

SCOs 2021-2027

Exchange on implementation issues

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Interact



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Session objectives

- To update on mapping;
- To sum up all recent developments;
- To share and exchange;
- To agree on the focus in 2024.



Plan

01

Mapping and
statistics

02

Reminders
and updates

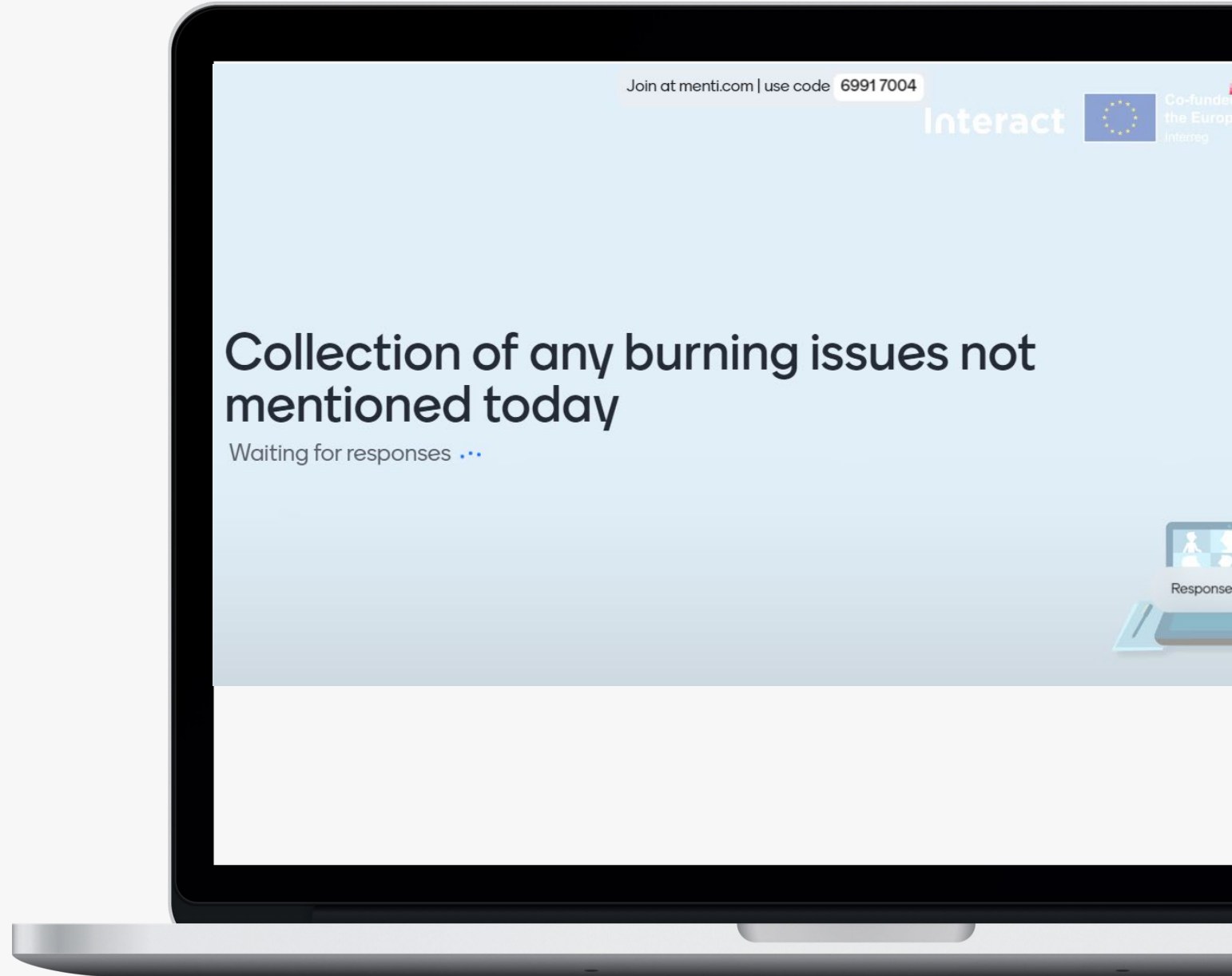
03

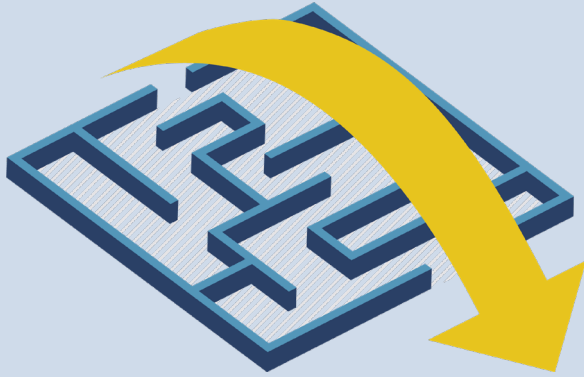
Burning
issues

04

Priorities for
2024

Burning issues



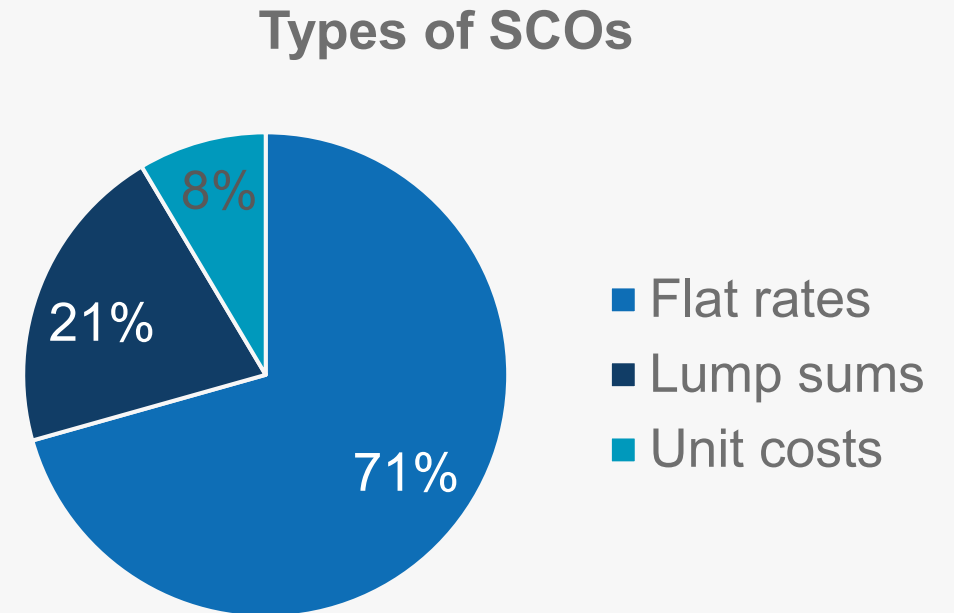
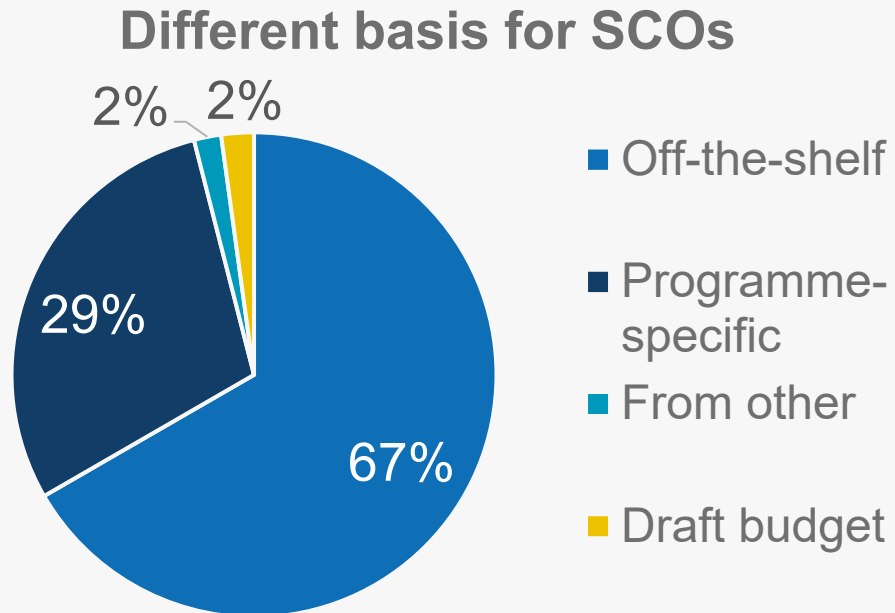


