

Goodbye cost checks?

The future of control & audit post27

Interact/ 29.04.2026

Interact



Co-funded by
the European Union
Interreg

What this event is (not) about

- It is about starting the discussion about control and audit in the post27 period
- It is about gathering questions and discussing possible solutions in order to prepare for post27
- It is about understanding
- It is about inspiration
- It is not about providing definite answers to the questions on how the control and audit will look like in the new period
- It is not about one-way presentation
- It is not about deciding
- It is not about finalization

Agenda

01

Welcome and
introduction

02

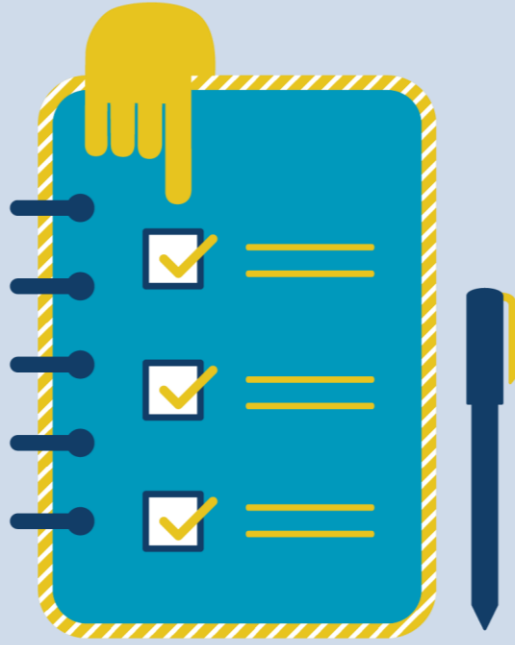
What does the
draft regulation
say?

03

Plenary
discussion

04

Wrap-up and
closure



Regulatory framework

...on control and audit



Three Blocks

Horizontal Regulations

MFF Regulation

Performance Regulation

The “Plan” Regulation

European fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security

Fund-specific Regulations

ERDF/Cohesion Fund (including Interreg)

NRP Regulation

Recital 53

To reduce the administrative burden and costs on recipients of Union funding as well as to avoid duplication of audits and management verifications of the same measures, the concrete application of the single audit principle should be applied for the Fund. The audit authority should carry out audits and ensure that the audit opinion provided to the Commission is reliable. That audit opinion should provide assurance to the Commission that the Member State's management and control systems function properly, and that the assertions made in the management declaration submitted by the coordinating body are correct.

NRP Regulation

Recital 54

In accordance with the principle and rules of shared management, Member States and the Commission should be responsible for the management and control of the Plans and give assurance on the legal and regular use of the Union funds. Since Member States have the primary responsibility for such management and control, they should ensure that operations supported by the Fund comply with applicable law, including applicable public procurement and State aid rules..

NRP Regulation

Article 4 Definitions

(2) 'applicable law'

means Union law and the national law directly relating to its application

(35) 'irregularity'

means any breach of applicable law, which has, or would have, the effect of prejudicing the budget of the Union by receiving **unjustified reimbursement based on milestones, targets and outputs to that budget**;



Article 2(31) CPR

*'irregularity' means any breach of applicable law, resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the budget of the Union by **charging unjustified expenditure to that budget***

NRP Regulation

Article 51(1)(b)

Functions of the Managing Authority

(b) carrying out management verifications to ensure the fulfilment of the milestones and targets set out in the Plan and the effective use of funds in compliance with applicable law; for the purposes of drawing up the management declaration, the managing authority is not expected to verify the underlying costs of the operations;



Article 74(1) CPR

a) carry out management verifications to verify that the co-financed products and services have been delivered, that the operation complies with applicable law, the programme and the conditions for support of the operation, and:

NRP Regulation

Article 51(2)

Functions of the Managing Authority

2. Management verifications referred to paragraph 1, point (b) shall be risk-based and proportionate to the risks identified ex ante and in writing.



Article 74(2) CPR

Management verifications referred to in point (a) of the first subparagraph of paragraph 1 shall be risk-based and proportionate to the risks identified ex ante and in writing.

NRP Regulation

Article 51(1)(c)

Functions of the Managing Authority

(c) applying effective and proportionate measures and procedures, taking into account the risks identified, to prevent, detect, and correct irregularities, including fraud, corruption, conflict of interests, and double-funding and ensure compliance of the underlying operations with applicable law, in accordance with the relevant key requirements set out in Annex IV [key requirements];

NRP Regulation

Article 51(3)

Functions of the Managing Authority

Management verifications shall include administrative verifications in respect of payment claims made by beneficiaries and on-the-spot verifications of operations. Those verifications shall be carried out before submission of the annual assurance package in accordance with Article 59.



Article 74(2) CPR

Management verifications shall include administrative verifications in respect of payment claims made by beneficiaries and on-the-spot verifications of operations. Those verifications shall be carried out before submission of the accounts in accordance with Article 98.

