

# SMALL SCALE PROJECTS

## Webinar

**Online – 19 March 2021**

MA / JS Interreg IPA CBC Italy-Albania-Montenegro  
Mauro Novello, JS Coordinator

# Rules for online meetings



1. Switch off your microphone
2. Confirm your name-surname in the chat
3. Raise your hand for questions

# Today agenda



11:00	Introduction
11:10	Correct delivery of the lump sum outputs
11:30	eMS procedures and reporting
11:45	Project changes
12:00	Management verifications and payments
12:30	Q&A
13:00	End

# MA – JS – NIPs TEAMS



- *Head of section* - Crescenzo Antonio Marino
- *Admin. Financ. Coord. axes* - Stefania De Pascalis
- *Admin. Financ. Coord. TA* - Elina Caroli
- *Designation IT FLCs* - Michele De Pascale
- *Technical ass. to MA* - Francesco Carabellese
- *Technical ass. to MA* - Fabrizio Errico
- *JS Coordinator* - Mauro Novello
- *General secretariat* - Aferdita Mezini
- *Communication officer* - Ileana Inglese
- *Finance officer* - Antonio Agrosi
- *Legal officer* - Davide Marcianò
- *Project officer* - Chiara Campanile
- *Project officer* - Aurora Maria Losacco
- *NIP Albania* - Ergi Curri
- *NIP Montenegro* - Dunja Nelevic



# Objectives for today



1. **RE-CONNECT & RE-LAUNCH**: After 1 year COVID, we hope outputs may be delivered in summer 2021
2. **INFORM** you about key requirements for S.S.P.s
3. **CLARIFY** your doubts & **ANSWER** questions



# small is beautiful

a study of economics  
as if people mattered

EF Schumacher



*Any intelligent fool can  
invent further complications,  
but it takes a genius  
to retain, or recapture,  
simplicity.*

(Ernst F. Schumacher)

Image Source: Fair use, <https://en.wikipedia.org/w/index.php?curid=20948369>



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# Why simplified costs?



- ✓ The EU Court of Auditors: “the Commission should extend the use of lump sum and flat rate payments instead of reimbursing ‘real costs’ in order to reduce the likelihood of **error** and the **administrative burdens**”
- ✓ No longer **tracing of every euro** of expenditure to individual supporting documents
- ✓ Staff & administrative efforts **focused more on achievement** of project objectives instead of on collection & verification of documents.
- ✓ Facilitates access to **new** beneficiaries
- ✓ More correct & **less errors**





# Revolution in Management & Control



Focus on  
supporting  
**document**

Focus on  
**outputs**  
achieved



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**Please carefully read the manual!**



## **CHAPTER Project and programme implementation**

**<https://www.italy-albania-montenegro.eu/tools/programme-manual/implementation>**

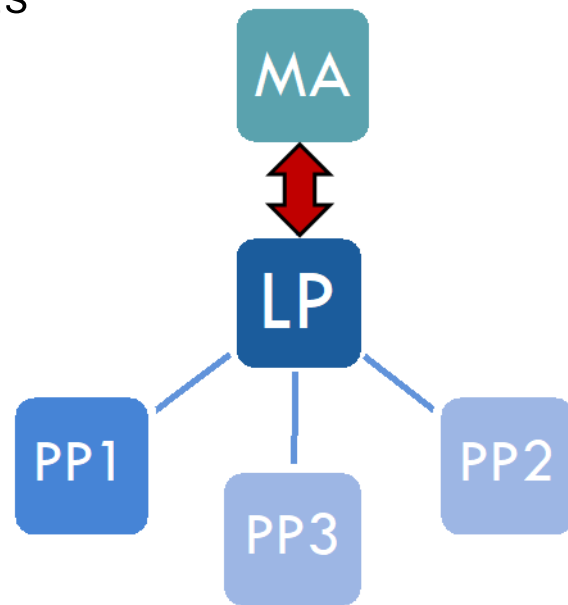
- 4.1 Reporting procedure - **Annex 4.1.3 FOR SMALL SCALE PROJECTS**
- 4.2 eMS reporting procedure - **Annex 4.2.1 FOR SSPs**
- 4.3 Public procurement
- 4.4 Financial management and FLC guidelines
- 4.5 Project communication
- 4.6 State aid
- 4.7 **Project changes**
- 4.8 eMS User manual FLC procedure
- 4.9 "Nulla osta" release procedure for the Italian First Level Controller
- 4.10 Eligibility rules
- 4.11 Fraud risk management and antifraud measures

# Legal background



1. EU **Regulations**/financing agreements
2. **National laws** and rules
3. Cooperation programme
4. Decisions by JMC and MA
5. **Subsidy contract:**

- ✓ signed by MA + LP legal representatives,
- ✓ LP responds: e.g. MA recovers irregularities from LP!