SCOs in Interreg Mapping and Statistics

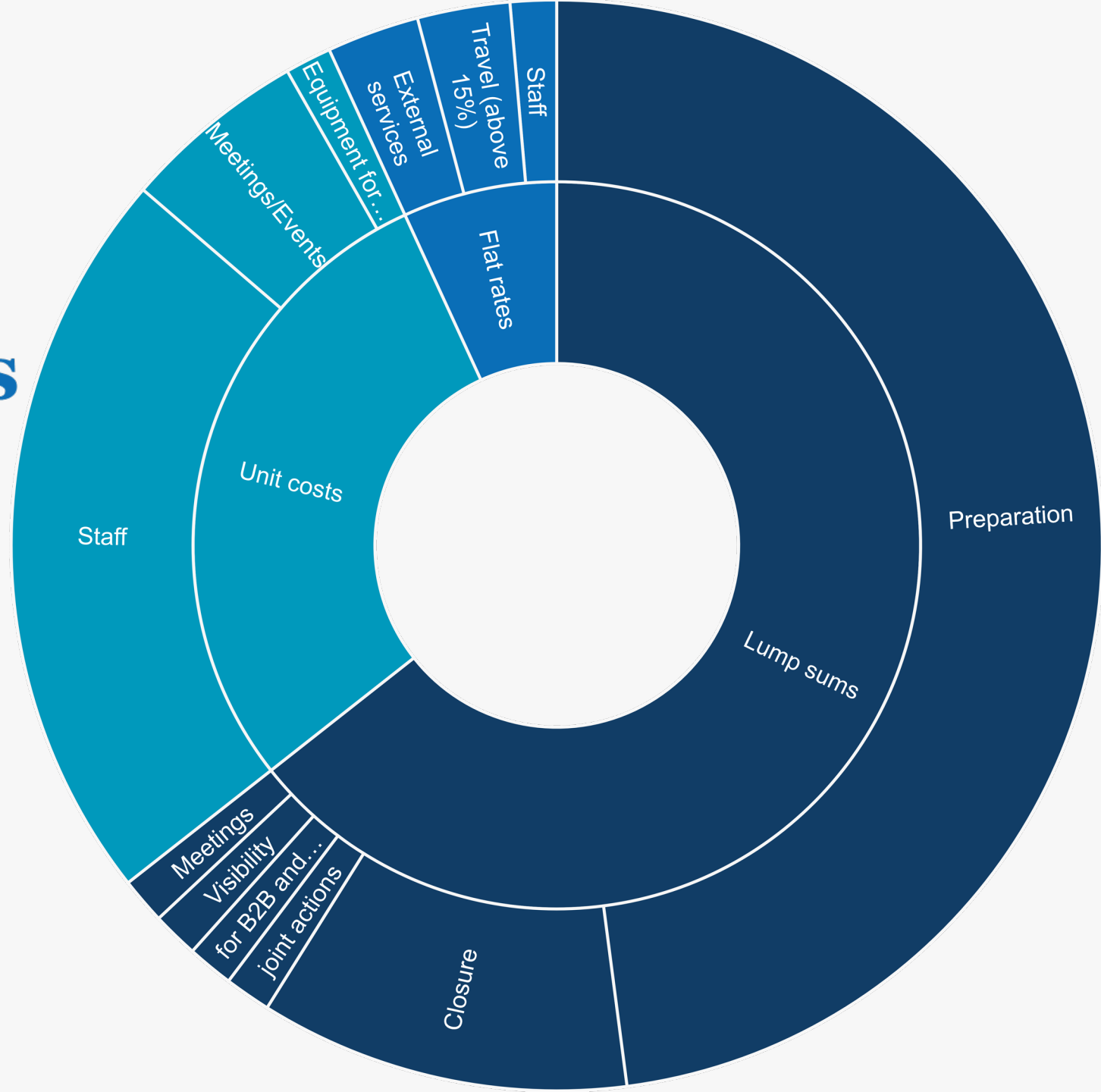


SCOs in Interreg Collection for 2021-2027

A living [collection](#): updates welcome (55 Programmes, Feb 2024)



Programme-specific SCOs (30% of all)



