

Swedish experiences on simplified costs

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Simplified cost options

Both accounting and management can get easier and made more efficient by applying simplified cost options in the program period 2014-2020.



The purpose of simplified cost options

- Increase the targeting by focusing more on the projects results
- Simplify by easier accounting, more efficient and faster processing and
- Minimizing the risk of errors



A simplified cost option should be

- Controllable
- Fair and reasonable
- Approved and standardized



There are three types of simplified costs:

- Unit costs
- Lump sum
- Flat rate for indirect costs



The Swedish decision

- Use all the three forms of simplified cost options



- Unit costs applied for:
 - The cost for food
 - General annual working
 - Travel by private car
 - Allowance
 - Individual work for private firm
 - Regular investments

Provided that they are not included in lump sum or indirect costs



Unit Cost	Controllable	Fair and reasonable	Approved and standardized
Cost for food	Swedish Tax Agency	Yes, only one level	Yes, and not selectable
General working hours	EU nr 1303/2013 art68.2	Yes, only one level	Yes, and not selectable
Travel by private car	Swedish Tax Agency	Yes, only one level	Yes, and not selectable
Allowance	Swedish Tax Agency	Yes, only one level	Yes, and not selectable
Individual work for private firm	Based on statistic	Yes, only one level	Yes, and not selectable
Regular investments	?	?	?

- Lump Sum should especially be used for project or business support (up to 100 000 euro), where there is a detailed budget with clear and measurable results. To reduce the risk that the beneficiary will not get support if he or she cannot reach the goals, the order should be divided into sub-objectives



Lump-sum	Controllable	Fair and reasonable	Approved and standardized
	The applicants application	The applicants application	EU nr 1303/2013 art. 67.1.c



- The project submits a specified budget with concrete objectives
- The case handler investigates if the costs in the budget are eligible for reimbursement, reasonable in costs and goals
- The authority sends a proposal of the decision to the applicant



- Flat-rate
 - Indirect costs

The recipient will be able to choose if they want a standard augmentation of 15% on labor costs or if they want to apply their indirect costs on the basis of actual expenses paid.
 - Payroll surcharges

A percentage of 42,68 on eligible staffcost



Flat-rate	Controllable	Fair and reasonable	Approved and standardized
Indirect cost	EU nr 1303/2013 art. 68.1.b	Yes, only one level	Yes and selectable
Pay-roll surcharges	Based on statistic	Yes, only one level	Yes, and not selectable



Implementation

- In to the processing routines
- Education of case handlers
- The IT-system