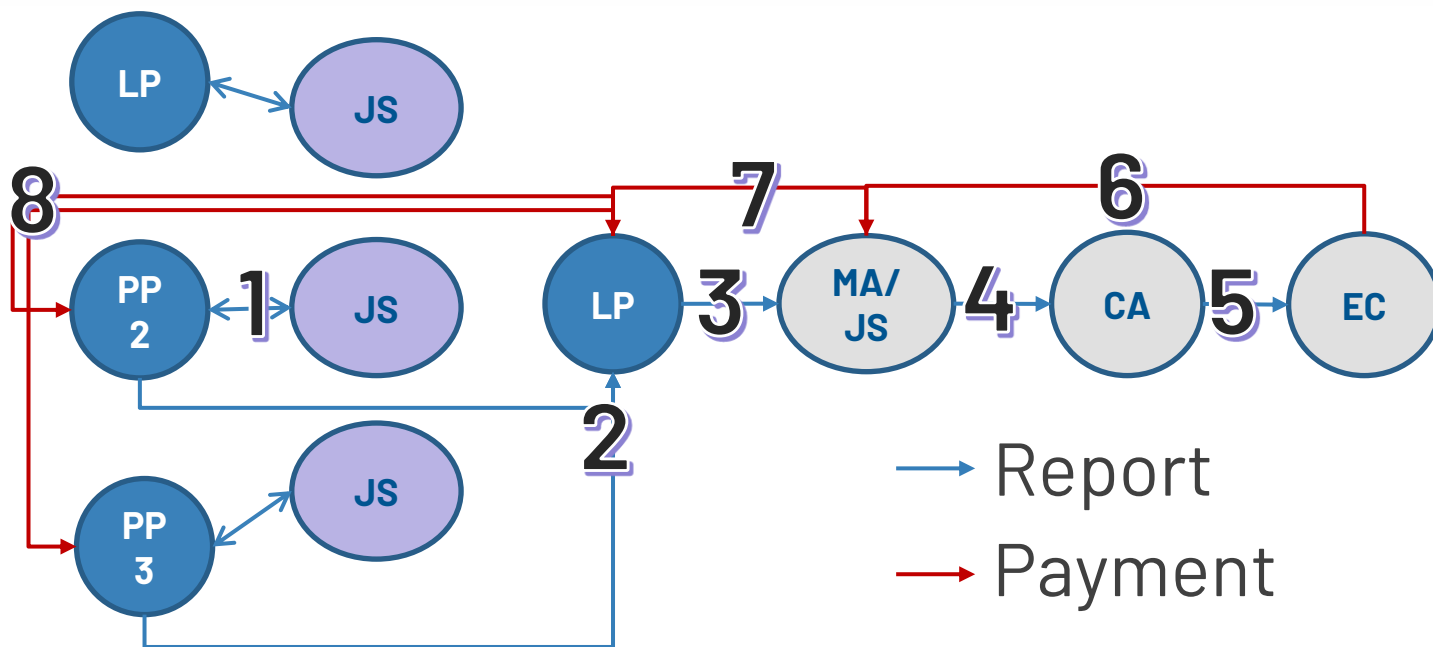


## Key advice



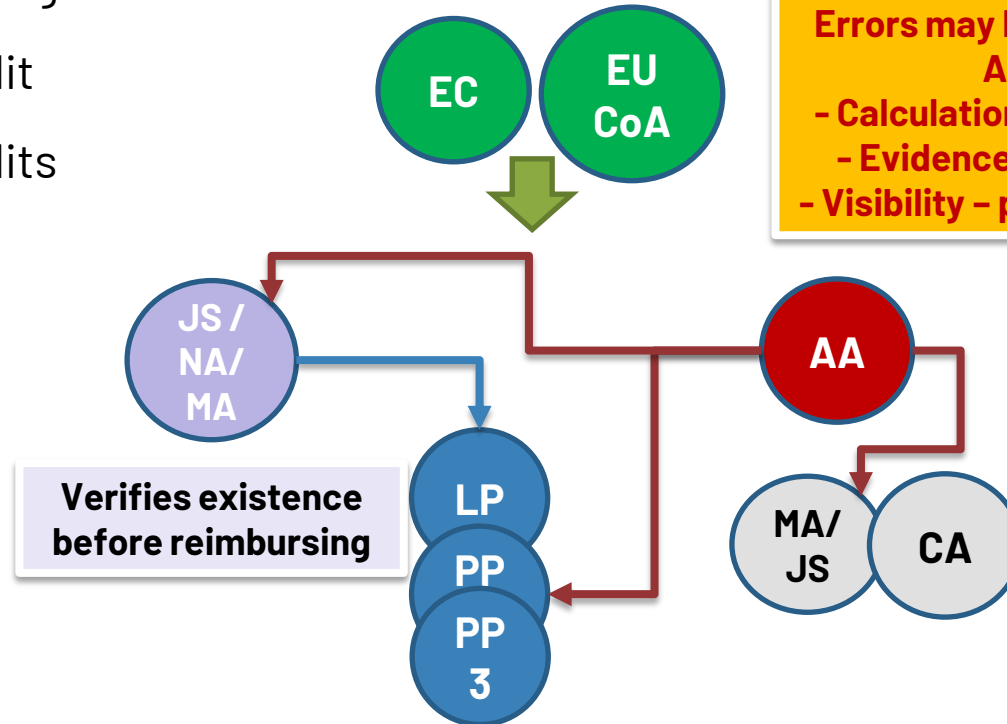
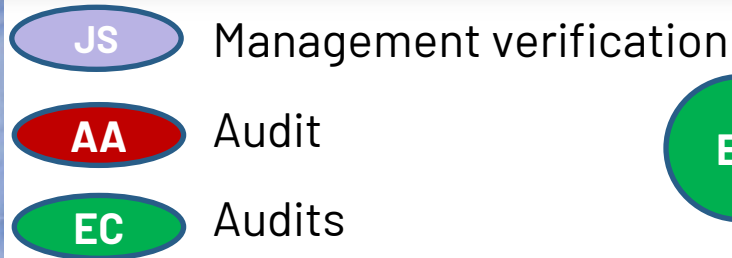
- ✓ Carefully read contracts / check consequences!
- ✓ **Lead Partner** is responsible for entire project!
- ✓ Lead Partner, JS/MA may not agree with the relevance of your outputs!
- ✓ Comply with internal / **national rules & controls**
- ✓ Ask for advice as soon as possible!

# Reporting and payment flows



**\*\* 1) On-desk + on-the-spot visit by JS/NIP/MA/NA**

# Management verification / Audits



Errors may be detected by AA on

- Calculation methodology
- Evidence of existence