NRP Regulation

Article 53(1)

Functions of the Audit Authority

The audit authority shall be responsible for carrying out audits on the fulfilment of milestones and targets, and system audits in order to provide assurance to the Commission regarding the effective functioning of the management and control systems, including whether the management and control systems ensure the legality and regularity of the underlying transactions and the effective and timely protection of the financial interests of the Union. The audits shall provide assurance on the effective use of funds in compliance with the applicable law.

Article 77(1) CPR



The audit authority shall be responsible for carrying out system audits, audits on operations and audits of accounts in order to provide independent assurance to the Commission regarding the effective functioning of the management and control systems and the legality and regularity of the expenditure included in the accounts submitted to the Commission.

NRP Regulation

Article 53(4)

Functions of the Audit Authority

The audit authority is not expected to verify the underlying costs of the operations for the purpose of its audit work.

NRP Regulation

Article 58(1)

Responsibilities of Member States

The Member States shall take appropriate measures to protect the financial interests of the Union and to ensure that the use of funds in the implementation of the Plans complies with the applicable law, including applicable public procurement and State aid rules. They shall in particular ensure the prevention, detection, correction and reporting of irregularities, including fraud, corruption and conflicts of interest.

NRP Regulation

Article 58(2)

Responsibilities of Member States

- a) establish effective and efficient management and control systems for their Plans in accordance with the key requirements set out in Annex IV and ensure their proper functioning in accordance with the principle of sound financial management;
- b) ensure and regularly check that the support provided has been properly used to achieve the established milestones and targets or outputs and take all the appropriate actions to ensure that the use of funds in the implementation of the Plans complies with applicable law;
- c) take appropriate measures to prevent, detect and correct irregularities including fraud, corruption, conflicts of interest, including the use of data mining tools;
- d) apply corrective measures where the applicable law is not respected;
- e) ensure the avoidance of double funding from the Union budget, and take immediate measure to correct any situation of double funding [...]

Horizontal rules

Sound financial management

- Regulated in FR Art. 63.1 FR

Prevention, detection, correction of irregularities and fraud

- Anti Fraud Architecture – data + modern technologies
- Arachne+ and EDES
- Double funding
- Corruption, fraud and Col
- Regulated in FR Art. 63.2(c)

Arachne+ and Beneficial Owners

- Provision of data mandatory under FR Art 36(6) from 1 Jan 2028, use voluntary now
- On recipient, operation, beneficial owners

Conflict of interest

- Use of data-mining tools
- Regulated in FR Art. 61

Horizontal rules: State aid

General Block Exemption Regulation

- Current Reg. applicable until end 2026
- Draft new regulation published
- New Article 18 still based on thresholds (EUR 2,2 million, EUR 22 000 resp.)
- Comments from Interreg

De minimis

- Aid where the gross grant equivalent of the aid can be calculated ex ante
- Based on threshold (EUR 300 000)
- eAidRegister + national registers
- Applicable until end 2030

Horizontal rules: Public procurement

Recent and future developments

- **Regulatory reform:** reform proposal for public procurement directives
- Public consultation with more than 1000 responses from all over the world - demand for **more flexible** and strategic EU procurement framework
- Legislative proposal expected to be published in the **Q2 2026 (soon!)**

ANNEX XI
Template for the payment applications

Reference: Article 65(2) [submission and assessment of payment request]

| National and Regional Partnership Plan | |
|---|--|
| Member State: | |
| Commission decision approving the Plan: | |
| Date of Commission decision: | |
| Payment application number: | |
| Date of submission of the payment application: | |
| Number of milestones and targets for which a payment is requested | |
| <i>Of which funded by grants</i> | |
| <i>Of which funded by loans (if applicable)</i> | |
| Total amount requested for fulfilled milestones and targets | |
| Total amount requested for other interventions: | |
| Amount requested for financial assistance: | |
| Total amount requested | |
| <i>Of which funded by grants</i> | |
| <i>Of which funded by loans (if applicable)</i> | |

LIST OF MILESTONES AND TARGETS FOR WHICH A PAYMENT IS REQUESTED

| Seq. number | Specific Objective | Chapter | Measure | Funded under Grants or Loans | Name of milestone /target | Qualitative indicators (milestones) | Quantitative indicators (targets) as established in Regulation XXX (Performance regulation) | | | | Timeline for achievement | | Requested amount | Institution responsible for verifying the fulfilment of relevant milestone/target and for keeping the documents for the audit trail |
|-----------------------------------|--------------------|---------|---------|------------------------------|---------------------------|-------------------------------------|---|----------|----------------|-----------------|--------------------------|------|------------------|---|
| | | | | | | | Unit of measure | Baseline | Initial Target | Target achieved | Quarter | Year | | |
| | | | | | | | | | | | | | | |
| Total requested for grants | | | | | | | | | | | | | | |
| Total requested for loans | | | | | | | | | | | | | | |

