

Workshop for EGTCs

Small Project Funds, Simplified Cost Options,

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Interact
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Objectives

Exchange and mutual learning on:

- Simplified Cost Options (SCOs)
- Relationship between Interreg programmes and EGTCs - management of SPF & Interreg projects
- Learn about your interests, concerns

Indicative agenda

April 09	Top
13:45 – 15:00	Management of SPF & Interreg projects
15:00 – 16.00	SPF post 2020: Simplified Cost Options
16:00 – 17:00	Exchange on other key challenges (following your interest)

Context

Purpose

SPF and other micro-project facilities can be a lever to:

- Support people-to-people / trust-building at the local level (most common); mobilising local development (CLLD)
- Target NGOs and other small institutions (which do not have large administrative and financial capacity)
- Seed-financing / pilots for larger projects
- Testing innovative approaches
- Identification of legal and administrative obstacles
- Clustering activities (NPA)
- Gateway for SMEs (DE-NL)



Why EGTCs in SPF management?

Knowledge of the area

- Skills in animation of local actors
- Knowledge of the situation on the ground

Cross-border character

- Balanced representation of local and regional levels

Capacity

- Legal entity backed by EU regulation
- Staff
- Financial capacity (ERDF = reimbursement!)

EGTCs and SPF 2014-2020

- **EGTC – SPF (SK-HU)**
- **EGTC guidance to SPF applicants (DE-FR)**



Example Slovakia-Hungary

Example where two EGTCs act as beneficiaries for SPF which are projects (operations) in the Interreg programme SK-HU (2017-2022)



	SPF 1	SPF 2
Partners	<ul style="list-style-type: none"> EGTC Raba-Duna-Vág Trnava region Szechenyi Programme Nonprofit Office LLC.-JS 	<ul style="list-style-type: none"> EGTC Via Carpatia Košice region Szechenyi Programme Nonprofit Office LLC.-JS
Scope	IP 6C (1.8 MEUR), IP 11 (5.5 MEUR)	IP 6C (1.8 MEUR), IP 11 (5.5 MEUR)

EGTCs & SPF – Interreg V-A Upper Rhine

12

Specific Objective 12 : increasing identification of the residents with the Upper Rhine as CB region

MA INTERREG
Assessment / check of applications and management verifications (FLC)