- Visibility – potential frauds



# **REPORTING & PAYMENTS**

Aurora Losacco

# LUMP SUM / How does it work?



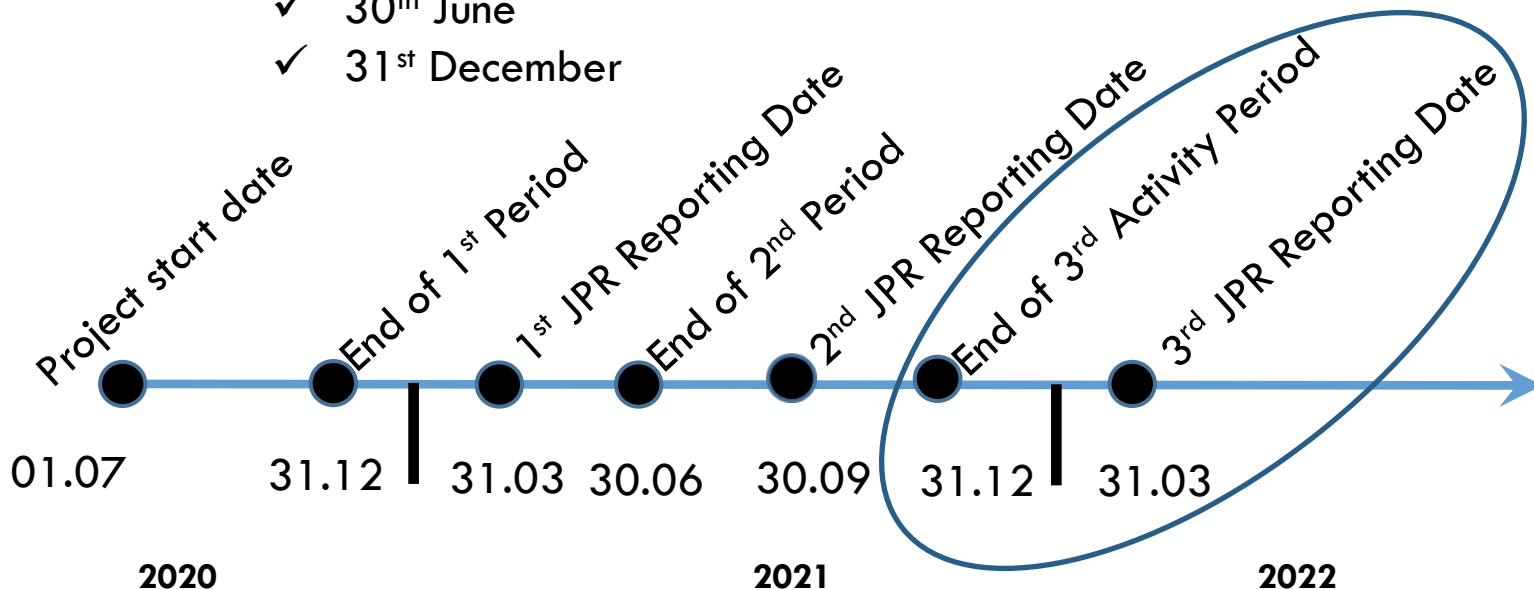
- Lump sum is a simplified approach: **only if the output is delivered, 100% of the lump sum is paid!**
- No real cost documentation is required.
- The JS/MA/NIPs verifies only **the existence/evidence of the planned milestones/outputs.**
- Small scale projects implemented exclusively through public procurement are **not admitted** (art. 67(4) - CPR Reg. (EU) No. 1303/2013).
- Partners must **give evidence of their staff involvement** (e.g. presence during the event).



