total Costs** is the product of the following function:

$$\text{Total Cost} = \text{Cost per item}$$

Further analysis and detailed description per budget line is provided in the table below.

Table 1: Filling requirements per budget line

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
<p>Staff Costs</p> <p>This budget line concerns the costs for the staff employed for the project implementation. The cost of the salaries should reflect the gross amounts including social security charges and other related costs, according to the rates applied in the partner organisation.</p> <p>The salaries of the employees should follow possible requirements, restrictions and rules set by the Programme and Project Implementation Manual.</p>	<ul style="list-style-type: none"> • Flat Rate • Real Costs - Project Manager; • Real Costs - Financial Manager; • Real Costs - Administrative Staff • Real Costs - Technical Staff • Real Costs - Other 	<p>A brief description of the employee(s) and their role(s) in the project shall be provided.</p> <p>In case of Flat rate calculation method, an overview of the staff required for the implementation of the project is necessary.</p> <p>In case of Real Costs, the Applicant will need to highlight the level of expertise planned to contribute to the project, the role in the project and the general responsibilities. In this case, the Applicant</p>	<p>The Applicant must state the number of people to work on a specific cost item (or of a specific profile) in the project.</p> <p><i>In case of Flat rate calculation method, this field turns grey and there is no requirement to be filled in.</i></p>	<p>The Applicant must state the duration of the activity to be implemented by the mentioned employee(s).</p> <p>The value must be in line with the measurement unit selected (eg. in case of man-hours->the value of the time should be "hours", for man-days->the value of the time should be "days", etc")</p>	<p>The rate of the personnel to implement the particular activities needs to be included.</p> <p>The value must be in line with the measurement unit selected (i.e. in case of man-hours->the value of the rate should be "€/hour", for man-days -> the value of the rate should be "€/day", etc").</p> <p>The cost must be stated in €.</p>

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
		<p>must specify the measurement unit (man-hour, man-day, man-month etc),. The value of the rate will be included in the “Cost per unit” column.</p> <p>It is recommended that the measurement unit to be used is “man-month”, since this will facilitate the calculations and the verifications procedures during the implementation of the project.</p>			
<p>Office and Administration</p> <p>This budget line concerns the operational costs for the project implementation, according to the requirements, restrictions and rules set by the</p>	<ul style="list-style-type: none"> • Flat Rate • Real Costs - Office rent, insurance and taxes • Real Costs - Office supplies • Real Costs - Utilities • Real Costs - Communication 	<p>A short description of the cost item selected must be provided by the Applicant.</p> <p>The Applicant shall take into consideration the following:</p> <ul style="list-style-type: none"> ○ Office rent, insurance and taxes – proportional to the project; 	<p>There is no requirement to be very specific on the quantity. The Applicant can include ‘1’ and make an estimation of the overall cost of the cost item selected.</p>	N/A	<p>Categories such as office rent, supplies, utilities, communication services, maintenance, cleaning & repairs should be charged in proportion and according to a calculation analogy (methodology), while the</p>

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
Programme and Project Implementation Manual.	services <ul style="list-style-type: none"> • Real Costs - Maintenance, cleaning & repairs • Real Costs - Financial services • Real Costs - Other 	<ul style="list-style-type: none"> ○ Office supplies – proportional to the project; ○ Utilities (e.g. electricity/heating/water) – proportional to the project; ○ Communication services (e.g. tel, fax, internet) – proportional to the project; ○ Communication services (e.g. postal, courier); ○ Maintenance, cleaning and repairs – proportional to the project; and/ or ○ Financial services ○ Other <please specify> 	In case of Flat rate calculation method, this field turns grey and doesn't need to be filled in.		cost such as postal, courier and bank charges can be fully charged at the project's budget. The cost must be stated in €.

