

SCOs

-let's make another step

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Interact

Interact



Co-funded by
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Interreg

Meeting objectives

- To hear few SCOs updates;
- Practical experiences sharing;
- To discuss and exchange 😊;
- To have a good time.



Housekeeping

- Please turn your cameras on
- Be open and share
- Discussions and questions policy – e-hand, speak up, chat
- Stay ‘muted’, unless talking
- Be patient towards each other



Plan/ day one

01

Intro &
objectives

02

State of play
and updates

03

RBMV and audit
of SCOs

04

Practical
implications of
SCOs in RBMV
(part I&II)

05

Wrap-up &
closure (day 1)

Plan/ day two

01

Key messages
from day 1

02

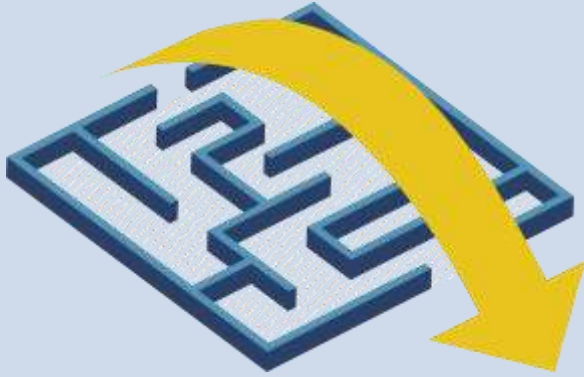
Programme
specific unit
costs and lump
sums in
practice

03

Preventing
double
financing in
SCos

04

Wrap-up and
closure day 2



State of play and updates on SCOs





SCOs in 2021-2027 - publications

NEW Factsheet

Verification of SCOs – practical implications of SCOs on control work

NEW 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)

Factsheet | Verification of SCOs

2. Up to 15% flat rate for travel and accommodation costs of direct staff costs ⁸	
What to check	What not 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)	Underlying expenditures of the travel and accommodation cost category (the expenditure has been incurred and paid)
The flat rate covers travel and accommodation costs (as defined in Article 41 of the Interreg Regulation) and uses direct staff costs as the basis costs	Supporting documents to make sure the amount of the flat rate was spent on the expenditures of the travel and accommodation cost category
A correct percentage of the flat rate (as set out 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	Evidence that the actual amount spent corresponds to the amount of the calculated flat rate
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 (staff costs) do not contain ineligible costs (verification of the staff costs will depend on the reimbursement method used)	Evidence that all the trips of the project staff planned in the application form were organised
Travel and accommodation costs ⁹ are not included in other cost categories	
The category (travel and accommodation) of costs covered by the flat rate exists. This information can be gathered from either a mission order or report or a recording of a meeting or similar evidence for at least one trip (the existence of the cost category is to be checked at least once in the project's lifetime).	Evidence that the cost category exists with each progress report is not to be checked.

More about **SCOs**



Other useful resources



Slides from previous
RBMV event

[September 2023](#);

Slides from previous draft
budget webinars

[June 2022](#); [September 2023](#)

Slides from IKF session

[May 2023](#)

Slides from all previous
SCOs events

[Interreg SCOs community](#)

SCOs in 2021-2027



- Mapping SCOs for 2021-2027 – Interreg Collection – 32 programmes - please provide your input - [link to the document](#):
- Mapping of MSs SCOs ‘low level’ (Article 53CPR) and ‘upper level’ (Article 94CPR) available in the SCO community [here](#);
- Article 94 CPR – SCOs at the higher level (EC – programme);
 - currently 6 CBC Interreg programmes submitted schemes to EC
 - adopted for 3 programmes: ESPON, Belgium – the Netherlands Slovenia - Hungary;
 - in progress 3 Programmes: South Adriatic, Slovenia-Austria, Slovenia-Croatia.
- 2 studies (6 areas) on SCOs – EU-level SCOs (not finalized yet).

