

Implementation workshops in Novi Sad and Osijek

Q&A

March 2026

REPORTING

- **Question:** Are travel costs required to be justified with supporting documentation?

Answer: The Programme reimburses travel and accommodation costs through a flat rate of up to 15% of eligible direct staff costs (SCO I method) or as part of the up to 40% flat rate on eligible direct staff costs (SCO II method). Being that the travel and accommodation costs are reimbursed on a flat rate basis, beneficiaries do not need to document that the expenditure has been incurred and paid or that the flat rate corresponds to the real costs. Accordingly, no documentation on Travel and accommodation costs is required to be provided to the National Controller within Partner report.

But please take notice that, beneficiaries (each LP/PP) must deliver evidence of at least one travel cost during the implementation of the project within Partner report during any of reporting periods, according to the point 8.2.3. of the Project implementation manual.

- **Question:** Is it necessary to submit a statement listing the members of the project team?

Answer: Yes, a statement listing the members of the project team must be submitted as a part of the supporting documentation as stated in point 8.2.1. of the Project implementation manual, and depending on the chosen SCO option.

- **Question:** Is the final report also paid within the 80-day deadline?

Answer: Yes. The 80-day deadline applies to all Project report types, including the final Project report. This means that the Joint Secretariat, Managing Authority and Accounting Body should complete verification and payment within 80 days from submission of a complete Project report. However, the deadline of 80 days may be interrupted if information submitted by the Lead partner does not allow the Managing Authority or Accounting body to establish whether the amount is due.

- **Question:** Regarding analytical account records (*hrv. kartice analitike konta*), is it acceptable to report costs while the works are still ongoing, considering that these analytical account records become valid only upon completion of infrastructure works (i.e. when they are activated)? How should related costs be claimed at earlier stages?

Answer: Yes, those costs can be reported during implementation, even if infrastructure works are not yet completed or activated.

Regarding infrastructure works please bear in mind:

- Analytical account records (*kartice analitike konta*) are supporting accounting evidence, but their “final” form after activation is not a prerequisite for reporting interim costs. In case of works expenditures are recorded on accounts “asset in preparation” so please be advised to provide these accounting records.

The final activated asset record becomes relevant mainly at project closure, not for interim reporting.

Nota bene: whilst costs related to works with interim (temporary situations) are eligible without the need to wait until “activation”, for equipment costs you must provide proof of usage i.e. “activation”. To put it plainly, you can’t report equipment you are not using (e.g. microscope sitting in a warehouse instead in a laboratory plugged in).

- **Question:** Is it necessary to submit employment contracts each time costs are claimed, or is a one-time submission sufficient?

Answer: For budget option SCO I (flat rate up to 20% of eligible direct costs) employment contracts do not need to be submitted at all. Still, in first reporting period it is necessary to submit a Decision on the project team appointment. In each reporting period, a statement is submitted that the organization has one employee for the project purposes.

For budget option SCO II (real costs regarding staff costs) employment contracts should be submitted once and verified.

For subsequent reporting periods, beneficiaries typically only need to submit:

- payroll documents (payslips, tax forms)
- proof of payment
- Task Assignment Document

Employment contracts must be resubmitted only if there are changes (e.g. salary, role, working time, amendments).

JEMS

- **Question:** Is each project partner required to open a dedicated bank account for the project?

Answer: No, opening a dedicated bank account is not mandatory.

Project partners may use their existing institutional bank accounts, provided that project transactions are clearly identifiable, and a full audit trail is available.

COMMUNICATION AND VISIBILITY

- **Question:** Does all equipment procured under the project need to be labelled?

Answer: Yes, all equipment financed by the project must be properly labelled in line with program visibility rules defined in Project implementation manual (chapter 5. Communication and Visibility), including reference to Interreg programme. This ensures transparency and visibility of EU funding.

- **Question:** Is prior approval from Communication officer required for visibility materials, publications, and promotional materials?

Answer: No formal prior approval is required in all cases but recommended to avoid corrections.

However:

- materials must strictly follow programme visibility rules
- in practice, beneficiaries are advised to consult the Communication officer, especially for major outputs (brochures, campaigns, videos, etc.)

- **Question:** Is there a minimum number of billboards that must be ensured?

Answer: No fixed minimum number is prescribed.

Projects are obliged to display durable plaques or billboards in case:

- The project involves physical investment or the purchase of equipment and
- The total cost of the project exceeds EUR 100.000,00, which is the case for all projects

Please note that each partner must place at least one poster (minimum size A3) with information about the project at a location readily visible to the public.

- **Question:** Is it mandatory to establish a website exclusively for the purposes of the project?

