

ADRION Programme

Information on Annual Depreciation Tables per Partner States, as for the information received by the Representatives of ADRION First Level Controllers

Definition: Depreciation is a measure of the wearing out, consumption or other loss of value of a depreciable asset arising from use, effluxion of time or obsolescence through technology and market changes.

Rules:

According to the ADRION Programme rules (Section 16.4.5 of the Programme Manual), the depreciation should apply to all 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.

For general legislative references on the depreciation rules please also refer to art. 67 and art. 69 of Regulation (EU) n. 1303/2013 and Chapter 3.2.2 of Annex II - Financial Guidelines of Financial Regulation (FR) applicable to the general budget of the European Communities and its Implementing Rules (IR). As stated, "*Depreciation costs may be considered as eligible where the following conditions are fulfilled:*

(a) the eligibility rules of the Programme allow for it;

(b) the amount of the expenditure is duly justified by supporting documents having equivalent probative value to invoices for eligible costs where reimbursed in the form referred to in point (a) of the first subparagraph of Article 67(1);

(c) the costs relate exclusively to the period of support for the operation;

(d) public grants have not contributed towards the acquisition of the depreciated assets".

Please note that, as a general principle, the hierarchy of rules on eligibility of expenditures is the following:

- 1) EU Regulations
- 2) Programme rules
- 3) National rules
- 4) Organisation internal rules

Depreciation costs of equipment must be calculated based on what provided by the national legislation of each partner.

The rate of depreciation is expressed in annual percentage (i.e.: in a project lasting 24 months, if a partner purchases an item at the 6th month of the project, the depreciation rate should be calculated for 1,5 years).

Example: A project starts the 1st of January 2018 and will end the 31st of December 2019. In June 2018, a Slovenian partner purchases a vehicle necessary to implement an activity of the project, for a cost of 18.000 EUR. If the annual depreciation rate for this category in Slovenia is 20% (information should always be checked with the national First Level Controllers), the eligible cost for the project will be 5.400 EUR (20% of 18.000 for 1 year, plus 20% of 18.000/2 for the remaining 6 months).

N.B.: Please consider that every depreciation cost should be checked by the First Level Controllers. The present information serves only as indicative information: for further questions or more detailed specifications please refer to your National Contact points or to the First Level Controllers (For Italian partners please also check the “Manuale per la rendicontazione ed i controlli in relazione alla spesa dei programmi di Cooperazione Territoriale Europea”).

ALBANIA

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Albania*	Buildings and constructions	1 %	
Albania	Economic inventory	3 %	
Albania	Computer and electronic equipment	25 %	
Albania	Machinery and operational equipment	5.8 %	
Albania	Vehicles	13.8 %	

*referred to the following link

http://www.financa.gov.al/files/userfiles/Drejtoria/Drejtoria_e_Pergjithshme_rregullatore_Kontrolluese/Njesia_e_Harmonizimit_dhe_Kontrollit_Financiar/Aktet_ligjore_ne_fushen_e_menaxhimit_publik/udhezim_llog_vjetore_2006_perfundimtar_nr14_1874_1.pdf

SLOVENIA

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
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Slovenia	Building facilities and investment real properties	3 %	
Slovenia	Parts of building facilities and parts of investment real properties	6 %	
Slovenia	Equipment, vehicles and machinery	20 %	
Slovenia	Computers and computer equipment (computer equipment, software and hardware)	50 %	
Slovenia	Long-term plantations	10 %	
Slovenia	Breeding and working herds	20 %	
Slovenia	Equipment and parts of equipment for research activities	33,3 %	
Slovenia	Other investments	10 %	

SERBIA

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Serbia	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.
Serbia	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.
Serbia	III group (Tools and fixtures, buses, equipment for thermal power plants,	15 %	Depreciation of fixed assets divided into groups II-V is determined by the

	equipment for the production of milk and milk products, trucks and trailers, laboratory equipment, photocopying, equipment research etc)		declining method the value of the assets classified according to groups.
Serbia	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.
Serbia	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

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Greece	<1.500 € / item	100 %	
Greece	Machinery	10 %	
Greece	Vehicles	16 %	

Greece	Means for internal transport	12 %	
Greece	Intangible assets	10 %	
Greece	Hard- and Software	20 %	
Greece	Equipment and Instruments for scientific and technological research	40 %	
Greece	Other	10 %	

CROATIA

1. For private companies:

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Croatia (information according to the Profit Tax Act Article 12 (OG 143/14, 50/16, 106/18, 121/19))	Real estate and ships larger than 1000 GRT, (20 years)	5	
	Basic herd, personal automobiles (5 years)	20	
	Intangible assets, equipment, vehicles, except for personal automobiles, and for machinery (4 years)	25	
	Computers, computer equipment and programmes, mobile telephones and computer network equipment (2 years)	50	
	Other unmentioned assets (10 years)	10	
	Above stated annual amortisation rates from article 12 may be doubled.		

