

Welcome to InterFIN and to

Connecting the dots in Programme finances: so far, so good?

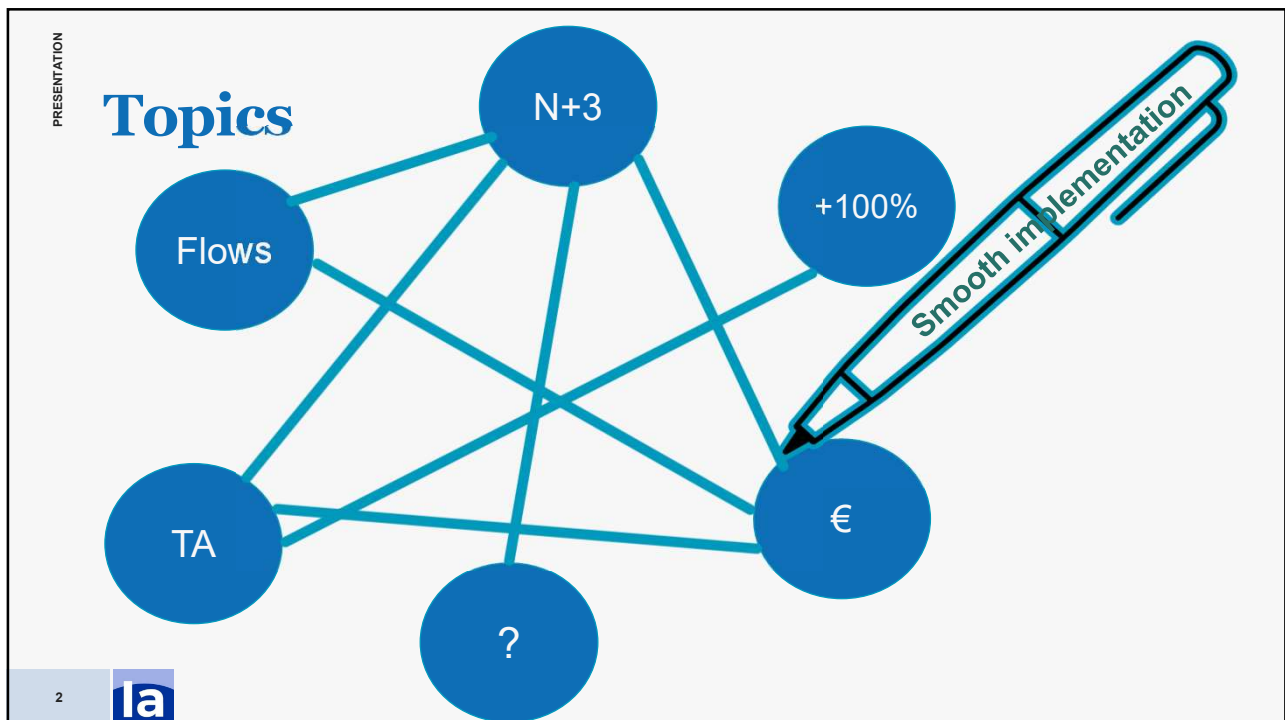
Sanna Erkkö, Pieter Louwers | Interact | 13.05.2025

Interact



Co-funded by
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Interreg

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Agenda

Intro
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Programme Financial implementation