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
<p>Travel and Accommodation</p> <p>This budget line concerns <i>Travel and Accommodation</i> costs incurred by the staff of the partner organization (participating in project activities and/or are part of the project team) that relate to delivery of the project, according to the requirements, restrictions and rules set by the Programme and Project Implementation Manual and related documents.</p> <p>The Travel and Accommodation of external experts or guests should be listed in the <i>External Expertise and Services</i> budget category.</p>	<ul style="list-style-type: none"> • Transportation • Accommodation • Daily Allowance • Other 	<p>The Applicant, according to the cost item selected, must provide the relevant justification:</p> <ul style="list-style-type: none"> • scope of trips - participation in project meetings, project site visits, meetings with Programme bodies, seminars, conferences, etc.; • number of people (and position, if possible) expected to travel on behalf of the project partner; • means of transportation – airplane, bus, train, car, etc.; • location of event – domestic or abroad (exact place, if possible); • measurement unit – km, ticket, flight, night, day, etc. 	<p>The Applicant must specify the number of the trips necessary for the implementation of the project.</p> <p>In the case of the item “Transportation”, the Applicant can also select the amount of tickets or vehicles necessary in total for the transportation needs (Example 1: Item Transportation: if there is a need for 3 road trips with 2 vehicles each, the value to be inserted is 3x2=6 with the provision of the respective description</p> <p>Example 2: Item Accommodation: if there is a need for 3 people,</p>	<p>For the items “Accommodation” and “Daily allowances”, the days or man-days for each trip need to be included (i.e. for a trip of 2 people per trip for a 2 days’ trip = 4 man-days).</p> <p>For the item “Transportation” and if there is no need for time to be applied the value can be set to 1. (e.g. For the cases of tickets, or vehicles’ costs that are independent of the time, the Applicant needs to include only the quantity of the item and the cost with the value (1) in this column).</p>	<p>Different rates per country (in accommodation) and per location (in daily allowance) are applied; such rates may differ for travels within one country and outside the country, respectively. In any case, there should be clear reference also on the amounts allowed/eligible for the hotel accommodation and daily allowance per country per project partner, according to the limits applied from the National regulations.</p> <p>The cost must be stated in €.</p>

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
			for each one of the 3 trips, quantity value to be included is 3X3=9 with the provision of the respective description. In this case the estimation of the nights is included in the column "Time of item".		
<p>External Expertise and Services</p> <p>This budget line concerns the <i>External Expertise & Services</i> costs for the activities of the partners that will be subcontracted to external experts, according to the requirements, restrictions and rules set by the Programme and Project Implementation Manual.</p>	<ul style="list-style-type: none"> • Studies & surveys • Promotion, communication & publicity • Events/ Meetings/ Conferences organisation • Training/ Seminars/ Workshops • Translations • Audits • Other 	<p>The Applicant shall provide a brief description of the cost item and the specifications of the costs planned shall be included.</p> <p>The purpose of the service, the estimated quantities planned, etc need to be clearly explained. The size of each deliverable should be stated, as well as the number of copies. In case of events/ meetings/ conferences/ training/ seminars and workshops, the number of participants,</p>	<p>The Applicant must specify the quantities of the services, expertise or material required (e.g. 1 study, 3 event organizations, 500 brochures, etc).</p>	N/A	<p>The estimated cost per unit of the service/ expertise or material required must be included according to the type of cost item selected.</p> <p>The cost must be stated in €.</p>

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
		<p>the number of meals, the cost of speakers and translators and other relevant costs should be explicitly stated per project partner.</p> <p>The Applicant shall take into consideration the following:</p> <ul style="list-style-type: none"> • Which type of <i>External Expertise & Services</i> expenditure is charged in the project: <ul style="list-style-type: none"> ○ Evaluations, strategies, concept notes, design plans, handbooks, roadmaps, maps, feasibility study etc. ○ Design, edit, print, distribution of brochures, leaflets, publications; publishing of promotion articles, inserts in newspapers, press releases; facilitation material for events, meetings, etc. ○ Website development, 			

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
		<p>modifications, updates;</p> <ul style="list-style-type: none"> ○ IT systems development, modifications, updates (incl. IT consultants, license fees, etc.); ○ Services related to organisation and implementation of events or meetings (including rent, catering or interpretation, external speakers, etc.) ○ Participation in events; ○ Travel & Accommodation for experts, speakers, chairpersons of meetings, service providers (provided this is in line with national rules and has been agreed in the contract); ○ Verifications by external controllers (first level control) (if applicable) 			

