

Navigating project monitoring: practices, challenges, and new perspectives

Project changes

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Interact



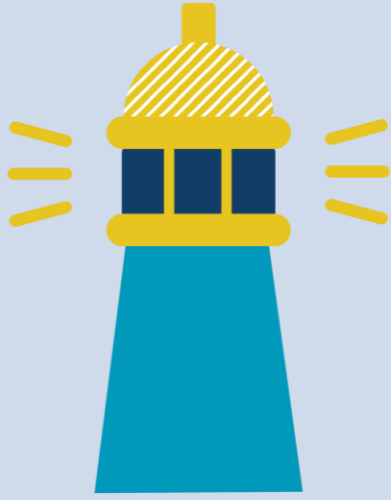
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Interreg



Programme's approach

Viktorija Dobravec
Interreg Central Europe
programme





WHY discussing project changes?



The project lifecycle

Decisive for the quality of the approach and to a certain extent for the implementation

Decisive for change and crisis management at later stages

Decisive to detect signs of crisis at an early stage, and determines the workload of JS/MA

Assessment and selection

Contracting

Monitoring Reporting Changes

Closure

Front of pipe

End of pipe

Project changes

WHEN and WHO

LP, MA, JS, MC

WHAT and HOW

Administrative changes/adjustments - > inform JS or during reporting
Minor modification/changes incl. flexibility - > LP, JS during the reporting
Major modification/changes - > MA, MC approval