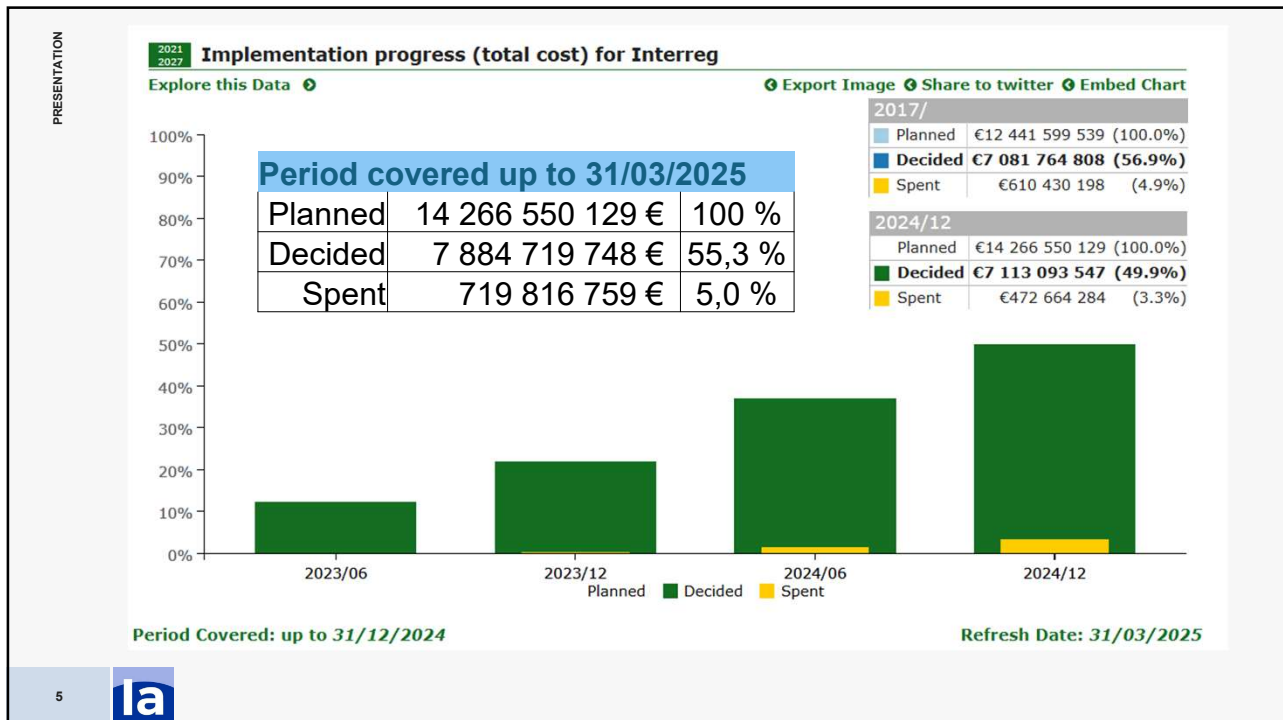
Includes

Commitment and spending levels as well
as payments from EC

