

2028-2034

HIT group meeting on **Budget and co-financing P-BA** at lower level

28 September 2026

Interact



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Agenda

Welcome & Introduction

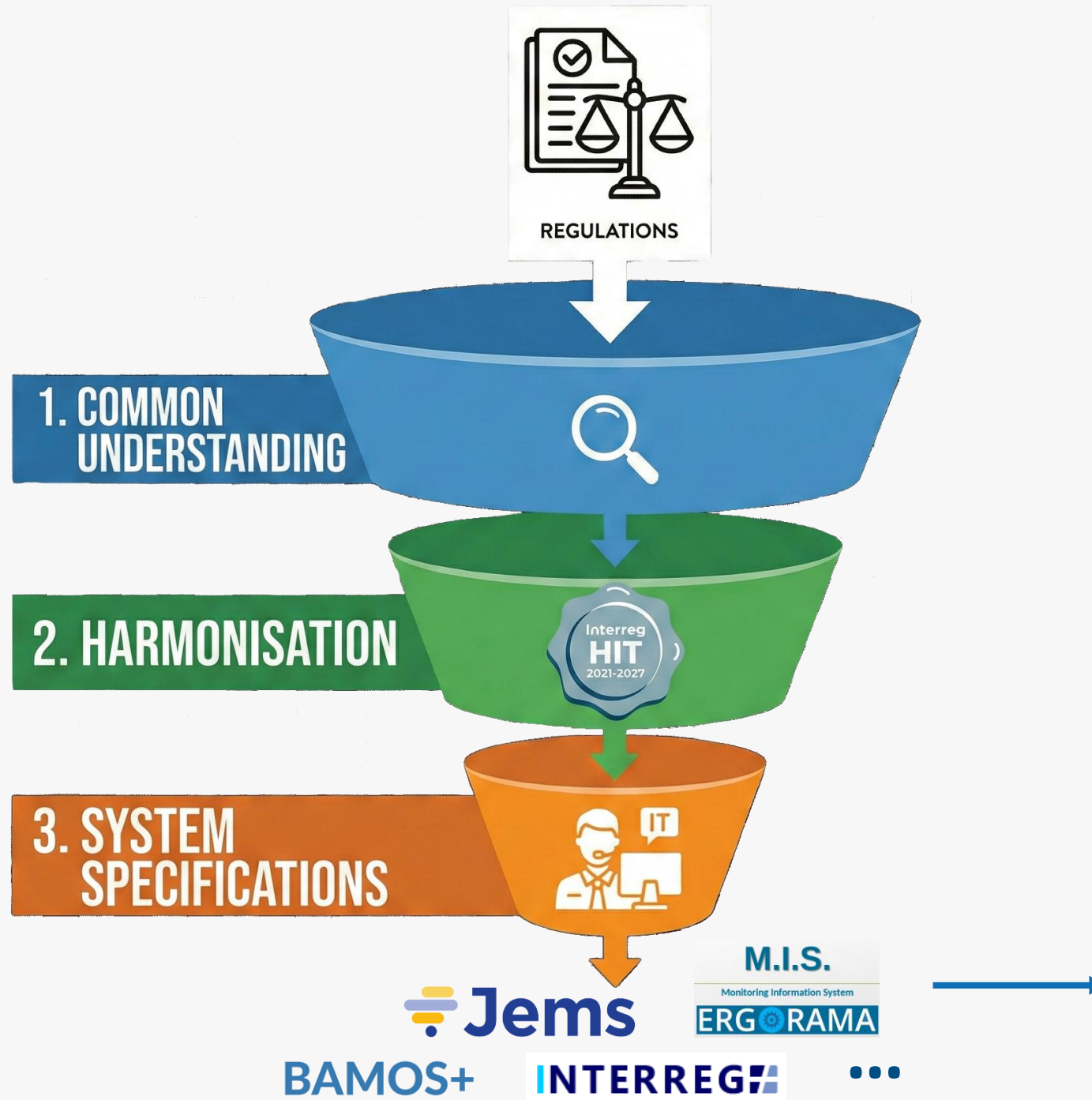
Feedback rounds &
harmonisation

Wrap up & Next steps

HIT context, topic and
expected outcome

Objective

HIT goes beyond simply understanding the regulation and putting it in templates, by harmonizing the how of our work through a shared language, we eliminate confusion for beneficiaries and empower the Interreg brand to stand strong as a professional, cohesive community.
HIT is the basis for IT tools development.



