

Interreg - IPA CBC 
Hungary - Serbia

MODIFICATIONS DURING PROJECT IMPLEMENTATION PHASE

LEAD BENEFICIARY SEMINAR

3- 4 FEBRUARY, 2021
(ONLINE EVENT)



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- Notification about changes
- Types of modifications (Administrative change, Other project changes, Addendum)
- Basics of the modification request
- Changes not allowed
- Administrative change
- Other project changes
- Addendum
- Approval of the modification request

NOTIFICATION ABOUT CHANGES (HU)

Project part level:

HU Beneficiaries about their project part directly to the FLC (First level control body):

In written form, **8 calendar day** the latest from the change.

Changes affects their project part:

- contact data,
- Contact person,
- bank account number, etc.

Separate Hungarian form to be filled and send to FLC representative

Project level:

LB informs the Joint Secretariat (responsible PM) about possible changes or request modification on behalf of the whole project.

LB collects **all partners'** (LB, B1, B2, B3...) possible **changes** and summarize in **1 request**.

1 modification in 1 Reporting period (either addendum or OPC).

Excel form: properly filled – send draft version to crosscheck the correctness of the data, upon approval LB legal representative signs and sends via e-mail.

NOTIFICATION ABOUT CHANGES (SRB)

Project part level:

SRB Beneficiaries inform about their project part changes - directly to the FLC & JSA:

husrb.flc@mfin.gov.rs,

relja.burzan@mei.gov.rs

dejan.vujinovic@mei.gov.rs

In written form, **8 calendar day** the latest from the change.

Changes affects their project part:

- contact data,
- Contact person,
- bank account number, etc.

Project level:

LB informs the Joint Secretariat (responsible PM) about possible changes or request modification on behalf of the whole project.

&

LB collects **all partners'** (LB, B1, B2, B3...) possible **changes** and summarize in **1 request**.

1 modification in 1 Reporting period (either addendum or OPC).

Excel form: properly filled – send draft version to crosscheck the correctness of the data, upon approval LB legal representative signs and sends via e-mail.

Administrative change (Admin change)

- Submission via e-mail - no template, only e-mail (with supporting documents, if needed)
- JS PM approves, quick process

Other project changes (OPC)

- Submission via e-mail, excel template, scanned PDF (usually supporting documents are necessary), signed by LB representative
- JS PM approves , relatively quick process

Addendum (Add.)

- Submission via e-mail, excel template, scanned PDF (supporting documents always necessary), signed by LB representative
- Consultation with JS PM and MA, requires MA or JMC decision and approval -> time consuming, LB and MA signature (at least 1 month)

1st sheet: **general data of the project, type of modification, description and justification, chapters of the project form where the change occurs.**

- modification reasonable
- with proper justification and supporting documents (referred in the text: Attachment no.1, no.2, etc.)
- modification effective from date – to date.
- Descriptions: old and new version.
- Budget item references, (5.6.4 Development of project website),
- Written justification about reallocation from one budget item to another – reasons, both sides of reallocation should be justified – why those costs are not necessary there and needed in other place.

2nd sheet: **Budget reallocation table** (to be filled if it is relevant)

Shows which budget items are affected with budget reallocation – with increase and reduction.

- Budget item name and descriptions: old and new version.
- Budget item references, (5.6.4 Development of project website),
- Same format as it is in the budget table (OLD: unit, items, unit price, amount, REALLOCATION COST: green is increase, red is decrease, NEW: unit, items, unit price, amount).
- The total amount of reallocation (+ and –) should be **0 (zero)**.

BASICS OF MODIFICATION REQUEST

If the modification request received and found correct, responsible JS representative records the accepted modification in **INTERREG+** and finalizes the process.

In the **INTERREG+**: **1 project = 1 process**

JS can accept and approve

MODIFICATION OR PROJECT REPORT.

NO BOTH AT THE SAME TIME.





CHANGES NOT ALLOWED



Modifications which affect the **basic purpose of the Project** as approved by the Joint Monitoring Committee



CHANGES NOT ALLOWED

- Change of **Lead Beneficiary** (unless it is necessary by law)
- Budget reallocations **between Beneficiaries**
- Reallocation to the *budget line which did not contain allocated amounts* in the approved budget
- Reallocation to those budget items which were *decreased according to the decision of the JMC*



CHANGES NOT ALLOWED

- Reallocation to the Budget Heading 1 '**Preparation Costs**'
- In case the Beneficiary choose **Flat rate** option, those budget headings cannot be changed – determined: staff costs and office and administrative expenditures
- **Staff costs and travel costs** in general, only in particularly justified cases can be modified

ADMINISTRATIVE CHANGES

The notification about the **administrative change** should be submitted to the JS via e-mail within **15 calendar days** from the time the change occurred.

- change of separate project bank account,
- the change of the official/postal address or the address of the, headquarters
- change of contact person
- change of contact data (phone number, e-mail address) of the contact person or
- change of contact data (phone number, e-mail address) of the legally authorised representative) also need to be reported to the Joint Secretariat.

OTHER PROJECT CHANGES - OPC



- Project team change (management, experts)
- Merging of project's reporting periods
- Decrease of output and result indicators (NOT exceeding 20% of the original indicators)
- Budget reallocation between budget headings (NOT exceeding 20% of the original amount of the affected budget headings **OR** NOT exceeding 10 000 EUR);

OTHER PROJECT CHANGES - OPC

- Budget reallocations between budget lines (or items) of one budget heading (for example: 4.5 -> 4.8, or 5.2->5.1).
- Budget item description.
- Changes in activities that are not considered as substantial changes (e.g. minor activity description change, etc.). However, moving activities between reporting periods is not considered as an OPC. The LB reports about it in the next Project Report unless requested otherwise by the PM. (activity planned RP2->implemented in RP4)
- Other (e.g. change of legal representative, etc.)

- Longer process: JS checks the request and submits it for approval to the Managing Authority or to the Joint Monitoring Committee.
- Upon approval of the Managing Authority / Joint Monitoring Committee, the finalized Addendum to the Subsidy Contract has to be signed by MA and legal representative of LB, as contracting parties.
- **Budget reallocation** requiring an **addendum** and **prolongation** of the project duration have to be initiated **at least 45 calendar days** before the project **end date** as set in Article 3.2 of the Subsidy Contract.

- **Change of the Beneficiaries** requires the approval of the MA or JMC
- Substantial changes in the overall project **objectives**
- Changes of **activities** (either introducing new activities or replacing old ones);
- **Decrease of value of output and result indicators** (Programme- and Project-Level indicators - decrease *larger than 20%* of the original value of the indicator in question)
- **Budget reallocation between budget headings** which BOTH cumulatively *exceeds 20%* of the original amount of the affected budget heading **AND** is at least *10 000 EUR (also calculated cumulatively)* within the budget of the particular Beneficiary;
- **Prolongation** of the project duration.

The JS **consults** about the submitted modification request (draft or finalized versions) **with Managing Authority**.

- OPC – only if necessary,
- Addendum – always, as it is mandatory

before the modification request is finalized and approved by the Programme bodies.

Disclaimer:

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**Thank you for your
attention!**

**Interreg-IPA CBC Hungary-Serbia
Joint Secretariat**

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