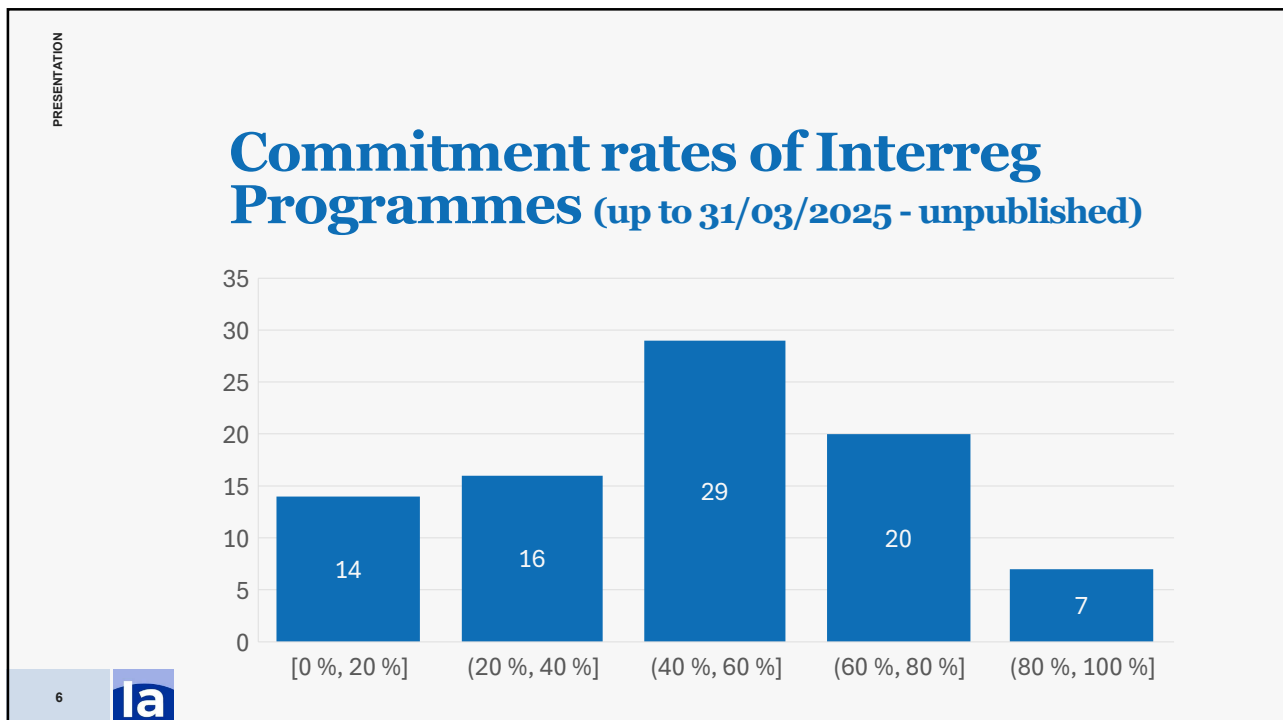
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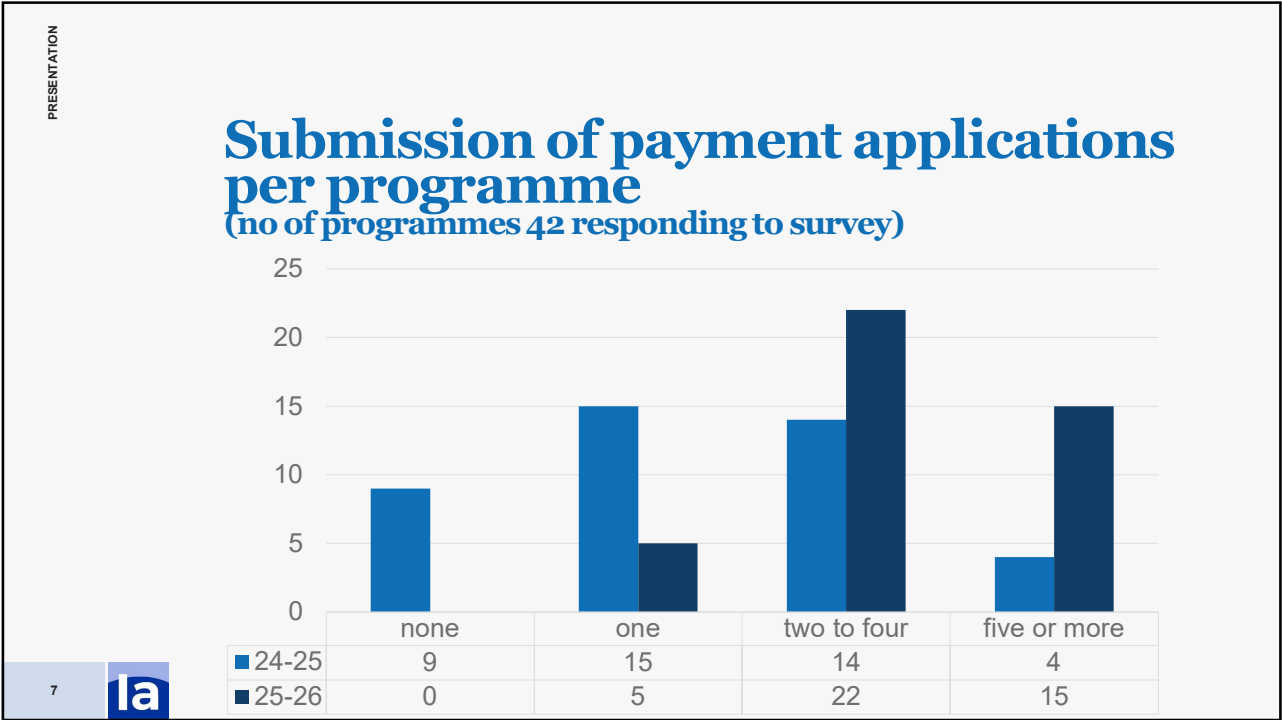
