

Eligible costs of beneficiaries under the Measure 4.4 of the SG OP include the following cost categories:

Direct costs	Remuneration (W) Subcontracting (E) <i>Cross-financing (C):</i> <ul style="list-style-type: none">- stipends- fellowships- training courses Other direct costs (Op) , including: <ul style="list-style-type: none">- costs of equipment and intangible assets- costs of land and buildings- other operational costs
Indirect costs (O)	

1. W – Remuneration costs

1.1 This category includes eligible **remuneration costs along with non-payroll labour costs**, such as social security and health insurance contributions of **individuals employed for conducting research** (research workers, technical personnel, and other auxiliary staff members) and **technology brokers**, as far as the remuneration is directly connected with the realisation of the project subject to co-financing.

1.2 Documenting the work performed for the project:

a) for **employment contracts – the payroll**

If the given employee is not involved in the project on a full-time basis, the eligible part of the remuneration is determined based on:

- **delegating** the employee to the project on a part-time basis, with the specification of their scope of duties within the project (optimal solution),
- **work time sheet** containing a description of the tasks performed – for employees who work for the co-financed project on an irregular basis;

b) for **contracts of mandate – the invoice**, list of duties within the project, acceptance protocol.

1.3 Expenditures connected with the hiring of a person who performs tasks within the project(s) are eligible provided that:

- a) the resulting workload does not prevent the person from proper and effective performance of all tasks entrusted to him or her;
- b) the total professional involvement of such person in the realisation of all projects financed from structural funds and activities financed from other sources, including own funds of the beneficiary and other entities, does not exceed 276 hours per month;
- c) in the case of mandate contracts – the performance of tasks is confirmed by an acceptance protocol, confirming: the proper performance of tasks, fulfilment of the conditions specified under letters a) and b), and the number and specification of hours devoted to the performance of tasks under the project in the given month¹;
- d) if that person performs tasks under an employment contract, and the documents related to hiring that person do not expressly indicate the number of working hours² – performing the tasks is confirmed in a protocol prepared by that person, showing: correct completion of the tasks, meeting the conditions referred to in letters a) and b) and the number and record of hours spent performing the tasks as part of the project in a given calendar month³

The above conditions should be met throughout the whole period of eligibility of the remuneration of the given employee in the project.

1.4 The following payroll and non-payroll elements of personnel remuneration constitute eligible costs:

- a) base remuneration, bonuses and awards (apart from service anniversary awards), including appreciation bonuses resulting from the internal remuneration rules of the given organisation specifying uniform rules for all employees (also those not involved in the realisation of projects co-financed from the SG OP);

¹ The protocol does not have to give information on the individual activities performed under a given agreement.

² The working hours should be indicated in detail "from (...) to (...)".

³ The protocol does not have to give information on the individual activities performed under a given agreement.

- b) task- or function-related allowance for tasks or duties in the project, provided that the base remuneration of the worker receiving the task- or function-related allowance is not financed from the funds of the project co-financed from the SG OP;
- c) function allowance for performing managerial functions in the given organisation;
- d) special allowance resulting from the specificity and nature of the performed tasks;
- e) allowance for long-term work;
- f) remuneration for the period of holiday leave (proportionally to the percentage of involvement of the given employee in the realisation of the project in the month when the leave took place, or if this is impossible to determine, in the month preceding the month in which the leave took place);
- g) remuneration for the period of inability to work pursuant to applicable social security regulations (proportionally to the percentage of involvement of the given employee in the realisation of the project in the month when the inability to work occurred, or if this is impossible to determine, in the month preceding the month in which the inability occurred);
- h) additional annual remuneration⁴ including social security and non-insurance fund contributions is eligible proportionally to the period during which the employee performed the tasks for the purposes of the project;
- i) contributions for:
 - pension security, including the Employee Pension Plan,
 - disability insurance,
 - sickness insurance,
 - health insurance,
 - accident insurance;
- j) Labour Fund contributions;
- k) contribution for the Guaranteed Employment Benefit Fund;
- l) advance personal income tax payment.

1.5 The part of the remuneration that can be deemed eligible is the part representing the percentage involvement of the worker in tasks related to project delivery, measured pro rata to the working time used for the above tasks. In the case of those components of remuneration that are related to the employment proportion, the part of remuneration that can be deemed eligible is the one representing the percentage involvement of the worker in tasks related to project delivery.

