

Annual Depreciation Tables per Partner State, as for the information received by the Representatives of ADRION First Level Controllers and/or National Contact Points

According to the ADRION Programme rules (Section 16.4.5 of the Programme Manual)¹, depreciation applies to those items purchased by the project under the budget line “Equipment”, unless the following three conditions are cumulatively satisfied:

- 1) Equipment item is exclusively used for the project implementation;
- 2) The depreciation period is shorter than the time lap between the purchase of the equipment and the end of the project;
- 3) Equipment item is not depreciable (e.g. low value asset) according to the national legislation of the concerned partner.

The rate of depreciation for the purchase of goods is expressed in annual percentage. In case of clarifications please refer to your National Contact Point or First Level Controller in your country in order to ensure the exact calculation of the depreciation rate and correctly revise your Application Form.

Please note that for equipment in leasing, different rates apply; for the necessary information please address your National Contact Point or your First Level Controller (see table at page 9)².

¹ Ref. to art. 69.2 of Regulation (EU) No. 1303/2013.

² As Italy has a de-centralised system for control, please consult the attached “Manuale per la rendicontazione ed i controlli in relazione alla spesa dei programmi di Cooperazione Territoriale Europea”.

Depreciation Tables per Countries (purchased assets only)

ALBANIA

Purchase subject to annual depreciation	% of annual depreciation	Other
Buildings and constructions	1 %	
Economic inventory	3 %	
Computer and electronic equipment	25 %	
Machinery and operational equipment	5.8 %	
Vehicles	13.8 %	

*referred to the following link

http://www.financa.gov.al/files/userfiles/Drejtore/Drejtoria_e_Pergjithshme_rregullatore_Kontrolluese/Njesia_e_Harmozimit_dhe_Kontrollit_Financiar/Aktet_ligjore_ne_fushen_e_menaxhimit_publik/udhezim_llog_vjetore_2006_perfundimtar_nr14_1874_1.pdf

SLOVENIA

Purchase subject to annual depreciation	% of annual depreciation	Other
Building projects	3 %	
Parts of building facilities and parts of investment real properties	6 %	
Equipment, vehicles and machinery	20 %	
Computers and computer equipment (computer equipment, software and hardware)	50 %	
Long-term plantations	10 %	
Breeding and working herds	20 %	
Equipment and parts of equipment for research activities	33,3 %	
Other investments	10 %	

SERBIA

Purchase subject to annual depreciation	% of annual depreciation	Other
I group (roads, bridges, stadiums, swimming pools, sports halls, buildings etc.)	2,5 %	Depreciation of fixed assets in the first group of divided depreciation is determined using the proportional method for each particular asset and is calculated by applying the prescribed rate to the cost of fixed assets.
II group (cars, planes, medical equipment, equipment for the production and distribution of solar energy, office equipment etc.)	10 %	Depreciation of fixed assets divided into groups II-V is determined by the declining method the value of the assets classified according to groups.
III group (Tools and fixtures, buses, equipment for thermal power plants, equipment for the production of milk and milk products, trucks and trailers, laboratory equipment, photocopying, equipment research etc.)	15 %	Depreciation of fixed assets divided into groups II-V is determined by the declining method the value of the assets classified according to groups.
IV group (furniture in airplanes, equipment for the control of air and water pollution – unlicensed, equipment for broadcasting radio and TV programs, equipment for oil wells, equipment for processing ore, spare parts for planes, the telegraph and telephone equipment)	20 %	Depreciation of fixed assets divided into groups II-V is determined by the declining method the value of the assets classified according to groups.
V group (Electronic data processing equipment (computers) and system and application software, equipment for IT infrastructure (Yupak, Internet), building mobile equipment, mobile equipment that uses electricity (drill, grinder, etc.) etc.)	30 %	Depreciation of fixed assets divided into groups II-V is determined by the declining method the value of the assets classified according to groups.