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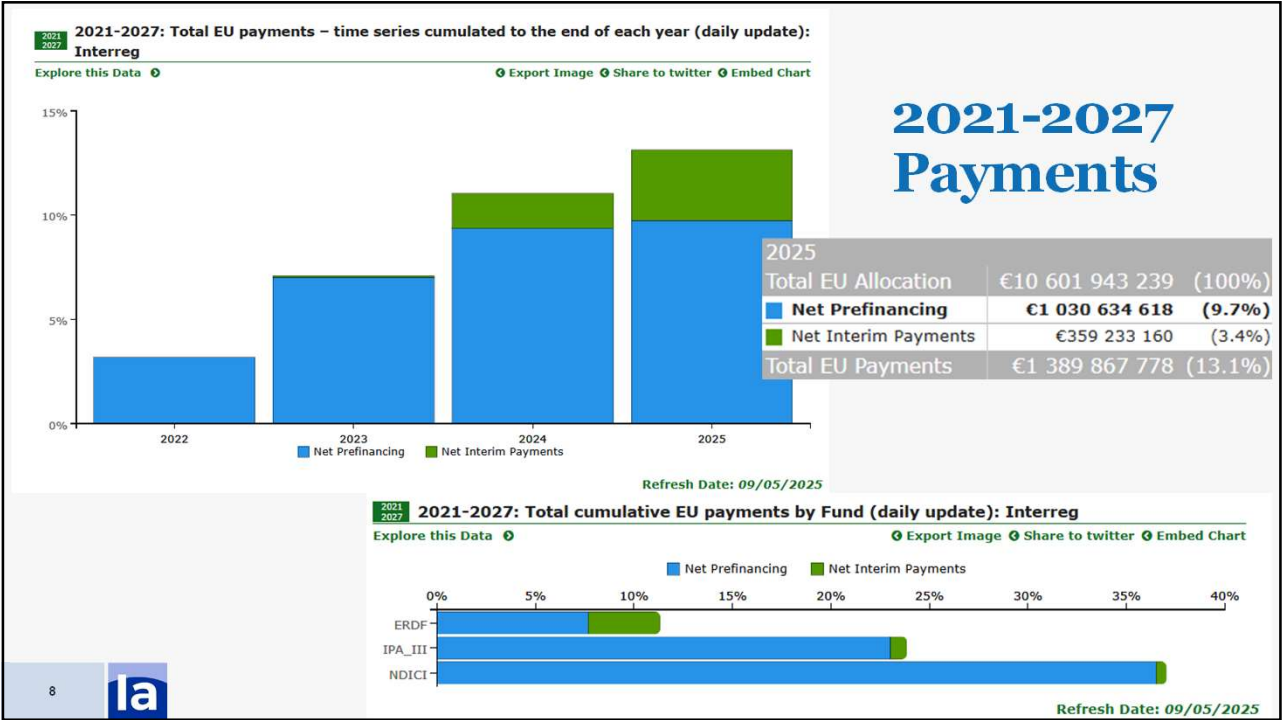
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