For output-based interventions

| Seq. number | Specific Objective | Chapter | Measure | Output indicator as established in Regulation XXX (Performance regulation) | | Requested amount | Institution responsible for verifying the information provided and for keeping the documents for the audit trail |
|---|--------------------|---------|---------|--|-----------------|------------------|--|
| | | | | Unit of measurement | Output reported | | |
| | | | | | | | |
| Total requested for output-based interventions | | | | | | | |

ANNEX VIII

Criteria for the assessment of the fulfilment of milestones and targets

The assessment of the fulfilment of milestones and targets set out in Article 63(3) shall take into account

- The purpose and the expected result of the milestone and target as planned and based on the outcome, taking into account the fulfilment of the individual requirements set out therein;
- The context provided by the description of the measure to which the milestone or target belongs and the other relevant sections of the National and Regional Partnership Plan;
- The documents listed as reference framework for the preparation of the plan in Article 22(2) and documents submitted via SFC and any further explanation as regards the fulfilment including correspondence with national and regional authorities;
- Other data or information sources in relation to the qualitative aspects and circumstances related to the fulfilment of a milestone or a target;
- Different methods or procedures used as compared to those originally envisaged;
- Whether the deviation from the wording of the description of the milestone or target hinders its fulfilment and the intended result or imply any breach of the applicable law.

NRP Regulation

Article 59 (1)

Submission of the annual assurance package by the Member States

- a) Implementation progress (Annex IX) **(No more accounts!)**
- b) Summary of the audits
- c) Management declaration (Annex XII)
- d) Annual audit opinion (Annex XIII)

NRP Regulation – Annex XII

Template for the management declaration

Signing the management declaration is a function of the Managing Authority (Art. 51(1)(k))
Declaration includes that

- (a) The **funds were properly used in accordance with the applicable law** with a view to achieving the objectives established in the National and Regional Partnership Plan.
- (b) ...that the **audit trail for the measures concerned is in place**.
- (c) The management and control systems in place function properly, ensure the legality and regularity of the underlying transactions and give the necessary assurances that the **funds were managed in accordance with all applicable rules**, including on prevention, detection, correction, reporting and follow-up of irregularities including **conflicts of interests, corruption, double funding and fraud prevention**, in accordance with the principle of sound financial management and in compliance with the **applicable law, [including applicable public procurement and State aid rules]**.

NRP Regulation – Annex XIII

Template for the audit opinion

Drawing up the audit opinion is a function of the Audit Authority (Art. 53(2)(a))

Audit opinion includes that

1. the data entered in the payment application(s) [...] is **complete, accurate and reliable**.
2. the management and control system put in place functions properly and ensure the effective and timely protection of the financial interests of the Union and the legality and regularity of the **underlying transactions**.
3. the use of the funds is **compliant with the applicable law**.

ERDF Regulation

Article 10(3)

Functions of authorities responsible for the Interreg Plan chapter and the monitoring committee

The Member State and, where applicable, the non-Member State participating in the Interreg Plan chapter, may decide that management verifications referred to in Article XX [function of the managing authority] of Regulation (EU) [NRP Regulation] are to be done through the identification by each Member State of a body or person responsible for such verification in its territory. The Commission may lay down further requirements to be met by such bodies or persons in the implementing act provided for in Article 9(1) [approval and amendment of the Interreg Plan].



Article 46(3) Interreg

ERDF Regulation

Article 10(5)

Functions of authorities responsible for the Interreg Plan chapter and the monitoring committee

In addition to the rules laid down in Article 52 [functions of the audit authority] of Regulation (EU) [NRP Regulation], for the purpose of the Interreg Plan chapters, where the audit authority does not have the authorisation to carry out its tasks in the whole territory covered by a cooperation programme, it shall be assisted by a group of auditors composed of a representative from each Member State and, where applicable, non-Member States participating in the Interreg programme. Each Member State and, where applicable, non-Member State shall be responsible for audits carried out on its territory.



Article 48(1) Interreg

Programming – summary of the main steps

1. Ex ante determination of the costs, EU contribution and intervention fields

An ex-ante cost estimate for each of the measures included in the chapter, together with an indication of:

- the associated level of EU contribution, (taking into consideration the minimum contribution rate for Interreg set out in Article 20 NRPP)
- the corresponding intervention field(s) and result indicator based on Annex I of the Performance Regulation .

2. Definition of milestones, targets, outputs and pay-out values

Individual milestone(s) and target(s) associated to each measure, along with their indicative timeline for completion.

- The list of output indicators provided in Annex I of the Performance Regulation for the corresponding intervention field(s) should be used as reference for the final targets or may also serve for the definition of interim targets.
- The pay-out values will be defined based on the EU financial contribution to the underlying measure



3. Verification mechanisms

- for each milestone and target : description of the document(s)/system that will be used to verify their achievement, how management verifications will be carried out and how the audit trail will be ensured.



