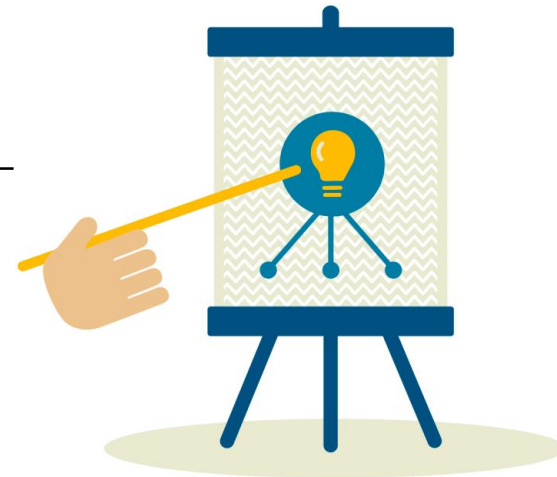# TA – flat rate

Finance network meeting of Transnational and Interregional Programmes
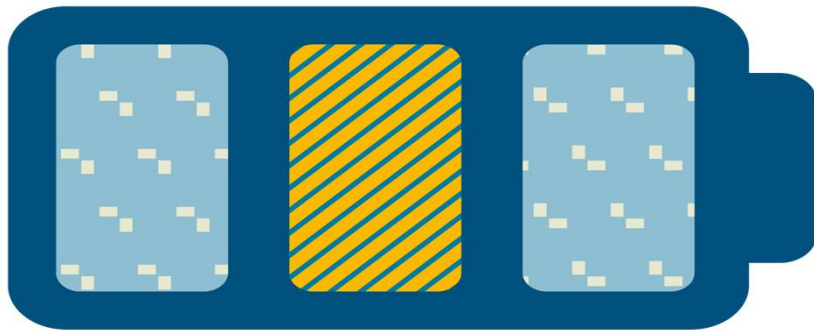
03-04 December 2020 I Online

Malgorzata Zdunek Interact

2014 - 2020

Experience so far

2014 – 2020 TA as flat rate experience

3 programmes using the option

BE – NL

DE (Bavaria) - CZ

AT - DE (Bavaria)

Current reimbursement is calculated as € to the total eligible expenditure claimed

2014 – 2020 TA as flat rate experience

BE – NL TA simulation

TA flat rate calculated as % of total claimed

		actual and assumed payment claims to EC 2014-2020					
		2014	2015	2016	2017	2018	2019	20
TA					3 069 593,30	2 713 043,18	2 553 933,74	
projects					17 539 355,50	49 972 829,08	71 888 801,62	
Total		-	-	-	20 608 948,80	52 685 872,26	74 442 735,36	-
		reimbursed (no retention) - ERDF, applying average co-financing rate 2014						
Total		-	-	-	10 304 474,40	26 342 936,13	37 221 367,68	-
		2021-2027 reimbursed (no retention) - ERDF, applying average co-financing rate 2014-2020						
		2021	2022	2023	2024	2025	2026	20
Total		-	-	-	18 591 716,83	52 971 198,82	76 202 129,72	-
of which TA		-	-	-	1 052 361,33	2 998 369,74	4 313 328,10	-
		Pre-financing 2021-2027 (1% assumption)						
		1 525 755,85	1 525 755,85	1 525 755,85	1 525 755,85	1 525 755,85	1 525 755,85	
Difference (TA flat rate - TA real)		-	-	-	- 2 017 231,97	285 326,56	1 759 394,36	-

2014 – 2020 TA as flat rate experience

BE – NL experience

- Based on total eligible expenditure of PA 1 – 4, the CA calculates 6% on the total amount.

- Submitted the first payment claim of the current accounting year in August 2020 and currently submitting the second one.

- There have been no questions or remarks from the EC.

- Payment claims and reimbursement have been smooth. Minor hiccups regarding own registration process of this flat rate in the monitoring system (it is still designed for real costs in TA, so it had to adjusted a bit). The first round took about 4 -5 days to finish. This round it took 2 days.