1.6 Expenditures for staff remuneration shall be eligible provided their amounts match the rates that are actually applied by the beneficiary outside of the projects co-financed from structural funds and CF in similar job positions or in job positions that require similar qualifications. This also regards other components of staff remuneration, including awards and bonuses.

1.7 If the ratio of work done by the beneficiary's worker only partially includes project tasks (e.g. ½ FTE, ¼ FTE as part of the project), the expenditures related to remuneration under the project are eligible, provided:

- a) the tasks related to project delivery are explicitly specified in the employment contract or in the scope of the worker's duties or his/her job description,
- b) the scope of tasks related to project delivery provides the basis for specifying the proportions in which the worker is actually involved in project delivery compared to the working time indicated in his/her employment contract,
- c) the expenditure related to project staff remuneration matches the proportions referred to in letter b, unless the scope of responsibilities, complexity, or the level of competencies required in a given job position justifies the difference in the share of the expenditure to the working time under the employment relationship.

⁴ Additional annual remuneration of project staff members is eligible only if it results from the regulations of labour law.

1.8 If the allowance referred to in section 1.4 letters b)-d) is granted, the amount of the allowance depends on the scope of additional duties⁵; however, if tasks are performed in several projects with the same beneficiary, the project staff is granted only one allowance, settled pro rata to the worker's involvement in a given project.

1.9 The allowances referred to in section 1.4 letters b)-d) shall be eligible up to the amount of 40% of the basic remuneration⁶ including the non-remuneration cost of work, provided that exceeding that limit may result solely from acts of generally applicable law.

2. E – Subcontracting costs

2.1 Subcontracting costs should be understood as **subcontracting to third parties part of the substantive work under the project** that is not performed on the premises and under direct supervision of the beneficiary and the costs of resources made available by third parties, e.g. the costs of lease of the laboratory along with research equipment.

2.2 Auxiliary services necessary for the performance of project-related tasks, such as legal or accounting services, are not deemed to be subcontracting.

2.3 All contracts for the performance of specific work should also be settled within this category.

NOTE: In the case of contracts for the performance of specific work the performance of tasks has to be confirmed by an acceptance protocol, confirming the material result of the work performed.

Subcontracting costs are excluded from the basis for calculating the lump sum of indirect costs of the project.

NOTE: The call for proposals documentation may specify a limit for the E category, defined as a specific percentage of eligible costs.

3. C – Cross-financing

3.1 The following types of costs are eligible within this category:

- a) **stipends** for graduate and doctoral students involved in conducting research under the given project;
- b) **fellowships** of scientists or research team workers to the extent related to the research work conducted in the project, commercialisation of the research results, or work related to modern technologies or project management;
- c) **training** for scientists or research team workers to the extent related to the research work conducted in the project, commercialisation of the research results, or work related to modern technologies or project management.

3.2 NOTE 1: Stipends for students and doctoral students involved in conducting research in the project are exempt from state aid regulations (i.e. they are financed in 100%, regardless of the state aid intensity in the project) provided that the relationships that occur between the students or doctoral students and undertakings may be governed, *per analogiam*, by the principles of effective collaboration between scientific units and undertakings, and that at least one of the conditions specified in item 28, points b-d of the Communication from the Commission - Framework for State aid for research and development and innovation is fulfilled, i.e.:

- a) the results of the collaboration which do not give rise to intellectual property rights may be widely disseminated and any intellectual property rights resulting

⁵ The "scope of additional duties" shall be understood as both new work duties, which do not result from the existing scope of duties, and increased involvement as part of the existing work duties.

⁶ Meaning remuneration – in line with the rules of remuneration in a given institution.

- from the activities of research organisations or research infrastructures are fully allocated to those entities, or
- b) any intellectual property rights resulting from the project as well as related access rights are allocated to the different collaboration partners in a manner which adequately reflects their work packages, contributions and respective interests, or
 - c) the research organisations or research infrastructures (this applies to the units where doctoral students are affiliated) receive compensation equivalent to the market price for the intellectual property rights which result from their activities and are assigned to the participating undertakings, or to which participating undertakings are allocated access rights. The absolute amount of the value of any contribution, both financial and non-financial, of the participating undertakings to the costs of the research organisations or research infrastructures' activities that resulted in the intellectual property rights concerned, may be deducted from that compensation.