ERDF Regulation – annex

Template for the Interreg plan chapter

3. Financing and costs

For each measure:

(b) Verification of the achievement of milestones and targets

| Measure ID | Milestones/ targets | Describe what document(s)/system will be used to verify the achievement of the result or condition (and where relevant, each of the intermediate deliverables); Describe how management verifications (including on-the-spot) will be carried out; Describe what arrangements will be made to collect and store relevant data/ documents. | Measure ID |
|------------|---------------------|---|------------|
| | | [2 000] | [1 000] |

2021-2027 Financing not linked to costs

Appendix 2 (Article 95 CPR)



10. Verification of the achievement of the result or condition (and where relevant, the intermediate deliverables):

- describe what document(s)/system will be used to verify the achievement of the result or condition (and where relevant, each of the intermediate deliverables);
- describe how management verifications (including on-the-spot) will be carried out, and by whom;
- describe what arrangements will be made to collect and store relevant data/documents.

ERDF Regulation – annex

Template for the Interreg plan chapter

4. Arrangements for the implementation of the chapter

(a) Arrangements for the effective monitoring and implementation of the chapter

Text field [3 000]

(b) Arrangements and systems to ensure a regular, effective and efficient use of EU resources, in compliance with sound financial management and the protection of the financial interests of the Union in line with Article XX [Responsibilities of Member States for the Interreg chapter];

Text field [3 000]

(c) Chapter authorities

| Chapter Authority | Name of the Institution [500] | Contact name [200] |
|--------------------|-------------------------------|--------------------|
| Managing Authority | | |
| Audit Authority | | |

(d) Summary of the consultation process conducted for the preparation of the chapter and the role of partners in implementation, monitoring and evaluation

Text field [2 000]

EN

3

EN

(e) Description of the apportionment of liabilities among the participating Member States and, where applicable, non-Member States, in the event of financial corrections imposed by the managing authority or the Commission

Text field [2 000]

