

7th CBC finance network meeting

3 November 2022 | Online, Zoom

Grzegorz Golda, Iuliia Kauk, Interact



Agenda

State of play +
Updates

RBMV

Comfort break

Eligibility
& Matrix of
costs

AOB (SCOs,
closure,
reporting)...



Working agreements

- Stay 'muted', unless talking
- Contribute & share (any idea is welcome)
- Be open (no recording, no notes)
- Be patient
- Questions/contributions: use chat/ speak up/ raise e-hand/ Slido



Who's in the room?

- 35 programmes
 - 20 Interreg A – CBC
 - 7 IPA-CBC
 - 5 ENI programmes
 - 2 TN
 - 1 INT



State of play and update on legislation 2021-2027

Where are we?



Updates on the legislative package 2021-2027

- As of end of [September 2022](#), 31 Interreg programmes are adopted by the EC:
 - 21 cross-border;
 - 6 transnational;
 - 3 interregional;
 - 1 IPA-CBC programme;
 - no NEXT-CBC programmes adopted (7 are submitted to the EC).



Suspension of cooperation programmes with Russia and Belarus

- March 2022 – suspension of cooperation with Russia and Belarus in 9 ENI-CBC programmes and 2 TN (no further payments to Russia and Belarus).
- Cooperation with both countries under the 2021-2027 period is suspended too.
- 22 March 2022 - a meeting in Brussels to explore ways to continue the implementation of concerned ENI CBC programmes - the EU beneficiaries can carry on the project operations, whereas the activities and financial flows on the Russian and Belarusian sides have to be suspended.
- Strengthening cooperation with Ukraine (CBC programmes, Danube, Black Sea Basin) and Moldova – especially after granting a candidate status for EU membership to Ukraine (23.06.2022).
- 3 June - the EC proposed to transfer €26.2m from the NDICI, originally earmarked for the 2021-2027 Interreg NEXT programmes with Russia and Belarus, to the same programmes with Ukraine and Moldova.
- 22-23.11.2022 – meeting in Brussels EC – all ENI programmes (ENI, NEXT and bilateral)



Updates on the legislative package 2021-2027

- CPR, Interreg Regulation – Jun 2021
- [NDICI Regulation](#) – Jun 2021 (Regulation (EU) 2021/947)
- [IPA III Regulation](#) - Sep 2021 (Regulation (EU) 2021/1529)
- The [IPA III programming framework](#) - adopted in Dec 2021
- EC adopted 2 Implementing Acts (Articles 8 and 11 IR) – Jan 2022:
 - => [Commission Implementing Decision 2022/74](#) with the list of Interreg Programmes and global allocations for each programme (Article 11)
 - => [Commission Implementing Decision \(EU\) 2022/75](#) with the list of Interreg programme areas receiving support (Article 8)
- [NDICI multiannual strategic document](#) adopted in Aug 2022
- [FAST-CARE](#) – proposal 29 June 2022 (adopted by EP 3 October 2022)



FAST-CARE proposal

- Modifies CPR 2013/1303 and CPR 2021/1060
- More flexibility in the implementation of the cohesion policy
- Open for mainstream and Interreg programmes, for all MS
- Examples of measures:
 - Possibility to declare expenditure for such operations that are physically completed;
 - Application of a co-financing rate of up to 100% for a separate priority axis that has been established for promoting the socio-economic integration of third country nationals;
 - Flexibility for payments of the final balance for each priority per Fund and per category of regions in the final accounting year from 10% to 15% (amended Article 130(3) “old” CPR)
 - Operations selected before 29 June 2022 to be co-financed from 2021-2027 (phasing of operations; total cost >/ EUR 1 m) – new Article 118a “old” CPR



Updates on the legislative package 2021-2027



- Figures in the Implementing Decision ([2021/1131](#) as of July 2021 – annual breakdown of global resources) – 2 tables:

Global amounts of the total support ≠ Amounts available for programming

- Global amounts of the total support = Amounts agreed by the Council and Parliament expressed in 2018 prices
- Amounts available for programming = 2018 prices indexed by 2% each year less amounts transferred for EU-wide activities

Updates on the legislative package for 2021-2027

Annual breakdown of global resources by MS under the ETC goal (Interreg in Implementing Decision 2021/1131 of 5 July 2021)

EUR 2018 prices

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Total |
|--------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Belgium | | | | | | | | |
| Bulgaria | | | | | | | | |
| ... | | | | | | | | |
| Total | 1 150 000 000 | 1 150 000 000 | 1 150 000 000 | 1 150 000 000 | 1 150 000 000 | 1 150 000 000 | 1 150 000 000 | 8 050 000 000 |

EUR current prices

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Total |
|--------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Belgium | | | | | | | | |
| Bulgaria | | | | | | | | |
| ... | | | | | | | | |
| Total | 1 220 389 202 | 1 244 796 985 | 1 269 692 924 | 1 295 086 781 | 1 320 988 519 | 1 347 408 289 | 1 374 356 454 | 9 072 719 154 |

Updates on the legislative package for 2021-2027

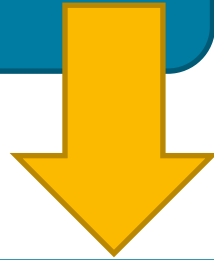
- Commission explanatory note on the application of the “do no significant harm” (DNSH) principle under the Cohesion - September 2021
- Draft of the risk-based management verification reflection note - December 2021 (to be adopted by end of 2022)
- Draft of the system assessment methodological note – June 2022
- Commission Notice on the Guidelines on the closure of operational programmes 2014-2020 ([Closure guidelines](#)) - October 2021 (to be revised, end of 2022)
- Q&A document on the draft closure guidelines - Version 3 published in March 2022