The said stipends are paid by the Foundation directly to the bank account of the student or doctoral student.

3.3 NOTE 2: As far as *cross-financing costs (category C)* are concerned, the total amount of eligible expenditures in the project must not exceed **30% of the total eligible costs of the project**.

3.4 Cross-financing costs are excluded from the basis for calculating the lump sum of indirect costs of the project.

4. Op – other direct costs

4.1 Costs of research and development equipment and intangible assets

4.1.1 The following types of costs are eligible within this category:

- a) expenditures on the **purchase** of technological know-how and patents, i.e. intangible assets (IA) in the form of patents, licences, know-how, technological knowledge not protected by patent, expert opinions, analyses and research reports, etc.
- b) **depreciation expenses or costs of paid use of:**
 - i. **research equipment** and other equipment used for the purposes of research;
 - ii. technological know-how and patents purchased or used pursuant to licences **obtained from third parties on market conditions**, i.e. **intangible assets (IA)** in the form of patents, licences, know-how, technological knowledge not protected by patent, expert opinions, analyses and research reports, etc.

If the equipment, devices or any intangible assets are not used for project implementation through their entire lifetime, eligible costs are only understood to mean depreciation/amortisation costs corresponding to the project implementation period, calculated pursuant to the provisions of accounting law.

4.1.2 Depreciation

Depreciation expenses due to decrease in value constitute eligible costs if all of the following conditions are met:

- a) at the moment of purchasing, the equipment meets the definition of a fixed asset (in line with Art. 3(1)(15) of the Accounting Act: *tangible fixed assets with the expected economic usability term longer than one year, complete, ready for use, and intended for the entity's needs*)

- b) the equipment or IA is necessary for the proper realisation of the project and is used in direct connection with the project;
- c) the equipment or IA were purchased after the beneficiary had filed the application for funding;
- d) the equipment or other devices for research purposes are listed in the register of fixed assets of entities that purchased them;
- e) depreciation expenses have been calculated in compliance with accounting laws and in compliance with the accounting policy of the entity;
- f) the eligible value of depreciation expenses refers only to the period of realisation of the project;
- g) if the equipment or IA is also used for purposes other than the project realisation, then only the part of the depreciation expense corresponding to the proportional use of the asset in the project realisation is eligible;
- h) the purchase of equipment or IA was not co-financed from national subsidies or EU funds;
- i) the purchase of equipment or IA was not settled as an eligible cost of the project;
- j) depreciation expenses refer to equipment or IA that have been purchased in a rational and efficient way, i.e. their prices do not exceed market prices and rates.

The residual value of the fixed tangible asset or the IA after the completion of the realisation of the project does not constitute an eligible cost.

4.1.3 Paid use of equipment/IA

4.1.3.1 Expenditures incurred as a result of paid use of equipment (leasing, hire) or intangible assets (licence fees) constitute eligible costs to the extent and during the period necessary for the realisation of the project subject to co-financing.

4.1.3.2 As far as **leasing (operational or financial)** is concerned, the eligible cost is the amount of the **leasing instalment** issued for the beneficiary **connected with the repayment of the principal amount** (without interest and other fees) of the subject of the leasing agreement.

4.1.3.3 As far as leasing costs are concerned, the maximum amount of eligible costs must not exceed the market value of the goods subject to leasing. This means that the amount of eligible costs must not exceed:

- a) the amount stated on the receipt issued to the lessor by the provider of the co-financed goods – for goods purchased not earlier than 12 months prior to submission of the project proposal by the beneficiary;
- b) the market value of the goods subject to leasing specified in the valuation prepared by a certified appraiser or in the valuation prepared based on the methodology presented by the beneficiary – for goods purchased earlier than 12 months prior to submission of the project proposal by the beneficiary. The valuation may be replaced with documentation justifying the selection of the subject of leasing in a tender procedure that guarantees compliance with the fair competition principle
- c) in the case of a **financial lease with the depreciation period longer than the term of the lease agreement**, the eligible cost shall represent the depreciation charges falling in the period of project delivery.

4.2 Costs of land and buildings

4.2.1 Costs of land and buildings are eligible within the scope and during the period necessary for the realisation of the project.