Answer: No, it is not mandatory to create a separate project website; projects will not receive co-financing for stand-alone project websites outside PPs existing websites unless they are intended to build content related platforms or databases as parts of solutions remaining after the lifetime of the project. The key requirement is that project information is publicly accessible and EU funding is clearly acknowledged.

ELIGIBILITY OF COSTS

- **Question:** Are we required to follow the procurement procedures as specified under each budget line in Jems, or is it possible to consolidate similar budget items and procure them jointly?

Answer: Procurement procedures do not have to be conducted strictly according to individual budget lines in Jems. Instead, procurement procedures should be organised according to the nature and estimated value of the goods, works, or services, in compliance with the applicable national procurement rules and programme requirements. Therefore, similar items should be consolidated and procured jointly. Procurements must not be split artificially to circumvent the procurement thresholds.

- **Question:** What should be done if equipment purchased under the project becomes defective/unusable?

Answer: If equipment purchased under the project becomes defective, the project partner should first attempt to repair it or activate the applicable warranty. If the equipment cannot be repaired or replaced under warranty, the situation should be properly documented (e.g., technical report or service confirmation) and project partner should notify Joint Secretariat.

Expenditures related to equipment damaged and/or missing due to circumstances beyond project partners control (i.e. due to force majeure, such as a declaration of war, an armed conflict, a strike, a protest, a crime act, a disease epidemic, a hurricane/storm, earthquake,

flood, fire or other natural disaster, etc.) may be considered as eligible (if there was no compensation/reimbursement from the insurance company and if such equipment was used and stored/taken care of properly and in line with standard business practice).

- **Question:** Is the 25% pre-financing calculated on the total project budget or only on the EU contribution?

Answer: The initial pre-financing of up to 25% is calculated based on the total project budget.

- **Question:** Would double financing be considered if salaries are co-financed from both national and EU funds?

Answer: The same expenditure item, including staff costs, cannot be financed from more than one public funding source. Staff costs declared within the project must therefore not be financed simultaneously from other EU or national funds.

- **Question:** A supplier for equipment procurement (tractor) is requesting a 50% advance payment — is this acceptable?

Answer: Advance payments to the supplier may be acceptable when they are in line with the applicable public procurement rules and when agreed in the supply contract. However, amounts of advance payments reported shall be approved only if confirmation that the equipment has been properly and timely delivered is available.

- **Question:** If the initial pre-financing is 25%, how should it be deducted/cleared through later reports?

Answer: Received initial pre-financing shall be deducted from certified Project Reports by the Accounting body during the implementation period, in line with the provisions of the SC (30% of the total certified EU share amount for each reporting period, except for the last reporting period where the remaining difference will be taken into account). JS shall notify Lead Partner about the amount of deducted pre-financing within payment notice sent after transferring funds for the specific reporting period.

- **Question:** Is the initial pre-financing intended exclusively for the Lead Partner?

Answer: No, it is intended for all Project Partners. Initial pre-financing of maximum 25% of the total project budget will be paid by the Accounting body to the Lead Partner within 10 working days from the receipt of signed Contract by the Managing Authority. For the purposes of the initial pre-financing payment, the signed Contract shall serve as a payment claim. The Lead Partner is responsible for transferring the funds to Project Partners at latest 15 working days after the reception of the funds from the Accounting body (in full and in respect to the Partnership Agreement).

- **Question:** If the supplier is from the EU and payment is made without VAT, how is VAT handled in that case?

Answer: VAT is considered an eligible cost if it is established that it is borne by the project partner and it is clearly identified in the invoice. If the supplier is not registered in the VAT

system and the invoice is issued without VAT the expenditure is considered to be eligible in the amount invoiced (without VAT).

- **Question:** If the price of an item in the budget line changes compared to the amount defined during the optimization phase, and the procurement contract has not yet been signed, can that budget line be modified?

Answer: It is possible to modify the budget line before the signing of the procurement contract if the estimated price differs from the amount initially planned in the approved project budget. In such cases, the change is considered a minor modification (budget modification) and it involves a reallocation among expenditure categories or budget lines within the respective partner's budget. Any such adjustment must be duly justified and coordinated at the partnership level, and subsequently communicated to the Joint Secretariat by the Lead Partner in accordance with the programme's budget modification procedures.

- **Question:** The Lead Partner transfers funds to a project partner in Serbia — how should currency conversion costs be treated?

Answer: According to Programme rules, currency conversion costs are not eligible.

- **Question:** If there are two procurement procedures not yet contracted, and it is identified that one requires additional funds while the other has not yet started, can funds be reallocated between them?