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Effective cooperation through live data exchange

HIT 2028-2034

What stays:

- We keep harmonizing templates, factsheets and guidance.

What changes:

- From a Core Group to allowing all programmes to provide their feedback.
- HIT groups decide on part of a template through a thematic focus, in this meeting this focus is budget and co-financing P-BA at lower level (project implementation via P-BA).
- Outcome of HIT groups will be presented to a wider audience in the HIT consolidation meetings where minor changes for matter of consistency might still occur

Hit classification



C.4.1 Work package 1

Objectives

Purpose and logic:

- To achieve a specific project objective, partners may need to achieve one or more communication objectives. For example, to limit pollution in a city (project specific objective), they may need to: 1) Convince commuters to take the bus instead of their private car (communication objective 1); 2) Convince local politicians to put in place specific measures to reduce car traffic in the city centre (objective 2), etc. These two examples of communication objectives require different communication activities and therefore need to be specified in the AF.

Define one project specific objective that will be achieved when all activities in this work package are implemented and outputs delivered. Then think about the communication objective that will contribute to the achievement of the specific objective. Communication objectives aim at changes in a target audience's behaviour, knowledge or belief.

Your objectives should be:

- realistic and achievable by the end of the project;
- specific (who needs project outputs delivered in this work package, and in which territory);
- measurable – indicate the change you are aiming for.

Work package title (OPTIONAL)

Enter the title here

Work package number

Automatically generated

Project specific objective 1

Enter project specific objective here

Communication objective(s) and target audience

If applicable for this work package, enter communication objective here

Blue = guidance
Grey = core field
Yellow = Optional
Italic = Input hint

Definitions

- **Core fields** are considered by HIT critical. Ideally a majority of programmes adopt them. The following are part of core:
 - Legal requirements (fields mentioned in the regulation)
 - Mandatory Core: Fields that are required to register data that are mandatory by regulation ((e.g. registering activities & outputs (only the output indicators are mandatory))
 - Conditional core: fields that are mandatory only in certain conditions (e.g. state aid fields, SCO's, investments fields, etc)
- **Optional-HIT-field:** all yellow fields. Considered by HIT not essential but acknowledges improvement of the programme performance.

Additional, non-HIT documentation



C.4.1 Work package 1

Objectives

Programme (s)	Request & Reasoning
CE,BSR	Want to have work package summary field, because MC decided to have it in our programme
NWE	Want to have multiple objectives for one work package because this gives us more flexibility

Why:

- To make sure that we are consistent with your agreements across templates
- This document will be public.

A few reminders

1. We do not have a stable set of rules, yet – on main issues the legislators have diverging positions (i.e. how to control the achievements (milestones/targets) as payment triggers).
2. P-BA for project implementation might look like „draft-budget“ methodology, but it is not!
3. P-BA for projects follows the same approach as for programmes:
 - Costing = budget needed for the successful implementation of the project → the budget approved is an obligation (value for money; ex-ante)
 - Pay-out values for milestones and targets (interim & final) = payment triggers (currently 0-1 situation)

Template

The proposed template was based on:

1. Old HIT template (wording),
2. What we know about P-BA until now
3. Internal brainstorming and events carried out for P-BA