- With the payment claim finalised at the moment, the total amount claimed for TA so far this accounting year (calculated as a flat rate) will be 2.024.600,18 EUR.

2014 – 2020 TA as flat rate experience

DE – CZ experience

- First we informed EC via a letter in SFC that we will use the flat rate for TA for all upcoming accounting years (AY), starting in 2020/2021.

- For the payment claim we calculated 6% of all eligible costs over priority 1-4 and this amount we included into the payment request as our TA in priority 5. In our programme it is quiet easy because the ERDF proportion is the same over all priorities.

- The first payment claim with the TA flat rate was submitted three weeks ago and it worked pretty smooth. The payment claim was accepted by EC today without any questions or remarks. With this claim almost 6% of TA was already reimbursed.

- In eMS we created one "dummy" project request in one of our TA projects to register the whole flat rate amount in the eMS.

- The whole process took round 1 day.

2014 – 2020 TA as flat rate experience

AT – DE experience

- First claim with TA flat rate submitted in July 2020, so in the current accounting year

- We closed our TA projects in eMS and created one „dummy" TA project to be used for the flat rate, the project was equipped with the remaining budget in priority 4 (TA).

- In preparation for the payment claim, our CA determined the total amount of all eligible costs over priority 1-3 and calculated 6% on the total amount. Subsequently, we created a project report and a corresponding CA confirmation with this exact amount.

- Our CA added CA Confirmation for priority 4 to the list of Ca Confirmations (priority 1-3) and finished our payment claim. We are not going to equally divide the received TA amount between our project partners. Its agreed on that our TA project partners will receive payments on demand.

2014 – 2020 TA as flat rate experience

Conclusions so far

- No questions from the EC

- Smooth process so far

- The higher your spending is the better as you can claim the rest of TA budget via one or two claims

- Potential irregularities are not a problem as:

  - Spending so high that other PAs are almost spent also

  - The risk of huge irregularity to come is very low

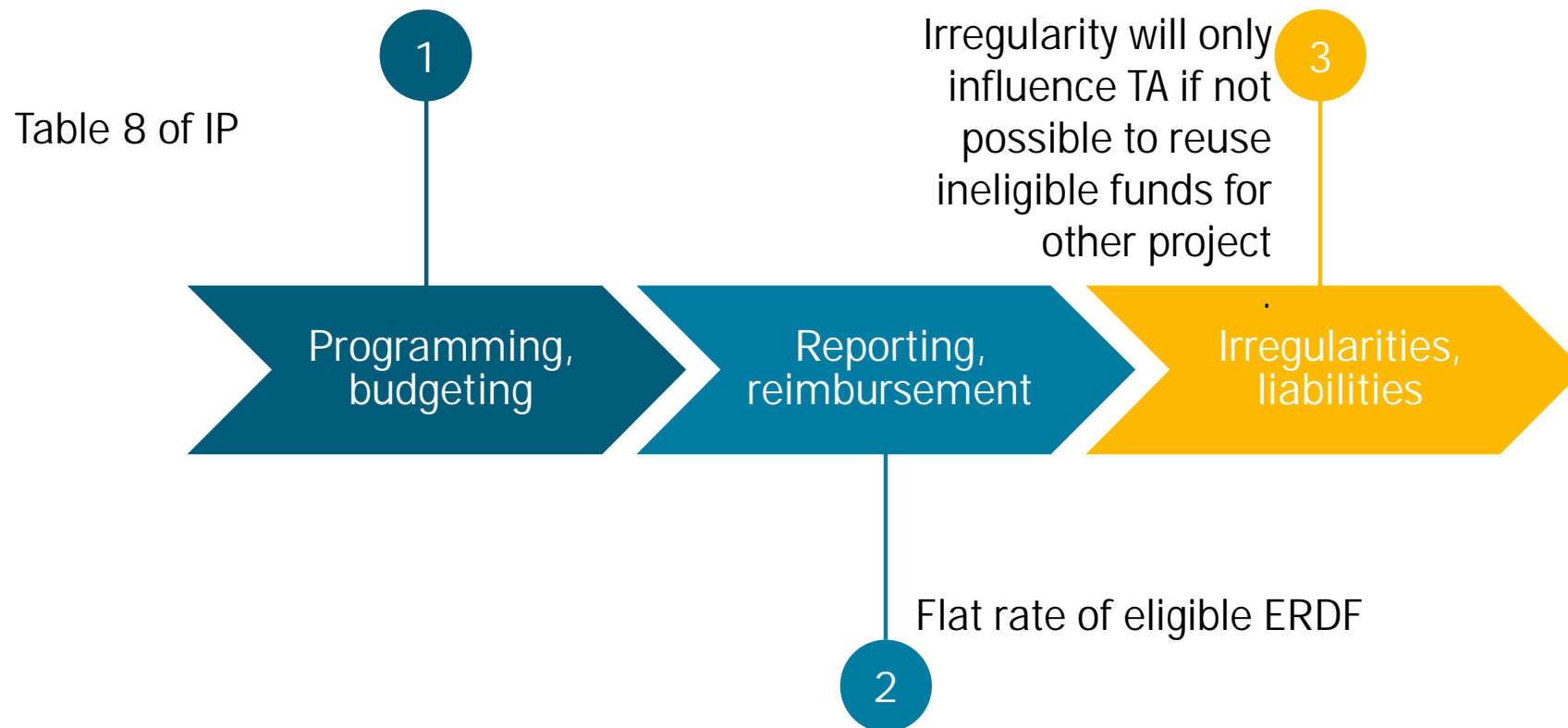No management verifications nor "real" audit of operations = big win!

