



COVID-19 GUIDANCE FOR PROJECTS

Cooperation Programme
Interreg V-A Slovenia-Croatia
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COVID-19 GUIDANCE FOR PROJECTS

The Managing Authority (MA) and the Joint Secretariat (JS) of the Cooperation Programme Interreg V-A Slovenia-Croatia (hereinafter: Programme) have received a number of queries related to the eligibility of expenditure due to the COVID-19 crisis. In this respect, the MA/JS provide the following guidance to the lead partners, project partners and control bodies of the Programme.

1. General provisions

In general, the MA/JS advises to assess the situation according to the recommendations by the relevant authorities responsible for public health, such as WHO or national health organisations. In case of official travel ban/warnings for the region the projects might be forced to cancel the project related travels and events in the following cases:

- there are travel restrictions established by WHO, regional/national authorities or at the level of the partner organization or;
- there is a cancellation from the hosting/organizing structure or;
- there are medical or personal restrictions resulting directly from the COVID-19 virus (e.g. symptoms, confirmation of the illness, quarantine measures) of the person who was to travel.

The presented provisions concern all types of projects¹ and will be applied for all cases in line with the stated provisions that have already occurred due to the COVID-19 situation and will be valid until the revocation by the Managing Authority, which will take place when the COVID-19 situation improves and allows unrestricted implementation of the stated activities.

2. Eligibility of already incurred expenditure

2.1 Staff costs

Expenditures for project partners' employees who are working from home due to the COVID-19 situation are eligible if they are clearly connected to the implemented project activities which were originally planned in the application form (relevant documentation proving this kind of work should be enclosed in the relevant partner report).

However, some organisations have decided to put their staff on temporary lay-off. This is the staff not working but waiting for the COVID-19 situation to calm down in order to start working again. In this situation, salary and social taxes are no longer paid by the organisation but by the State/social security/unemployment services depending on the national/regional mechanisms put in place in Slovenia and Croatia. In the Programme only the costs directly borne by the employer (project partner) and not recoverable by any other means can be claimed (and usually the compensation is not paid/borne by the employer).

¹ Including the TA projects.

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In order to help the economy during the COVID-19 crisis, a set of measures was presented by the Government of the Republic of Croatia published in the Official Gazette of the Republic of Croatia no. 35/2020 and no. 43/2020 named as Rules amending the Rules on the implementation of the General Tax Act. One of the tax relief measures is the deferment of public contributions on salaries (pension and health insurance). If Croatian beneficiaries use this option, in order for the salaries and public contributions on salaries to be eligible, both the net salaries and public contributions on salaries have to be paid within 30 days from the end date of the project as stated in the Programme rules (Implementation Manual for Beneficiaries: Part 4: Eligibility of Expenditure).

2.2 Travel and accommodation costs

In the special circumstances as described in chapter 1 General provisions the costs related to the cancelled travels and events (e.g. travel tickets, pre-paid accommodation, event services) could be accepted as eligible if the activity (travel or event) has not taken place for the above mentioned reasons and if they cannot be recovered by any other means. In case costs were already reimbursed by other means (insurances, air companies, etc.) they cannot be claimed in the framework of the programme.

Most beneficiaries or event organisers are cancelling meetings in the COVID-19 crisis. In the ambition to contain the virus, the MA/JS support this safety measure. Therefore, cancellations of already purchased travels may be needed. In such cases you should follow three simple steps:

1. First and foremost, seek reimbursement from the company from which the ticket was purchased;
2. If travel company refuses to reimburse your costs, ask your travel insurance to reimburse those costs;
3. If no reimbursement is possible, the costs will be considered eligible and the respective FLC shall accept them (based on sufficient supporting documentation submitted to the FLC).

If travels or events need to be cancelled and have already been (partially) paid, we recommend you to ask for reimbursement as quickly as possible and in line with contractual terms.

The beneficiary should exercise due care to claim any amounts/compensation from insurance or any other sources. Any amounts received by insurance or compensation from other sources (e.g. liability insurance coverage compensating for the non-fulfilment of a contract, travel insurance compensating for travel expenses of a cancelled event, reimbursable travel and accommodation costs, etc.) must therefore be deducted from eligible expenditure.

2.3 Costs for cancelled meetings and events

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Due to current restrictions in place to prevent the spread of the virus you might have to cancel the events that were planned and for which some costs were already paid. As mentioned above, you should first try to limit the financial impact, but inevitable costs will be considered eligible.

If cancellation costs incurred it is important to document the reasons for cancellation, i.e. advice from the authorities. This should be done e.g. by saving the emails, written correspondence, the warning notes or screenshots of the relevant announcements and keeping this information as part of the audit trail.