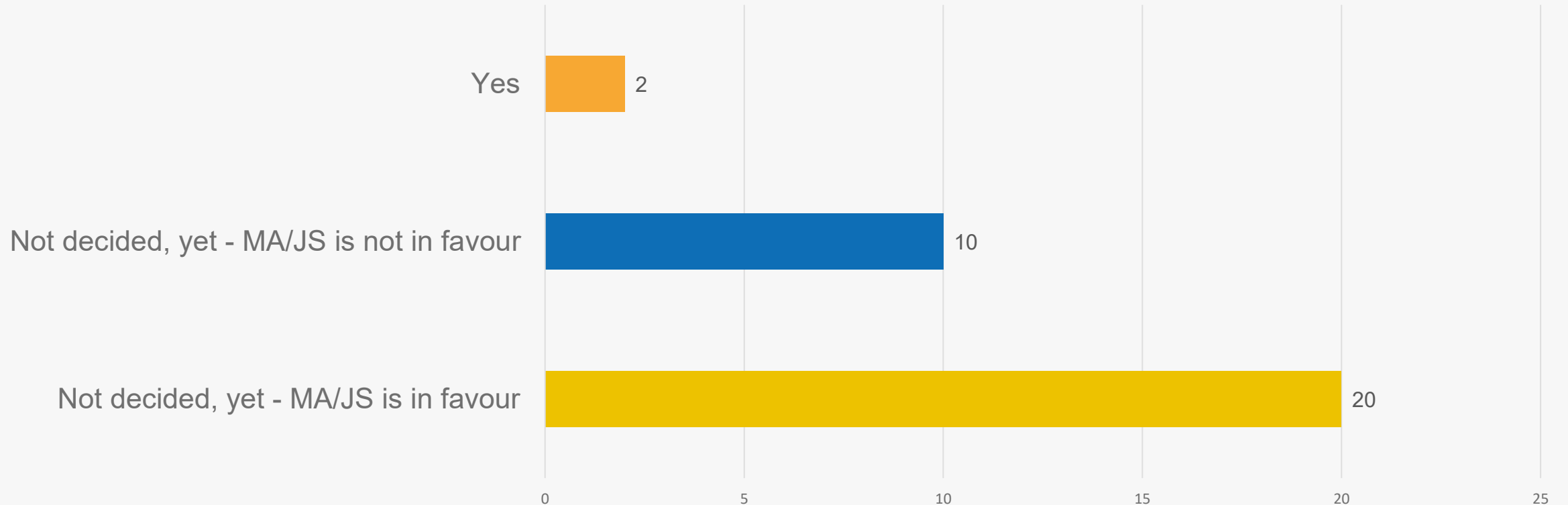
Survey results – general observations & feedback

1. Many “neutral”, mainly because approach to project implementation not decided yet
2. Link between costing (work packages & budget) and milestones and targets (pay-out values/ payment triggers) not clear
3. Joint definition/guidance for projects on milestones & evidence

P-BA for project implementation?



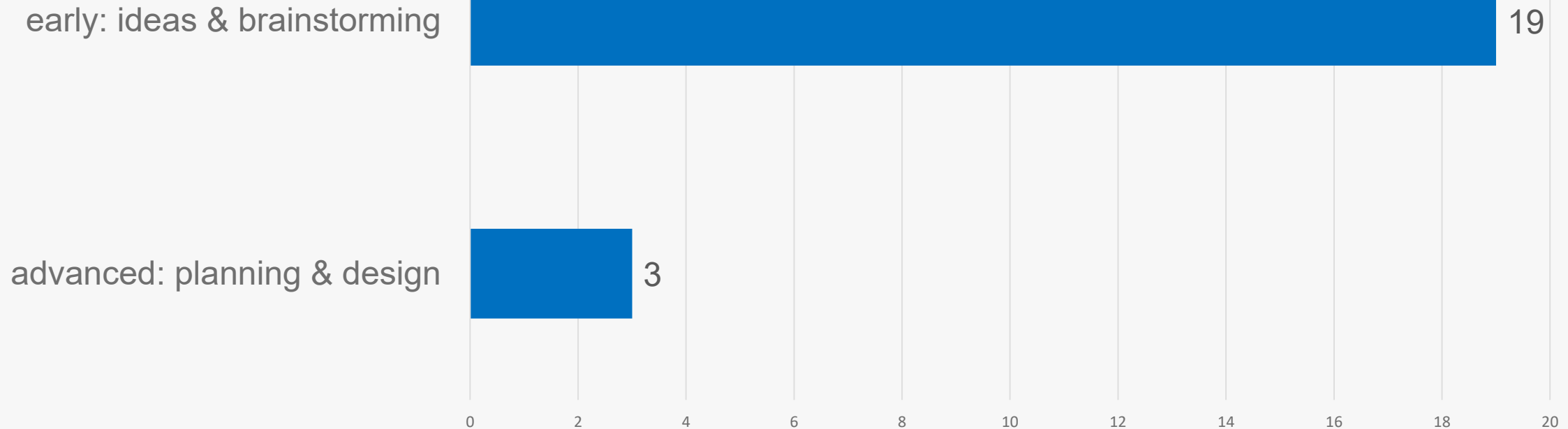
Does your programme consider to use P-BA for the project implementation (P-BA at lower level)?