Impact of programme adoption on clearing

Scenario 1:

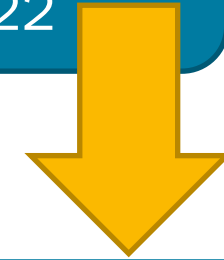
Programmes adopted in the
first half of 2022



- Pre-financing 2021 and 2022 will be paid in the **1st** accounting year (01/01/2021 – 30/06/2022)
- Pre-financing 2021 and 2022 will be cleared in 2023 (double clearing): 100% offsetting against PF 2023 and a net recovery of up to 1 pre-financing

Scenario 2:

Programmes adopted in the
second half of 2022



- Pre-financing 2021 and 2022 will be paid in the **2nd** accounting year (01/07/2022 – 30/06/2023)
- Pre-financing 2021 and 2022 will be cleared in 2024 (double clearing): 100% offsetting against PF 2024 and a net recovery of up to 1 pre-financing*

*PR 2023 cleared at closure!

Overview of pre-financing payments

| | Programmes adopted in the 1st half of 2022 | Programmes adopted in the 2nd half of 2022 |
|-------|--|--|
| Y2022 | PF 2021 & PF 2022 | PF 2021 & PF 2022 |
| Y2023 | PF 2021 offset against PF 2023 PF 2022 recovery (limited by submission of interim claims) | PF 2023 |
| Y2024 | PF 2024 | PF 2021 offset against PF 2024 PF 2022 recovery (limited by submission of interim claims) |

[Source: CPR Expert Group](#)

It is not possible to decline pre-financing of 2021 (even though programmes are adopted starting with 2022). Pre-financing amounts are then offset against next pre-financings.

Point of attention

- A programme is approved in the 1st accounting year (01.01.2021 – 30.06.2022) but got their pre-financing for 2021 and 2022 in the 2nd accounting year (01.07.2022 – 30.06.2023) – which scenario applies?
 - **Date of programme's adoption matters** – date of the EC's decision to adopt the programme. If before 30/06/2022 – 1st scenario applies (clearance of pre-financing 2021 and 2022 in 2023). If a programme is adopted in 2nd half of 2022, scenario 2 applies.



Decommitment targets in 2021-2027 (N+3)

- **Decommitment mechanism – Article 105-107 CPR (Interreg, IPA-CBC programmes)**
- Timing of programme's adoption affects the way decommitment targets are set;
- No Interreg programmes were adopted in 2021;
- No Interreg programmes had inter-service consultations finalised by the end of 2021 – **reprogramming mechanism** (no carry-over mechanism);
- A new financial plan with 2021 allocation split into 4 equal tranches over 2022 – 2025 should be submitted – 25% of the 2021 allocation is added to each of the following 4 years;
- Financial allocations start from 2022;
- Decommitment targets start from 2025: 1st decommitment target is increased by 25% of the 2021 allocation (2025 target – 2022 allocation + 25% of the 2021 allocation)



Decommitment targets in 2021-2027



- All programmes must be adopted by the end of 2022
- If not adopted, the 2021 allocation will NOT be reprogrammed and will be lost for the programme!
- IF inter-service consultation is finalised by the end of 2022 – carry-over procedure (programme to be adopted by March 2023)
- Commitments of last year (2027) – N+2 rule (to be closed by the final date of eligibility 31 Dec 2029) – no separate target, will be cleared with programme closure.

Template to calculate your programme's decommitment targets in 2021-2027



Template | Calculate your decommitment targets in 2021-2027

Fields of expertise: Decommitment

Date Published: 18/07/2022

Author: Interact Programme

Rate this



Total votes: 0

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- To be used by Interreg programmes (TN, CBC, INT)
- To be used by IPA-CBC programmes (TN and CBC)
- Not for NDICI programmes

Calculator to programme your programme's TA in 2021-2027



Calculator | Programme your TA 2021-2027

Fields of expertise: Interact IV 2021 - 2027

Date Published: 21/10/2021

Author: Interact Programme

Rate this



Total votes: 0

[Comment this](#)

Share this:

- To be used by all Interreg programmes (Interreg, IPA-CBC, NDICI programmes) – several tabs available (to fill in Table 8 of Interreg programme document)
- For all budget sizes programmes
- + [Factsheet on TA in 2021-2027](#)

Challenges connected with the TA flat rate in the first years



- First years' of programme implementation – cash flow challenges
 - Remedy: pre-financing (but cleared for the years 2021-2022)
 - Get national contributions for the TA in full at the beginning
 - Making use of savings from previous periods (**Art 59 CPR: TA actions financed may concern previous and subsequent programming periods**)
- Dependence on the projects' spending
 - Careful budgeting, planning and monitoring as TA is constantly “on the move”
- How to ensure receiving 100% of TA?
 - Ensuring high project spending level (overcommitment)
 - Budgeting TA on the lower scenario of projects' spending (e.g., 90%)



Question: can TA 2014-2020 be spent on activities of the 2021-2027 period (e.g., the website for 2021-2027 period, first meeting of MC for 2021-2027)?

- Article 59 CPR: TA actions financed may concern previous and subsequent programming periods (final date of eligibility for 2014-2020 is 31 Dec 2023; final accounting year – 1 July 2023 – 30 June 2024; final assurance package – 15 February 2025).



**Questions/
comments**

Cooperation works

All materials will be available on:

[**www.interact-eu.net**](http://www.interact-eu.net)