Call for small projects

Total 1.2 MEUR

300 000 €

300 000 €

300 000 €

300 000 €

EGTC Eurodistrict PAMINA

EGTC Eurodistrict Strasbourg - Ortenau

Eurodistrict Freiburg / Centre et Sud Alsace

Trinationaler Eurodistrict Basel

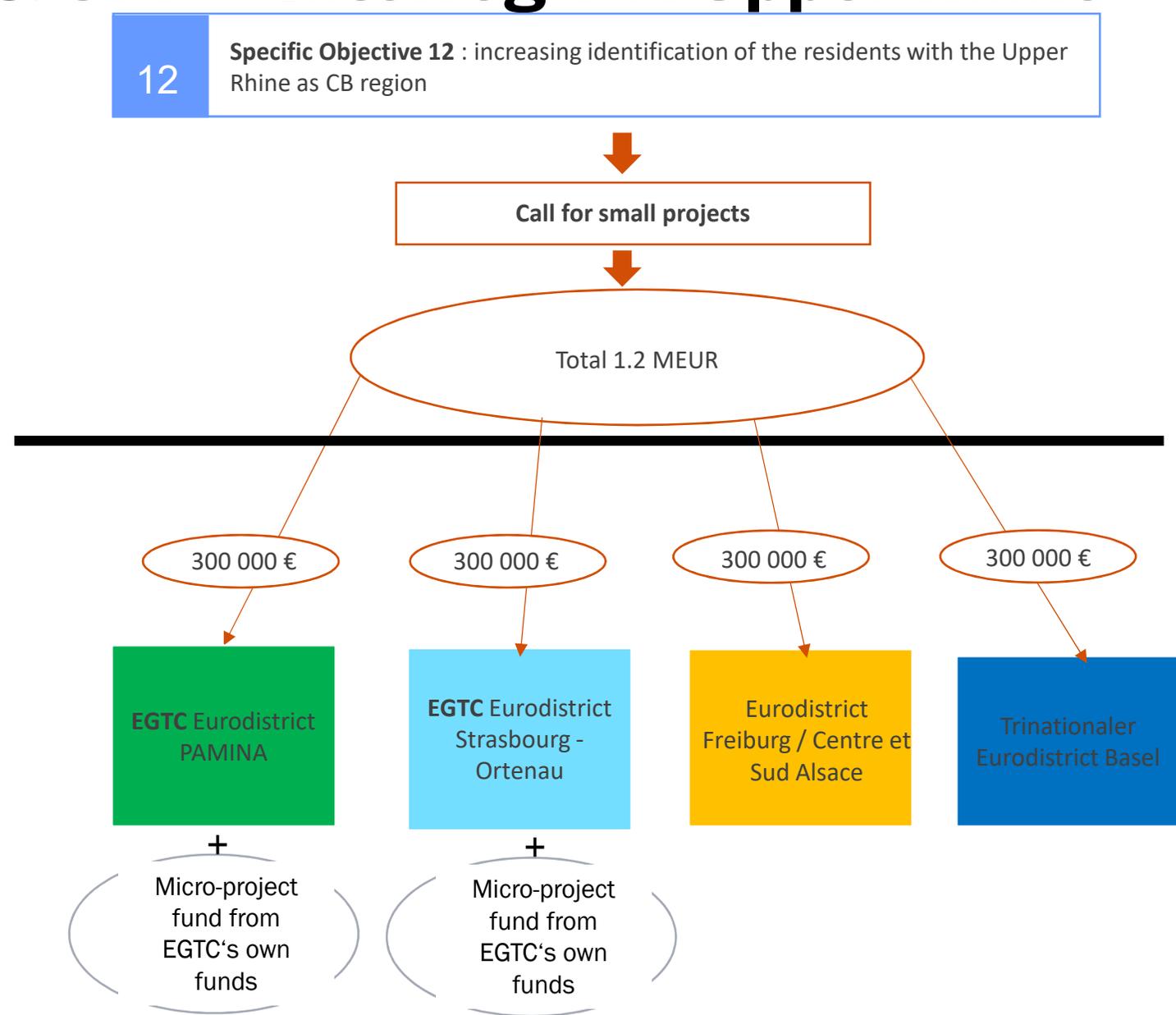
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Micro-project fund from EGTC's own funds

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Micro-project fund from EGTC's own funds

Eurodistricts
Information, mobilisation and guidance to applicants; shared Interreg project to finance the cost for animation, guidance, support to project generation and support to MA in monitoring