State of play for P-BA at project level



Please indicate the state of play on discussion for P-BA at lower level



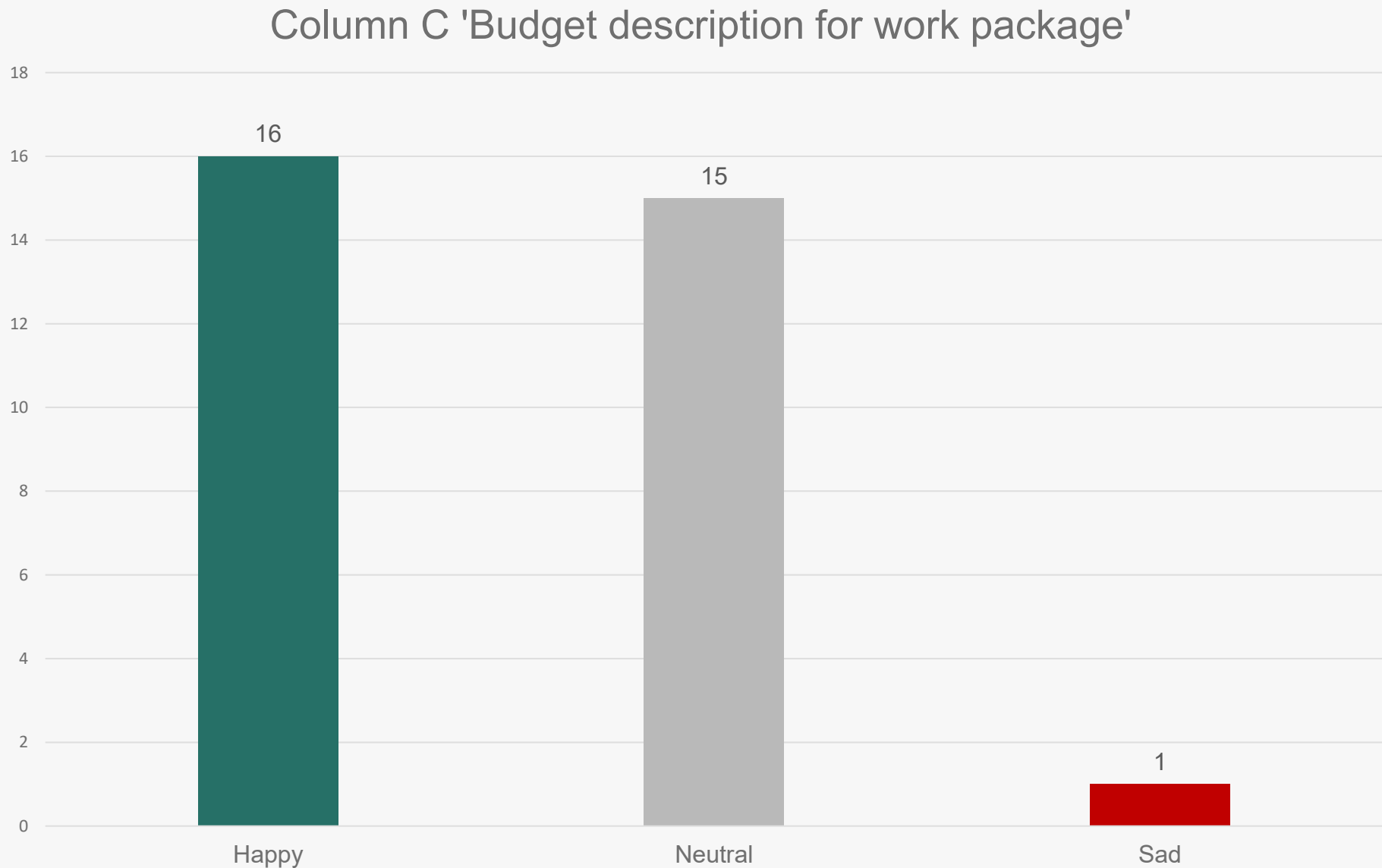
Survey results – Costing proposal

Feedback on Costing



Costing Exercise	
This is a place holder of the to be developed work plan section (currently C.4 of the HIT application form template)	This section is not to be used in cases where the P-BA approach prescribes the budget (=no costing exercise) and the milestones/targets with their values in €.
Work package description	Budget description for work package
1	Indicate and justify the costs needed to cover the activities described, specifying: - staff costs per project partner - external expertise (for organisation of meetings, studies etc.) per project partner - equipment per project partner - infrastructure and works per project partner Costs for office & administration and travel & accommodation should be considered as horizontal costs, calculated as a flat rate of x% on staff costs. All cost need to be linked and explained in the context of the activities described and outputs to be achieved.
total budget for work package	€ -