4.2.2 The following types of costs are eligible within this category:

- a) **land lease** – only lease instalments, without interest;
- b) **perpetual usufruct of land** – only perpetual usufruct fees, without interest;

- c) **depreciation of buildings**⁷ – if the buildings are also used for purposes other than the project realisation, then only the part of the depreciation expense corresponding to the proportional use of the buildings for the project delivery.

4.2.3 As far as the **costs of land and buildings** specified above (in particular: land lease, perpetual usufruct of land, depreciation of buildings) are concerned, the total amount of eligible expenditures in the project **must not exceed 10%** of the total **eligible costs of the project**.

4.3 Other operational costs

4.3.1 Other operational costs include, among others, the costs of materials, consumables and similar products, incurred in direct connection with the realisation of the co-financed project.

4.3.2 The following types of costs are eligible within this category:

- a) **materials** such as raw materials, semi-finished products and reagents;
- b) **laboratory equipment** (generally all purchases that do not meet the requirements to be qualified as fixed assets pursuant to the Accounting Act and the accounting policy adopted);
- c) **cost of maintenance of technological lines**, experimental installations etc., during the period and proportionally to their use in the project;
- d) **lease of laboratory space** (i.e. premises suitable for conducting research, e.g. due to the required certificates or applied security systems, without laboratory equipment)⁸;
- e) **elements used for the construction and permanently installed in the prototype, pilot or demonstration installation**;
- f) costs of the **publication of project results** in journals listed in the JCR and costs of **presentation of project results during conferences** (without business travel expenses that should be settled as part of indirect costs);
- g) costs of **intellectual property management**;
- h) **operating costs of research equipment** owned by the unit realising the project or granted for use to such unit free of charge;
- i) costs of **international co-operation within the project and co-operation with businesses** (including the costs of realisation of part of the project under the supervision of a person delegated from a unit in a partner unit abroad or in a different unit co-operating within the project);
- j) **project promotion costs** (informational/promotional materials, website costs, etc. - without business travel expenses that should be settled as part of indirect costs) **up to 1% of the eligible costs of the project**;
- k) **cost of external audit** if the audit started after incurring of at least 50% but not later than 80% of the planned expenditures connected with the project realisation.

5. 0 – Indirect costs

5.1 Indirect costs include, among others, the following types of costs:

⁷ If the building is also used in the project for administrative purposes, the cost of depreciation of the building should be divided between the costs of buildings and land and the indirect costs pro rata to its use in order to deliver content-related works as part of the project.

⁸ The costs of lease of spaces other than laboratory space shall be covered within the lump sum of indirect costs. The costs of renting the laboratory including the equipment shall be deemed to constitute subcontracting.

- a) Building lease or maintenance costs, including:
- building lease, rent or depreciation costs;
 - utility costs (electricity, gas, water charges etc.)
 - cleaning and security costs of the premises;
 - costs of adapting the premises for the purposes of realisation of the project;
 - costs of property insurance;
 - costs of waste disposal;
 - costs of periodic maintenance and inspection of equipment;
- b) Administration costs, including:
- stamp duties and notarial fees;
 - costs of postal service, telephones, Internet, courier mail etc.;
 - costs of banking services, except for the costs of maintaining a bank account;
 - costs of accounting, legal and similar services;
 - costs of office supplies;
- c) Costs of remuneration, including non-payroll elements of remuneration, of management and administrative personnel, including:
- Costs of remuneration, including non-payroll elements of remuneration, of project management personnel;
 - Costs of remuneration, including non-payroll elements of remuneration, of service personnel (e.g. human resources, finance, accounting, administration services);
- d) Travel expenses of persons involved in the realisation of the project.

5.2 Indirect costs incurred in connection with the realisation of the co-financed project are settled on a lump sum basis, as a percentage of the direct costs with the exclusion of subcontracting costs (category E) and *cross-financing* costs (category C), pursuant to the following formula:

$$O = (W + Op) \times \max 17\%$$

5.3 Costs settled on a lump sum basis shall be deemed expenditures incurred. For the purposes of the project, the beneficiary is not obliged to collect or annotate accounting documents in order to confirm the incurred expenditures that have been settled as indirect costs.

5.4 NOTE: Costs settled on a lump sum basis as part of indirect costs must not be listed as part of the direct costs of the project (in the W, E, C and Op categories).