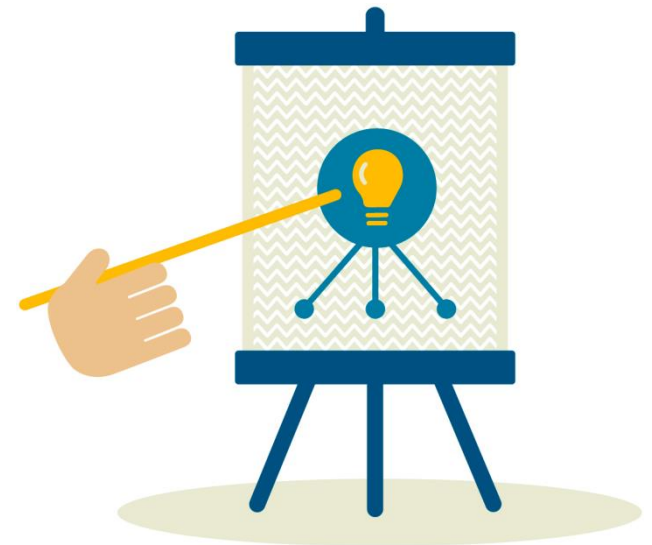


Changes in cash flow – proposal post 2020

Liquidity and cash flow management in
Interreg

28 February 2019 | Ljubljana, Slovenia

Malgorzata Zdunek, Interact

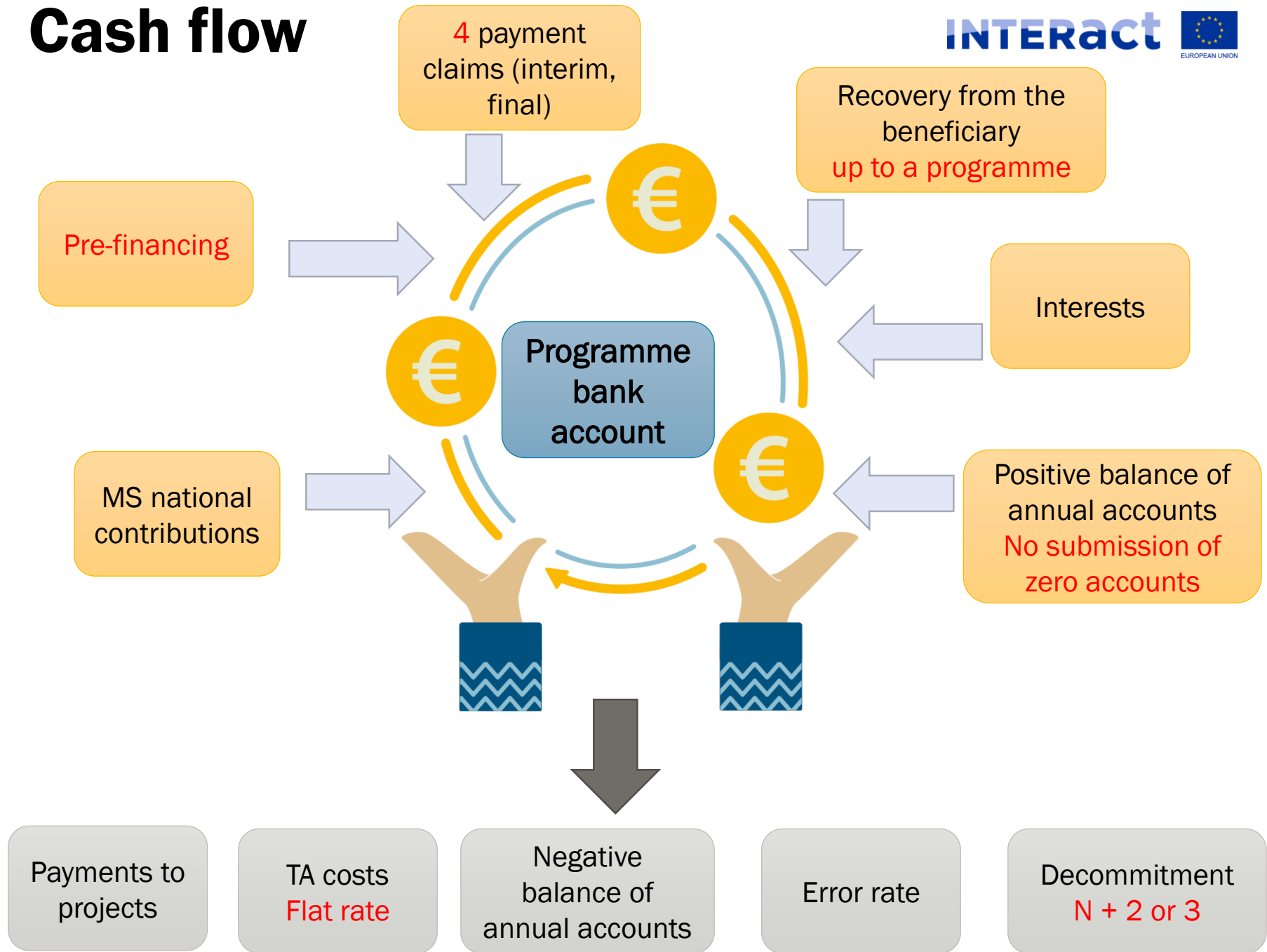


Not changed

- Annual accounts and its timing
- 10% retention
- Clearing pre – financing annually
- Off-setting negative balance of annual accounts



Cash flow



Pre - financing

Years / % proposed	European Commission	European Parliament
2021	1 %	3 %
2022	1 %	2,25 %
2023	1 %	2,25 %
2034	1 %	2,25 %
2025	1 %	2,25 %
2026	1 %	2,25 %

Payment claims

Only **four** times a year:

- ✓ 30.04
- ✓ 31.07
- ✓ 31.10
- ✓ 26.12



TA

- CBC – 6% (7% EP)
 - NDICI – 10%
 - Components 2,3 and 4 – 7% (8% EP)

 - Small CBC
 - Below 30 M€ - % to be established in the CP
 - 30 – 50M€ - additional 0,5M€ paid with first interim payment claim
- ... paid as flat rate of eligible projects expenditures



TA – European Parliament proposal

Amendment

1. Technical assistance to each Interreg programme shall be reimbursed as a flat rate by applying the percentages set out in paragraph 2 *for 2021 and 2022 to the yearly instalments of the pre-financing pursuant to points (a) and (b) of