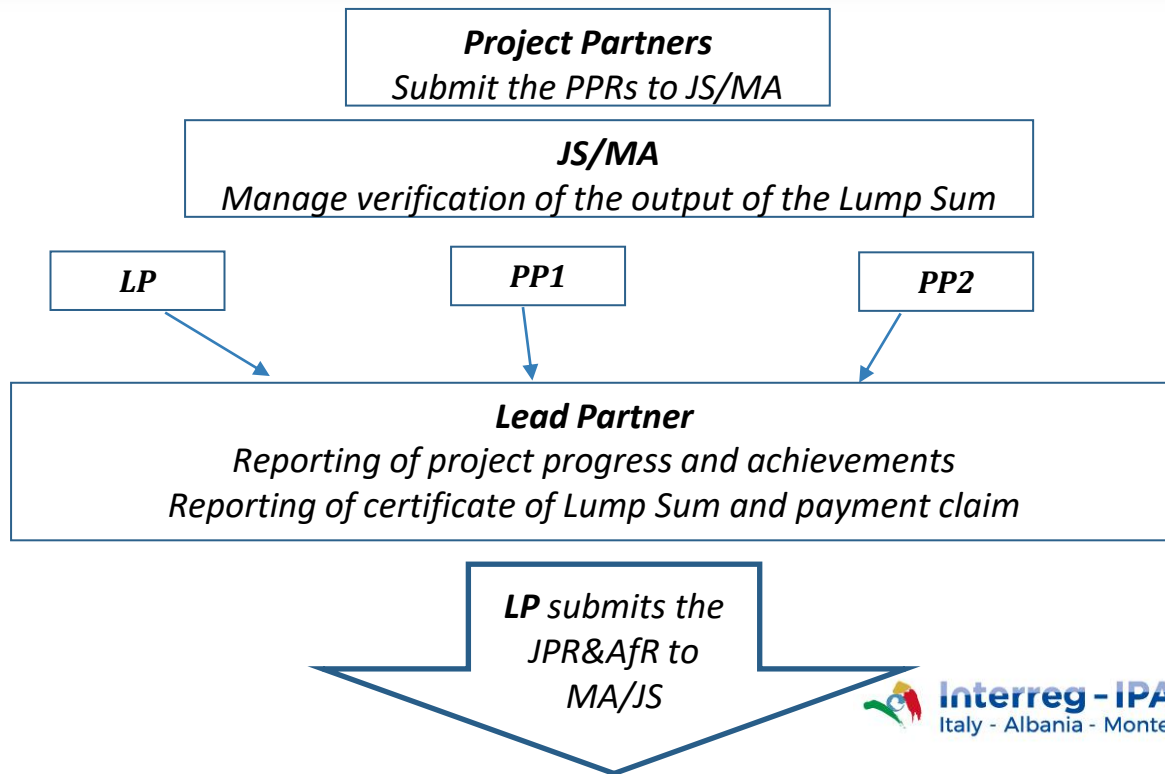
# Activity reporting



**When:** Twice a year:  
✓ 30<sup>th</sup> June  
✓ 31<sup>st</sup> December



# How to report



# How to report



## Partner Progress Report

Who: each partner  
What: # activities information  
# documentation to prove the existence of the Lump Sum output  
When: by the deadline reported in the Partnership Agreement  
To Who: LP  
Where: online through the eMS portal

