



External expertise and services costs

Fact sheet on the eligibility of external expertise and services costs¹

February 2025

Definition

External expertise and services costs cover expenditures paid by the partner organisation for the support in the project implementation provided by a public or private body, or a natural person outside of the partner organisation. These costs should be based on contracts or written agreements concluded with external experts and service providers, and paid based on invoices or equivalent requests for reimbursement.

Legal references

According to Article 42 of Interreg Regulation, external expertise and services costs are limited to:

- a) studies or surveys (such as evaluations, strategies, concept notes, design plans, handbooks);
- b) training;
- c) translations;
- d) development, modifications and updates to IT systems and websites;
- e) promotion, communication, publicity, promotional items and activities or information linked to an operation or to a programme as such;
- f) financial management;
- g) services related to the organisation and implementation of events or meetings (including rent, catering or interpretation);
- h) participation in events (such as registration fees);
- i) legal consultancy and notarial services, technical and financial expertise, other consultancy and accountancy services;
- j) intellectual property rights;
- k) verifications pursuant to point (a) of Article 74(1) CPR and Article 46(1) of Interreg Regulation; (i.e., controllers' costs)
- l) costs for the accounting function on programme level pursuant to Article 76 CPR and Article 47 of Interreg Regulation;

¹ Guidance provided in this fact sheet takes account of provisions of the regulatory framework 2021-2027 (in particular, rules on eligibility of expenditure for cooperation programmes set up in the Interreg Regulation 2021/1059 and Common Provision Regulation (CPR) 2021/1060) and practices in use by Interreg programmes in the 2014-2020 and 2021-2027 periods. The fact sheet is by no means a legally-binding document.

- m) audit costs on programme level pursuant to Articles 78 and 81 CPR and pursuant to Articles 48 and 49 of Interreg Regulation;
- n) the provision of guarantees by a bank or other financial institution, where required by Union or national law, or in a programming document adopted by the monitoring committee;
- o) travel and accommodation for external experts, speakers, chairpersons of meetings and service providers;
- p) other specific expertise and services needed for operations.

The above list is exhaustive, and programmes cannot add additional types of costs to this list (a programme may specify the catalogue of costs under letter p). The Interact tool, [Matrix of costs](#), presents further examples of eligible and ineligible costs under this cost category.

Below, you will find all articles from CPR and Interreg Regulation applicable for external expertise and services costs, referenced in this fact sheet:

Regulation (EU) No 2021/1060 - CPR

- Article 63 – Eligibility,
- Article 64 – Non-eligible costs,
- Article 67 - Specific eligibility rules for grants.

Regulation (EU) No 2021/1059 - Interreg Regulation

- Article 37 - Rules on eligibility of expenditure,
- Article 38 - General provisions on eligibility of cost categories,
- Article 42 – External expertise and services costs.

General principles

- Costs must be borne by the partner organisation.
- Principles of sound financial management and cost-efficiency should be applied.
- The work by external experts and service providers must be essential to the project.
- All costs are subject to EU and MS public procurement rules. EU, national, regional, programme thresholds and institutional rules have to be considered to determine the applicable public procurement procedure², and ensure that all contracts comply with the basic principles of transparency, non-discrimination and equal treatment³.
- Costs of external expertise and services are eligible if no other EU funds have contributed towards the financing of the same expenditure item; i.e., no double-financing is permissible (Article 63(9) CPR).

² For more information on the public procurement procedures, check [Roadmap for public procurement](#), Interact August 2019.

³ EU procurement and concession rules were introduced on 18 April 2016: <https://ec.europa.eu/growth/single-market/public-procurement/rules-implementation/>

- All services must comply with other applicable EU and programme information and publicity rules.

Cost category-specific rules

- All costs of external expertise and services which are not part of an infrastructure contract (e.g., feasibility studies, revenue generation, environmental impact assessments, expected impact of climate change assessment, building permissions, etc.) but which are linked to an investment in infrastructure should be included in this cost category.
- Provision of works, goods, services, land and real estate as the in-kind contribution is eligible (Article 67(1) CPR), if the value of the contribution does not exceed the generally accepted price on the market and if the value and delivery can be independently assessed and verified⁴.
- Contracting of staff of partner organisation or employees of partner organisation (not involved as staff) by (other) partner organisation to provide external services is considered an ineligible expenditure.

Points of attention

A clear distinction needs to be provided in programme documents between costs incurred under office and administrative and external expertise and services costs categories.

All administration charges (e.g. solicitor services, stamps, translations) if required by law, incurred by a beneficiary and necessary to obtain administrative decisions to achieve project's outputs, should be included in the cost category "External expertise and services costs".

Subcontracting⁵ between project partners and associated partners⁶ has to be carefully analysed and regulated in programme documents.

Costs incurred in-house can be reported under the External expertise and services cost category, provided there is an actual cash flow between the partner organisation and the in-house company. For affiliated companies (different legal entities from the partner organisation) the division should be even more clear.⁷

⁴ The monitoring committee of the programme can establish that in-kind contribution is not eligible under this cost category.