Feedback on Costing



Survey results – selection of feedback

Your questions:

1. Who is defining the budget per activity/milestone/target - project or programme?
2. Add information that affects compliance with applicable law (state aid, public procurement, etc.)?
3. Can the programmes also require the use of simplified cost options (standard unit costs for staff costs) when calculating costs of the WP?
4. Project preparation costs should also be included.

Survey results – selection of feedback

Your feedback:

1. Not enough details can be given (full-scale projects);
Details per project partner & costs category & automatic calculations - **done**

Feedback on Costing



Costing Exercise

This is a place holder of the to be developed work plan section (currently C.4 of the HIT application form template)

This section is not to be used in cases where the P-BA approach prescribes the budget (=no costing exercise) and the milestones/targets with their values in €.

Based on the feedback provided, several programmes asked for more details to understand the costing. The proposal to use flat rates for "admin" and "travel & accommodation" was generally accepted. It has been included in the overview
Info: The totals of each partner here have to match the totals in the partner budget section.

Budget description for work package

Cost categories	PP1 budget in €	PP2	PP3	PP4	PPN	Total in €
Staff Costs	1,000	500				1,500
Office and administrative costs (up to 15% of staff costs)	150	75	-	-	-	225
Travel & accommodation costs (up to 15 % of staff costs)	150	75	-	-	-	225
External expertise and services costs	1,000	500				1,500
Equipment costs	1,000	500				1,500
Costs for infrastructure and works	1,000	500				1,500
Total in €	4,300	2,150	-	-	-	6,450