3. Further implementation of the projects

3.1 Planning of future activities

It is advised to apply national and organisational rules and common sense measures to limit the spread of the virus: keep social distance by avoiding close contact, stay at home if you feel sick, wash your hands often and correctly, cover your cough or sneeze, avoid touching your face, including eyes, nose and mouth etc.

Based on the information currently available it is hard or even impossible to make plans for the near future. We recommend you to stay flexible and to look for options to implement your project in a safe and responsible manner. If you see that large or important project activities will have to be postponed or that there will be a significant delay in the implementation, please inform the contract manager of your project at Joint Secretariat immediately. These situations and potential solutions will have to be discussed on a case-by-case basis in relation to specific circumstances. For all measures taken at the project please remember to keep good process documentation as part of the audit trail.



However, the projects are advised to continue implementing their activities as originally planned in the application form. As the situation is constantly changing, the MA/JS recommend:

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- For future travels and events make use of flexible booking options and contractual arrangements allowing refundable cancellations;
- In order to avoid negative impact on project implementation, wherever possible it is recommended to carry out cancelled meetings and events using on-line meetings/video-conferences, live streaming, targeted on-line promotional campaigns, videos, online presentation of results, use of social media and website, etc. (the reports have to include minutes of such procedures, evidence on the participants etc.);
- In case project activities other than travel and events are affected due to the COVID-19 situation, projects are requested to properly document those cases and to identify alternative solutions to implement the activities in question;
- Please use the proposed alternative measures to reduce the delay in project implementation to the possible minimum – project prolongation is possible only in individually and duly justified cases within the framework of the general time-wise eligibility rules of the programme.

We recommend for the events that have to be carried out in person and expect a large number of participants to be postponed in accordance with the national measures effective at the time.

3.2 What to do when facing challenges?

The possible adaptation of the project activities (e.g. postponing in non-changed format or slight modifications in the method of the implementation) should be communicated directly to the respective JS contract manager via e-mail or EMS mailbox as soon as possible or as soon as it turns out that one or more project activities may not be launched and implemented as described in the original project application form. In cases where implementation of activities is not possible, the JS contract manager has to be contacted as soon as possible and the proposed solution has to be elaborated by the whole project partnership.

All cases will be carefully examined on a case-by-case basis with relation to the nature of the project and challenges that are being faced. The optimal solution in each given case will be examined in close collaboration with the Lead Partner.

In case of submitting the project reports during the COVID-19 situation (except the final one), where the project partners due to the situation cannot provide appropriate or adequately signed documentation (e.g. periodic staff report), this documentation can be accepted by the FLC unsigned or the project partners can clarify that the documentation due to the COVID-19 situation cannot be enclosed. As soon as the situation allows², the project partner has to send to the FLC a signed statement³, where the unsigned documents are listed and declared as valid. From the Programme side there is some flexibility when it comes to the project timetable. We understand that adjustments within the existing work and time plan will be needed. Where this

² Or as agreed with the respective FLC.

³ Or signed documents if agreed with the respective FLC.

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is not enough, prolongation of the project duration can be taken in consideration. All decisions will be made based on an analysis of the requirements and situation of each individual project and each individual phase of the COVID-19 situation.

To prolong the project duration, the project partnership has to define the following information:

- List of activities that could not be implemented till the end of the project, activities that could be postponed, including a time frame within which those activities could be implemented and activities that would need to be cancelled because of COVID-19 situation.
- Propose solutions how certain activities could be implemented in a different way and still reaching the specific objectives of the project.
- Recalculate (if needed) all budget categories and plan well all the possible new costs because the overall budget is fixed and cannot be increased.

4. Site visits performed by JS/MA

According to the programme rules the project site visits have to be performed at least once in a project lifetime but not later than the last payment by Certifying Authority was made to the Lead Partner. Due to the COVID-19 restrictions, the obligatory site visits will be postponed to a later period until this situation is resolved. Only in rare cases where this is not feasible, e.g. in case the final project report has been received and no site visit could have been performed so far, the JS might implement comparable measures such as the check of photo-documentation, phone or video interview with the Lead Partner (to check the project progress, existence of equipment, physical archiving, compliance with publicity/communication rules, existence of outputs/deliverables etc.). For the projects consisting of various service activities (e.g. training, counselling, workshops etc.), the site visits may also include the on-line participation in these types of events. The whole procedure will be clearly documented by the JS contract manager.

The projects will receive further instructions from the relevant JS contract manager.

5. Additional guidance on national/regional level

For all other additional guidance on the national and/or regional level not covered in this guidance, the beneficiaries should monitor the announcements by their national/regional authorities on the website, in the media or by other means of communication. All relevant information by the national control units will also be published on the programme website www.si-hr.eu and distributed to the beneficiaries via programme newsletters.