## Joint Progress Report

Who: lead partner  
What: # cumulative activities info  
# cumulative financial data by Lump Sum certification (automatically compiled)  
When: by the deadline reported in the Subsidy Contract  
To Who: JS/MA  
Where: online through the eMS portal

# Existence / Evidence of Output



Documentation with evidence of existence:

- **PREPARATION:** Agenda, invitation, papers, studies, workshop outline, publications, etc.
- **IMPLEMENTATION:** signature list, photos, social media posts, on-the-spot check report by JS/NIPs, etc.
- **FOLLOW-UP:** minutes, participant satisfaction form, evaluation, press releases, media coverage, etc.

**ADVICE:  
USE EVENT  
EVALUATION FORMS!**

**GDPR:  
COLLECT CONSENT TO USE  
DATA + PHOTOS!**

# Control and payment

## **MA/JS**

*Verify the compliance of JPR and its Annexes with the AF approved*

## **Certifying Authority**

*Draws up and submits payment claims to the Commission*

**MA** initiates the  
reimbursement  
process to the LP

**LP** Transfers IPA contribution to Project Partners

Within one  
month of  
its receipt

# Example at the time of Covid-19

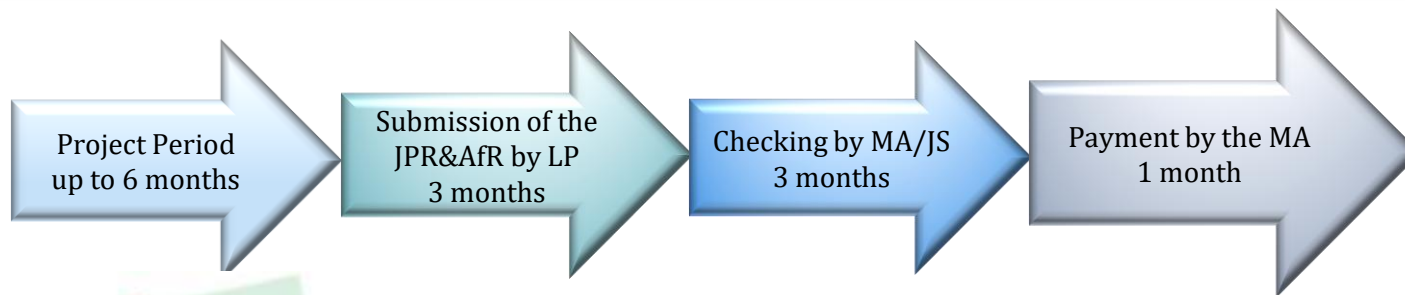


		Period 0	Period 1	Period 2	Period 3	Total	Total IPA (85%)
LP	IT	5.000 €		17.000 €	34.000 €	56.000 €	47.600,00 €
PP1	AL			12.000 €	12.000 €	24.000 €	20.400,00 €
PP2	ME				11.000 €	11.000 €	9.350,00 €
		5.000 €		29.000 €	57.000 €	91.000 €	77.350,00 €
				1st milestone	2nd milestone		

		PAYMENTS IPA	
Advance	30% Total IPA	19.724 €	at project signature
1st Milestone	$(5.000 + 29.000) * 85\%$	28.900 €	at first outputs reported
2nd Milestone	$57.000 * 85\% - 19.724$	28.726 €	end of last reporting period
TOTAL		77.350 €	

		PAYMENTS IPA	
Advance	30% Total IPA	0 €	at project signature
1st Milestone	$(5.000 + 29.000) * 85\%$	28.900 €	at first outputs reported
2nd Milestone	$57.000 * 85\%$	48.450 €	end of last reporting period
TOTAL		77.350 €	

# Timeframe of reimbursement



The co-financing for public Italian partners will be covered by the National Rotation fund and will be paid by the MA for the total eligible amount, **after the project closure and after the validation of all incurred project's expenditure**





