

Art of Cooperation – Simplified Cost Options panel discussion summary

During the session, participants engaged in a comprehensive discussion on experiences related to off-the-shelf SCOs in 2014-2020 period. It was noted that despite being optional, few beneficiaries opted for SCOs, possibly due to concerns regarding checks by controllers and audits, and uncertainty about its overall benefits. However, those who did opt for SCOs found them beneficial, appreciating the simplified reimbursement process and reduced administrative burden.

In the current 2021-2027 programming period all programmes introduced staff flat rate, travel & accommodation, office & administration and the 40% option, i.e. all off-the-shelf options. Nevertheless, differences exist concerning audit trails. While Slovenia-Hungary CBC Programme requires no evidence for staff flat rate, all others ask for a proof related to employment relation. The very latest direction that also set some evidence needed related to travel flat rate, all programmes agreed that this is over-ruling, and do not support the idea to put any additional burden on project partners. Beside this, in case of staff flat rate there are certain categories in each programme (infra or not, or according to budget amount), in Hungary-Slovakia CBC Programme and Hungary-Serbia IPA CBC Programme also a ceiling, to make the receivable amount of staff costs reasonable. Regarding the applicable % there are also differences, but all programmes are a bit generous.

In terms of self-developed methods, Hungary-Slovakia CBC Programme introduces CERV (Citizens, Equality, Rights and Values) EU Programme's options as a copy-paste method to reimburse final recipients within SPF for their events organized. They also will have self-developed prep lump sum and unit cost for normal projects. In Hungary-Serbia IPA CBC Programme communication lump sum will be used. In SIHU, beside lump sum for preparation, there are certain unit costs and lump sums for events, translation, employment exchange, and as a novelty, they got approval from the European Commission as the method was submitted as Annex 2 to the Interreg Programme document, thereby ensuring clarity and audit trail consistency. ATHU opted for lump sum financing of preparation costs and staff unit costs applied by performance groups. The road to setup the methodology for staff unit costs was a difficult and long journey, the amounts being based on historical data it required detailed planning, especially with regard to salary disparities between Austria and Hungary.

There were still some uncertainties seeing the questions from audience related to audit, necessary audit trail, whether the costs covered by flat rate are really not going to be checked. Well, this fact was confirmed (it is also by latest INTERACT Guideline on verification of SCOs, consulted with COM as well), but, as it is always and everywhere emphasised, adherence to regulation and rules remains essential, even for those expenditures. We also discussed a bit how comes that different Control Bodies check different things, require not the same in all countries.

As we have seen, it is really worth opting for SCOs: they facilitate reduced administrative burdens and faster verifications. Still, there are some points that could be easier. The road to fully optimized SCOs is ongoing. By voicing concerns, we can advocate for smoother processes and regulations, ensuring an efficient and effective implementation of SCOs for all involved partners.