**Let's discuss
and try to come
to agreements**

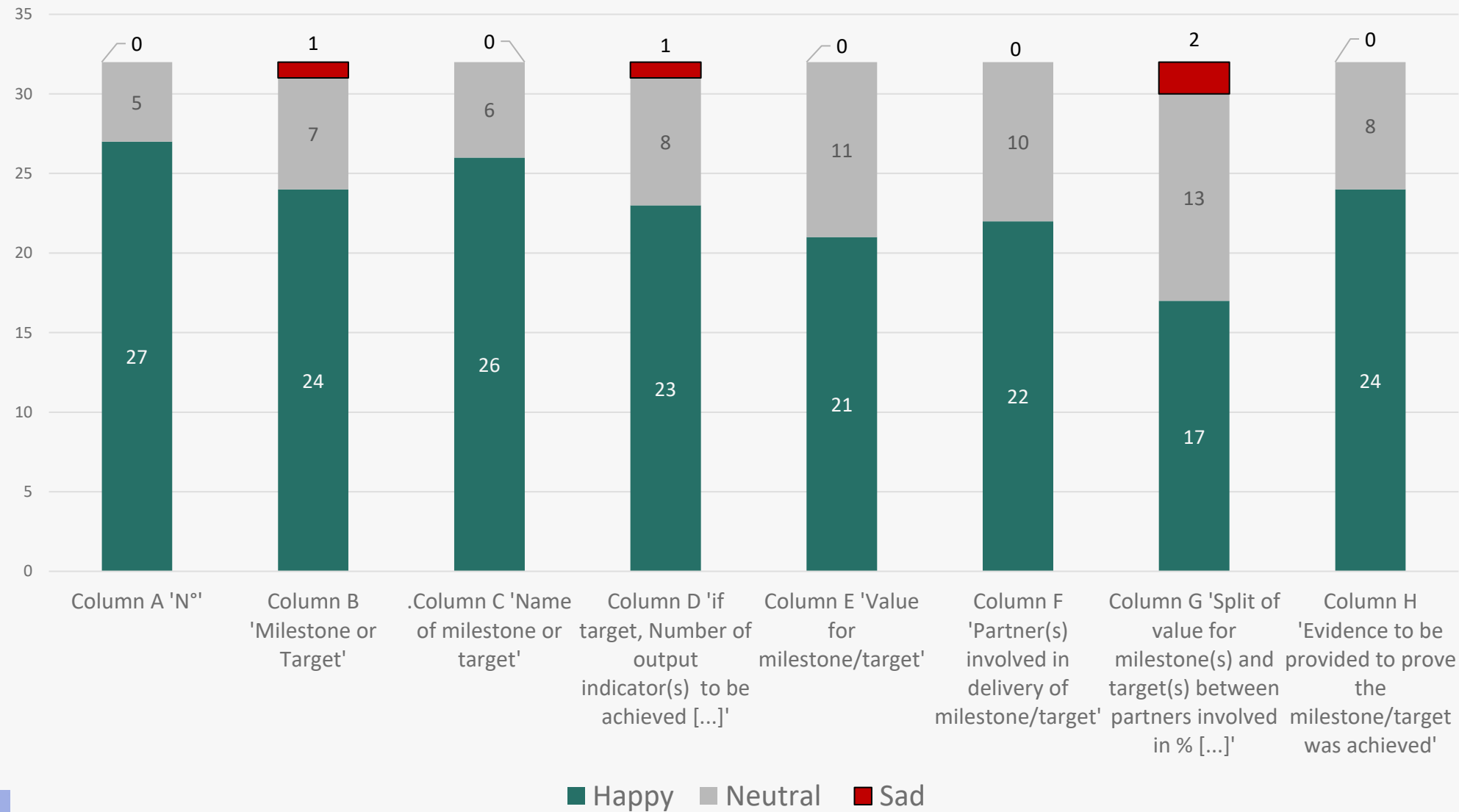
Survey results – Milestones and targets

Feedback on milestones & targets



N°	Milestone or Target	Name of milestone or target	If target		Partner(s) involved in delivery of milestone/ target	Split of value for milestone(s) and target between partners involved, in % (Total must be 100%)	Evidence to be provided to prove the milestone/target was achieved.
			Number of output indicator(s) to be achieved. If the target will be achieved in several tranches, select the target as many time as needed until total (as indicated in section of the application form for the output indicators) is reached.	Value for milestone/target			
automatic numbering Mx - for milestone Tx - for target	Dropdown: - Milestone - Target	Fixed milestones & targets (if pre-decided by programme) OR Dropdown: Either pre-defined milestones and pre-defined targets (programme output indicators) OR free text for milestones and pre-defined targets (programme output indicators)	number field	% of total Budget	Dropdown & several choices possible: Partner number from partner section in the application form	automatic display of partners indicated + number field, e.g. LP1, PP2, PP3 selected, then per partner a field to insert their % of the milestone / target	Dropdown pre-defined evidence OR free text field
M1	Milestone	(optional) pre-defined e.g Subsidy contract signed	n/a	10%	LP1, PP2, ... PPn	LP1: 10%, PP2: 10% ...PPn: 10% (total 100%)	- signed subsidy contract
T1	Target	e.g. Number of participation in joint actions across borders	25	20%	LP1, PP2, PP3	LP: 50%, PP2: 30%, PP3: 20% (total 100%)	- XXX (evidence of participation defined in programme documents)
Totals			Sum of output indicator I Sum of output indicator II ...	Sum amounts (needs to equal total budget or 100%)		Sum of LP1 Sum of PP2 ... Sum of PPn	

Feedback on milestones & targets



Survey results – selection of feedback

Your questions:

1. What is the link to programme level P-BA?
2. What is the link to work packages/costing?
3. Where is the split between Union and own contribution?
4. Possibly irrelevant - What about draft budget resulting in lump sums for particular work packages?
5. Column F & G: Why is it necessary to split milestones and targets between partners? On what basis are the costs divided between the partners? Can it be 100% for one partner?
6. How to define the quality of the milestone/target? For evidence, how to create common understanding

Survey results – Milestones and targets

1. Limit number of characters if free text – to be implemented when finalising
2. Column B: interim target better than repeating target – done, incl. baseline & target (column E - new)
3. Column E: rename heading to make clear that % of total budget; actual share of the budget not only in % of total project budget in EUR – done (column G – new)
4. Column F: display the actual budget share per partner in EUR – done (column J – new)