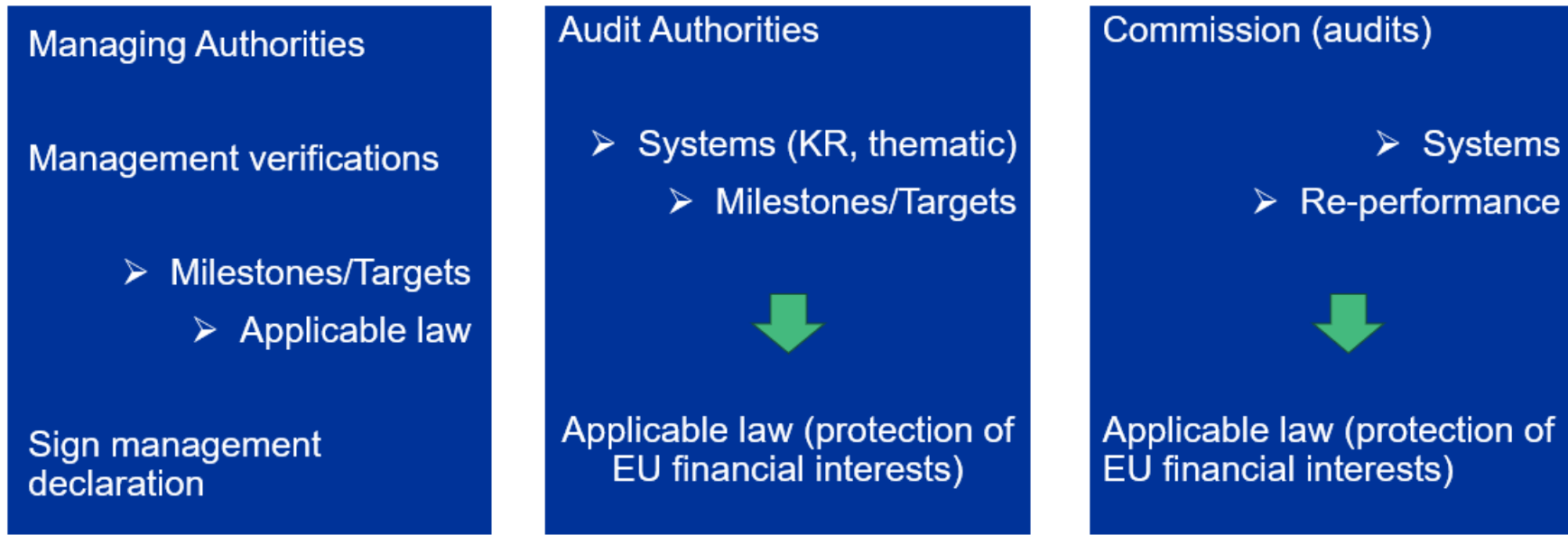


**...from other sources,
discussions on the
proposals**

- for information and inspiration

DG Regio TN network on simplification Meeting in Dublin

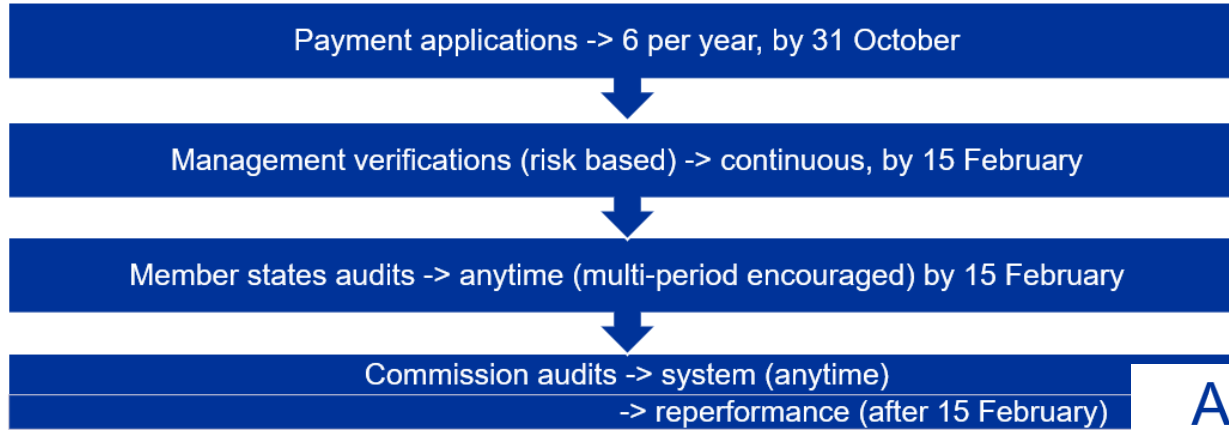
Assurance building blocks



DG Regio TN network on simplification

Meeting in Dublin

TIMELINE



Assurance package

Managing Authority(ies):

- Management declaration
- Report on progress (Plan)

Audit Authority(ies):

- Audit opinion
- Audit summary (former annual control report)

DG Regio TN network on simplification

Meeting in Dublin

Costs

- Cost verifications are not expected to be made for the purposes of verifying the fulfillment of milestones or targets.
- Supporting documents, including invoices, should be checked proportionately, in line with the audit and control system set up by the Member State / region, to verify compliance with the applicable law.
- In other words, while the verification of underlying costs is not required for the objective-based delivery model, cost related information might still need to be used for audit purposes, such as invoices and accounting records as supporting evidence to carry out checks on the compliance with applicable law (e.g. absence of double funding, compliance with public procurement procedures and State aid rules).

9



DG Regio TN network on simplification

Meeting in Dublin



Panel discussion on 'Preparing for 2028-2034'

Topic B – Audit and assurance in 2028 - 2034

Looking at the **Commission's proposal for assurance and audit** presented in session II.2, you are kindly invited to address the following discussion points:

B.1 Key issues on audit and assurance in post 2027 – what specific issues should be addressed to facilitate the work of the Member State in implementing the proposal for assurance and audit in 2028-2034?

B.2 Possible solutions on audit and assurance in post 2027 – what practical solutions should be considered by the Member States to overcome the issues you have identified (under question B.1) ?



Panel discussion on 'Preparing for 2028-2034'

Outcomes of the world café – topic B: Audit and assurance in 2028 - 2034

B.1 Key issues on audit and assurance in post 2027

- How can we ensure that **NRPPs** are consistently just, fair, specific, and sufficiently detailed and not vague or ambiguous across all MS?
- Operationalised concept of verification and audit of **applicable law** – it is still unclear (State Aid, Public Procurement, Conflict of Interest, Double financing, all other) – how to ensure compliance / reliance on national controls.
- Will PP and SA requirements be explicitly set out in the Regulation, or will Member States be left to determine the approach themselves?
- The concept of 2F within the performance-based approach (different understanding among EC & ECA).
- **Key Requirements** not clear.
- What is «effective use of funds» = performance audit?
- **Audit of M&T:** when – after M&T been declared? What will be the sampling unit - M/Ts? Sub-sampling at the lower level? What will be the sampling approach - not MUS? How to determine the materiality for non-monetary population? Risk based sampling – what criteria? How to divide the workload throughout the year?



Panel discussion on 'Preparing for 2028-2034'

Outcomes of the world café – topic B: Audit and assurance in 2028 - 2034

B.1 Key issues on audit and assurance in post 2027

- How to come to the **audit opinion** – on the non-audited population? Or we are giving opinion only on audited cases?
- **What will be the effect of audit findings?** – if something is to be corrected/replaces, when that's done = till 15th February or closure at latest? How incompliance with applicable law is to be treated, for example, if a target is fully achieved, but the AA identifies a public procurement irregularity representing, for instance, 10% of one of the underlying contracts, what would be the consequence? Could this lead to extrapolation or a financial correction, even thou
- **Coordination among MS' AAs** (one opinion per MS)
- **Article 59.3** is at Plan/Section/Project level?



