



INEA's expectations and procedures for beneficiaries

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Content

- *INEA's expectations*
- *Reporting*
- *Costs*
- *Modifications*
- *Publicity*
- *Follow-up*
- *MAP Portfolio Review 2018*

INEA's expectations towards project implementation

Compliance with and implementation according to GA procedures

1. Reporting
2. Financial provisions
3. Modifications

Achievement of Action's Objectives

Dissemination and promotion of results

Reporting requirements

- ***Action Status Report (ASR)***



GA II.23.1.1

- To be submitted by Coordinator
- Due 31 March following each reporting period
- Template provided by INEA
- First ASR shall contain specific information

Reporting requirements

Interim financial statement



GA II.23.2.1

- To be submitted with requests for interim payment, within 8 months of the end of the reporting period(s)
- Mandatory IFS due every two years
- Template provided by INEA (GA Annex VI)
- Audit certificate (GA Annex VII)

Final report and financial statement



GA II.23.2.2

- Within 12 months following completion date (and preferably earlier)
- Certification by the concerned Member State(s)
- Audit certificate (GA Annex VII)

Eligibility of costs (1/2)

no R&D !



GA II.19

- Templates for cost claims available on the INEA website
- **Eligible costs** are costs actually incurred by the beneficiary(ies), [affiliated entities and implementing bodies] which:
 - Are incurred during the action duration;
 - Are indicated in GA Annex III;
 - Are necessary for the implementation of the Action;
 - Are identifiable and verifiable;
 - Comply with tax and social obligations;
 - Are reasonable, justified and comply with sound financial management principles
- Examples of **ineligible costs**: return on capital, deductible VAT, [costs of land and building acquisition], indirect costs...

Eligibility of costs (2/3)

- Direct personnel costs: two possible ways of declaring:

1) Declare actual personnel costs:

 **GA 3. a). i.**

- ✓ Time recording system required
- ✓ Cost of staff must be actual (not average) and should include all tax and social security contributions. Other benefits can be included if actually part of remuneration package. An explanation of how the unit cost (man/day) was calculated must be provided
- ✓ Cost of staff cannot include overheads
- ✓ Travel and subsistence can be reported – keep record of date, place and reason for travelling (keep documentation, can be included in sample of invoices)

Eligibility of costs (3/3)

 GA 3. a). v. and 10

2) Declare average personnel costs:

- ✓ based on the beneficiaries usual costs accounting practices and in compliance with the conditions laid down in Commission Decision C(2016)478
- ✓ The Commission Decision also provides for the use of unit costs for SME owners who do not receive any salary. The hourly rate is based on a fixed monthly allowance multiplied by a country correction coefficient as defined in the Appendix of the Decision
- ✓ the Decision also establishes the basic conditions regarding time recording for personnel costs that should be respected by all CEF beneficiaries

Financial documentation

- Need for appropriate accounting system and documentation to facilitate reporting and readily available upon request:
 - No invoices or bank statements to be provided together with financial reports, but INEA will ask for sampling
 - SAP printouts and bank statements accepted for payment documentation
 - Checks/ Audits possible during the GA implementation and until 5 years after the balance payment [3 years in case of grant lower than EUR 60,000]
 - Procurement documentation will be requested

Procurement

 GA II.9

- Award to tender offering best value for money or, as appropriate, the lowest price
- Contracting authorities/ entities within the meaning of EU Directives shall follow applicable national / EU Directives public procurement rules
- For Beneficiaries other than contracting authorities/ entities, sound financial management
- Procurement will be verified at payment time together with the verification of the sampled costs (and documentation should be readily available for audit purposes)
- Non-compliance will lead to rejection of costs or reduction of support

Budget transfers



GA II.22

- Adjustments **between budget categories and activities** of each beneficiary are allowed without this being considered an amendment. /provided activities are fully completed/
- However, **amendments** are always required for:
 - transfers of amounts between beneficiaries where no coordinator is designated,
 - modification to the total estimated CEF contribution, which beneficiaries are entitled to receive in case of penalties and recoveries

Amendments

 **GA II.12**

- Shall not have the purpose or the effect of making changes which would call into question the award of the grant
- Amendments should be an exception. Will only be accepted in **duly justified and substantiated** cases
- Request for Amendments must be submitted by specific letter at the latest **3 months** before end date

Publicity

Publicity regarding the EU funding is an obligation. We expect at least the following:

- Information on beneficiaries' websites
- Billboards visible to the public during construction
- Logo on cover of study reports (+ disclaimer)
- Permanent commemorative plaque after completion
- Press releases, articles, presentation, etc. of activities co-financed by CEF must include a reference to EU funding
- Keep us informed about events (press releases, inauguration, etc.) as we would like to publicise it too!

