

What's new in Interreg?

State of play and some updates

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26 September 2023/ Copenhagen, Denmark

Interact



Co-funded by
the European Union
Interreg

Agenda

01

**Programme
closure 2014-
2020**

02

**2021-2027 –
updates/ news on
some topics**

03

Q&A

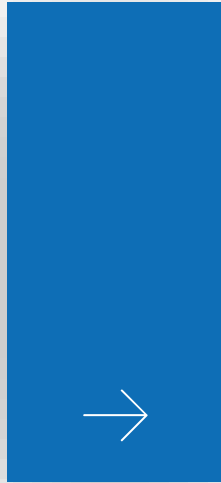
Where are we with the 2014-2020 period?

10th accounting year – last one!

- **1 July 2023 – 30 June 2024** - 10th accounting year
- **31 December 2023** – final date for the eligibility of expenditure on the ground (N+3) – *deadline for projects to incur all costs*
- Programmes can pay later – Article 21(2) of ETC Regulation:
- shall ensure that a beneficiary receives the total amount of eligible public expenditure due in full and no later than 90 days from the date of submission of the payment claim by the beneficiary”. The payment deadline to the beneficiaries can be interrupted in the cases provided in Article 132(2) CPR.



Progress with implementation of **the 2021-2027 programmes**



Interreg programmes adoption



- 4 strands
- All 87 Interreg programmes adopted by the end of 2022
 - *(incl. 5 programmes with participation of Ukraine and Moldova; all programmes with Russia and Belarus discontinued).*
- 3% of the cohesion policy budget, ca EUR 10 billion (incl. external EU funds)



Legal framework for 2021-2027



- CPR, Interreg Regulation – Jun 2021
- [NDICI Regulation](#) – Jun 2021 (Regulation (EU) 2021/947)
- [IPA III Regulation](#) - Sep 2021 (Regulation (EU) 2021/1529)
- The [IPA III programming framework](#) - adopted in Dec 2021
- [NDICI multiannual strategic document](#) adopted in Aug 2022
- [FAST-CARE](#) – Oct 2022 (Regulation (EU) 2022/2039)
- + 2 Implementing Decisions: [Implementing Decision \(EU\) 2022/74](#) & [Implementing Decision \(EU\) 2022/75](#)

Updates to the legal framework 2021-2027

Adopted on 14 August 2023

- **Implementing Decision (EU) 2022/74** setting out the list of Interreg programmes and indicating the global amount of the total support (Article 8(1) of the Interreg Regulation)
- **Implementing Decision (EU) 2022/75** setting out the list of Interreg programme areas (Article 11(1) IR)
 - Transfer of 2023-2027 commitments (125.5 m EUR ERDF + 136m EUR NDICI)
 - List of Interreg programmes: extended geographies - Aurora (two Finnish regions), Central Baltic (one Finnish and one Latvian region), Lithuania-Poland (two Polish regions), South Baltic (one Polish region).

Updates to the legal framework 2021-2027

Adopted on 14 August 2023

- **Amounts of support:** ERDF transferred to internal Interreg programmes based on MS decision; NDICI allocation transferred to Interreg programmes implemented with Ukraine and Moldova (also to extended Interreg Europe and Urbact)
- All affected programmes must be modified by end of 2023.
- Programmes should submit their modifications by end of September.

[Follow CPR Expert group for updates!](#)

Next CPR Expert group meeting – 9-10 October 2023 (online)



Audit (1/2)

All methodological notes are out!

1. MN on the assessment of the management and control system (for AA's system audit) – 24.05.2023

- Reminder – deadline for the description of the MCS was on 30 June 2023

2. MN on the annual control report, audit opinion and treatment of errors + Annex IV Audit findings (typology of findings) – 26.07.2023

- Typology of findings will be used as basis in Jems
- Roadmap to assurance package in 2021-2027 – will be available on our website soon (updated version)



Audit (2/2)

All methodological notes are out!

**3. MN on preparation, submission, examination and audit of accounts –
25.08.2023**

- No MN on audit strategy is planned; withdrawals are treated in MN on accounts

4. Reflection paper on the risk-based management verifications in 2021-2027

- HIT guidance on risk-based methodology

All MN are available in the community “Financial Programme Management”/
“Audit work” folder

Legal framework – other news

- Potential update of the Financial Regulation – no news as to when yet

1st accounting year

1 January 2022 – 30 June 2023

- All Interreg programmes approved (re-programming of 2021) in 2022
- Many calls launched (for regular, small-scale projects, SPF)
- No payment applications submitted to the EC in the 1st accounting year – no common sample drawn by the EC
- 2nd accounting year – 1 July 2023 – 30 June 2024
 - First experience in the next spring/ summer (2024) for many programmes



Matrix of costs 2021-2027 – Interact's Library

- a **collection** of examples of costs per cost category from Regulations, programmes' practices, and clarifications from the EC;
- a **guide on the allocation of expenditure under different cost categories** supporting programmes in their discussions on eligibility cases;
- a **harmonisation tool** to streamline approaches between programmes and make it easier for the beneficiaries and different programme bodies to identify eligible expenditure under the appropriate cost category(ies);
- a **living** document.