Answer: If one planned procurement requires additional funds, it is possible to reallocate savings from other budget lines to cover the additional costs. Such modifications can be made prior to the signing of the procurement contract and must be properly justified.

- **Question:** Is it allowed to reallocate funds between different budget categories within the same project partner?

Answer: Reallocations between different budget categories within the same project partner are possible and are considered budget modifications, referring to reallocations among expenditure categories or budget lines within a partner's budget. Please note that modifications will be accepted only in duly justified cases. Each financial reallocation must be justified. Savings during implementation of project activities may be reallocated only if there is a real need to redistribute the surplus to some other expenditure category / line. At the same time, certain restrictions apply: the total/EU project budget cannot be increased, the modification must not alter the nature or objectives of the approved project, and budget lines based on flat rates or lump sums cannot be modified.

- **Question:** Is it allowed to reallocate funds between budget categories across different project partners?

Answer: There is a possibility to reallocate budget funds between project partners (only in duly justified cases) that are substantial to the project implementation and achieving the project outputs/results as planned. Budget reallocation between project partners is allowed up to a maximum 10% of the total partner budget, considering the budget from which the funds will be reallocated. Reallocation of funds between budget categories across different project partners is considered a major modification, as it affects the approved partner budgets. Since

major modifications are substantial deviations from the approved Application they are considered as exceptional cases, which need the previous decision of the MA / MC, based on thorough justification.

- **Question:** At what stage are closure costs reimbursed?

Answer: Closure costs are reimbursed together with the costs certified in the Final Project Report. Therefore, the closure costs must be marked by Lead Partner within the *List of expenditures* section within the last Lead Partner's Partner Report. Certain conditions must be fulfilled for the Programme to pay a lump sum for closure costs:

- The Lead Partner has submitted the final Project Report,
- The final Project Report has been approved by the MA.

PUBLIC PROCUREMENT

- **Question:** If received offers are received with prices excluding VAT, does this later result in a 20% saving?

Answer: The fact that the bidder submitted a bid without calculating tax does not automatically mean that tax does not need to be paid. It is recommended that you provide clear and equal instructions to bidders regarding whether you expect the bids to include VAT. VAT is an eligible cost in the Croatia-Serbia programme and you have been instructed to include VAT for all direct costs when preparing the project budget (PIM, article 8.1.1.).

Even when a non-VAT-registered business submits the bid, they will most likely buy the product from a VAT-registered supplier and there will be no difference in price, comparing to the VAT-registered bidder.

If the bidder is a foreign company, they may issue an invoice without VAT (0%), because the tax is not paid in the country of export. However, VAT (along with other import duties) may need to be paid at customs.

- **Question:** In the case of procuring signage for a cycling path (following installation of posts (hrv. stope)), should this be classified under works or equipment?

Answer: In infrastructure projects (like cycling paths), the signs could be considered an integral, permanent part of the "construction object, if the contract requires a contractor to perform labor on-site to integrate the signs into the path. It is best to check with the relevant authorities before embarking on the implementation of the activity.

- **Question:** Can a procurement procedure other than a Local Open Tender be selected in the procurement plan?

Answer: Yes, a procurement procedure other than a Local Open Tender can be selected depending on the estimated value of the contract and the nature of the procurement (PIM, article 6.1.5.).

- **Question:** If the SCO2 method is applied and Call for proposals is sent to three suppliers, is it mandatory to receive all three offers?

Answer: No, it is not mandatory to receive all three offers to proceed. If the deadline passes and you only have one or two valid offers, you can proceed with the evaluation of the received offer(s).

- **Question:** If similar procurement items are identified in the budget in Jems, must they be procured jointly and the procurement procedure adjusted accordingly, even if a different procedure is specified in Jems?

Answer: Yes, you generally must group similar items and adjust the procedure accordingly. You cannot artificially split procurement into smaller parts to avoid a more competitive procedure (PIM, article 6.1.5.).

- **Question:** Is procurement via a framework agreement (already concluded by the institution under national legislation) permitted in the Republic of Serbia?

Answer: You may use your current national framework agreements for the procurement under the project, as long as this is in line with the Programme rules and general public procurement principles (PIM, article 6.1.).

- **Question:** Is it necessary to obtain three offers under the Single Tender procedure?

Answer: Contracts whose value is less than or equal to 20 000 EUR (without VAT) may be awarded based on a single tender procedure. In the single tender procedure, the PP places an order based on a single tender (at least one tenderer shall be formally invited, however, PP may decide to invite more tenderers to submit a formal offer) (PIM, article 6.2.2.).