SCOs in Interreg 2021-2027

Intriguing practices

From programme-specific SCOs



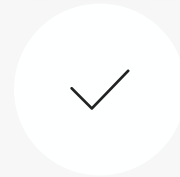
Lump sum for visibility

Mandatory for projects



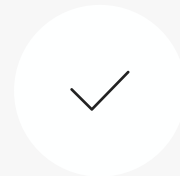
Unit cost for events

Clearly specified what is in and what is out



Flat rate 38% for staff

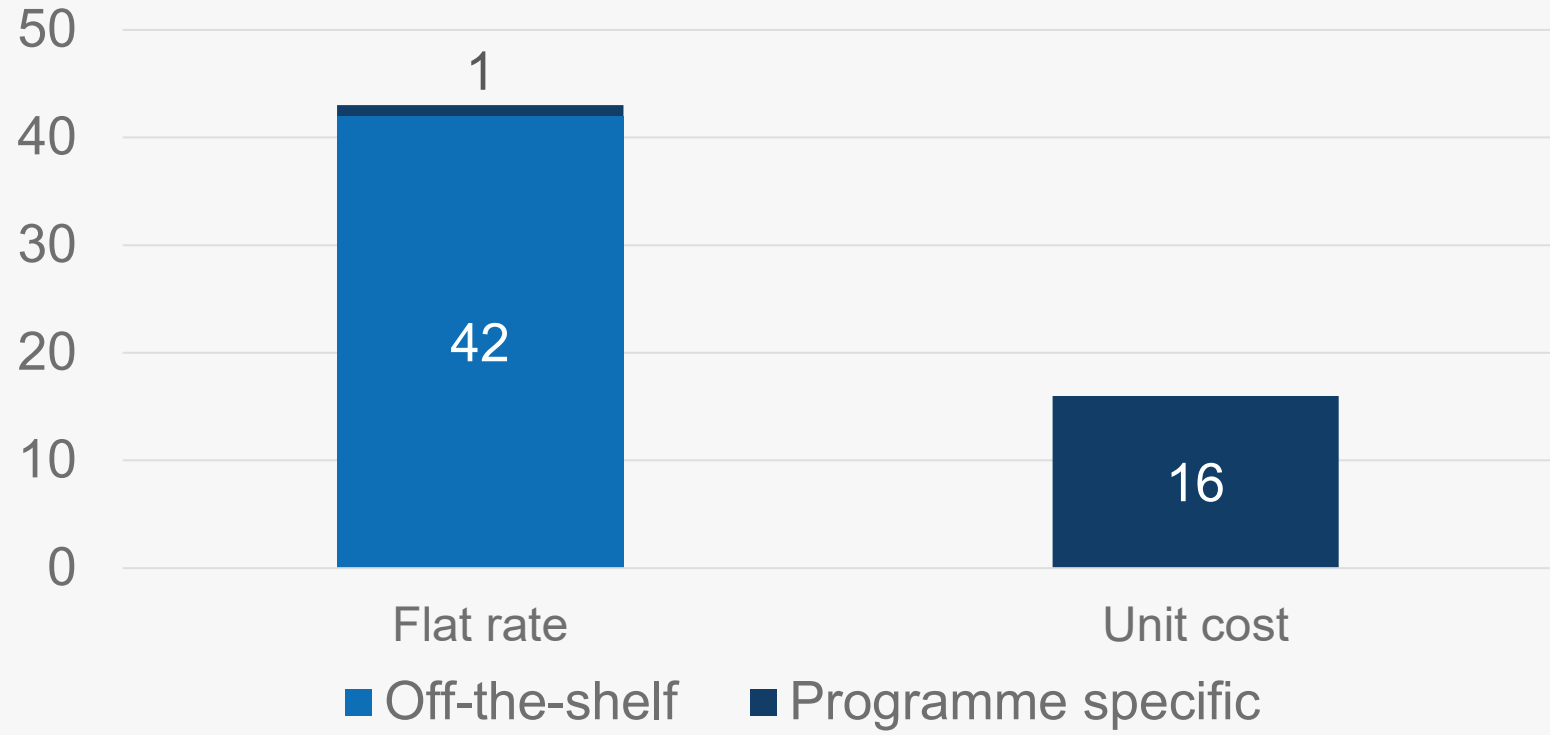
Of external expertise. Max 25% of total budget.

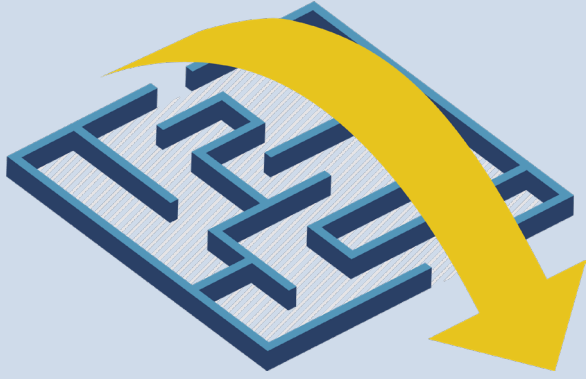


Unit cost for office equipment

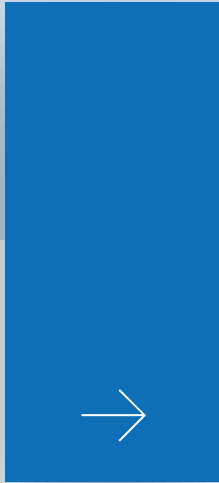
For project staff, based on reported work time.