Panel discussion on 'Preparing for 2028-2034'

Outcomes of the world café – topic B: Audit and assurance in 2028 - 2034

B.2 Possible solutions on audit and assurance in post 2027

- EC needs the balance between the MS – equal treatment.
- MS auditors (TN members) participate in the expert/working groups established by the EC
- EC guidance (verb) / «do minimum» list:
 - On sampling,
 - Risk criteria,
 - Audit scope (depth and width)
 - Compilation of results
 - Approach on how to check the Double financing.
- Harmonize approach among DGs / GU and EC auditors.
- Harmonization among DAC and ECA
- Fast building-up capacities at all levels (prescribed models)

Audit Opinion:

- Opinion on the efficiency of MCS based on the system audits and M/T audits.
- Conclusions on individual M/T audits (only on audited M/T(?)).
- Use of work done by other auditors (EC, ECA, SAI, IAU, etc.).

Study on performance-based schemes: from the RRF to possible approaches under ERDF/CF and JTF

10. Verification of the achievement of the result or condition (and where relevant, the intermediate deliverables):
- document(s)/system to verify the achievement of the result or condition;
 - management verifications (including on-the-spot), and by whom;
 - arrangements to collect and store relevant data/documents.

Source: Own elaboration based on Cyprus' CID and OA.

Intermediate deliverable 1

a) A list of the signed grant agreements. The list mentions:

- the title of the call,
- the reference number of the grant agreement,
- the date of signature of the grant agreement,
- the amount of the grant,
- the unique identifier (or equivalent reference number) of the beneficiary and the category of beneficiary,
- type of the R&I activity supported.

b) A calculation showing that the total amount committed through the signed grant agreements corresponds to at least 30% of the total budget allocated for the scheme.

c) Signed grant agreements (by both the SME ⁽²²⁾ and the managing authority).

d) Documents proving that the companies supported are SMEs ⁽²³⁾.

Intermediate deliverables 2 and 3 and Result 1

Document duly justifying how the deliverable (including all the constitutive elements) was fulfilled. This document shall include a declaration of the Managing Authority verifying that all conditions of the grant agreements have been complied with and grants have been paid out to the listed recipients. This should be accompanied by the complete list of the SMEs supported, detailing the following:

- call identifier,
- project protocol number,
- amount of the grant,
- unique identifier of the beneficiary,
- type of beneficiary,
- sector and location of incorporation of the beneficiary,
- type of R&I activity supported,
- verification of the completion of the project by the managing authority (that all planned R&I-related activities have been fully carried out and that projects are operational), in full compliance with the terms of the scheme and the grant decision.

Result 2

Document duly justifying how the deliverable was satisfactorily fulfilled. This document shall contain:

- the description of the innovations introduced per SME (product, process or marketing);

- evidence of implementation (e.g., product launch, updated processes, marketing campaigns etc);
- any supporting documentation (e.g., photographs, sales data, marketing materials, customer feedback, cross-checks against predefined innovation models etc).

[The managing authority will describe the IT system in place to collect and store the data. If applicable, it will also explain how the data is collected and aggregated ⁽²⁴⁾.]

[The managing authority will describe the arrangements in place at the national level to get assurance on compliance with applicable law (public procurement and State aid). The managing authority shall ensure that double funding is avoided. Checks that the deliverables/results funded by this scheme have not been financed from other EU sources will be performed (according to available tools are the national/European level). Assurance with applicable law is obtained through legal oversight, obtaining necessary regulatory approvals and permits, providing staff training on compliance, and conducting independent audits.]

[to be further developed/adapted depending on the MS specific set-up and context as well as the type of operation at hand, and based on COM explanatory note on how assurance is provided when implementing an FNLC scheme (CPRE_23-0008-02). Explanations must cover the following aspects, whenever relevant to the specific scheme at hand: risk of double funding, conflict of interest, compliance with state aid and public procurement law.]