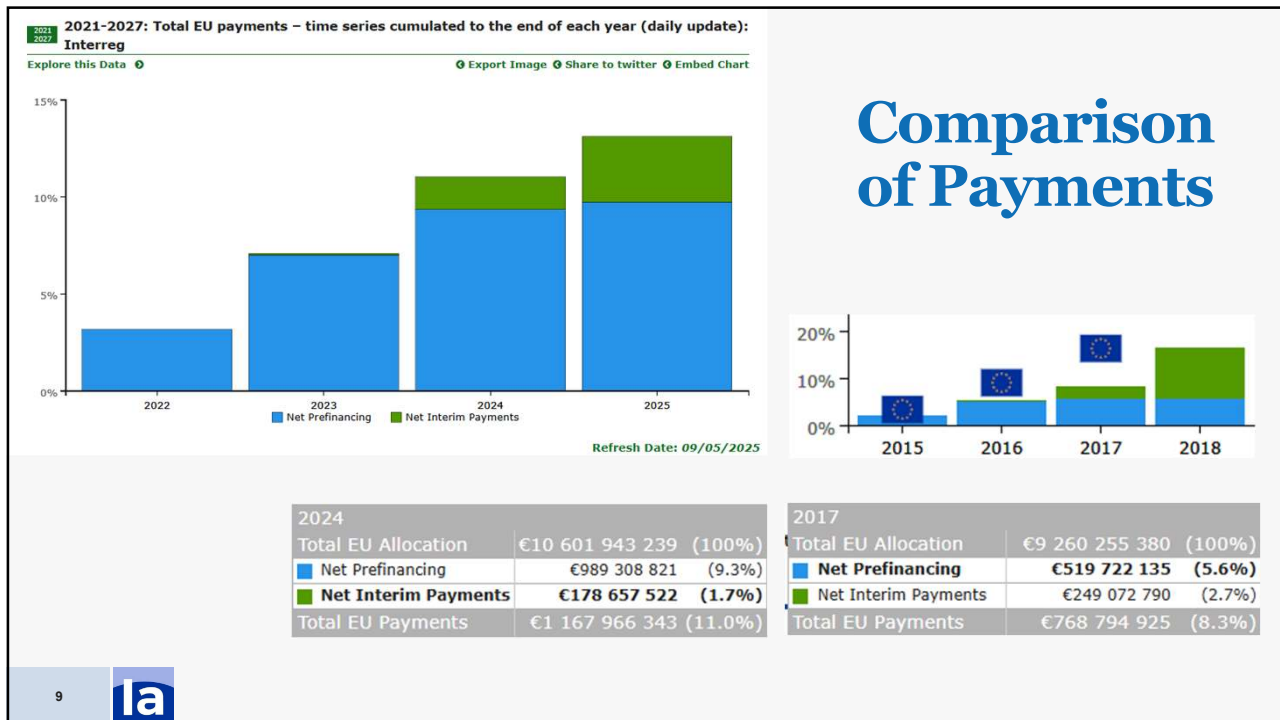
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PRESENTATION