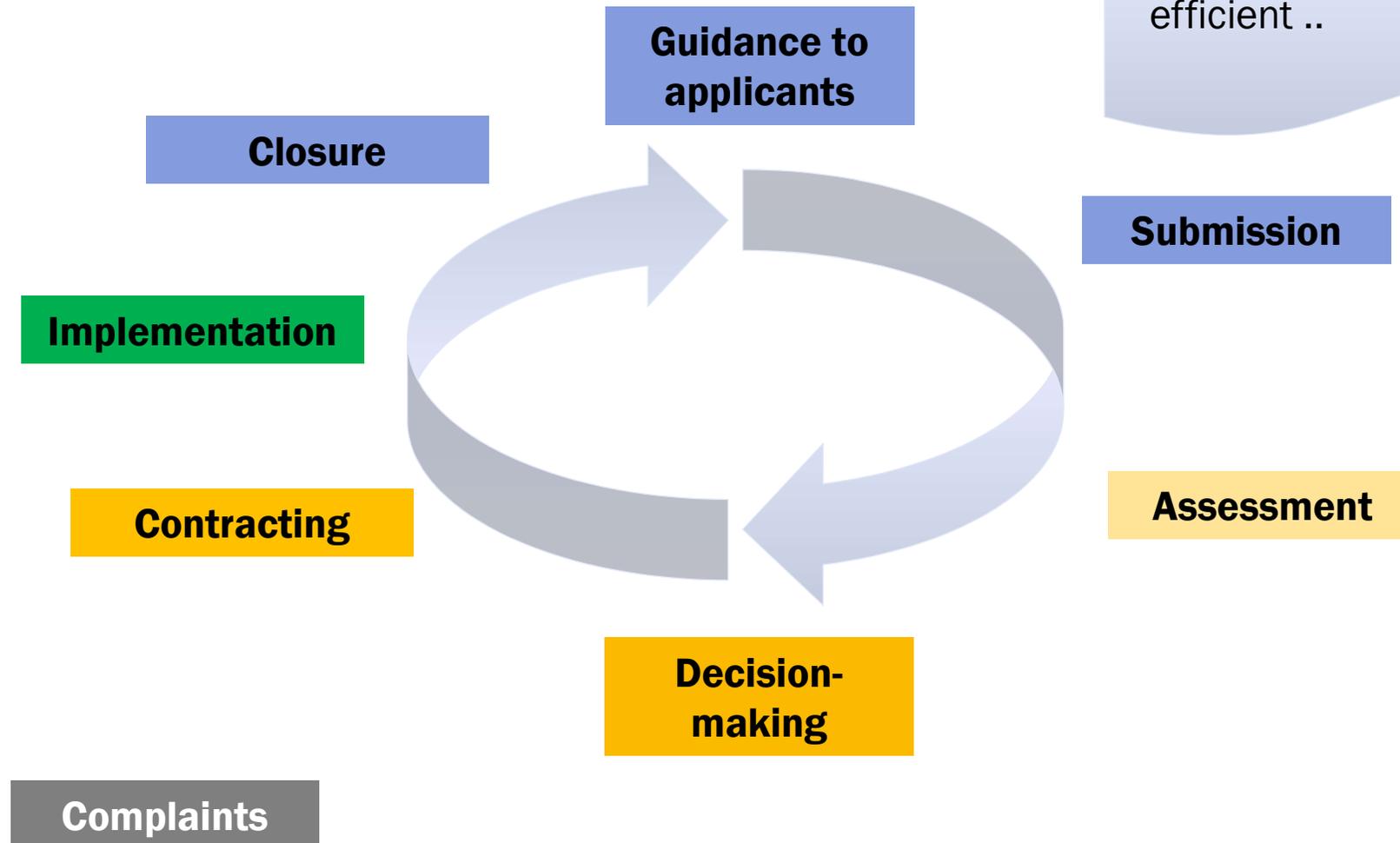


Managing the SPF

- **Efficiently and effectively**



Project Management Cycle



Thinking along the steps: **being user-friendly**; being efficient ..

Project Management Cycle

Step	Burden	Comments
Guidance	M	Efficiently addressing diverse applicants?
Submission	L	Call or ongoing?!
Assessment	H	Either internally or ideas for efficient external assessment wanted!
Selection	H	To keep number of persons involved within limits working on sound mandates & accountability!
Complaints	L	Best to avoid; easy ways to re-submit?
Contracting	M-H	User-friendly approach (it is reimbursement!)
Implementation, reporting	H	Efficient management verification as key to save cost on both sides! Risk-based approach ..?
Closure	L	Strive for low extra effort; front-of-pipe checks!
Audit	?	Sub-sampling for <u>expenditure items</u> / recipients

Cf. Study 2018: selection and management verifications are the most work-intensive tasks in ERDF-management; the more so for Interreg!!!