ECA Opinion 09/26

Managing authorities (Article 51)

- 105** Managing authorities will remain responsible for selecting operations and carrying out management verifications¹⁰³. These verifications should cover both the fulfilment of milestones and targets and the use of funds in compliance with the applicable law through administrative verifications of beneficiaries' payment claims and on-the-spot verifications. **However, the proposal does not specify the scope of verifications, which may lead to insufficient and inconsistent control practices amongst member states.**
- 106** The proposal provides for risk-based management verifications¹⁰⁴, but it is not sufficiently clear whether such verifications would be applied to confirm the fulfilment of milestones

and targets, the compliance of underlying operations with applicable law, or both. The regulation should clarify that **managing authorities should verify the fulfilment of all milestones and targets under their responsibility, while risk-based management verifications may be applied only at the level of underlying operations that contribute to those milestones and targets.**

Verification of underlying costs (Article 50 and 53)

- 113** The proposal continues to use previous terminology such as “underlying costs” and “underlying transactions”. In a delivery model based on the fulfilment of milestones and targets, **the exact meaning of these terms should be clarified.**
- 114** The proposal provides that managing and audit authorities will not be “expected to” verify the underlying costs of the operations¹⁰⁸. It is unclear what “underlying costs” means. Moreover, member states' management and control systems usually do include checks on costs incurred by beneficiaries. Checking underlying cost may still be necessary in order to respect EU and national law. **The Commission, managing authorities and audit authorities**

¹⁰⁷ *Ibid.*, Article 49(5).

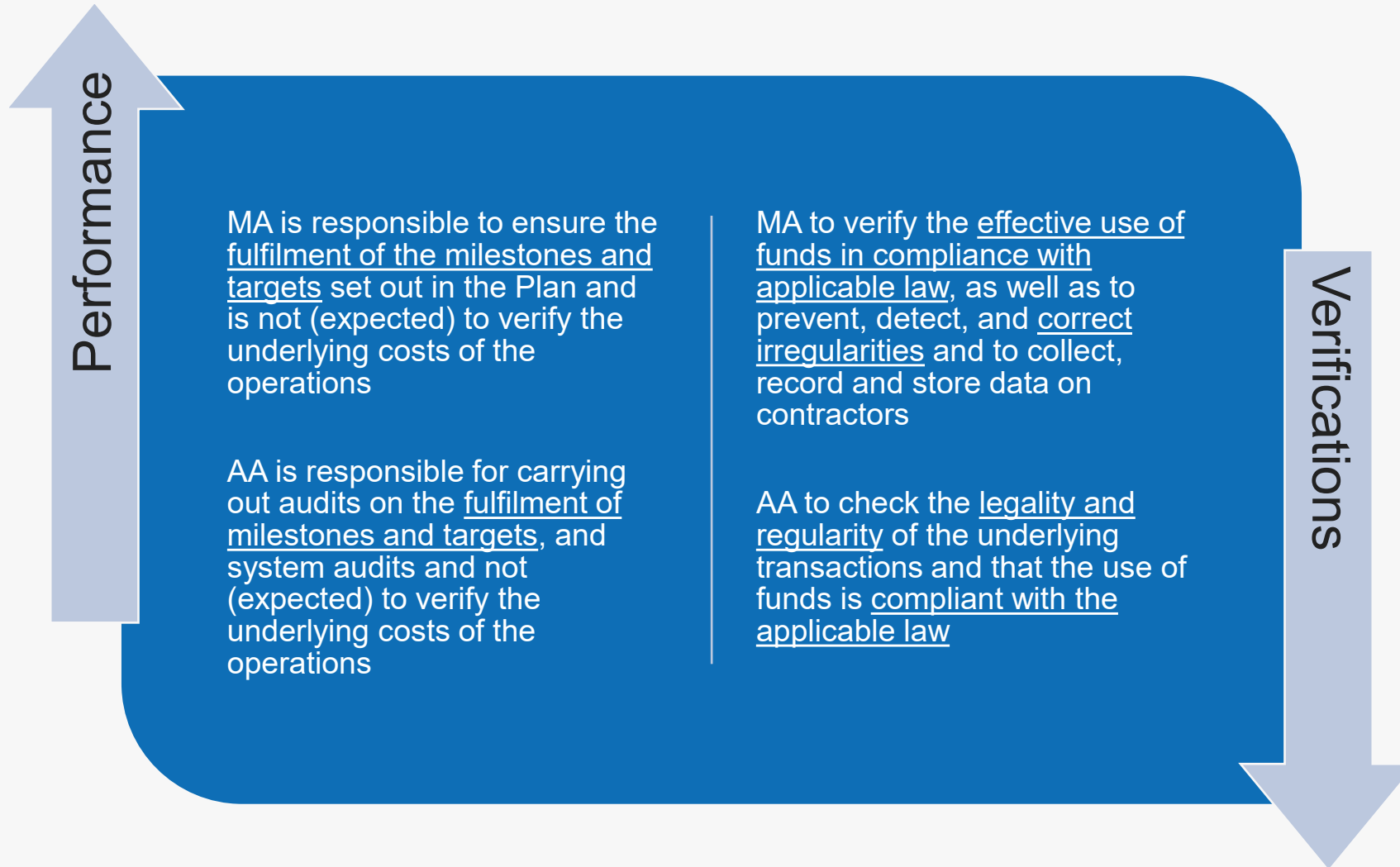
¹⁰⁸ *Ibid.*, Articles 51(1)(b) and 53(4).

should verify the underlying costs incurred to ensure compliance with EU and national law, especially as regards public procurement, state aid, and the avoidance of fraud, corruption, conflict of interest and double funding.

