Further Information on Costs and Eligibility in Partnerships Between Polish and Swiss Cities under the Swiss-Polish Cooperation Programme

In response to questions raised by Polish and Swiss cities currently in the process of finalising their partnership agreements, this document provides further information on the eligibility and possibilities of the budget and costs of the partnership activities. Notably, the Partnership Agreement is intended as a malleable document, adaptable according to the needs and interest of both partners in accordance with the topics and formats of cooperation and exchange to emerge throughout the partnership duration until 2029. Thus, project descriptions, topics of exchange, as well as budget splits may remain subject to change by agreement of both partners.

1. Eligibility of Management Costs of Swiss Partners

The Swiss Partner is eligible to claim a flat-rate management fee to cover the coordination and administrative efforts associated with the collaborative activities of the partnership. The fee is calculated as 10% of the agreed-upon budget allocated to the Swiss Partner.

- **Scope:** This flat rate is intended to compensate for internal or external coordination efforts, project management, and administrative overhead.
- **Reporting:** No time-tracking or itemised proof of hours worked by coordinating staff is required for this management fee.
- **Flexibility:** The eligibility of these costs is independent of whether the coordination is performed by internal municipal staff or through an external mandate.
- **Consistency:** This provision ensures an equitable distribution of management resources, mirroring the existing management cost allocations provided for the Polish partners within the SPCP framework.

The flat-rate management fee is intended to recognise the administrative burden on the Swiss side. Should the coordination efforts prove to be significantly imbalanced due to partnership-specific requirements, the parties reserve the right to adjust the allocation of these management costs within the total joint budget, subject to mutual agreement.

2. Eligible Costs

The Partnership Agreement does not include an exhaustive list of eligible costs, as the nature of activities may vary. In principle, cooperation is intended to be based on existing solutions and any costs incurred are eligible if they directly support the exchange of expertise and good practices. In addition to various formats of exchanges, funds may be allocated to compiling and sharing information and knowledge resulting from the cooperation.

Commonly eligible costs include:

- Travel and logistics: Flights, hired transfers, public transport, accommodation and meals
- Communication support: Translation and interpretation services for meetings (both online and in-person during visits)
- Logistical infrastructure: Renting of rooms or conference locations
- External expertise and advice: Fees of external experts engaged for workshops, study visits, consultations, or advice
- External services for supporting the compilation and dissemination of information and results of the cooperation: e.g. costs related the development of guides, leaflets, or digital tools

As the actual collaborative activities planned by the partners might vary strongly, we encourage you to approach us with concrete suggestions for a case-by-case evaluation if in doubt.

3. Split of Budget

We encourage the partners to agree on an initial 50/50 split of the budget. This allocation remains flexible and can amended by agreement of both partners throughout the partnership duration to reflect the evolving nature of the collaborative activities.

In line with the best practices observed in the Polish-Norwegian City Partnerships, we suggest that partners prioritise cost efficiency when determining which side covers specific expenses. Factors such as local market conditions, purchasing power, cost structure and procurement requirements should be taken into account.

For instance, flight tickets or travel arrangements might be covered by the Polish Partner, where local cost structures for such services may differ significantly from those in Switzerland. For services such as interpretation, printing, graphic design and event organisation, the local availability and specific procurement requirements of the city where the activity takes place may be deciding factors for which partner manages the corresponding budget.

4. Participation of Third Parties in the Partnership Activities

With the mutual interest and agreement of both partners, third parties (e.g. universities, schools, foundations, cantonal or regional governments, tourism offices) may participate in some or all activities under the partnership. However, such third parties do not attain the status of a partner under this Agreement. If remuneration is applicable for these third parties, it shall be mutually agreed upon by both partners and related costs included in the respective budget.

5. Settlement of Verified Expenditures

The standard payment procedure is for the Polish Partner to reimburse the Swiss Partner for actual expenditures incurred under the agreed activities. The frequency and timing of these reimbursements can be mutually agreed upon by the Partners.
Annex 1a to the Partnership Agreement provides the model for the reimbursement request. Each reimbursement request must be accompanied by a letter from an **independent audit body** confirming the correctness of the expenditures claimed for reimbursement. Where necessary, the costs incurred are eligible for reimbursement.
If standard reimbursement is not feasible, advance payments with subsequent expenditure reporting and verification accompanied by a letter from an independent audit body may be considered, with consequent adaptation of the Partnership Agreement's Articles 4.3 and 4.4. We ask the Partners to approach us for case-by-case assessment.

6. Budget Planning

A detailed budget plan is not required for the signing of the Partnership Agreement; the indicated general split is sufficient and remains subject to mutually agreed changes to Annex 1. We encourage the Partners to discuss budget categories and later budget planning procedures in advance of signing.

The **referenced documents** of the Partnership Agreement can be found on the official website of the Swiss-Polish Cooperation Programme.