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
		<ul style="list-style-type: none"> ○ Other <please specify> ● Measurement unit (e.g. per study; survey; website; material – printed or digital; event; item; expert etc.). 			
<p>Equipment</p> <p>This budget line concerns the <i>Equipment</i> costs required by the partners for the sound implementation of the project. The purchase or rental of equipment should follow the requirements, restrictions and rules set by the Programme and Project Implementation Manual and respective documents.</p>	<ul style="list-style-type: none"> ● Office Equipment ● IT hardware and software ● Furniture and fittings ● Laboratory Equipment ● Machines and instruments ● Tools or devices ● Vehicles ● Other specific equipment 	<p>The Applicant must provide a brief description of the item and the specifications of the costs planned. The purpose of the equipment, the estimated quantities planned, etc need to be clearly explained. The technical references for the electronic equipment and the number of pieces for each object should be clearly stated and justified per project partner.</p> <p>The Applicant shall take into consideration the following:</p> <ul style="list-style-type: none"> ● Which type of <i>Equipment</i> expenditure is charged in the project: 	<p>The Applicant must specify the planned or estimated number of the equipment required for the action.</p>	<p>N/A</p>	<p>The planned or estimated unit cost per equipment must be stated in €.</p>

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
		<ul style="list-style-type: none"> ○IT hardware (desktop computers, laptops, monitors, printers etc.); ○Devices (digital/ video cameras, projectors, etc.); ○Measuring instruments; ○Exhibition equipment, e.g. exhibition stands, pop-up displays, etc.; ○Maintenance and repairs of equipment needed for the project (provided the equipment links to content activities of the project)¹; ○Other <please specify> <p>The measurement unit shall be per item.</p>			
<p>Infrastructure and Works</p> <p>This budget line concerns</p>	<ul style="list-style-type: none"> • Works • Elaboration of detailed design of works 	The Applicant shall provide a brief description of the item and the specifications	The Applicant must specify the number of the works planned for	N/A	The actual cost of the infrastructure & works

¹ Where the office equipment is used by the project partner for the project administrative purposes, the cost falls under Office & Administration (g. maintenance, cleaning, repairs).

Budget line	Cost item	Brief justification of the expenditure	Quantity of item (#)	Time of item (ToI)	Cost per item (€)
<p>the <i>Infrastructure & Works</i> costs that will take place in the framework of the project. The level and the type of small-scale investment activities/works should follow the requirements, restrictions and rules set by the Programme and Project Implementation Manual and respective documents.</p>	<ul style="list-style-type: none"> • Supervision of works • Other 	<p>of the costs planned shall be provided.</p> <p>Any basic assumptions regarding the estimation of the costs justifying the sum to be declared must be briefly stated. <i>In case these cannot be described within the limit of 350 characters, a short explanation in a separate word file could be included as an annex to the Project Proposal Folder.</i></p>	<p>the project.</p>		<p>must be stated in €.</p>

PROJECT BUDGET

This section provides information on the project budget and its breakdown per Project Partner/ Work Packages/ Deliverables/ Budget Lines. The Applicant should keep in mind that all fields marked in grey are automatically filled in based on the information provided in other parts of the Specification of Budget Form.

NB: The tables generated automatically in this section can be used to complete *Section D: Budget* of the Application Form.

The information presented here has to be in accordance with the Application Form.

PROJECT OVERVIEW

This section provides information on the project overview and project budget breakdown per Project Partner/ Work Packages/ Budget Lines and per Country/ Work Packages/ Budget Lines. Also, this section provides information on the sources of funding per country – ERDF and IPA contribution. The Applicant should keep in mind that all fields marked in grey are automatically filled in based on the information provided in other parts of the Specification of Budget Form.

The information presented here has to be in accordance with the Application Form.

Annex

Annex 1: Printing the SoBF for the submission of project proposal

The SoBF needs to be printed, signed and stamped by the legal representative of the Lead Partner in the *Cover page*, according to the guidelines of the Call for Project Proposals. Therefore, it is highly recommended to omit the empty cells with the use of the active filter provided at the top of each table, in order to prevent any empty pages from being printed.