Please see our [guidelines on publicity and downloads](#) on INEA's website

Project follow-up (1/2)

- The formal reporting requirements form the basis to monitor the implementation of the Action

During the Action the PM will:

- Monitor on a regular basis the implementation of the Action and verify that it is consistent with the grant agreement.
- Initially based on the ASR but also through regular contacts and updates from you (every 3-4 months or as required), on-site visits, consistency of technical and financial progress, etc.
- Deal with ad hoc issues and problems, e.g. delays

After the end of the Action the PM will:

- Assess whether the Action has achieved its objectives and verify, together with a financial officer, that the costs are eligible and relevant, procurement rules have been respected, publicity measures followed etc. to determine the final amount of the grant
- This is based on the final report and financial statement and on a final close down meeting (normally on-site)

Project follow-up (2/2)

- Contact the INEA project manager immediately when an issue occurs to agree how to proceed
- Be open and put all facts on the table – otherwise it could be too late to solve a problem!

Disclaimer

The content and conditions of the grant agreement always prevail on any different information, which may be included in this document and/or in any formal or informal communication with the beneficiaries such as the approval of reports (e.g. ASR), exchange of emails, etc.

European Commission

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MAP portfolio review 2018

- *MAP portfolio review*
to take place in 2018 as part of the ASR exercise
- *Overall objective*
Ensure tight management of CEF grants and efficient and effective use of EU funds
- *Specific objectives*
 - **Assess progress of individual actions**
 - **Assess their future implementation plans**
 - **Develop scenarios for the management of the portfolio**

- *Outcome of the MAP portfolio review*

Confirm or revise the initial implementation plans of the Actions

- *Total CEF-Transport portfolio*

602 Actions

- *Total ASR portfolio*

436 Actions

- ***Scope of the MAP portfolio review***

338 actions from 2014 and 2015 calls

209 under the General envelope and 129 under the Cohesion envelope

- ✓ ***Comprehensive review*** for the *109 Actions* with most significant budget allocation
- ✓ ***Desktop review*** for the remaining *229 Actions*

Comprehensive review - scope

The 109 Actions represent 91% of CEF MAP budget granted in 2014 and 2015:

- General envelope: 59 actions with minimum CEF individual grant of €15 million awarded
- Cohesion envelope: 50 actions with minimum CEF individual grant of €40 million awarded

Comprehensive review – process

Main data sources

- *Grant Agreements and subsequent amendements, if any*
- *2018 ASRs*
 - Importance of good quality ASRs in due time
 - **Beneficiaries** are given the opportunity **to share draft 2018 ASRs** before the official deadline
- *Outcomes of meetings and missions*
- *The '**Matrix**' -> supporting tool to organise necessary information provided in the 2018 ASR and 'scan' the risk factors of each Action, including their impacts on the different activities*

Comprehensive review – process

- *The 109 Actions will be reviewed in depth by PM/PO and 2 external experts ('the reviewers') to define:*
 - their actual absorption capacity
 - realistic implementation plans
 - critical milestones
- *Consensus meetings*
- *INEA and DG MOVE will analyse the reviewers' findings on the state of play and perspectives of the Actions*

Desktop review

The remaining 229 Actions will be subject to desktop review by PMs based on the 2018 ASRs

Keys to success for the MAP MTR exercise

Timely submission of good quality **ASRs 2018** reflecting accurately the **reality** of Actions and their **future implementation** plans

Close cooperation between INEA, beneficiaries and MS and common understanding of the objectives of the MAP portfolio review

Indicative Timetable

- Late December 2017: Launch of the ASR exercise 2018
- February 2018: (Voluntary) sharing of draft ASR with INEA's PM.
- 31/03/2018 (Easter Saturday): Official deadline for ASR 2018
- May 2018: Review of individual Actions with external experts, realistic expert assessment about the expected completion date of the entire Action
- June/July 2018: Wrap up by INEA and DG MOVE
- Information to the CEF Committee



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***INEA is there to help and support projects!
Get back to us if you have any questions***