Feedback on milestones & targets



A	B	C	D	NEW	E	NEW	F	G	NEW	H
	The proposal limits the choice to "milestone" and "target". It could be considered that "interim target" is added to the dropdown if it helps the user-friendliness of the template.	This section should be designed in a way that programmes can decide what level of liberty projects will have to propose milestones and targets.					Cross calculation: a) The total percentages of each partner contributing to each milestone/target must equal the total budget for each partner (partner section in the application form) b) The total percentage of all partners has to be 100% of the milestone/target			
			If target (project level)				partner level	partner level	partner level	
N°	Milestone or interim Target or final Target	Name of milestone or target	Please indicate the number of output indicator(s) to be achieved. If the final target will be achieved in several tranches, select the interim target as many times as needed and accumulate until total number of output indicator(s) (as indicated in section of the application form for the output indicators) is reached.		Value for milestone or interim/final target as % of total budget	Amount for milestone or interim/final target in € of total budget	Partner(s) involved in delivery of milestone or interim/final target	Split of value for contribution to milestone(s) and interim/final target(s) between partners involved, in % (Total must be 100% of concerned milestone or interim/final target)	Amount of split of contribution to milestone(s) and interim/final target(s) between partners involved, in € (Total must be the total amount of concerned milestone or interim/final target (column G))	Evidence to be provided to prove the milestone/target was achieved.
			Baseline number field	Target number field	% of total Budget	automatic calculation	Dropdown & several choices possible: Partner number from partner section in the application form	automatic display of partners indicated + number field, e.g. LP1, PP2, PP3 selected, then per partner a field to insert their % of the milestone / target	automatic calculation	Dropdown pre-defined evidence OR free text field
automatic numbering Mx - for milestone ITx - for interim Target Tx - for final target	Dropdown: - Milestone - interim Target - final Target	Fixed milestones & targets (if pre-decided by programme) OR Dropdown: Either pre-defined milestones and pre-defined targets (programme output indicators) OR free text for milestones and pre-defined targets (programme output indicators)								
M1	Milestone	(optional) pre-defined e.g Subsidy contract signed			10%	1,000	LP1, PP2, ... PPn	LP1: 10%, PP2: 10% ... PPn: 10% (total 100%)	1,000	- signed subsidy contract
IT1	Interim Target	e.g. Number of participation in joint actions across borders	0	25	20%		LP1, PP2, PP3	LP: 50%, PP2: 30%, PP3: 20% (total 100%)		- XXX (evidence of participation defined in programme documents)
T1	Final Target		25	50						
...										
Totals				Sum of output indicator I Sum of output indicator II	Sum amounts (needs to equal total budget or 100%)	Total budget in I (needs to match), with error message if not		Sum of LP1 Sum of PP2 ... Sum of PPn	Total of each partner in I (needs to match total amount of each partner from partner section), with error message if not	



**Let's discuss
and try to come
to agreements**

Points from the proposal & other observations

- Time line to be added to milestones & targets: tentative delivery time? – **yes**
- Points for discussion - costing:
 - a) project activities to be structured in work packages – **yes**
 - b) costing exercise linked to work packages or project level - **work packages**
 - c) costing exercise based on current budget categories – **no (staff + admin + t&a (both flat rates) + other direct costs**
 - d) costing exercise for office & admin and travel & accommodation based on 15% flat rate - **yes**
 - e) costing exercise on partner level per work package or at project level – **partner level**
- VAT: the obligation to deduct refundable VAT is applicable law (Financial Regulation 186(4)(c) and GEBR), this needs to be reflected in the costing exercise (self-declaration/tick-box in partner section?) – **yes**

Points from the proposal & other observations

- Proposal A: Diverting from the COM draft guidance where 'pay-out values' are to be calculated as Union contribution, we propose to work with terminology 'values' including both Union and national contribution. - Agreed
- Proposal B: Interim and final target will be limited to programme output indicators agreed with the Commission. – Agreed (for the time being)
- Proposal C: harmonisation of “standard” milestones and “standard” evidence. – Agreed



Wrap up & next steps

- List of agreements:
 - Costing: No need for costs categories “external expertise and services”, “equipment”, “infrastructure and works”; to be substituted by “other direct costs”
 - Timeline (indicative delivery date) to be included in milestones & targets
- Updated proposal (based on discussion for next meeting)

Next steps & other events

5 October 60 minutes. 1 measure (online) – presentation of a draft measure from the Interreg Europe programme

12 October State Aid Working Group – State aid checklist & State aid section in the monitoring system

14 & 15 October P-BA How to...? Measure costing & pay-out values workshop

27-28 October HIT meeting Zagreb – intervention logic, capitalisation & synergies and budget

Next steps & other events

3-4 November Porto Fraud and irregularities in Interreg - prevention, detection, reporting and follow-up

16 November 60 minutes. 1 measure (online) - presentation of a draft measure from the South Baltic programme

Save the date! 11 December, online - The future of control and audit Post 2027

Teams

Central place for all activities, what can you find here:

- Relevant HIT groups
- Every event will be announced
- Every working document
- Final agreements & tools (surveys, etc).