Changes in project budget

Flexibility

LP decides, reported

Minor modification

Prior written approval by JS, reported

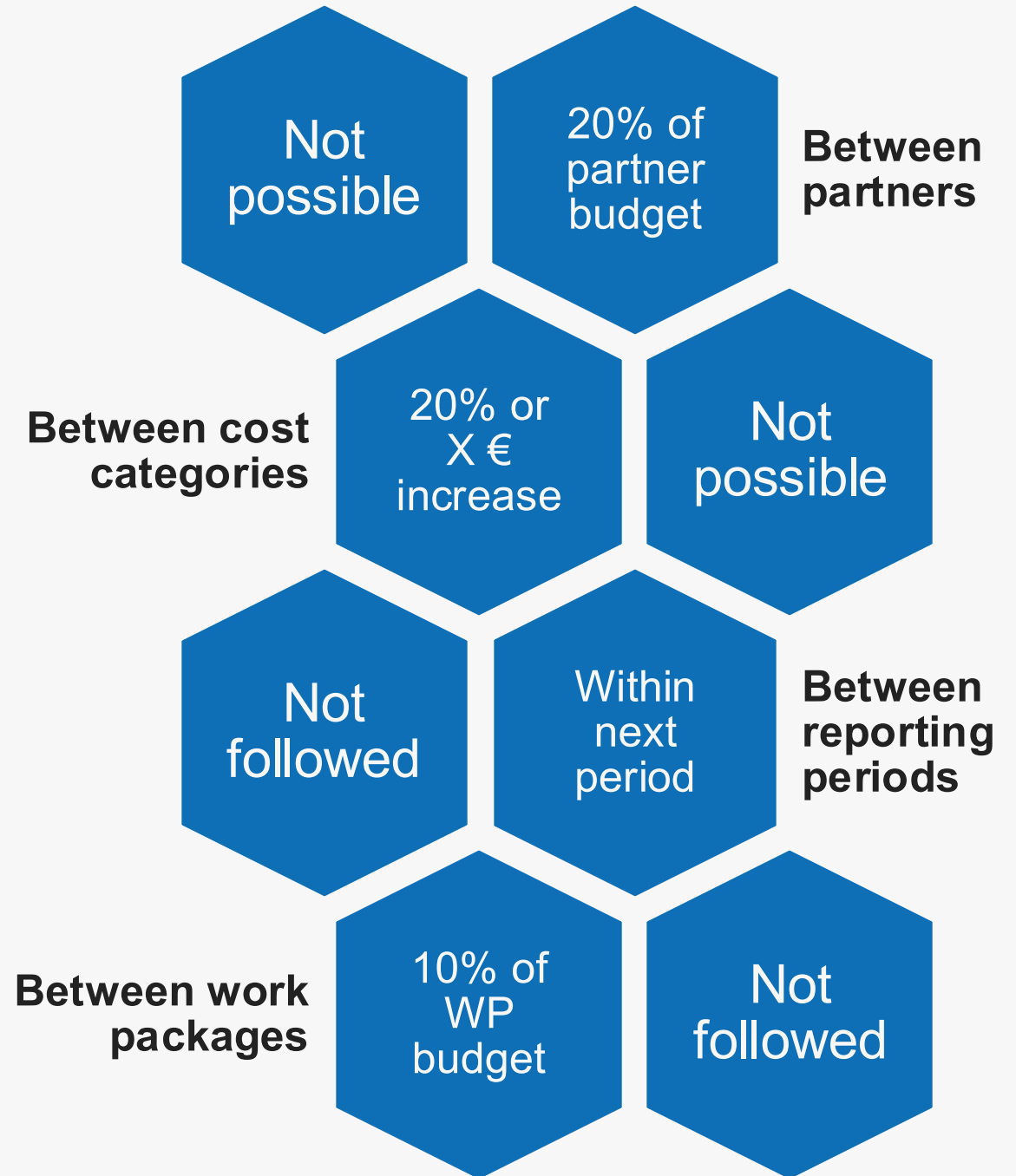
Budget change

Change in project budget in AF, formal approval either by MA or MC

Flexibility

Flexibility

the room to manoeuvre within the project budget without changing the application form



Aim of today's session

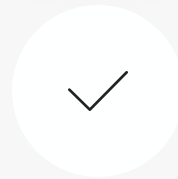
Engage in an open discussion on how you navigate and manage project changes within your programmes by sharing experiences and effective practices.



What kind of project changes are you seeing in your programmes?



What makes them difficult to deal with – from both sides?



And what could be improved – whether it's rules, communication, or internal support mechanisms?

MOST COMMON PROJECT CHANGES IN INTERREG PROGRAMMES

- Extension of project duration
- Modification of activities
- Budget reallocation
- Changes to partnership

Generated with AI



Let's start with an exercise

In your experience, which type of change is **most common** in your programme? → Please raise your hand.

Project changes: dotting exercise

Administrative changes ●

Minor changes ●

Major changes ●

Change of LP bank account	Shifting 5% of budget between partners	Adding a new partner to take over a legacy phase	Moving a stakeholder workshop from month 12 to month 15	Reducing a target for a pilot solution indicator
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WHO is involved: JS, MA, MC?

WHEN does it happen?

Group work

Project: CircPlus - Circular economy for local & urban sustainability

To develop and implement cross-border/transnational circular economy solutions in the participating regions by fostering knowledge exchange, joint pilots, and capacity building, thereby promoting resource efficiency, sustainable production and consumption patterns, and regional cooperation.

Theme: Circular economy

Partnership: 5 Partners (Country A, B, C, D, E)

Budget: 1.2M EUR

Project duration: 30 months

Cost basis: Mixed SCOs (hourly rate and flat rates) and real costs

Partnership and budget setup

- All partners use hourly rate per country, that is mandatory
- LP: Regional Development Agency -> Uses the 40% flat rate (covers travel, office, expertise, and equipment based on staff costs)
- PP2: Municipality -> Mixed approach. Flat rates for office/admin (15%) and travel costs (10%) and real costs for external expertise and equipment
- PP3: Waste Management Association -> Uses the 40% flat rate
- PP4: Environmental NGO -> Mixed approach. Flat rate for office/admin (15%) and real costs for travel costs, external expertise and equipment
- PP5: National Institute for Sustainability -> Mixed approach. Flat rates for office/admin (15%) and travel costs (10%) real costs for external expertise and equipment

The reporting bottle-neck

(month 13)

The situation

Period 2 ends.
The LP and PPs2-3-5 have verified costs. PP4 is 5 weeks late because their national controller is requesting more evidence for equipment costs.

The task

Discuss and decide: Should the LP wait for PP4 or submit a "partial report"?
Identify: What document is not required for the LP's "other costs" check? What about PP2?