Happy campers so far J

2021 - 2027
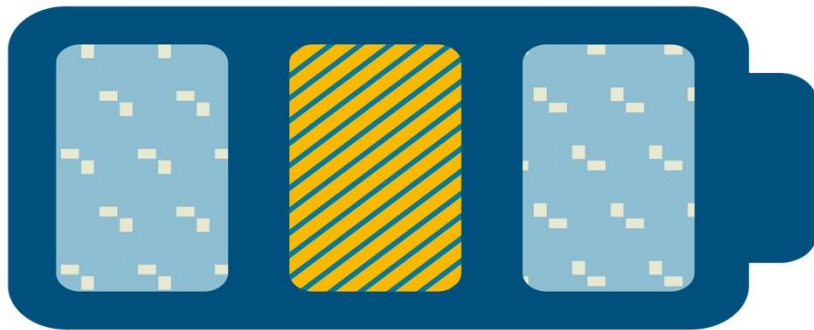
Programming, budgeting

Filling in Table 8 of IP

Table 8

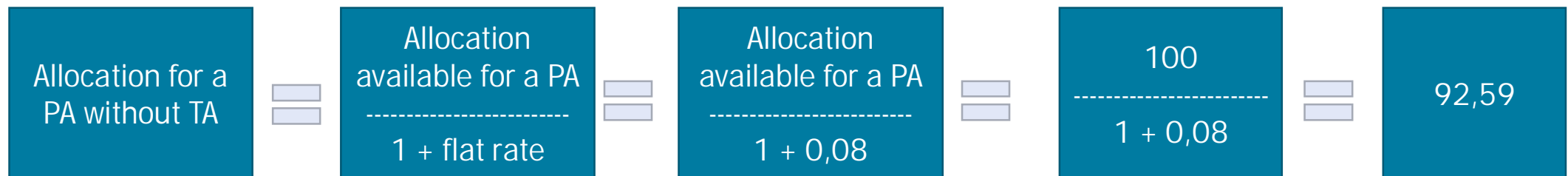| PO No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total or public)	EU contribution (a)	National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
						National public (c)	National private (d)			
	Priority 1	ERDF[7]								
		IPA III CBC[8]								
		Neighbourhood CBC[9]								
		IPA III[10]								
		NDICI[11]								
		OCTP Greenland[12]								
		OCTP[13]								
		Interreg Funds[14]								
	Priority 2	(funds as above)								
	Total	All funds								