SCOs for Staff Costs





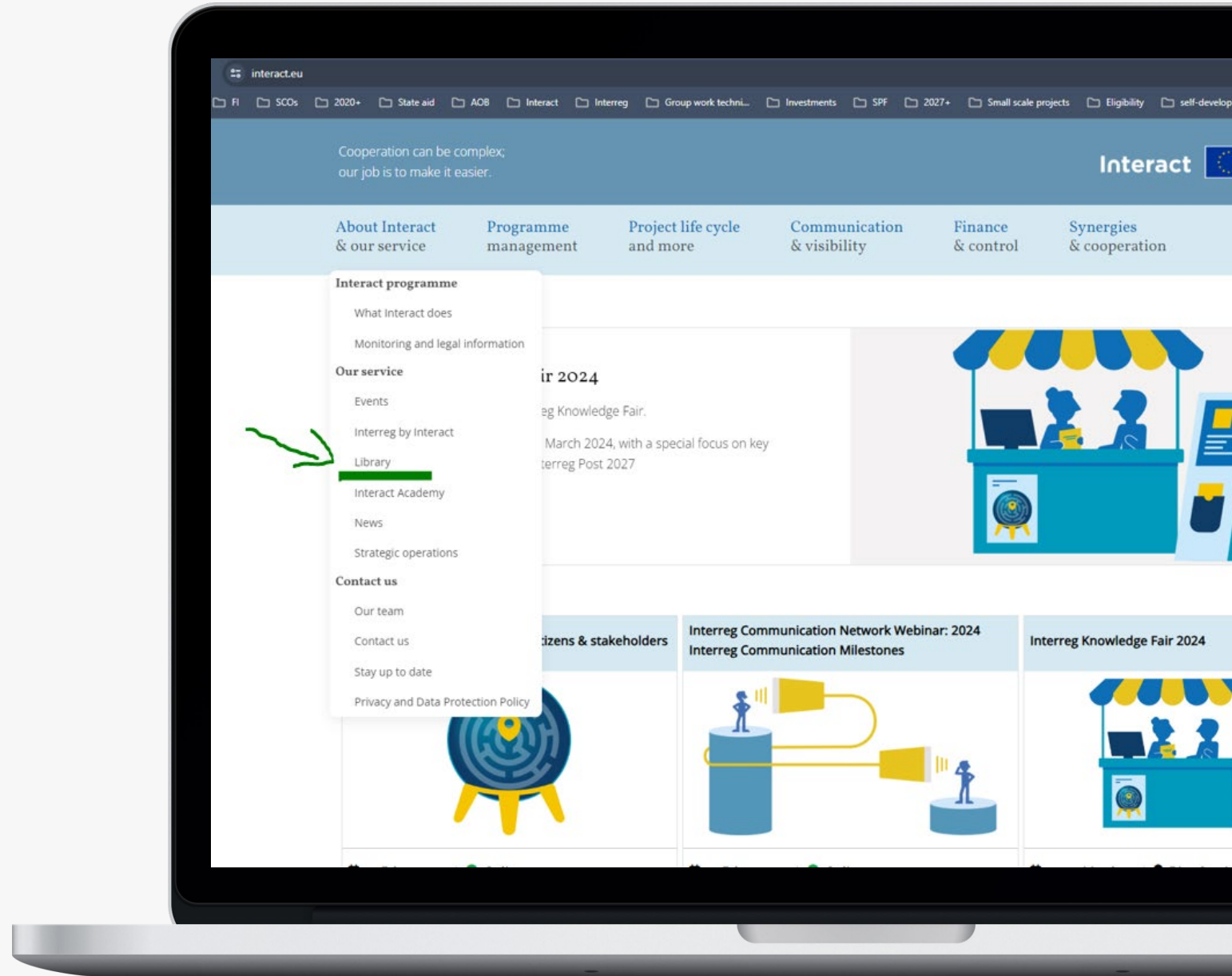
Reminders and updates



New Interact website

Slides from all previous SCOs
events

[Interreg SCOs community](#)



SCOs webinar November 2023

Rough calculations on time saved



These are relatively new funding models, so it is difficult to calculate the exact time saved. However, here are some rough estimates. Data from TUAAS project management tool.