Happy changes

(month 14)

The situation

A staff member from the LP (topic expert) will go on parental leave. Hiring substitute would take time, so partners have agreed that PP3 takes over the tasks during the leave (LP estimate: 1400 hours).

The task

Identify and calculate: How the transfer could practically be made in the budget?

Discuss and decide: What aspects should be considered? Could programme flexibility be used in this case?

Happy changes

■ Hours to transfer (LP)	1400
■ Staff cost per hour (LP)	25 EUR
■ Staff cost to transfer	35 000 EUR
■ Staff cost per hour (PP3)	35 EUR
■ Hours to transfer (PP3)	1000
■ 40 % flat rate to transfer	14 000 EUR
■ Total to transfer	49 000 EUR
■ % of LP budget	14 %
■ % of PP3 budget	24 %

SCOs and project changes

Not possible

changing the form of reimbursement

Flat rates: changes in the % used and changes in what is included in the basis costs

Unit costs: the € amount of unit cost during the project

Lump sums: changes in outputs / payment triggers

SCOs and project changes

Possible

most changes having impact on budget, also transfers from one partner to another

Flat rates: increases and decreases in € amounts if basis costs are modified

Unit costs: increasing or decreasing no of units

Lump sums: duration and mode of implementation

The partnership modification

(month 16)

The situation

The NGO PP4 must withdraw due to internal restructuring. PP2 offers to take over their remaining tasks and their 200,000 EUR budget (approx. 17% of the project total budget)

The task

Discuss and decide: The project change type
Identify: What are the approval steps?

The quality dilemma

(month 19)

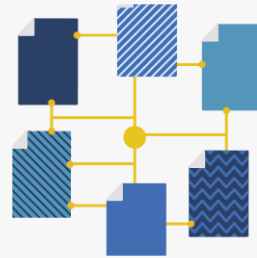
The situation

The mid-term review shows the project "Joint strategy" (linked to programme RCO83) output indicator is actually a set of five separate local reports with no shared methodology.

The task

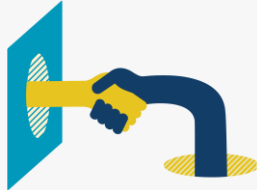
Discuss and decide: What would be the validation criteria for such an output?
Identify: Any potential financial sanction

Verification of outputs and results



Submission of supporting evidence

Timing of verification



Use of sampling and spot-checks

Underperformance

(month 24)

The situation

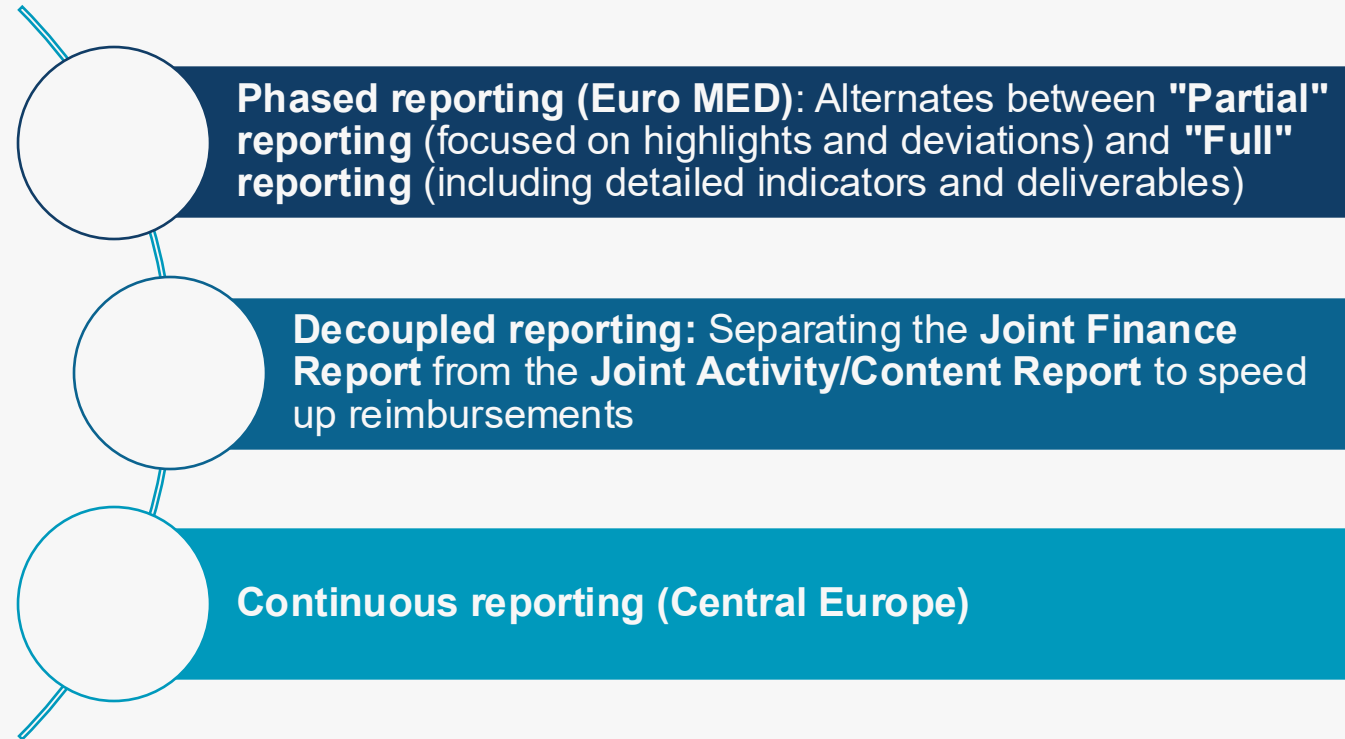
Due to the PP4 withdrawal, the project has only spent 65% of its forecast. The LP asks for a 6-month extension to catch up.