- **Question:** In lot-based procurement, if some lots are not awarded, can the remaining lots still be contracted?

Answer: For the lots that were not awarded, you have option to launch a new, separate procurement for those specific items (potentially adjusting the technical specs or budget). Within the same bidding process, every lot is handled as a separate contract. If no valid offers were received for particular lots, if proposals for some lots exceeded the budget, or if bidders for some lots were rejected during technical evaluation, you have the authority to award some lots and cancel others.

- **Question:** Where must the contract notice for launching a procurement procedure be published? Should project partners publish instructions on their websites regarding procurement publication on EOJN?

Answer: The publication requirements depend on the type of procedure and the estimated value of the contract. Contract notice is not applicable for the restricted public procurement procedures (single or simplified).

For Local Open Tenders publication is mandatory in:

- Official gazette of the partner's country, or a high-circulation national newspaper,
- Project Partners' institution websites

-Programme website <https://interreg-croatia-serbia.eu> (ONLY information shall be published, not entire tender dossier); **Project Partners shall notify the JS and provide a link to relevant web sites where Contract Notice and TD is published.**

For International procedure publication is mandatory in:

- Project Partners' institution websites (of the websites of all project partners)
- Programme website <https://interreg-croatia-serbia.eu> (publication of Contract Notice and Tender dossier)
- Official Journal of the European Union (TED - Tenders Electronic Daily) (PIM, article 6.2.4.)

Publication of information on the launch of international procedure on the Programme website (<https://interreg-croatia-serbia.eu/>) and the Official Journal of European Union is a mandatory requirement.

For Croatian Project Partners conducting procedures under the national Act on public procedure, there is no need of publishing procurement notices on their websites.

COMMON ERRORS

- **Question:** Can a cost incurred in one reporting period be claimed in the following reporting period?

Answer: Yes, expenses that were incurred but not reported for a variety of reasons in a current period may be reported in the following period.

MODIFICATIONS

- **Question:** Can each project partner independently submit a modification request, or is this exclusively the responsibility of the Lead Partner?

Only the Lead Partner is responsible for formally submitting a modification request through Jems. Project partners may propose changes; however, these must be coordinated and submitted only by the Lead Partner. The Lead Partner is strongly advised to consolidate all potential changes into a single modification request in order to reduce the administrative burden and avoid repeating the modification procedure for each change separately. In preparing such a request, the Lead Partner should involve all project partners promptly, ensuring that the needs and considerations of the entire partnership are adequately reflected.

- **Question:** What is the procedure in case of a change of legal representative?

Answer: In case of any administrative change, such as change of legal representative of Lead Partner or Project Partners, or bank account, or contact/address information etc., or any other minor or major modification, the following steps are foreseen:

a) The Lead Partner informs the JS Project Manager via e-mail of the need for the modifications. Modification request form needs to be prepared including short description and justification of the changes (attaching also, if applicable, supporting documents).

b) JS (and/or MA/MC) can request additional information from Lead Partner before approval of the modification request (via e-mail).

c) After the approval of the modification request via e-mail, JS Project Manager starts modification request in Jems allowing the Lead Partner to modify the relevant parts of the Application.

d) The Lead Partner inserts the changes and supporting documents in Jems and submits the modification.

e) JS Project Manager checks the modification of the Application and, if needed, hands back the project modification to the Lead Partner for further clarifications and/or adjustments or accepts the modification in Jems.

f) The process is finalised, and the Lead Partner is notified about the decision.

- **Question:** Who is responsible for entering approved changes into Jems — the Lead Partner or the project partner?

Answer: Approved changes into Jems can be entered by the Lead Partner or Project Partners, but the Lead Partner is responsible for submitting the modification.

IRREGULARITIES

- **Question:** If multiple manufacturers exist on the market, but specific technical requirements are needed, how should the tender documentation be drafted to ensure compliance with procurement law while obtaining the required specifications?

Answer: Technical specifications must not refer to a specific brand or source, or a specific process with the characteristics of products or services provided by a specific economic entity, or to trademarks, patents, types or a specific origin or production if this would have the effect of favoring or excluding certain economic entities or specific products, unless this is justified by the subject of procurement. If something cannot be described in a sufficiently precise and understandable manner in the technical specification, then the contracting authority must accompany the description with the expression “or equivalent, or should be used with expression “to be compatible with” and must state in the procurement documentation the criteria relevant for assessing the equivalence of the procurement in question.

- **Question:** Once the new Public Procurement Act enters into force, what happens to procedures already launched under the previous legislation?

Answer: In this case, procedures launched under the previous legislation are valid and no adjustments or repetitions of the procedure are necessary.