SPF and other micro-project facilities post 2020

- **SPF post 2020**
 - **EGTC / CB legal body**
- CLLD



SPF and micro-projects post 2020

Specificities

There are several models ... but ... general features are

- ❖ One operation respectively one beneficiary will make payments to a large number of final recipients
- ❖ Projects are small – draft regulation does not limit the project size
- ❖ Rules on implementation: the facility is based on a set of SPF respectively programme-specific guidance documents and selection procedures (which will differ according to the chosen model)

SPF post 2020 - management

Given that there is a maximum of 20% for management ...

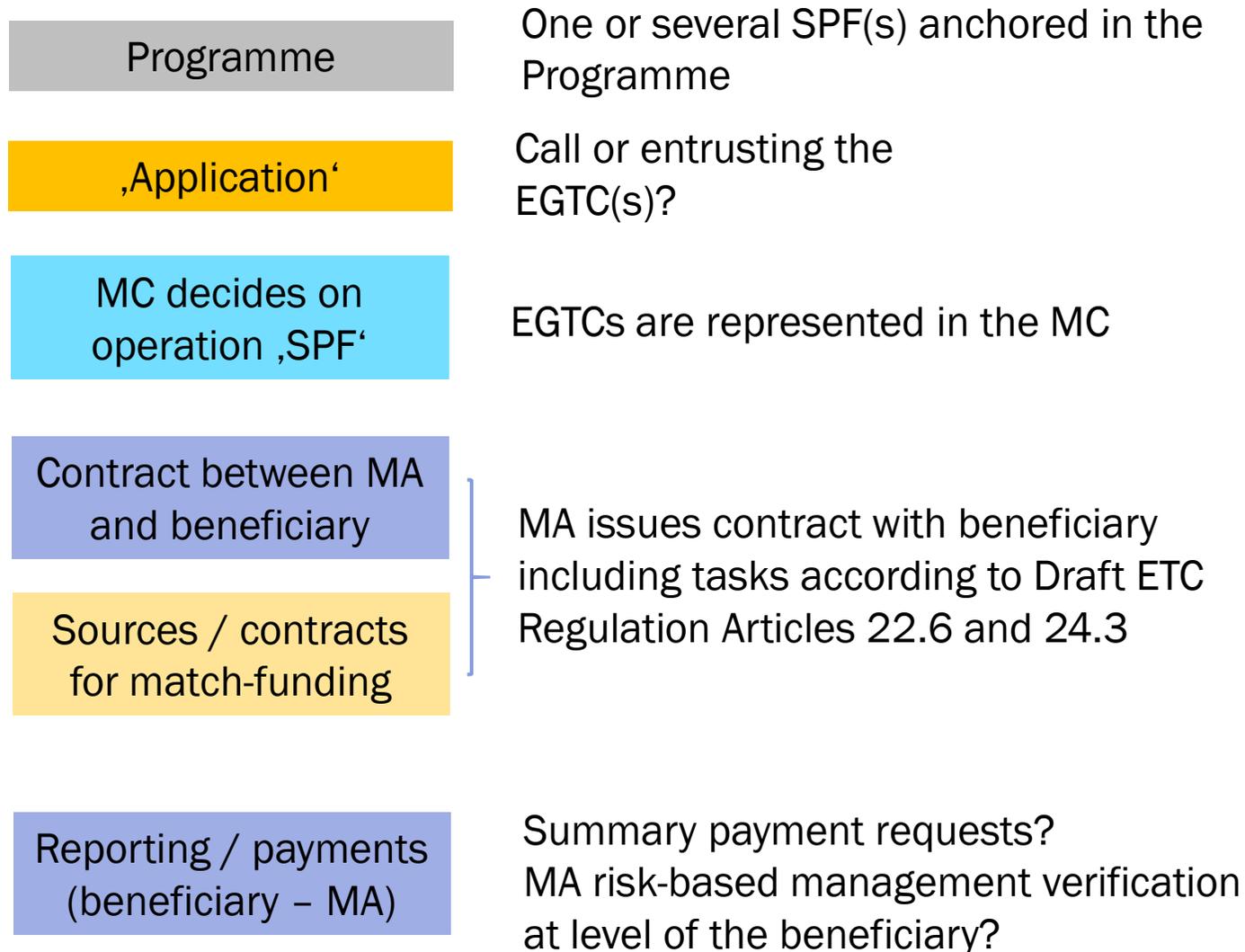
Decisive factors considering the approach at programme level