GREECE

Purchase subject to annual depreciation	% of annual depreciation	Other
<1.500 € / item	100 %	
Machinery	10 %	
Vehicles	16 %	
Means for internal transport	12 %	
Intangible assets	10 %	
Hard- and Software	20 %	
Equipment and Instruments for scientific and technological research	40 %	
Other	10 %	

CROATIA

1. For private companies:

Purchase subject to annual depreciation	% of annual depreciation	Other
IT equipment and applications/programs; mobile phones	50	
Personal vehicles	20	
Non-personal vehicles (e.g. commercial vehicle), machinery, equipment	25	

2. For entities funded or partially funded through state budget and non-profit organizations:

Purchase subject to annual depreciation	% of annual depreciation	Other
Computers and computer equipment	25	
Office furniture	12,5	
Other office equipment	20	
Communication equipment	20	
- Communication devices	20	

- Mobile communication devices	50	
Equipment for maintenance and protection	20	
Medical and laboratory equipment	20	
Instruments, devices and machines	12,5	
- Precision/optical instruments	20	
- Mechanical measuring and control devices	12,5	
- Electronic measuring and control devices	20	
Sports and music equipment	20	
Devices, machines and equipment for other purposes	20	
Vehicles for use in road traffic	12,5	
Personal vehicles and emergency vehicles	20	

As far as the depreciation for the purchase of goods for **non-profit organizations**, please note the Regulation on Non-Profit Accounting and Accounting Plan (National Newspaper official list of the Republic of Croatia, No. 1/2015) and the Regulation Amendments (National Newspaper official list of the Republic of Croatia, No. 25/2017); Article 41 allows that the prescribed depreciation rates of fixed assets can be increased to maximum double the prescribed rates for fixed asset which is purchased from the donations associated with the execution of contractual programs (projects).

BOSNIA AND HERZEGOVINA

1. Bosnia and Herzegovina, State level Law:

Purchase subject to annual depreciation	% of annual depreciation	Other
Buildings	1,5%	
Office furniture	10%	
IT equipment	20%	
Sound voice and data transmission	20%	
Vehicles	15%	
Software and license	20%	
Feasibility study	100%	
Books	100%	
Office equipment	20%	
Electronic equipment	20%	
Photo equipment	20%	
Medicine equipment	10%	
Installed equipment	10%	

2. Republic of Srpska Law:

Purchase subject to annual depreciation	% of annual depreciation	Other
Buildings	1,3%	
Office furniture	10-12,5%	
IT equipment	20%	
Sound voice and data transmission	20%	
Vehicles	15,5%	
Software and license	20%	
Feasibility study	-	
Books	-	
Office equipment	20%	

Electronic equipment	20%	
Photo equipment	20%	
Medicine equipment	-	
Installed equipment	10-20%	

3. Federation of Bosnia and Herzegovina Law:

Purchase subject to annual depreciation	% of annual depreciation	Other
Buildings	5%	
Road, railway	10%	
Equipment, vehicles and machinery	15%	
Water supply and drainage	15%	
Hardware and software	33,3%	
Multiannual crops	15%	
Livestock unit	40%	
Intangible assets	20%	

MONTENEGRO

Purchase subject to annual depreciation	% of annual depreciation (Depreciation rate)	Other (Lifetime - Depreciation period)
Construction and infrastructure facilities (business and residential buildings, roads, bridges, ports, airports, etc.)	4 %	25 years
Equipment for education, science, culture and sport (school equipment and teaching aids, scientific research work equipment, equipment for performing cultural, physical and sports activities)	20 %	5 years
Medical and laboratory equipment (including measuring and controlling instruments)	20 %	5 years
Public order and security equipment (including fire trucks)	20 %	5 years

Road vehicles equipment (buses, trucks, tank trucks, towing vehicles, passenger cars, SUVs, trailers and other road traffic vehicles including ambulance cars)	20 %	5 years
Rail traffic equipment (locomotives, electric and motor trains and etc.)	10 %	10 years
Aircraft equipment (airplanes, helicopters etc.)	10 %	10 years
Equipment for water transport (ships, boats and other vessels)	5 %	20 years
Military equipment for transport	10 %	10 years
Motorbikes, scooters and mopeds	33,33%	3 years
Special and universal tools and equipment	10 %	10 years
Office furniture and equipment	10 %	10 years
Copy machines, printing and multiplication equipment and telecommunication systems (PTT traffic)	20 %	5 years
IT equipment (computers, printers, fax machines etc.)	10 %	10 years
Other tangible assets	20 %	5 years
Research and development investments	20 %	5 years
Historical and cultural monuments	5 %	20 years
Other intangible assets (patents, licenses, concessions, goodwill etc.)	5 %	20 years

ITALY

The legislation in force foresees two depreciation criteria:

- Fiscal depreciation, ruled by art. 54, 102, 103, 164 of the TUIR. According to this principle, depreciation starts when the asset starts to be used or begins to work.
- Civil law depreciation, ruled by artt. 2424, 2425, 2426 of the Civil Code. According to this principle, depreciation starts when the asset is available and ready to be used.