On-going discussions for both ERDF+CF Regulation and NRPP

- Interreg chapter template to be aligned with NRP template (where relevant) / e.g. the AA assessment of costing of measures
- Proposal to amend the Financial Regulation: “underlying transactions” having a different meaning for NRPP Regulation → no audits on underlying transactions?
- Function/Responsibilities of MA regarding management verifications: “not expected to” → “shall not” verify underlying expenditure
- Implementing Act (with further rules) for Interreg still under discussion (reference remains in Regulation, but no further drafts/details available) – presented content does not include any eligibility rules

The control and audit paradox



Questions for discussion - General approach

- What were initial reactions of your AAs/MC/Controllers/BAFs (if any)?

Questions for discussion - checking applicable law (MA/AA)

- MA/AA to check the effective use of funds in compliance with applicable law → NRPP defines “applicable law” as “Union law and the national law directly relating to its application” – which national rules fall within this and which not (public procurement? GDPR? Staff costs? Flat rates)?



What's next; Wrap-up and closure

Events

InterFIN 2026


The graphic for InterFIN 2026 features four speech bubbles on a grey hatched background. The top-left bubble is yellow with a white Euro symbol (€). The top-right bubble is blue with a white bar chart icon. The bottom-left bubble is dark blue with a white line graph icon showing an upward trend. The bottom-right bubble is dark blue with a white percentage symbol (%).

📅 27-28 May 26 | 📍 Tallinn, Estonia

Post 2027 (Interreg VII) Decommitment SCOs

Management verifications Anti-fraud and risk

P-BA in Interreg: the basics #4

The graphic for P-BA in Interreg: the basics #4 shows a blue silhouette of a person in a starting crouch on a track. Above the person is a blue banner with the word "START" in yellow capital letters, supported by two yellow poles.

📅 01 June 26 | ● Online

Post 2027 (Interreg VII) Performance-based approaches

Goodbye cost checks 2? – Autumn 2026

P-BA on Interact website

Cooperation can be complex;
our job is to make it easier.

Interact



Co-funded by
the European Union
Interreg

About Interact
& our service ▾

Programme
management ▾

Project management
and skills ▾

Communication
& visibility ▾

Finance
& control ▾

Synergies
& cooperation ▾



Organisation

Monitoring systems

Partnerships

Procedures

Roles and responsibilities

Implementation

Closing programmes 2014-20

Cross-border obstacles

EGTCs

Harmonisation and simplification

Localism and PO5

Programme evaluation and indicators

Small project funds

Post 2027

Future regulatory discussions

HIT 2028-2034

Interreg wide consultation

Performance-based approaches

Programme own co-[Performance-based approaches](#)

Performance-based approaches

The essence of a performance-based approach (P-BA) is that it emphasizes **what** must be achieved, as opposed to how it must be done.

In P-BA, clear performance goals are defined in advance. Payments are linked to meeting these pre-agreed goals, not to expenditures or activities undertaken. The focus shifts from inputs to outputs.

Even before the Commission published the draft Post 2027 regulatory package, it was evident that we were moving toward P-BA. Now it is clear that this approach will (subject to Member State agreement) be the delivery mechanism between the Commission and the programmes. This means that success of programmes will be measured by the achievement of agreed **milestones** and **targets**.

This approach (or the use of simplified cost options) is also *recommended for payments between programmes and projects*.

As this model becomes the standard framework, it is important that we understand what it is, how it works and how to operate effectively within it.

Where to start

Once you have read the draft regulatory package, particularly the [Performance Framework Regulation](#), you can proceed to the Interreg Knowledge Fair presentation, "An elementary Performance-based approach (P-BA) experience".

As simply going through the materials and slides does not always provide the full picture, we invite you to explore what we are currently working on below and join us.

Recent Events

P-BA in Interreg: the basics #4



📅 01 June 26 | 🟢 Online

P-BA How to...? Set up pay-out values for milestones and targets



Thank you for being here!

Your opinion matters to us.

Please take a few minutes to provide us with feedback to help us improve our services.

Goodbye cost checks? The future
of control and audit post27 29
April 2026 | Online



Cooperation works

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

Want to discuss it? Join our MS Teams environment!
Portal.Interact.eu | Programme and Project Management

Interact



Co-funded by
the European Union
Interreg

Disclaimer

Publisher

Interact Programme

Date updated

19 May 2025

Primary knowledge area

Performance-based approaches

Author(s)

Alexandra Kulmer, Przemyslaw Kniaziuk, Katja Ecke,
Jasmina Lukic

Unless otherwise stated,
licensed under [CreativeCommons.org](https://creativecommons.org/).
For more information visit creativecommons.org