- Size of the Fund(s): one or several Funds per programme?
(several small management budgets or one bigger one)
- Size of projects and thus number of projects
(20 x 50,000.- or 50 x 20,000 EUR: target groups, objective(s)
(either thematic Funds under specific Policy Objectives or under
the Interreg-specific objective ‚Better Interreg Governance‘)
- Option for economies of scale in management in case of several
funds (templates, SCOs, tasks division in management
verification)
- **SCOs as crucial element to keep management work load and
administrative burden for both sides within limits!**

Legal background – SPF **post 2020**

Regulation / Article	Provisions	Key questions
ETC Regulation		
Article 24 on SPF	<ul style="list-style-type: none"> ▪ Beneficiary has to be EGTC or CB legal body ▪ Beneficiary has to keep audit trail for the operation ▪ Final recipients implement small projects 	Arrangements between MA & EGTC on management verifications?
	<ul style="list-style-type: none"> ▪ Max. 20 MEUR and max. 20% for management (i.e. expenditure of the beneficiary) ▪ If the public contribution to a small project < 100,000.- EUR -> the use of SCOs is obligatory 	SCOs which necessitate calculation method? Cf. Draft CPR, Art. 48 < 200.000.-

SPF post 2020 - steps



Tasks of the SPF beneficiary

Draft ETC regulation, Article 24.3

Task	Comment
Selection procedure	Criteria, assessment sheets; Rules of Procedures of the Committee
Assessment	Involvement of external experts?
Selection	Committee established by the EGTC
Accountability for implementation	Key is the clarification of responsibilities & tasks related to management verifications of recipients (MA)
Documents for the audit trail	<ul style="list-style-type: none"> ▪ Monitoring System (which levels?) ▪ Audit: sampling unit to be clarified (expenditure items?) ▪ No Intermediate Body (IB) not in system audits
Communication and information	<ul style="list-style-type: none"> ▪ List of recipients (mandatory task) ▪ Compliance with requirements in Art. 35.5 (minimum requirement) ▪ Communication, animation