In conformity with this, the depreciation eligibility is reported in Art. 2 c. 6 of DPR n. 196/3 October 2008 in accordance with the legislative framework in force and with respect to the co-financing period of the activity.

Private sector

- The fiscal regulation to be taken into account is the Ministerial Decree of 31 December 1988, as amended by the Ministerial Decree of 28 March 1996 "Coefficienti di ammortamento del costo dei beni materiali strumentali impiegati nell'esercizio di attività commerciali, arti e professioni", structured in 22 different areas of activity: for each area different types of assets and depreciation percentage are foreseen.

The aforementioned areas of activity (Annexes 1-22) are available at the following link: <http://www.gazzettaufficiale.it/eli/id/1989/02/02/088A0017/sg>.

Public sector – Regional and local administration and their bodies

- Legislative Decree n. 118/2011 – "Disposizioni in materia di armonizzazione dei sistemi contabili e degli schemi di bilancio delle Regioni, degli enti locali e dei loro organismi, a norma degli articoli 1 e 2 della legge 5 maggio 2009, n. 42" is the legislation in force for the regional and local administrations - regions, municipalities and their bodies – (reference to annexes A/3 – Annex 4/3 to the Legislative Decree 118/2011, point 4.18)

The annexes above mentioned can be found at: <http://www.rgs.mef.gov.it/VERSIONE-I/e-GOVERNME1/ARCONET/PrincipiContabili/> and contains the following depreciation table:

Assets	Annual depreciation	Assets	Annual depreciation
Light vehicles	20%	Clothes and related equipment	20%
Heavy vehicles	10%		
Vehicles for specific purposes	10%	Bibliography material	5%
Aerial means of transportation	5%	Office furniture	10%
Maritime means of transportation	5%	House furniture	10%
Machinery for the office	20%	Furniture for specific locations	10%
Plant and machinery	5%	Musical instruments	20%
Hardware	25%	Software	20%
Civil residential/commercial/ institutional buildings	2%		

First Level Control System at Partner State level

Partner State	Responsible body for controls	Centralized/ decentralized system	How are the controls?
Slovenia	Control Division ETC, IPA and IFM programmes, European Territorial Cooperation and Financial mechanism Office, Government Office for Development and European Cohesion Policy.	Centralized	Free of charge
Croatia	Agency for regional development.	Centralized	EUR 520,00 per declaration of verified expenditure(per period); EUR 300,00 for on the spot check
Albania	Central Finance and Contract Unit (CFCU), Ministry of Finance.	Centralized	Free of charge
Serbia	Ministry of Finance – Republic of Serbia, Department for Contracting and Financing of EU Funded Programmes (CFCU), Division for FLC activities of projects financed under IPA component Cross - Border and Transnational Cooperation.	Centralized	Free of charge
Bosnia and Herzegovina	Central Financing and Contracting Unit (CFCU) within the Ministry of Finance and Treasury (MFT).	Centralized	Free of charge
Italy	Agency for Territorial Cohesion.	Decentralized Controls shall be performed by: a) qualified controllers identified by the beneficiaries; controllers must have the necessary requirements of professionalism, integrity and independence, and included by at least three years in the register of certified public accountants; or, alternatively, in the register of Auditors referred to in Legislative Decree January 27, 2010, n. 39; b) in case of public bodies beneficiaries, controls can be performed by their internal control structures, provided that they ensure functional separation from the offices responsible for carrying out the management of the operations financed by the Programme.	Costs related to controls according to point a) not available
Montenegro	Central Financing and Contracting Unit (CFCU) within the Ministry of Finance.	Centralized	Free of charge
Greece	Certifying and Verifying Authority - First Level Control Unit D within the Ministry of Economy, Development and Tourism.	Centralized	Free of charge