# COMMUNICATION

Ileana Inglese

# COMMUNICATION / Visual Identity



- **Harmonized branding** >> programme + project + EU emblem
- **Project logo** >> provided by JS / share with partners
- **Project web page** >> provided by JS / web portal > PROJECTS
- **Communication materials** >> in line with Programme Visual Identity
- **Project templates** >> web portal / TOOLS > Visual Identity

# COMMUNICATION / Main visibility rules



- **Project logo >>** clearly visible, prominent position, appropriate size on all communication & promotional materials visible in pictures of events (roll-ups, posters, etc.)
- **Partners logos >>** when on same page, not bigger in height or width than the EU emblem (*see Visual Identity Manual*)
- **Project poster >>** displayed at premises of each project partner
- **IPA reference + liability disclaimer >>** technical publications, videos (*see Factsheet 4.5*)



# COMMUNICATION / Requirements for SSP



- **FB page mandatory >>** always tag programme webpage
- **FB followers >>** considered as result indicators
- **Calendar of events >>** plan in advance and send to JS
- **Invitation + agenda >>** send 30 days before each event to JS
- **News about events >>** send to JS for publication on web portal
- **Collect evidence >>** participants, photos (*attn to GDPR*), FB posts, press releases, articles, comm. materials, reports



- **Programme Manual - 4.5 Factsheet - Project Communication**

- <https://www.italy-albania-montenegro.eu/tools/programme-manual/implementation>

- **Annexes 4.1 - Annex 3 – Guidance for Small Scale Projects**

- <https://www.italy-albania-montenegro.eu/tools/programme-manual/implementation>

- **Visual Identity Manual + Project templates (PA1 / PA2 / PA3 / PA4)**

- <https://www.italy-albania-montenegro.eu/tools/visual-identity>





# **SSP MANAGEMENT**

Davide Marcianò

# SMALL SCALE PROJECTS / Legal basis

- ✓ **CPR Regulation (EU 1303/2013)**  
Article 67 p.1(c):  
*Grants and repayable assistance may take any of the following forms...  
Lump sums not exceeding EUR 100.000 of public contribution*
- ✓ **Targeted Call for Project Proposals – Annex 1 on Small Scale Projects**
- ✓ **Programme Manual (ALL PROGRAMME RULES!)**
- ✓ **Factsheet 4.1 Annex 4.1.3 Guidance for Small Scale Project**
- ✓ **All other relevant programme rules and procedures where applicable**
- ✓ **SUBSIDY CONTRACT and PARTNERSHIP AGREEMENT**



# SMALL SCALE PROJECTS / What are they?

## 3 types of LUMP SUMS



1. Preparation
2. Seminars, Workshops and Conferences
3. B2B/incoming missions

- ✓ NO other costs allowed
- ✓ NO reporting on real costs basis
- ✓ Max 100.000 EUR/project –pre-financing 30%IPA amount
- ✓ 2 interim payments by MA upon delivery of first & final milestone
- ✓ Max duration 12 months



# Pre-financing and payments

Pre-financing 30% of IPA contribution



upon request by  
signature of  
subsidy contract.

Interim payment after the achievement of the fixed milestones



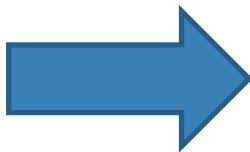
1) The first/second milestone is achieved upon the complete delivery of the first output or outputs planned, The interim payment should be equal to the lump sum amounts corresponding to the delivered outputs, as well as the preparation costs.



2) The final payment will be released after the achievement of the final milestone, which is the complete delivery of all planned outputs.

# PROJECT OUTPUTS and LUMP SUMS OUTPUTS

**PROJECT OUTPUT**



**Linked directly to the project as operation**

**Example: Experiential Tour Package**

**LUMP SUM OUTPUT  
(MILESTONE)**



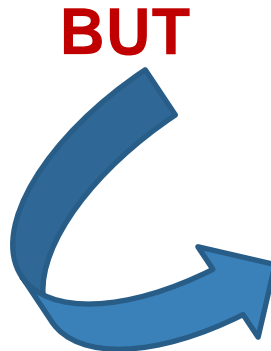
**Linked directly to the lump sum as financing instrument**

**Examples: 2 Seminars (1 in Italy and 1 in Montenegro) plus 1 Incoming mission in Albania (B2B Meeting)**

# Small scale projects / Management Verifications

The objective of management verifications in case of the project preparation lump sum is to verify that project preparation occurred in reality, i.e. that it existed