The Applicant shall click on the filter arrow and de-select the box of the (blank) lines as in Figure 1 below.

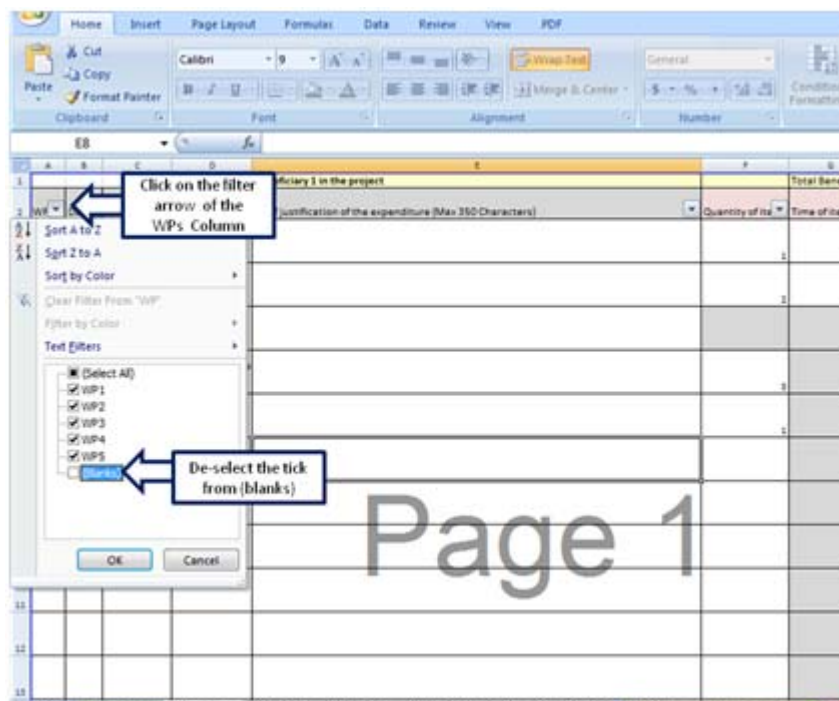


Figure 1: De-selecting the empty rows

Annex 2: Budget check for the 1st Call for Project Proposals

Apart from the use of real costs, the use of simplified costs options is proposed under some of the budget lines and for selected cost categories in the BalkanMed Programme, including the possibility to apply (if preferable) by each partner:

- **Preparation costs** shall be calculated **on a real costs basis up to 4% and not more than 20.000 euro** of the total project budget. The preparation costs are eligible if they are incurred and paid between January 1st, 2014 and within two months after the date of last signature at the Subsidy Contract for the present Call for Project Proposals. Payments made after this date cannot be considered as preparation costs.
- **Staff costs** shall be calculated at partner level **on a real cost basis or on a flat rate basis (up to) 20% of direct costs** other than the staff costs related to the project (Art. 19 of the ETC Regulation), where direct costs are the sum of Travel & Accommodation, External Expertise & Services, Equipment and Infrastructure & Works.
Staff costs for **each project partner cannot exceed 40% of its total budget (having subtracted before the amount of staff costs and office and administration costs from the initial total budget)**, regardless of the calculation option selected.
- **Office & Administration costs** shall be calculated at partner level **on a real cost basis or on a flat rate basis (up to) 15% of direct staff costs** (Art. 68(1)(b) of the Common Provisions Regulation).
Office and Administration costs for **each project partner cannot exceed 7% of its total budget (having subtracted before the amount of office & administration costs from the initial total budget)**, regardless of the calculation option selected.;
- With regard to **management costs, each project partner cannot exceed 10% of its total budget** (having subtracted before the amount of management costs from the initial total budget); the management costs for **the Lead Partner shall be limited to 15% of its total budget**. For the above limits, costs related to (1) WP1 - Deliverable 1.x.1 – Cost item xxx for the preparation activities' and (2) WP1 - Deliverable x.x.x – Cost item: Audits for the verification of expenditure – external auditors (First Level Control) are not considered.