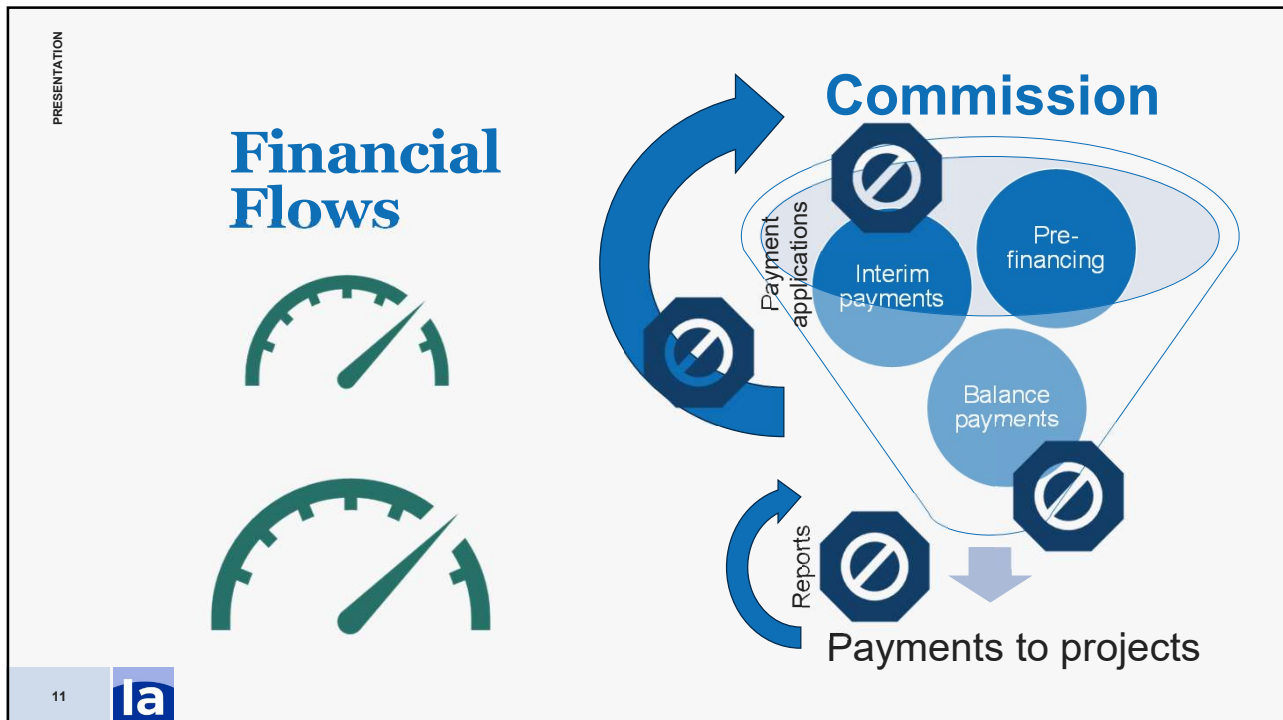
Financial Flows

Definition

Flow of funds from EC through programmes to the projects. Crucial to secure the liquidity of Interreg programmes and projects, to ensure smooth implementation of activities and delivery of results. Dependent on a few interconnected factors, e.g., programme pre-financing (and clearance of pre-financing), project spending, payment applications to EC and EC reimbursement, retention and annual balance.