The TA absent in the financing plan

Programming, budgeting

Calculation of PA allocation

Allocation for PA = 100€   Flat rate = 8*%

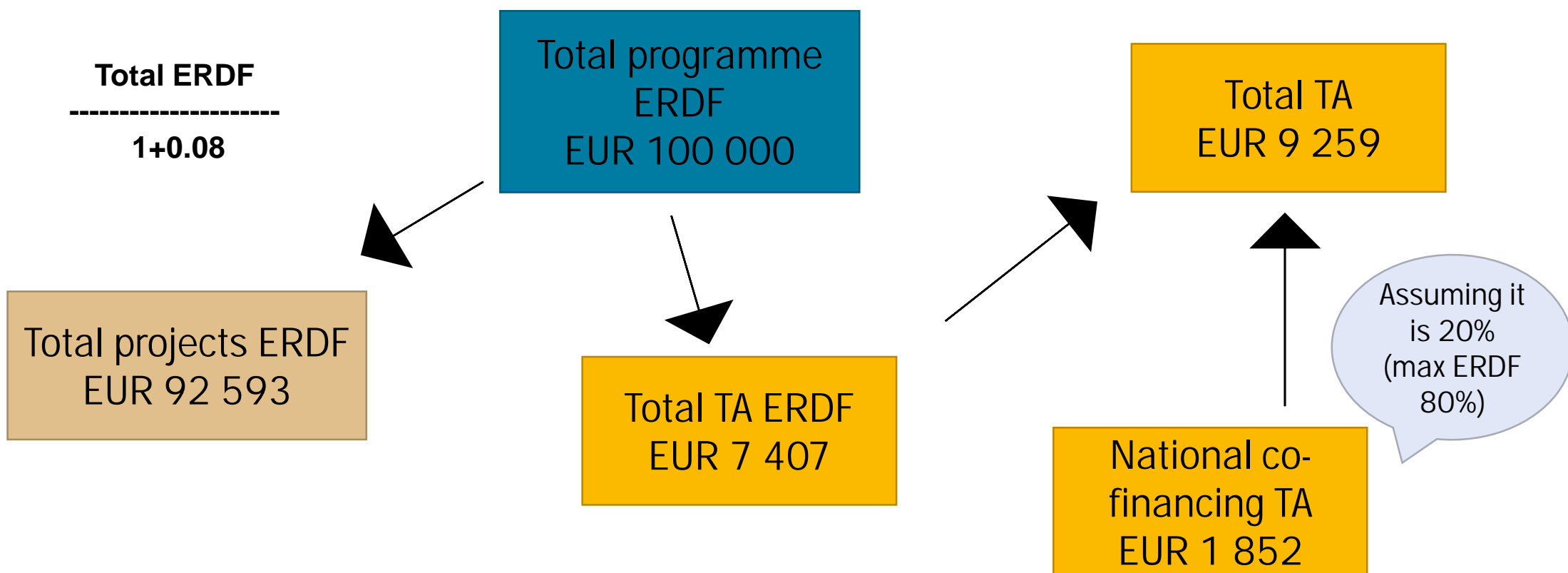| Allocation for a PA without TA | = | Allocation available for a PA ------------------------- 1 + flat rate | = | Allocation available for a PA ------------------------- 1 + 0,08 | = | 100 ------------------------- 1 + 0,08 | = | 92,59 |

EU contribution = 92,59€ (projects) + 7,41€ (TA) = 100€

*For interregional and TN programmes; 7% CBC, 10% external cooperation, additional for small programmes

Programming, budgeting

Programming, budgeting

80% of co-financing of all PAs and TA = 8%
used for both calculations

TA = calculated on total eligible

TA = calculated on ERDF

2014 – 2020

	ERDF	National co-financing	Total
PA1	80 000,00	20 000,00	100 000,00
PA2	80 000,00	20 000,00	100 000,00
PA3	80 000,00	20 000,00	100 000,00
PA4	80 000,00	20 000,00	100 000,00
TA	25 600,00	6 400,00	32 000,00
Total:	345 600,00	86 400,00	432 000,00