Difference in administrative hours is as follows (on average):

- BSR 2014-2020: 263 hours/year per BSR project
- BSR 2021 - 2027: 109 hours/year per BSR project

While the data should not be taken as definitive, as the tasks may have varied slightly, it does suggest that there is the potential for significant time savings.



2021-2027 compared with 2014-2020

- The verification process takes less time:
2014-2020 ⇒ 73 days
2021-2027 ⇒ 35 days
- Less documentation (especially for staff costs and travel/accommodation costs).
- More time for verification of costs with higher risk of ineligibility.



Payment speed From the end of reporting period

2014-2020	2021-2027
Reporting deadline 3 months	Reporting deadline 1 month
Priority 4.2 179 days	Priority 4.2 57 days → 100% SCOs
Regular projects 188 days	Core/small projects 98 days



Common mistakes

- Missing signatures or one person signs it all
- E-signed files without metadata
- Inconsistent data (partner report / report of hours)
- Workload
- Manual corrections of eligible hours in the Report of Hours
- Insufficient task description

OVERALL SUMMARY

SCO = intensive preparation (several years, analysis, etc.)

We set it up to be **very simple**, but now comes the **additional conditions and burdens** (proving environmental impact, proving flat rates, etc.)

Unit Cost:

- **Difficult to set amounts** (analysis of hundreds of projects from the past period).
- Implementation is **simple for the applicant and for control**
- **amounts too low** = risk of low quality projects (cheap), = risk of low interest from applicants

Draft budget:

- Price catalogue cannot include everything
- What is not in the catalogue is **supported by offers from the applicant** (administrative burden)
- If there is a limit within which offers are not submitted (f.e. 1.000 EUR), the price must be **verified by the SPF Secretariat** (administrative burden)

At the level of the methodology

Clear definition of categories of costs covered by the SCO

Correlation between costs used for calculation and costs covered by the SCO

Clear audit trail

No double costs considered for the calculation of the SCO

During implementation

Definition of categories of costs in the call: clear, transparent

Combination possible with clear delimitation

Procedures and arrangements set up to avoid double financing

Knowledge of the design of the methodology to avoid declaring costs already considered

Things to think in mind



Assess the risk of each type of SCO you use



Do not underestimate. Start cautiously. Adjust.



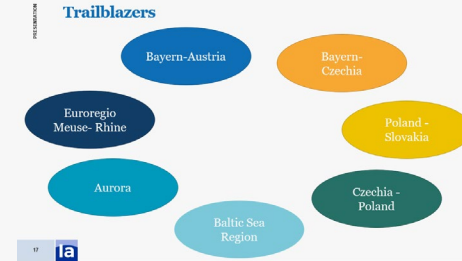
Be brave and simplify



6. What we learnt?

- Not to establish a lumpsum for a large period or long list of outputs
- Establish milestones or several lumpsum (1 per output)
- Monitor the projects closely during the implementation of the lumpsum to ensure they comply with requirements to get paid. Anticipate the risks.

Draft budget methodology September 2023



Specifics Draft Budget

Payment claims

- Costs are allocated to an output (= Outputindicator)
- Payments are made once output is reached
- if output is not reached, costs allocated to it are not paid

Minimize risk of non-payment in case of non-achievement

- Payment related to individual outputs & allocation made in application
- Payment possible if output cannot be achieved due to:
 - unforeseeable and
 - external factors

Beneficiary has to proof circumstances were unforeseeable and outside of her control.

EXAMINATION/ PLAUSIBILITY CHECK

EXPERIENCES SO FAR:

- Examination process needs far more time than initially thought
- Quite substantial adjustment needs of projects in the first application round
- Lacking evidence to demonstrate plausibility of cost
- Offers non-comparable
- Incomprehensibly defined milestones
- Usually very small number of milestones defined by applicants

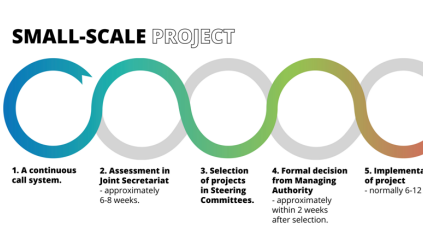
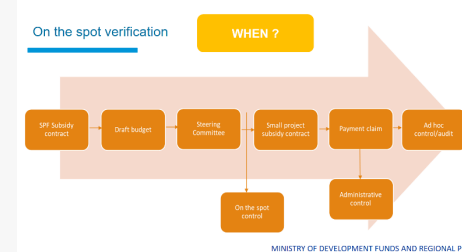
Following rounds already became much better!