Matrix of costs 2021-2027

tentative timeline for 2023

| March | April | May/ June | By August | September | November 2023 |
|---|---|---|---|---|--|
| <p>Revision of the 'old' Matrix (Interact) – send to the WG for review</p> <p>(1 month)</p> | <p>Collection of remarks & online discussion and integration of changes</p> | <p>First draft of Matrix is ready and sent to the WG for review</p> | <p>Collection of remarks & online discussion and integration of changes</p> | <p>Publication of the first version of the Matrix</p> | <p>Review + possible update with newly collected cases + <u>work planning for 2024</u></p> |

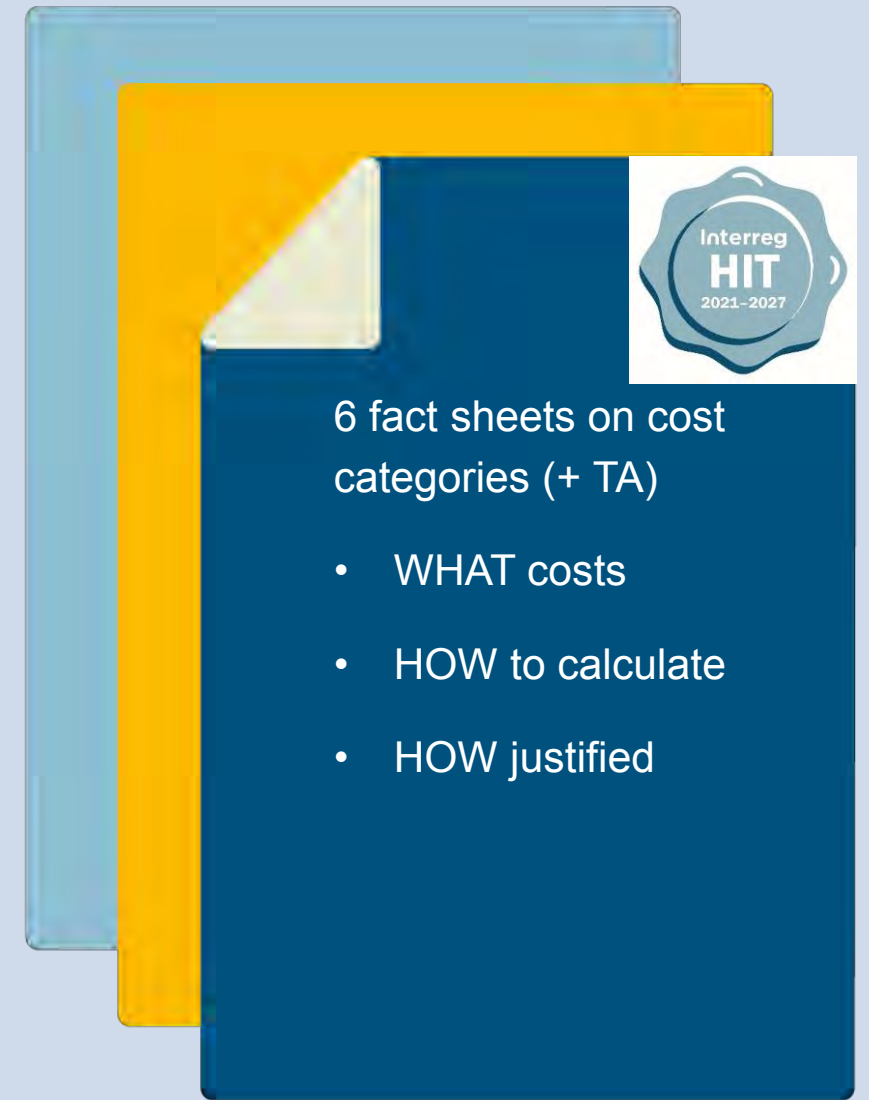
+ Update of the [55 Q&A | Eligibility of expenditure in cooperation programmes](#) (cooperation with the EC) – for 2024

+ consultation of specific cases for the Matrix, if needed.