2021 - 2027

	ERDF	National co-financing	Total
P1	80 000,00	20 000,00	100 000,00
P1 TA	6 400,00	1 600,00	8 000,00
P2	80 000,00	20 000,00	100 000,00
P2 TA	6 400,00	1 600,00	8 000,00
P3	80 000,00	20 000,00	100 000,00
P3 TA	6 400,00	1 600,00	8 000,00
P4	80 000,00	20 000,00	100 000,00
P4 TA	6 400,00	1 600,00	8 000,00
Total:	345 600,00	86 400,00	432 000,00

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Reporting, reimbursement

Reimbursed PA = (ERDF + (ERDF * 8% TA)) * PA co-financing rate – 5% retention

It is flat rate based on ERDF!

PA	Total eligible ERDF (projects) (EUR)	Flat rate TA (EUR)	Total amount received (projects + TA) (EUR)
PA1	100	8	108
PA2	200	16	216
total	300	24	324

Irregularities, liabilities

Irregularities

- TA is not an operation

- Reduction of TA will only happen, once the programme cannot re-commit the irregular amount – otherwise TA irregular expenditure can be "reused"

- While irregular project expenditure can be off-set with next payment claim (programme – project cash flow), the TA correction is done "automatically" via next payment claim to the EC (programme – EC cash flow)
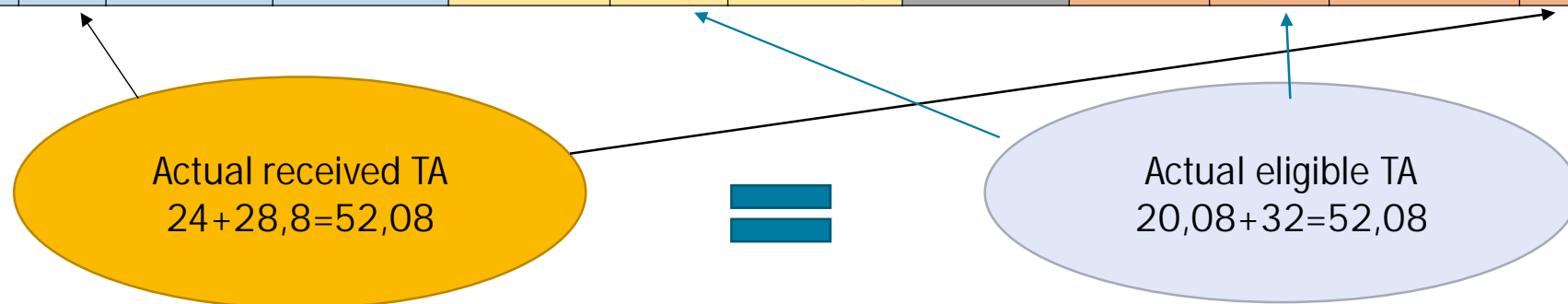
Liabilities

TA liability should be related to the project irregularity = MS responsible for a mistake has to reimburse (under relevant circumstances)

Irregularities, liabilities

Self – correcting irregularities

PA	Total eligible ERDF (projects)	Flat rate TA	Total amount received (projects + TA)	Irregularity found (correction)	actual eligible ERDF (projects)	actual eligible TA	"overpaid" TA	next claim with reduction	Total eligible ERDF	Total eligible TA	total reported ERDF (correcting irregularity)	Flat rate TA	Total amount received (projects + TA)
PA1	100	8	108	30	70	5,60	2,40		200	16	170	13,6	183,6
PA2	200	16	216	10	190	15,20	0,80		200	16	190	15,2	205,2
total	300	24	324	40	260	20,80	3,20		400	32	360	28,8	388,8

Actual received TA
24+28,8=52,08

=

Actual eligible TA
20,08+32=52,08

Questions, remarks, comments?

Cooperation works

All materials will be available on:

www.interact-eu.net