**NO FORMAL AND  
DOCUMENTAL  
VERIFICATIONS AND  
CONTROLS**

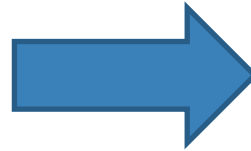


**BUT**

**DE FACTO  
VERIFICATIONS  
ON OPERATION  
(on the spot control)**

# Eligibility Rules

The Small Scale Projects grants shall exclusively take the form of reimbursement of eligible costs declared by beneficiaries on the basis of a lump sum



***NO REPORTING ON REAL COSTS BASES***

***NO CERTIFICATIONS OF EXPENDITURES***

## **WARNING**

In compliance with art. 67 (4) of CPR Reg. (EU) No. 1303/2013 small scale projects implemented exclusively through public procurement are not admitted

## **WARNING**

Compliance with Reg. (EU) No. 679/2016 (GRDP) for the use and treatment of personal data collected during meetings, workshops, etc.

# Double funding and Anti-Fraud measures

## **WARNING!!!**

**DOUBLE FINANCING** is strictly forbidden and all partners must assure that the operation is not double-financed by other EU funds

## **WARNING!!!**

The programme follows a strict anti-fraud policy and any fraud detected at any stage of implementation will be reported to the competent national and EU authorities





# MANAGEMENT VERIFICATION

Antonio Agrosi



## MANAGEMENT VERIFICATION / 3 types



- **Mandatory:** LP invites JS and National Info Points to participate in all events (at least one month before):
- **On the spot:** on-the-spot verification by JS without prior notice - at least one event per project.
- **At reporting:** documentation related to existence of events / additional proof requested, if needed.

**YOU MUST INVITE JS / NIPS  
1 MONTH BEFORE EVENT!**



# MANAGEMENT VERIFICATION / Check lists



IMPLEMENTATION OF THE EVENT				
CONTROL QUESTION	YES	NO	N/A	COMMENTS
The event took place in the <b><u>venue and times</u></b> indicated in the agenda and invitation to JS /NIPs				
The registered participants were present in the room for <b><u>at least the minimum number</u></b>				
For workshop, seminar, conference: There is sufficient evidence that the <b><u>duration</u></b> of the event is planned to be equivalent to at least one-day event (e.g. agenda)				
<b><u>Staff of the beneficiary organisation</u></b> was personally present during the event (if not the PP has declared how and when staff has been personally involved). There is no evidence that the output was implemented exclusively through public procurement i.e. against art. 67 (4) of CPR Reg. (EU) No. 1303/2013				
<b><u>The content</u></b> is in line with the agenda and may contribute to the project objectives/outputs, and <b><u>sufficient material has been provided</u></b> (e.g. powerpoint, speaker's notes, facilitation exercises, case studies, etc.)				

# MANAGEMENT VERIFICATION / Desk-based



AT REPORTING				
CONTROL QUESTION	YES	NO	N/A	COMMENTS
For workshop, seminar, conference: There is sufficient evidence that at least <b>40 participants</b> were presents (e.g. signature list, photos, videos, participant satisfaction questionnaire, participation certificate, etc.)				
For incoming missions and B2B events: There is sufficient evidence that <b>10 economic operators</b> participated (e.g. signature list, photos, videos, participant satisfaction questionnaire, participation certificate etc.)				
There is sufficient evidence that <b>staff of the beneficiary organisation</b> was personally present during the event (i.e. signatures, photos and partner declaration on how and when staff have been involved). There is no evidence that the output was implemented exclusively through public procurement i.e. against art. 67 (4) of CPR Reg. (EU) No. 1303/2013				
There is sufficient evidence that the <b>content</b> was appropriately implemented according to the agenda and contributing to the project objective/outputs (e.g. power point, conference proceedings, minutes, studies, expert inputs, surveys, participant satisfaction questionnaire, etc.)				
There is sufficient evidence that the content of the event was <b>appropriately followed-up on</b> (e.g. meeting minutes, conference proceedings, analysis of the participant satisfaction questionnaire, scientific paper produced, etc.)				
There is sufficient evidence that the <b>event was duly communicated</b> (e.g. emailing to participants, newspaper publications, website publications, social media, etc.)				



# **PROJECT CHANGES**

Chiara Campanile

# Reference documents



- ❑ Subsidy Contract – art. 8
- ❑ Partnership Agreement – art 18
- ❑ Factsheet 4.7 PROJECT CHANGES
- ❑ Factsheet 4.1.3

All project modifications are managed through the **eMS Platform**



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## EMS NECESSARY INFO / *Supplementary information*



- Contact details project managers
- ~~National controllers (if available)~~
- Bank details of LP
- Upload partnership agreement (if not with subsidy)
- Inform us!