Collection of Interreg SCOs in 2021-2027



General observations:

- **Majority of Interreg programmes use off-the-shelf SCOs:**
 - *15% flat rate for office and administrative costs*
 - *15% flat rate for travel and accommodation is widely used!*
 - *20% flat rate for staff costs*
 - *40% flat rate for remaining eligible costs*
- **Programme-specific SCOs:**
 - *unit costs for staff (functional groups, single hourly rate, one unit cost);*
 - *lump sums – preparation costs, closure costs, for organization of events*
- *unit cost for organisation of events*
- *flat rate (programme-specific)*
- **Re-using SCOs:**
 - *from other Interreg programmes (expert judgment) – programmes with overlapping geography;*
 - *CERV – lump sum for organisation of events*
- **Draft budget method:**
 - *in small projects in the framework of an SPF; in small-scale projects (below EUR 200 000 to comply with the legal requirements)*

Article 94 SCOs

Reminders:

- It is possible to submit schemes for EC adoption during programme implementation (simplified fast-track programme's modification procedure);
- SCOs do not apply retrospectively (legal certainty and Appendix 1);
- Submit only with a positive assessment of the AA;
- Informal consultation with the EC;
- Extend the use of SCOs from higher to lower level;
- [SFC 2021 – Quick guide](#) ;
- [a mock-up example](#)



SCOs from ESF+



- Delegated regulation 2023/1676 with SCOs and FNLC for ESF+ - can also be used in operations supported by ERDF in acc. with Article 5(5) ERDF Regulation:
 - formal education operations (from early childhood education to tertiary level including formal vocational education);
 - operations concerning training of registered unemployed, job-seekers or inactive people;
 - operations concerning training of employed persons, and
 - operations concerning the provision of employment-related counselling services to registered unemployed, job-seekers or inactive people,
 - operations concerning in-home care services and community-based day care services, and
 - operations providing support to services for victims of domestic violence and the homeless.

SCOs - implementation issues

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;

Solution:

Programme can consider embedding the exchange rate in the adjustment method.

How and when – it is up to a programme to decide.

SCOs - implementation issues

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

Background:

- in March 2023 there was a presentation on the collection and storing of data on beneficial owners
- 2 aspects: collection & storing + requirement for real costs and SCOs
- Negative feedback from a number of MS + Interact – an issue raised up the CPR Expert group and TN network on simplification

Solution:

- SCO exception only for indirect costs;
- Separate thread in [Interreg SCOs](#) community.

SCOs - implementation issues

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

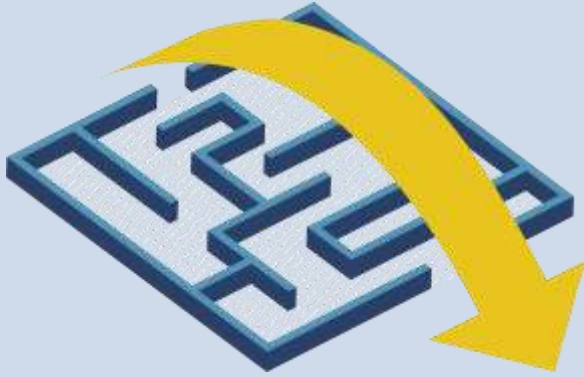
MA to confirm that expenditures entered in accounts are legal and regular vs management verifications focused on fulfillment of conditions for reimbursement

Verification of flat rates



- Existence of cost category (checked at least once in the project's lifetime!)
 - Not required to office and administrative costs – given that it exists for a project!
 - Staff costs – at least one contract/ equivalent
 - Travel and accommodation – one document per project partner (that has a flat rate for travel) proving that travels have taken place (e.g., mission report, recording of a meeting, progress report etc.).
 - 40% flat rate – not required, as is one “category” – existence is checked in activity reports.





**Risk-based
management
verification**

&

Simplified Cost Options





Wrap-up and closure

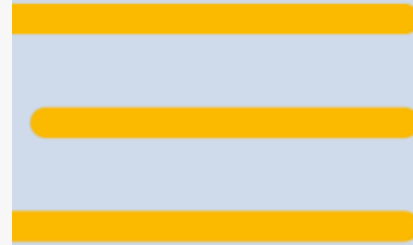
Please fill in our evaluation survey – thank you in advance!



Contact us @



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Cooperation **works**

All materials will be available on:

Interact website / Library