

# Small Project Fund (SPF)

Enhancing MSEs sustainable gRowth And  
CompEtitiveness - **EmBRACE**

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# About the Programme



Programme area  
87,454 km<sup>2</sup>



Population  
5,14 mil.



IPA III/ERDF  
€ 117.685.699



# Programme Intervention Logic

Programme Priority	Specific Objective	Allocation (mil. EUR)
PA1 - Smart investments in research, innovation and competitive entrepreneurship	SO 1.1 - Research and innovation	13,54
	<u>SO 1.3 - Competitiveness of SMEs</u>	<u>10 (SPF)</u>
PA2 - Green investments in environmental protection and efficient risk management	SO 2.1 - Energy efficiency	11,5
	SO 2.4 - Climate change adaptation	23
	SO 2.6 - Circular economy	11,5
PA3 - Accessible and resilient health services	SO 4.5 - Access to health care	19,26
PA4 - Sustainable and inclusive tourism and culture	SO 4.6 - Culture and tourism	18,19



## 1. SCOs coming from CPR and Interreg Regulation (off the shelves)

SCO Option 1		SCO Option 2	
Cost category	Form of reimbursement	Cost category	Form of reimbursement
Staff costs	up to 20% flat rate of direct costs	Staff costs	Real costs
Office and administration costs	up to 15% flat rate of staff costs	Other costs	up to 40 % flat rate of staff costs for all other costs
Travel and accomodtion costs	up to 15% flat rate of staff costs		
External experts and services costs	Real costs		
Equipment costs	Real costs		
Costs of infrastructure and works	Real costs		

## 2. Programme-specific SCOs

- Lump sum preparatory and contracting costs (EUR 8.000) and Lump sum closure costs (EUR 4.000)



Priority Axis 1: **Smart investments in research, innovation and competitive entrepreneurship**  
 Specific objective: **SO1.3. Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments**

Name of the SPF beneficiary : **HAMAG-BICRO - Croatian Agency for SMEs, Innovation and Investments**

Title / Acronym: **Enhancing MSEs sustainaBle gRowth And CompEtitiveness / EmBRACE**

Duration in months: **60 (01/03/2024 – 2/02/2029)**

Budget:

<b>TOTAL amount of SPF project (EU share):</b>	<b>EUR 10,000,000.00</b>
<b>TOTAL management costs budget:</b>	<b>EUR 1,274,676.00</b>
<b>TOTAL SMEs budget:</b>	<b>EUR 8,725,324.00</b>

**Project aims to offer support to MSEs in the Programme area and enhance the competitiveness of micro and small enterprises in the border regions.**

Support will be given to MSEs for:

- development and adaptation of business models, products, services and processes, fostering development of local MSEs with strong focus on introducing product or process innovation;
- developing pilot actions and new business solutions;
- enhancing MSEs cross-border business cooperation.

**SPF indicators:**

<b>Output Indicator</b>	<b>Target 2029</b>	<b>Result Indicator</b>	<b>Target 2029</b>
<b>RCO 01 - Enterprises supported (of which: micro and small)</b>	<b>120</b>	<b>RCR 03 – Small and medium-sized enterprises (SMEs) introducing product or process innovation</b>	<b>40</b>
<b>RCO 02 - Enterprises supported by grants</b>	<b>120</b>		
<b>RCO 84 - Pilot actions developed jointly and implemented in projects</b>	<b>12</b>	<b>RCR 104 - Solutions taken up or up-scaled by organizations</b>	<b>4</b>
<b>RCO 116 - Jointly developed solutions</b>	<b>8</b>		



- SPB beneficiary (HAMAG-BICRO) – SCO Option II
- Final recipients (FR) within small projects - use of SCOs in small projects is mandatory:
  - SCO Option I + Lump sum for preparatory costs (EUR 1.500 per FR) – for small projects above EUR 100.000 (up to EUR 200.000 EU share)
  - Draft budget method - Article 25(6) of Interreg Regulation (for small projects of total value less than EUR 100.000)

# SPF Project activities:

- **Beginning and establishment of SPF implementation for final recipients (FRs)**
  - upgrading and adapting the web platform, creation of complete documentation for MSEs – GfA, evaluation manual, AF, checklists, etc., Selection Committee (SC) set up, procurement of project team equipment, launching conference and other comm. activities
- **Announcement of calls for MSEs**
  - 3 calls planned, the planned duration of Small Projects is max. 12 months
- **Review (assessment) and ranking of project applications**
  - HAMAG-BICRO will carry out the selection process and propose a list of Small Project Applications for contracting
- **Selection of Small Project applications - approval by the Selection Committee (SC)**
  - members of SC - from all three Participating Countries (two voting members from each participating country, as well as non-voting members / observers from JS, MA and NAs ) - selection of the Small Projects (list approval)
- **Fulfilment of conditions and contracting of small projects**
  - Pre-contracting phase (AF optimization / draft budget – lump sum, milestones)
  - Planned support for final recipients will be as **de minimis** aid granted under the Programme



# SPF Project activities:

- **Implementation of small projects**
  - upon contracting after each call, MSEs implement small projects in max. duration of 12 months
- **Reporting of FRs and payment of eligible costs**
  - MSEs report through the web platform on the activities and expenses every 3 months
  - HAMAG-BICRO will set up the Management Verifications of Small Projects Team (MVSPT) that will check/approve the reports
  - After approval of the report - payment to FRs
  - Small Projects up to EUR 100.000 - using Lump sum (draft budget method) will be paid after each of 3 defined milestones and proven results
- **Control of small projects**
  - MVSPT will carry out on-spot checks of small projects as part of management verifications of the costs of small projects on sample base
  - risk-based management verification (RBMV)
- **Management, Promotion and visibility on SPF level**
  - Reporting period for HAMAG-BICRO – 4 months (reports to HR NCs)



# 1st SPF Call for Proposals

- Budget: 3 mil.euro, open from 18/06/2024 to 17/09/2024
- AF via web EmBRACE application, launching conf. in HR and info days in all 3 countries
- 2-4 Final recipients (FR) per small projects – at least one from Croatia and at least one from one other Programme country – trilateral applications encouraged
- co-financing rate 85%, use of SCOs in small projects is mandatory (SCO I / draft budget)
- 62 applications received, 10.8 mil. euro requested (EU share)
- 02/12/2024 – SC approved 24 applications – 4.1 mil. euro (EU share)
- Expected beginning of small projects implementation – 1st Q 2025

## Thank you for the attention!

Joint Secretariat - Ministry of Regional Development and EU funds of the  
Republic of Croatia

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