→ Ongoing exchange (programme-management & EUREgios) and adaptations if necessary (e.g. more time for examination) are of high importance.

APPROVAL & PROJECT IMPLEMENTATION

EXPERIENCE SO FAR:

- Some difficulties in implementing the milestones in our monitoring system (JeMS)
- The logic of the milestones is quite new to everyone but the understanding of it has improved over the application rounds
- Need for hands-on advice especially for project participants → importance of EUREgios in our programme area



SCOs and

- **Ultimate beneficial owner;**
- **Travel and accomodation flat rate.**

PRESENTATION




Session one:

Requirements of Annex XVII regarding beneficial owners – LPs, partners (SCOs); contractors / subcontractors

→

5 la

PRESENTATION



Session two:

Travel and accommodation costs category existence & flat rate

→

18 la

Article 94 ,upper level‘ SCOs

- **5 adopted: ESPON, Belgium-the Netherlands, Slovenia-Hungary, Slovenia-Austria, Slovenia-Croatia**
- **1 in progress: South Adriatic**
- **possible to submit during programme implementation**
- **benefits vs. challenges**

Article 94 ,upper level‘ SCOs – annex XXIII CPR

ANNEX XXIII
Template for payment applications – Article 91(3)

PAYMENT APPLICATION

EUROPEAN COMMISSION

Fund concerned (¹):	<type="S" input="S" > (¹)
Commission reference (CCI):	<type="S" input="S">
Name of programme:	<type="S" input="G">
Commission decision:	<type="S" input="G">
Date of Commission decision:	<type="D" input="G">
Payment application number:	<type="N" input="G">
Date of submission of the payment application:	<type="D" input="G">
National reference (optional):	<type="S" maxlength="250" input="M">

According to Article 91, this payment application refers to the accounting year:

From (²) <type="D" input="G">	until: <type="D" input="G">
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Expenditure broken down by priority and, where relevant, by category of region as entered into the accounts of the body carrying out the accounting function

(Including programme contributions paid to financial instruments (Article 92 and advances paid in the context of State Aid (Article 91(5)))

This table shall not include expenditure linked to specific objectives for which enabling conditions are not fulfilled, with the exception of operations that contribute to the fulfilment of enabling conditions

Priority	Calculation basis (public or total) (³)	Total amount of eligible expenditure incurred by beneficiaries and paid in implementing operations in accordance with point (a) of Article 91(3) and point (c) of Article 91(4)	Total amount of Union contribution pursuant to points (a) and (b) of Article 91(4)	Amount for technical assistance in accordance with point (b) of Article 91(3)	Total amount of public contribution made or to be made in accordance with point (c) of Article 91(3)
	(A)	(B)	(C)	(D)	(E)

Article 94 ,upper level‘ SCOs - accounts

ANNEX XXIV

Template for the accounts - point (a) of Article 98(1)

ACCOUNTS FOR ACCOUNTING YEAR

<type="D" - type="D" input="S">

EUROPEAN COMMISSION

Fund concerned (1):	<type="S" input="S" > (1)
Commission reference (CCI):	<type="S" input="S">
Name of programme:	<type="S" input="G">
Commission decision:	<type="S" input="G">
Date of Commission decision:	<type="D" input="G">
Version of the accounts:	<type="S" input="G">
Date of submission of the accounts:	<type="D" input="G">
National reference (optional):	<type="S" maxlength="250" input="M">

DECLARATIONS

The managing authority / the body carrying out the accounting function responsible for the programme hereby confirms that:

- (1) the accounts are complete, accurate and true;
- (2) the provisions in points (b) and (c) of Article 76(1) are respected.

Representing the managing authority / the body carrying out the accounting function: <type="S" input="G">

The managing authority responsible for the programme hereby confirms that:

- (1) the expenditure entered into the accounts complies with applicable law and is legal and regular;
- (2) the provisions in the Fund-specific Regulations, Article 63(5) of the Financial Regulation and in points (a) to (e) of Article 74(1) of this Regulation are respected;
- (3) the provisions in Article 82 with regard to the availability of documents are respected.