Article 49(2) of this Regulation and then* to the eligible expenditure included in each payment application pursuant to [points (a) or (c) of Article 85(3)] of Regulation (EU) [new CPR] as appropriate *for subsequent years.* |

TA – EP proposal – CBC example

	2021	2022
TA %	7	7
Pre-financing %	3	2,25
Total % applied	10	9,25

Other changes

Payment to the
beneficiary
EC – 90 days
EP – 60 days

Decommitment
EC – N+2
EP – N+3

No submission of
“zero” accounts

No control
summary in the
assurance package

No appendices on
recoveries

Other changes

Programme budget flexibility (%)		
	Priority axis	Total
EC	5	3
EP	7	5

Retention of documents (years after 31.12.X when was the last payment to the beneficiary)	
EC	5
EP	3

Other changes

Maximum co – financing rates

EC – 70 %

EP – 85%

EP

VAT always eligible
for projects
< 5 000 000

EC

VAT always
eligible

Timeline

[illegible]

Timeline

[illegible]

What's next in Interact?

- 19-20 March – Finance advisory for Croatia
- 26-27 March – AIR and Performance Review
- 9-10 April – 2nd CBC finance officers network
- Week 20-24 May [lunch-to-lunch] – Programme management for beginners

Cooperation works

All materials will be available on:

www.interact-eu.net