⁵ Assigning or outsourcing part of the obligations and tasks under a contract to another party known as a subcontractor.

⁶ An associated project partner is a project partner participating in the project without financially contributing to it.

⁷ To find out more, check out [the Commission Notice Guidance 2021/C121/01 on conflict of interest](#).

Reimbursement forms

External expertise and services costs can be reimbursed by the programme either as

1. real costs, or
2. simplified cost options (SCOs).

If a programme offers both options for reimbursement (real costs and simplified cost options), the chosen option within cost category/part of the cost category must be applied at the partner level for the entire duration of the project (changes to a different reimbursement option, such as from real costs to SCOs or vice versa, are not possible during the project implementation unless this is justified by a force majeure situation).

Real costs

Cost category-specific rules and calculation of the external expertise and services costs:

- All external expertise and services costs are reported as actually incurred and paid.
- All costs are deemed necessary for project implementation. Where costs are deemed not necessary or excessive (e.g., during assessment or later, during the implementation stage), they should be removed from the calculation basis or adjusted to the justifiable level.

SCOs

Due to the nature of this cost category, SCOs have not yet been established to a large extent in Interreg. However, for some types of costs, SCOs are an option to consider; e.g., organisation of events, feasibility studies.

The Regulations do not provide ready-made (off-the-shelf) SCOs for this cost category. If a programme decides to use an SCO to reimburse external expertise and services costs, it will have to design its own SCO (i.e., programme-specific SCO) or use an SCO from other Union policies or national schemes (i.e., “copy-paste” SCO). For more information on how to design a programme-specific SCO refer to a [Roadmap to a programme-specific SCO in the 2021-2027 period](#). More information about “copy-paste” SCOs is available [here](#).

In the 2014-2020 period in Interreg programmes, SCOs were not often chosen for this cost category. Mainstream programmes, though, in 2014-2020 and 2021-2027 have already established different types of SCOs for this type of costs (e.g., flat rates for the technical inspector, purchasing property, area preparation for investment, procurement, project management; unit costs for eco-consulting costs, unit costs for implementation and certification of environmental management systems⁸). In the 2021-2027 period, several

⁸ Transnational Network (TN) of ERDF/CF SCO practitioners Library – publications Mapping of 'low level' SCOs practices 2021-2027 and Mapping of SCO practices 2014-2020 available at [dedicated EC website](#).

Interreg programmes designed unit costs or lump sums under this cost category, for instance, unit costs/lump sums for events.

Flat rate

As shown above, some services or all within this cost category might be calculated as a flat rate. Following the mainstream programmes' examples mentioned above, a flat rate might be worth considering if investment in infrastructure forms the basis costs.

Additionally, external expertise and services costs are included as a part of the remaining eligible costs of an operation when a flat rate of up to 40% of eligible direct staff costs is used in the project (Article 56(1) CPR). If this flat rate is used, there will be only 2 cost categories in the project: staff costs and the remaining eligible costs.

Unit costs & Lump sums

Some external expertise and service costs (e.g., promotion, communication, publicity, and activities or services related to the organisation and implementation of events) can also be calculated as unit costs or lump sums (or part of them).

Examples of SCOs in this cost category could be a unit cost for events (more information is available [here](#)), a lump sum for project communication activities, a lump sum for a feasibility study.

Audit trail

Real costs

The following main documents must be available for control purposes:

- evidence of the procurement process (announcement, selection, award) in line with the legal status/organisational/regional/national procurement rules/programme rules or the EU procurement rules depending on the amount of the contract and programme-specific rules;
- a document laying down the services to be provided with a clear reference to the project;
- any changes to the contract must comply with the public procurement rules and must be documented;
- an invoice or a request for reimbursement providing all relevant information in line with the applicable accounting rules;
- outputs of the work of external experts or service deliverables;

- proof of payment.

SCOs

For the audit/ control of the correct application of the SCO, the following documents should be in place:

- For flat rates: programme rules to verify that the flat rate takes into account the correct cost categories, that the correct percentage is used and that calculations are correct; basis costs; verification against double financing (e.g., checking that costs covered by the flat rate are not reported under another cost category).
- For unit costs: delivered outputs of the project (if relevant); verification that the amount declared is justified by quantities; verification against double financing.
- For lump sums: delivered outputs of the project; criteria for the payment of the lump sum (payment triggers); verification against double financing.

To find out more about the audit trail of SCOs, check out the Interact [publication](#) on simplified cost options in Interreg programmes.

HIT⁹ agreements

Due to its limitations and difficulties in assessment and implementation, HIT agreed not to use in-kind contributions as part of jointly-developed rules (and, therefore, documents). There are no further agreements for this cost category according to HIT.

Other/Programme-specific information

N/a.

⁹ HIT – Harmonised Implementation Tools.