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

Country	Purchase subject to annual depreciation (e.g.:	% of annual depreciation	Other
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	lap top, vehicle, machinery – please specify)		
Croatia (information according to the State Budget Act OG 87/08, 136/12, 15/15 and Rules on Budgetary Accounting and the Chart of Accounts OG 124/14, 115/15, 87/16, 3/18, 126/2019)	Computers and computer equipment (4 years)	25	
	Office furniture (8 years)	12,5	
	Other office equipment (5 years)	20	
	Communication equipment (5 years)	20	
	Equipment for maintenance and protection (5 years)	20	
	Medical and laboratory equipment (5 years)	20	
	Scientific equipment (2 years)	50	
	Vehicles for use in road traffic (8 years)	12,5	
	Personal vehicles and emergency vehicles (5 years)	20	

BOSNIA AND HERZEGOVINA

1. Bosnia and Herzegovina, State level Law:

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Bosnia and Herzegovina, State level Law:	Buildings	1,5%	
Bosnia and Herzegovina, State level Law:	Office furniture	10%	
Bosnia and Herzegovina, State level Law:	IT equipment	20%	
Bosnia and Herzegovina, State level Law:	Sound voice and data transmission	20%	
Bosnia and Herzegovina, State level Law:	Vehicles	15%	

Bosnia and Herzegovina, State level Law:	Software and license	20%	
Bosnia and Herzegovina, State level Law:	Feasibility study	100%	
Bosnia and Herzegovina, State level Law:	Books	100%	
Bosnia and Herzegovina, State level Law:	Office equipment	20%	
Bosnia and Herzegovina, State level Law:	Electronic equipment	20%	
Bosnia and Herzegovina, State level Law:	Photo equipment	20%	
Bosnia and Herzegovina, State level Law:	Medicine equipment	10%	
Bosnia and Herzegovina, State level Law:	Installed equipment	10%	

2. Republic of Srpska Law:

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Republic of Srpska Law	Buildings	1,3%	
Republic of Srpska Law	Office furniture	10-12,5%	
Republic of Srpska Law	IT equipment	20%	
Republic of Srpska Law	Sound voice and data transmission	20%	
Republic of Srpska Law	Vehicles	15,5%	
Republic of Srpska Law	Software and license	20%	
Republic of Srpska Law	Feasibility study	-	
Republic of Srpska Law	Books	-	
Republic of Srpska Law	Office equipment	20%	
Republic of Srpska Law	Electronic equipment	20%	
Republic of Srpska Law	Photo equipment	20%	
Republic of Srpska Law	Medicine equipment	-	

Republic of Srpska Law	Installed equipment	10-20%	
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3. Federation of Bosnia and Herzegovina Law:

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation	Other
Federation of B&H Law	Buildings	5%	
Federation of B&H Law	Road, railway	10%	
Federation of B&H Law	Equipment, vehicles and machinery	15%	
Federation of B&H Law	Water supply and drainage	15%	
Federation of B&H Law	Hardware and software	33,3%	
Federation of B&H Law	Multiannual crops	15%	
Federation of B&H Law	Livestock unit	40%	
Federation of B&H Law	Intangible assets	20%	

MONTENEGRO

Country	Purchase subject to annual depreciation (e.g.: lap top, vehicle, machinery – please specify)	% of annual depreciation (Depreciation rate)	Other (Lifetime - Depreciation period)
Montenegro	Construction and infrastructure facilities (business and residential buildings, roads, bridges, ports, airports, etc.)	4 %	25 years
Montenegro	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
Montenegro	Medical and laboratory equipment (including	20 %	5 years

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

ITALY

- Depreciation eligibility is stated by Art. 2 c. 6 of DPR n. 196 / 3 October 2008 on the basis of the legislative framework in force and with respect to the co-financing period of the activity;
- 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 and still in force "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, and for each group different types of assets and depreciation % are listed.

TO BE MODIFIED ACCORDING TO ITALY INFORMATION