The task

Discuss and decide: does this triggers an automatic budget reduction?

Reflect: is the deadline for the extension request appropriate?

Highlights on reporting formats



Types of project change

Minor/Administrative

Updates to contact data, bank accounts, or technical work plan shifts that do not affect the intervention logic

Major/Complex

Partnership changes, extensions, or significant budget reallocations. These require **Managing Authority (MA)** or **Monitoring Committee (MC)** approval and often a formal **Addendum to the Subsidy Contract**.

Budget flexibility thresholds

How far budgets can shift without formal approval?

10%: South Baltic and Estonia-Latvia (at total project budget level)

15%: Danube Region (between cost categories per partner)

20%: IPA ADRION (at project level per cost category)

100%: Euro MED allows total flexibility between cost categories for individual partners, provided their total approved budget is unchanged

What is your practice?

Is it possible in your programme to report costs deviating from the budget to some extent?

How crucial is detailed budget monitoring to reaching project results?



Quality-focused monitoring & indicators

How programmes ensure **quality**?

Output quality checks

Outputs (strategies, solutions, pilots) are reviewed before reimbursement to ensure quality

Proactive reviews

First-Year / Mid-term reviews identify risks early and guide work plan updates

Indicator alignment

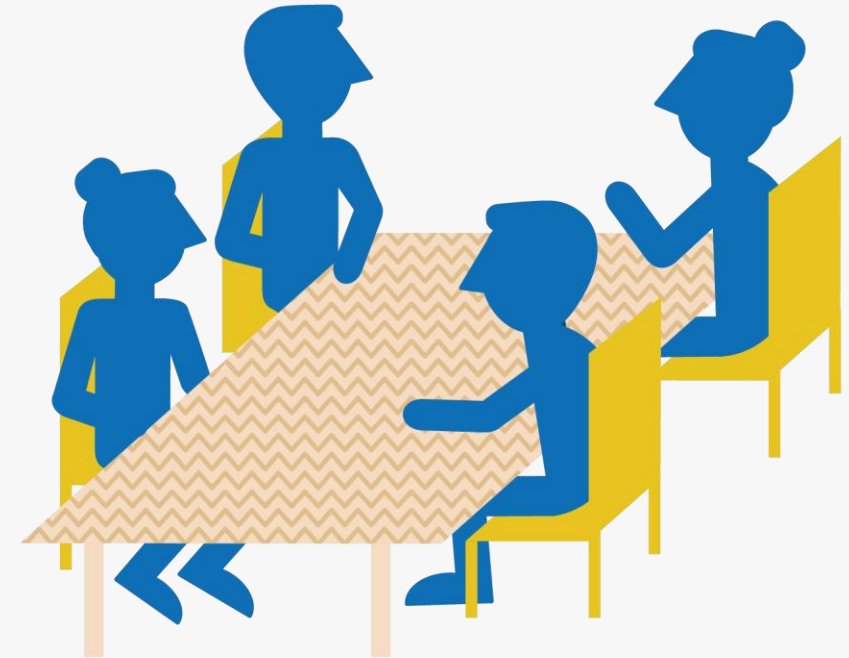
Monitoring links outputs to programme result and output indicators to track tangible impact

