

Commission Regulation (EC) No 718/2007 of 12 June
2007 implementing Council Regulation (EC) No 1085/2006
establishing an instrument for pre-accession assistance (IPA)

PART II

SPECIFIC PROVISIONS

TITLE III

**REGIONAL DEVELOPMENT AND HUMAN
RESOURCES DEVELOPMENT COMPONENTS**

CHAPTER I

Object of assistance and eligibility

Section 2

Human resources development component

Article 152

Eligibility of expenditure

1 The following expenditure may be eligible for operations falling under the scope of Article 151:

- a depreciation costs under the following cumulative conditions:
 - (i) no national or Community grants have contributed to the purchase of the related investment;
 - (ii) depreciation costs are calculated with the relevant applicable national accountancy rules;
 - (iii) costs relate exclusively to the period of co-financing of the operation concerned;
- b in the case of grants, the indirect costs declared on a flat rate basis up to 20 % of the direct costs of an operation, provided they are incurred in accordance with national rules, including accountancy rules;
- c purchase of furniture, equipment, adaptation and modernisation of existing infrastructures, provided that:
 - (i) the amount concerned for the related operations is subject to a limit of 15 % of the funding under the IPA Regulation for each priority axis of the programme(s) under this component;

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Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 718/2007, Article 152. (See end of Document for details)

- (ii) investments are necessary for the satisfactory implementation of the programme(s) under this component and contribute to increasing the impact of assistance;
- (iii) assessment, carried out under the responsibility of the operating structure, has demonstrated that purchase is preferable to other solutions in terms of the best value for money.

2 By way of derogation from Article 34(3), the following expenditure may also be eligible:

- a taxes, including value added taxes, if they are not recoverable by any means and it is established that they are borne by the final beneficiary,
- b operating costs, including rental costs, exclusively related to the period of co-financing of the operation,
- c rent or leasing, provided that it is exclusively related to the period of co-financing of the operation, and that it is preferable to other solutions in terms of the best value for money^[F1],
- ^[F2]d costs relating to a bank guarantee or comparable surety to be lodged by the beneficiary of the grant.]

Textual Amendments

- F1** Substituted by [Commission Regulation \(EU\) No 80/2010 of 28 January 2010 amending Regulation \(EC\) No 718/2007 implementing Council Regulation \(EC\) No 1085/2006 establishing an instrument for pre-accession assistance \(IPA\)](#).
- F2** Inserted by [Commission Regulation \(EU\) No 80/2010 of 28 January 2010 amending Regulation \(EC\) No 718/2007 implementing Council Regulation \(EC\) No 1085/2006 establishing an instrument for pre-accession assistance \(IPA\)](#).

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