## FS 4.7 Project changes / *General principles*

### WHO CAN INITIATE A MODIFICATION AND WHEN

- ❖ **JS every time**
- ❖ **LP** after the project is in «contracted» status

#### Via modification request...

- ❑ changes **enter into force** after approval by programme bodies, but are valid retrospectively starting from date of written request's submission to JS
- ❑ **In case of doubt inform the JS for appropriate evaluations.**



## FS 4.7 Project changes / Types of modifications

### ADJUSTMENTS

Work plan  
/Partner budget  
adjustments

### MINOR CHANGES

Modification of  
administrative elements

Budget flexibility

### MAJOR CHANGES

Partnership  
changes

Budget changes

changes in the  
project's duration;

Content changes



**BASELINE -  
latest  
approved AF**



# Adjustments

NOT  
significant  
impact

## TO BE REPORTED in PR-JPR

LP must notify adjustments authorized by JS before their processing (ie. reported as “deviations” within **periodic JPR** – section “Problem Section Justification”)

## NO «modification request» in the eMS.

### MODIFICATION

**Minor adaptation of the timeline of activities, deliverables or outputs**

**Small modification of the format of activities or deliverables**

**Change of Work Package Leader**

### RESTRICTION

- Alert on project intervention logic
- Do not change nature, quantity and use of the planned outputs

N/A

## Minor changes

NOT  
significant  
impact **BUT**

### TO BE NOTIFIED TO JS/MA x authorization

Required a «modification request» in the eMS by LP...to update the AF

MODIFICATION	REQUIRED ACTION
Change of legal representative by LP/PP	<ul style="list-style-type: none"><li>• To update related sections of AF in eMS</li><li>• To upload relevant supporting documents in eMS</li></ul>
Change of contact data by LP/PP	
Change of contact data of the project (eg. PM, CM, FM)	
Change of LP/PP name without impact on its legal status	
Change of bank account of the LP	

# Major changes

SIGNIFICANT  
IMPACT

## To be APPROVED BY MA/JMC

- ❑ Partnership changes;
- ~~❑ Budget change between partnership;~~
- ~~❑ Budget changes, exceeding flexibility allowed;~~
- ❑ Changes in the project's duration;
- ❑ Changes in the content and/or activities of project.



- ❖ **When:** as little as possible (ie. 1-2 times, except for partnership changes)
- ❖ **Timing:** at the latest 35 days before project end date  
**recommended 60 days before**

# Major changes / *PARTNERSHIP* changes

- ❖ withdrawal of a partner
- ❖ integration of a new partner



Approval  
by JMC

## Types

- ☐ Partner withdrawal with replacement of new partner
- ☐ Partner withdrawal with replacement of existing partner(s)
- ☐ Partner withdrawal without any replacement
- ☐ Structural or legal status change of Partner organization (e.g. legal succession)



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# Major changes / *PARTNERSHIP* changes-docs

- Withdrawal letter
- New PA or PA amendment
- Partner Statement + administrative docs
- Acknowledgement of partnership
- Further necessary docs



- ❖ minimum number of partners / eligible territories involved
- ❖ programme bodies approval is not necessary in cases of universal succession



# Major changes / *Changes in project DURATION*

❑ up to 6 months – approval by JMC – cfr. 11° JMC on 12/02/2021



- ❑ exceptional and well justified cases
- ❑ prior approval by JMC
- ❑ Extension at latest by 30/06/2022

- ❖ **Documents:** request has to be accompanied by a Partnership acknowledgement
- ❖ **Timing:** only after project mid-term review and before project end date  
**recommended 60 days before**

## Major changes / *CONTENT* changes

- ❖ Workplan modifications going beyond adjustments...
- ❖ Modifications in project nature and objectives – approval by JMC



- ❖ Exhaustive justification by LP and partnership acknowledgement
- ❖ Retroactive approval granted only in duly justified cases





# REMINDERS

**Transfers of outputs and related lump sums among WP and PPs are possible only if:**

- the lump sum output of the concerned WP is not already delivered (and declared in a financial statement);
- the transfers are justified by technical and scientific implementation of action;
- a review confirms that the amendment does not call into question the decision awarding the grant or breach the principle of equal treatment;
- each partner's contribution to the project implementation is ensured



# THANKS FOR YOUR ATTENTION

Contacts

## **Joint Secretariat**

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