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PRESENTATION

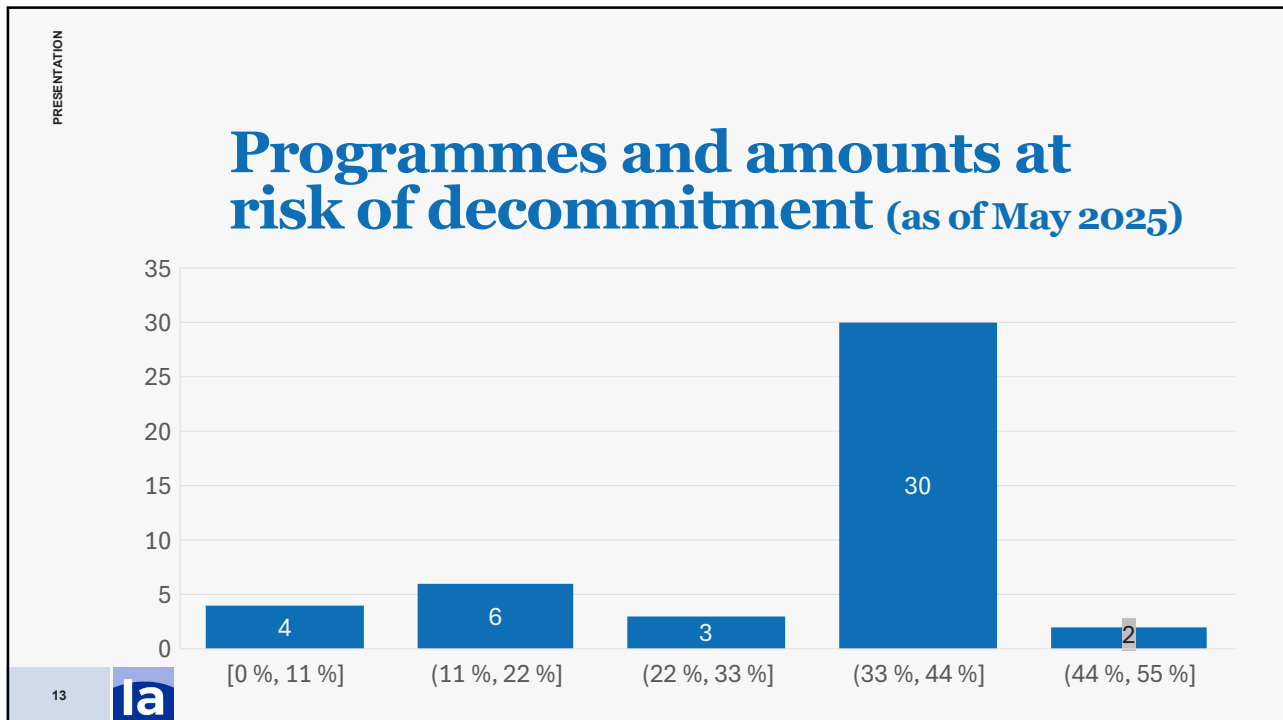
Decommitment and N+3 rule

Definition
Decommitment means that the unused amounts will be cut from the approved budget if targets are not reached.

N+3 rule means that the allocation for a specific year must be used by end of the third calendar year after this. For example, the allocation for 2022 must be used by end of 2025. The target is reduced with the cumulative amount of pre-financing.

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PRESENTATION

N+3 decommitment in 2021-2027

Commission Explanatory Note
from 31 May 2024 describing the methodology and procedure

First N+3 decommitment target is 31/12/2025 (for 2022 commitments)

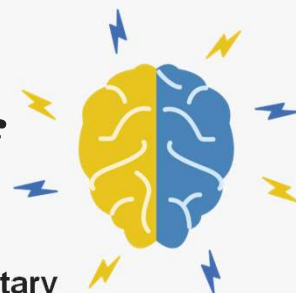
- All allocations of the programme until 2022 included
 - Minus the pre-financing for years 2021-2025
 - Minus payment applications submitted by 31/12/2025

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Decommitment in case of amendments



The yearly targets are calculated based on budgetary commitments; it is the year when the budgetary commitment was made that is taken as a reference.



A programme amended in 2023 with an increase of the 2022 allocation, that was budgetary committed only in 2023: **amended part is considered for the 2026 target** (and not 2025 target)

N+3 decommitment in 2021-2027

Steps and timing

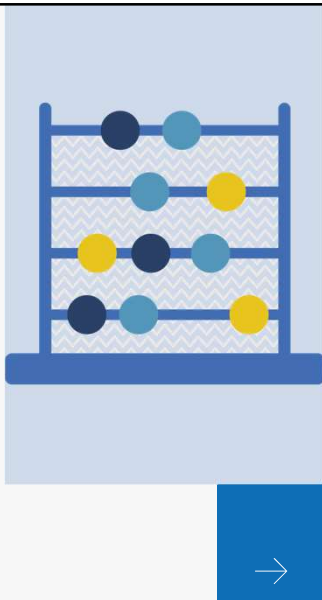
- Warning letter in February of year N+3
- Reminder in autumn of year N+3
- (Re)assessment on the financial outcome of year N+3 in January of year N+4
 - Amount to decommit established on programme level
- **Adjusting the budget per priority and per fund** by Programme by submitting amended financial plan by 30th June N+4



Technical Assistance (TA)

Definition

TA covers all costs incurred by different programme bodies for the management and administration of the programme and is part of the overall programme budget.




Overcommitment

Definition

Overcommitment means that a programme commits more than 100% of the allocated funds to projects to reach a higher programme spending rate even though individual projects are not spending all their budget.

PRESENTATION



General reflection

What are your takeaways?
Are there any things you would like to
discuss further (tomorrow)?

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