Eligibility fact sheets

Interreg regulation, Articles 39-44

1. Staff costs
2. Office and administrative costs
3. Travel and accommodation
4. External expertise and services
5. Equipment
6. Infrastructure and works
7. + Technical assistance



6 fact sheets on cost categories (+ TA)

- WHAT costs
- HOW to calculate
- HOW justified

[Available on Interact website](#)

SCOs - several implementation issues

Assurance on legality and regularity for SCOs and FNLC (Art. 94, 95 CPR)

MA to confirm that expenditures entered in accounts are legal and regular vs management verifications focused on fulfillment of conditions for reimbursement

SCOs under Art. 94

- Use of SCOs in national currency (Art. 87 CPR – all amounts in programme should be in euro)
- 2 levels of SCOs – can SCOs established using point (c) Union policies and (d) national schemes be „lifted“ up to the EC – programme level

Article 72(1)(e) and Annex XVII CPR

Collection of data linked to expenditure (procurement) vs management verifications of SCOs not covering the underlying costs or specific procurement procedures

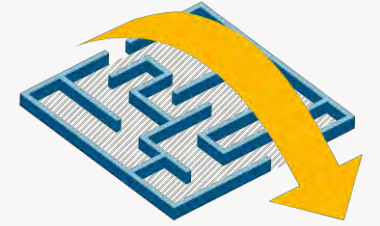
NB: Issues are pending EC clarification!

EU-level SCO

- 6 areas: energy efficiency & renewable energy (delegated act prepared), R&I activities, SMEs growth & competitiveness; health, environment and ICT.
- WIIFM: these SCOs can be used by all Interreg programmes as equivalent to off-the-shelf schemes
- Timeline: 1st delegated act (1st area) to be adopted by the end of 2023; 2nd area – study to be completed by Sep 2023



SCOs in 2021-2027 - news



- Focus (end of 2023/2024) – implementation challenges (updated of methodologies/ indexation) & audit and control of SCOs (audit findings + what to check/ what not to check)

NEW Factsheet

Verification of SCOs – practical implications of SCOs on control work

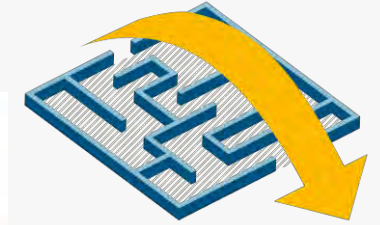
Upcoming Factsheet

A 40% flat rate in a project life cycle

NEW Training programme on SCOs

New product of Interact; comprehensive package to get foundations of SCOs (in preparation; launch Q1 2024)

Verification of SCO's



1. Up to 15% flat rate for office and administrative⁴ costs of eligible direct staff costs/ up to 7% for indirect costs of eligible direct costs⁵

What to check

The flat rate set by the MA ex-ante is part of the project partner budget (in the latest version of the application form) and indicated in the document setting out the conditions for support (i.e., subsidy contract)

The flat rate covers office and administrative costs (as defined in Article 40 of the Interreg Regulation - indirect costs) and it is applied to eligible direct staff costs/ eligible direct costs⁶ as the basis costs

A correct percentage of the flat rate (as set in the programme's rules, in the application form and in the document setting out the conditions for support) is applied and the calculation is correct

In case of a change of the flat rate, the new flat rate is not applied retrospectively. It is used only for newly selected operations.

Basis costs (direct staff costs/ direct costs) do not contain ineligible costs (verification of the staff costs/ direct costs will depend on the reimbursement method used)

Office and administrative costs⁷ are not included in other cost categories

What not to check

Underlying expenditures of the office and administrative cost category (the expenditure has been incurred and paid)

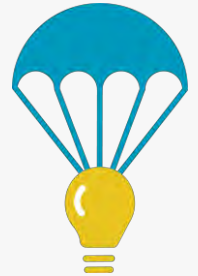
Supporting documents to make sure that the amount reimbursed based on the flat rate was actually spent on the expenditure of the office and administrative cost category

Evidence that the actual amount spent corresponds to the amount of the calculated flat rate

Summary – new material/ services for controllers work

Material

- Factsheet on SCOs verification – with practical examples of what to verify and what not to verify
- Matrix of costs – practical examples of costs
- Eligibility factsheets
- New training programme on SCOs (early 2024) & management verifications (end of 2024).



Event

- November – Controllers workshop (Rotterdam) + 2 events in 2024.



Cooperation works

All materials will be available on:

Interact Library at www.interact-eu.net/library