

Implications of CRII and CRII+ for Interreg programmes

Based on [Regulation \(EU\) 2020/460](#), [Regulation \(EU\) 2020/558](#), horizontal Q&A facilitated by the EC (published in the SFC)

General

Where the COVID-19 outbreak is invoked as a reason for force majeure, flexibility is offered as regards the use and management of ERDF in the context of the Interreg programmes.

Scope of support and investment priorities

Reg. 2020/460

- Art 1.1: "ERDF may support the financing of working capital in SMEs where necessary as a temporary measure to provide an effective response to the public health crisis"
- Art 1.2: Under the Investment Priority 1, programmes may support actions to foster "investment necessary for strengthening the crisis response capacities in health services".

Reg. 2020/558

- Art 1: Support from the programme may be allocated to undertakings in difficulty, provided the support complies with the State aid Temporary Framework.

The definition of undertaking in difficulty can be found here: [Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty](#)

Amendment of programmes and co-financing rates

Reg. 2020/460

- Art 2.1: The programme may transfer "an amount of up to 8% of the allocation as of 1 February 2020 of a priority and no more than 4% of the programme budget to another priority". Such transfers "shall not require a decision of the Commission amending the programme"

Reg. 2020/558

- Art 2.1: During the account year 1 July 2020 – 30 June 2021, a co-financing rate of 100% may be applied for one or more priority axes. Requests for modification of the co-financing rate shall be accompanied by the revised programme and can only apply if the corresponding programme amendment is approved by the Commission.
- Art 2.2: Transfers between priority areas and financial allocations at the co-financing rate of 100% shall not be subject to requirements on thematic concentration.

Thematic concentration is explained [here](#)

- Art 2.6: "Partnership Agreements shall not be amended and the programme amendments shall not entail the amendment of Partnership Agreements". The consistency between the programme and Partnership Agreements shall not be verified.

Q&A

- "If amendments are non-substantial (<4%) modifications as referred to in the CRII proposal, they will not require approval by a Commission decision. Otherwise, once agreed, the amendments will be approved by the Commission as a priority" (p2)
- "The revised Article 30 of the CPR Regulation (Regulation (EU) No 1303/2013) will provide for the possibility for programmes supported by the ERDF, Cohesion Fund and ESF, to transfer an amount of up to 8% of the allocation, as of 1 February 2020, of a priority, and no more than 4% of the programme budget, to another priority of the same Fund in the same programme" (p12)
- "...If there is a transfer, based on proposed Art 30(5) CPR, between priorities with different co-financing rates, the co-financing rate of the receiving priority will be applied to the transferred amount and it does not constitute a change in the co-financing rate on a priority level (*which means no CP change is required*)" (p14)

Selection of operations

Q&A

- "Articles 65(6) and 125(3) of CPR provide for flexibility. For instance in line with national rules, selection criteria can be fixed by written consultation of the monitoring committee, it is possible to allow for a non-competitive selection procedure, it is possible to select an operation that has started before the submission of an application for funding to the Managing Authority, but is not physically completed or fully implemented (provided that the applicable law relevant for the operation has been complied with), and the beneficiary can be provided with an electronic version of the document fixing the conditions of support" (p7)

Eligibility of expenditure

Reg. 2020/460

- Art 2.2: "Expenditure of operations for fostering crisis response capacities in the context of the COVID-19 outbreak shall be eligible as of 1 February 2020"

Q&A

- "Contracting authorities may make use of the negotiated procedure without prior publication for public works contracts, public supply contracts and public service contracts insofar as it is strictly necessary because of extreme urgency. Such circumstances require a case-by-case analysis". (p2)
- Contract modifications without a new procurement procedure are possible, when the modification does not alter the overall nature of the contract and within a limit of

increase in price of 50 % of the value of the original contract or framework agreement (p2)

- Any amounts received by insurance or compensation from other sources (e.g. travel insurance compensating for travel expenses of a cancelled event, etc.) must be deducted from eligible expenditure. (p3)

Programme performance and indicators

Q&A

- Programmes have the possibility to select new operations (e.g. if, as a result of the impact of the COVID-19 outbreak, there is a need to interrupt or stop the implementation of operations or when it is expected that the beneficiaries will not achieve the outputs intended) in order to effectively use available resources and to achieve the targets set for the programme (p3)
- Programmes have the possibility to modify indicator values resulting from measures taken to address COVID-19 outbreak (p10)

Preparation, examination and acceptance of accounts

Reg. 2020/460

- Art 2.5: For the accounts submitted in 2020, the Commission will not issue a recovery for amounts recoverable from the programme. "The amounts not recovered shall be used to accelerate investments related to the COVID-19 outbreak". The amounts not recovered shall be cleared and recovered at closure.

Reg. 2020/558

- 2.12: For the accounting year 1 July 2019 – 30 June 2020, audit authorities may use a non-statistical sampling method.

Q&A

- "As regards audits by the audit authorities, the CRII measures fall under normal audit work, carried out after this expenditure has been declared to the Commission. Audit authorities will draw some of these operations as part of their normal random sampling exercise (which most probably could fall in the 2nd or 3rd sampling period). Similar to management verifications, audits can be done desk-based and using electronically available documents as much as possible. The regulation provides that audits can be desk based and need to include on-the-spot verification of the physical implementation only where necessary (article 27(3) of Commission Delegated Regulation 480/2014). Whenever on-the-spot visits are required, these can be postponed. Once the emergency is over, the audit authority will be able to assess the scope of the activities to be carried out and review the priorities, in line with the resources and time available, to ensure submission of the annual control report by 15 February 2021."(p24)

De-commitment

Reg. 2020/558

- Art 2.8: For operations below EUR 1.000.000 total eligible cost, information on the amounts for which it has not been possible to make a payment application shall be provided at an aggregate level by priority.

Q&A

- “The exception to the decommitment to be invoked in this case if need be, will follow the standard procedure of Article 88 CPR.” (p21)
- “At the end of a year N+3 (and outside the decommitment at closure), a reduction of amounts concerned by decommitment for which no payment application was made could be applied provided that the conditions of Art. 87 (1)(b) CPR are fulfilled. The fact that no payment application could be made due to the specific corona virus outbreak could be regarded as circumstances of force majeure. As this depends on the specifics of the cases at stake it would require an analysis on a case by case basis. The procedure is the one provided in Article 88 CPR” (p22)

Programme annual implementation report

Reg.2020/558

- 2.9: "The annual report on implementation of the programme for the year 2019 shall be submitted by 30 September 2020".