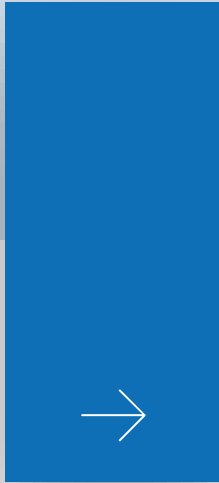
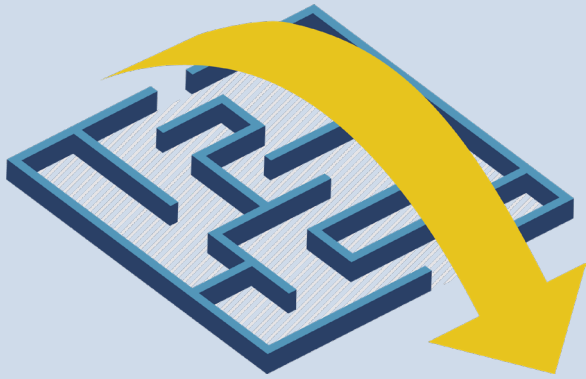
Representing the managing authority <type="S" input="G">

Appendix 1

Amounts entered into the accounting systems of the accounting function – point (a) of Article 98(3)

This table shall not include expenditure linked to specific objectives for which enabling conditions are not fulfilled, with the exception of operations that contribute to the fulfilment of enabling conditions

Priority	Total amount of eligible expenditure entered into the accounting systems of the body carrying out the accounting function which has been included in payment applications for the accounting year in accordance with point (a) of Article 98(3)	The amount for technical assistance in accordance with point (b) of Article 91(3)	Total amount of the corresponding public contribution made or to be made in accordance with point (a) of Article 98(3)
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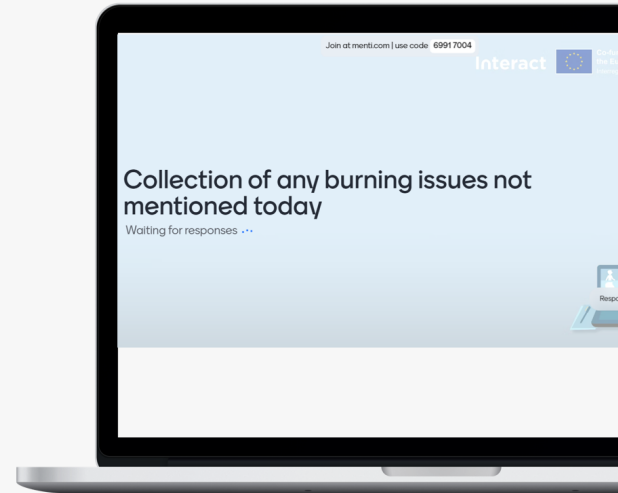


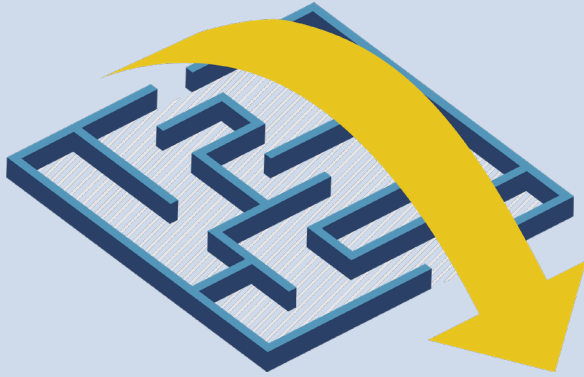
Burning issues



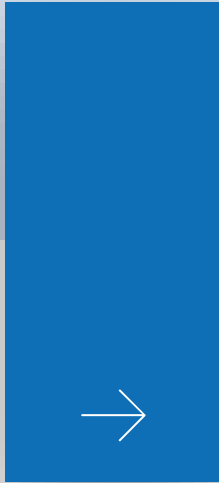
Burning
issues

Mentimeter





Priorities for 2024



What will we focus on?

- **EC answer on SCOs and FR- Annex XVII**
- **implementation issues/challenges/questions**
- **RBMV and SCOs**
- **preventing double financing and SCOs**
- **post 27**





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Please check which session you are in!

You can also talk to us at the Conference Support stand in the networking area.



Cooperation **works**

All materials will be available on:

Interact website / Library