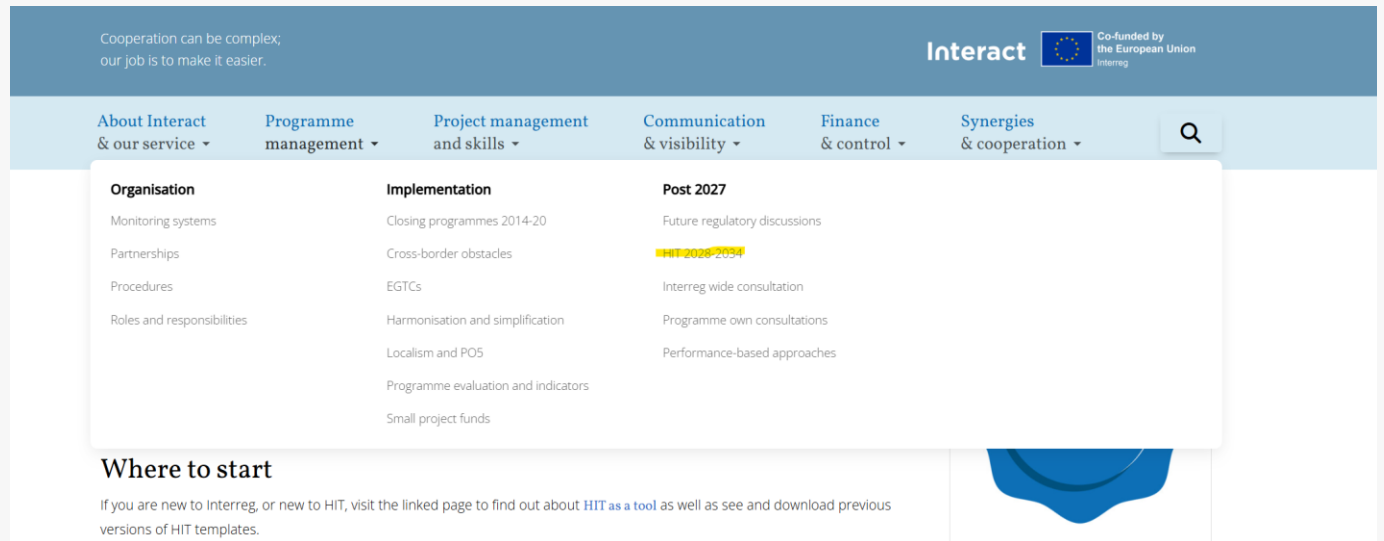


Website

Main purpose:

- Inform about HIT
- List of HIT groups and events that will contribute to HIT
- Downloadable final HIT packages
- Link to Teams

Link: <https://www.interact.eu/programme-management/post-2027/hit-2028-2034>



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Organisation
 Monitoring systems
 Partnerships
 Procedures
 Roles and responsibilities

Implementation
 Closing programmes 2014-20
 Cross-border obstacles
 EGTCs
 Harmonisation and simplification
 Localism and POS
 Programme evaluation and indicators
 Small project funds

Post 2027
 Future regulatory discussions
HIT-2028-2034
 Interreg wide consultation
 Programme own consultations
 Performance-based approaches

Where to start

If you are new to Interreg, or new to HIT, visit the linked page to find out about [HIT as a tool](#) as well as see and download previous versions of HIT templates.

Thank you for being here

Your feedback
matters to us

HIT Budget and co-financing -
P-BA at lower level | 28
September 2026 | Online



Cooperation works

All materials will be available on:

1. Interact HIT teams and the dedicated channel
2. The final templates will also be available on the website

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Disclaimer

Publisher

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Primary knowledge area

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HIT

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