Managing Interreg projects

- **Efficiently and effectively**

EGTC in the PMC

Application & selection

- Acceptance as sole beneficiary
- Capacity to prefinance

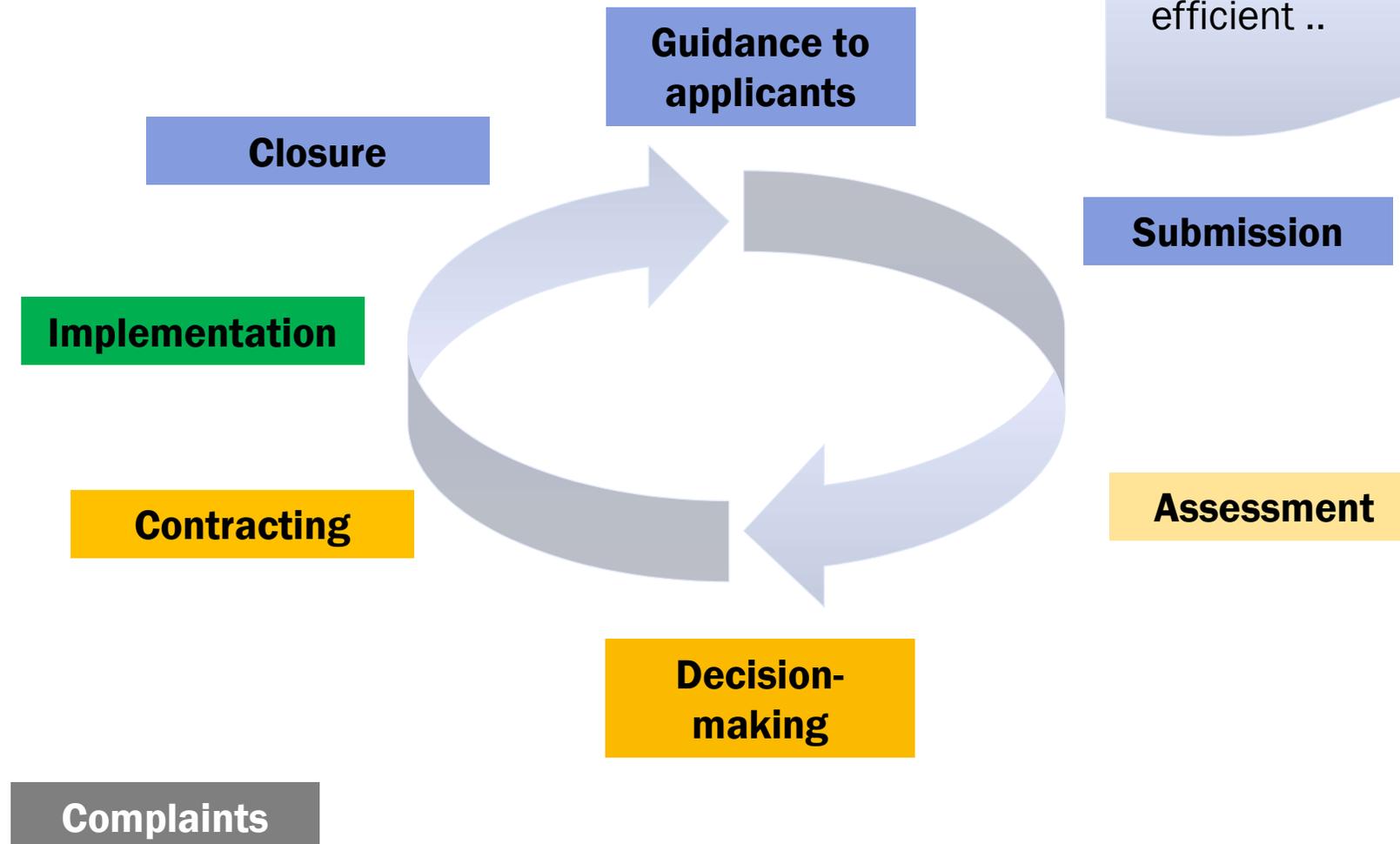
Contracting

- Internal proceedings should not pose any major problem?

Implementation

- Managing the partnership – role as LP
- Reporting & change management
- Management verification – procurement and staff cost as frequent stumbling blocks ...
- Reimbursement periods – might turn into a ‚stress test‘

Project Management Cycle



Thinking along the steps: **being user-friendly**; being efficient ..

Simplified Cost Options

- **Examples**

Example SCO 1 - draft budget

Budget item	Cost	SCO	Approach
Kick off workshop	15,000	,Lump sum 1' = 60,000	Milestone 1
Feasibility study	45,000		
3 consultation workshops	12,000	,Lump sum 2' = 28,000	Milestone 2
Final conference & agreement on technical solution	7,000		
Staff	8,000		
Translation	1,000		
Total	88,000	88,000	

An alternative for this could be to define the feasibility as a lump sum, to take the unit cost for workshops & conferences from ,Europe for citizens' and thereof 20% for staff

Example SCO 2 – unit cost

Budget item	Cost	SCO	Approach
Travel bus (2 busses, 2 days)	3,000		Evidence for number of participating kids
Accommodation (25 EUR per pupil, 60 persons)	1,500	Unit cost 60 EUR per day and person for school cooperation projects	
Catering per day (15 EUR)	900	$60 * 2 * 60$	
Visit to museum (5 EUR per person)	300	E.g. as proven average from historical project data	
Facilitator, guide (2 days)	800		
Translation	600	Reimbursement slightly less but hardly any paperwork required	
Staff	400		
Total	7,500	7,200	

Cooperation works

We thank for your attention!

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