Other?

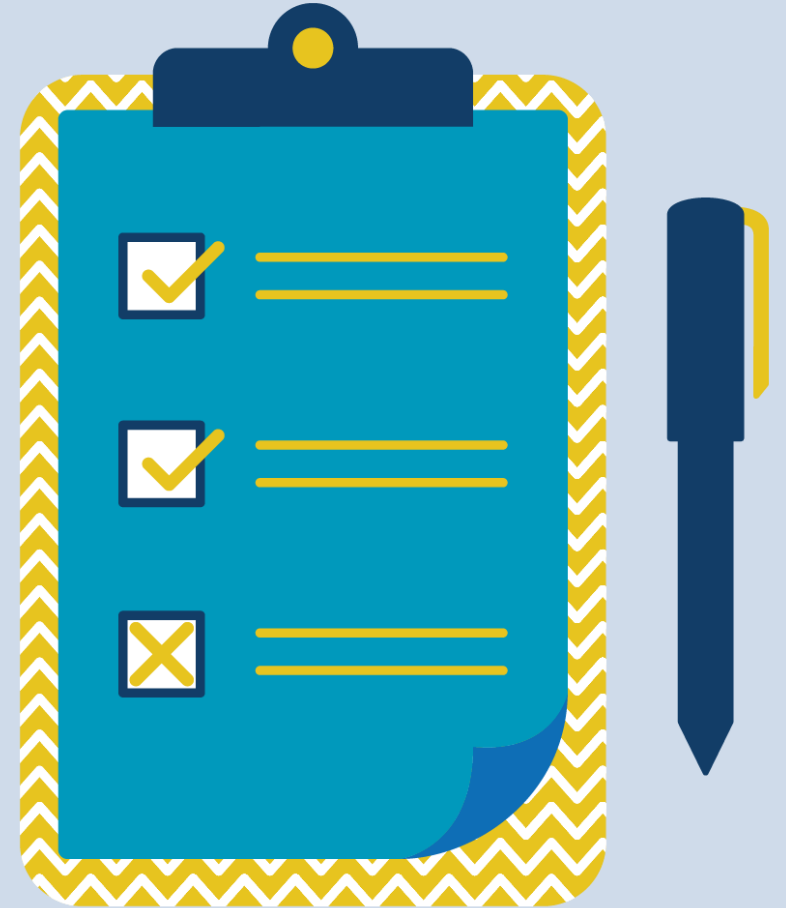
Time to reflect

Can SCOs contribute to smooth project implementation and monitoring? Why/who not?

What is one thing you would change in in your programme workflows related to project finances (e.g. budget monitoring, budget changes, SCOs)? How would it help you support projects?



Thank you for the great exchange!



Resources for the monitoring

Fact sheet

Project implementation and monitoring



Ch3 Project implementation PMH 21-27 (4).pdf

Certified training

Project assessment, monitoring and verification

Stock taking

of common Interreg indicators 2021–2027



Report_Stock taking of common Interreg indicators in 2021-2027_November 2024 (3).pdf

Fact sheet

Project closure



Ch2 Project closure PMH 21-27 (2).pdf

Event

Project closure 2026 autumn

Event

Project closure 2026 autumn

KISS reflection for the future

What do we
want to **KEEP**?

What must be
IMPROVED?

What could be
STOPPED?

What should
we **START**
anew?

Cooperation works

All materials will be available on:
Interact.eu/Library

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Primary knowledge area

Project reporting, monitoring and closing

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