



Estonia
Latvia
Russia

ENPI cross border
cooperation programme



part-financed by
the European Union

Auditor seminar
26 November, 2013
Tartu, ESTONIA

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Grant contract and annexes

Joint Technical Secretariat

"This document has been produced with the financial assistance of the Estonia – Latvia – Russia Cross Border Cooperation Programme within European Neighbourhood and Partnership Instrument 2007 – 2013. The contents of this document are the sole responsibility of the Joint Managing Authority of the Estonia-Latvia-Russia CBC Programme and can under no circumstances be regarded as reflecting the position of the Programme participating countries, alongside with the European Union."

Special conditions

- take precedence over the annexes
- any addition/derogations to the General conditions applicable to EC financed grant contracts are specified in Art 7 of the Special Conditions



Special conditions

OUTLINE:

Article 1 – Purpose

Article 2 – Implementation period of the Action

Article 3 - Financing the Action

**Article 4 - Narrative and financial reporting and
payment arrangements**

Article 5 - Contact addresses

Article 6 – Annexes

**Article 7 - Other specific conditions applying to the
Action**



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Special conditions - annexes

Annex I: Description of the Action

Annex II: General Conditions applicable to European Community-financed grant contracts for external Actions

Annex III: Budget for the Action

Annex IV: Contract-award procedure

Annex V: Standard request for payment and financial identification form



Special conditions - annexes

Annex VI: Model narrative and financial report

**Annex VII: Model report of factual findings and
terms of reference for an expenditure
verification of an EC financed grant
contract for external actions**

Annex VIII: Model financial guarantee

**Annex IX: Standard template for Transfer of
Assets Ownership**



Implementation and execution period

Special conditions	General conditions
Art. 2 Implementation period of the Action (contract entering into force, start of implementation period of the Action, duration, execution period of the contract)	Art. 11 Implementation period of the Action, extension, suspension, force majeure, and end date

Start of implementation

Distinguish between:

When the contract takes effect = date of last signature

When the Action starts = as specified in art. 2.2 of the special conditions:

- 1) the day following that on which the last of the two Parties signs OR***
- 2) a later date***



Implementation period

Distinguish between:

When the implementation period ends: XX months after Action start date (art. 2.3 Special conditions)

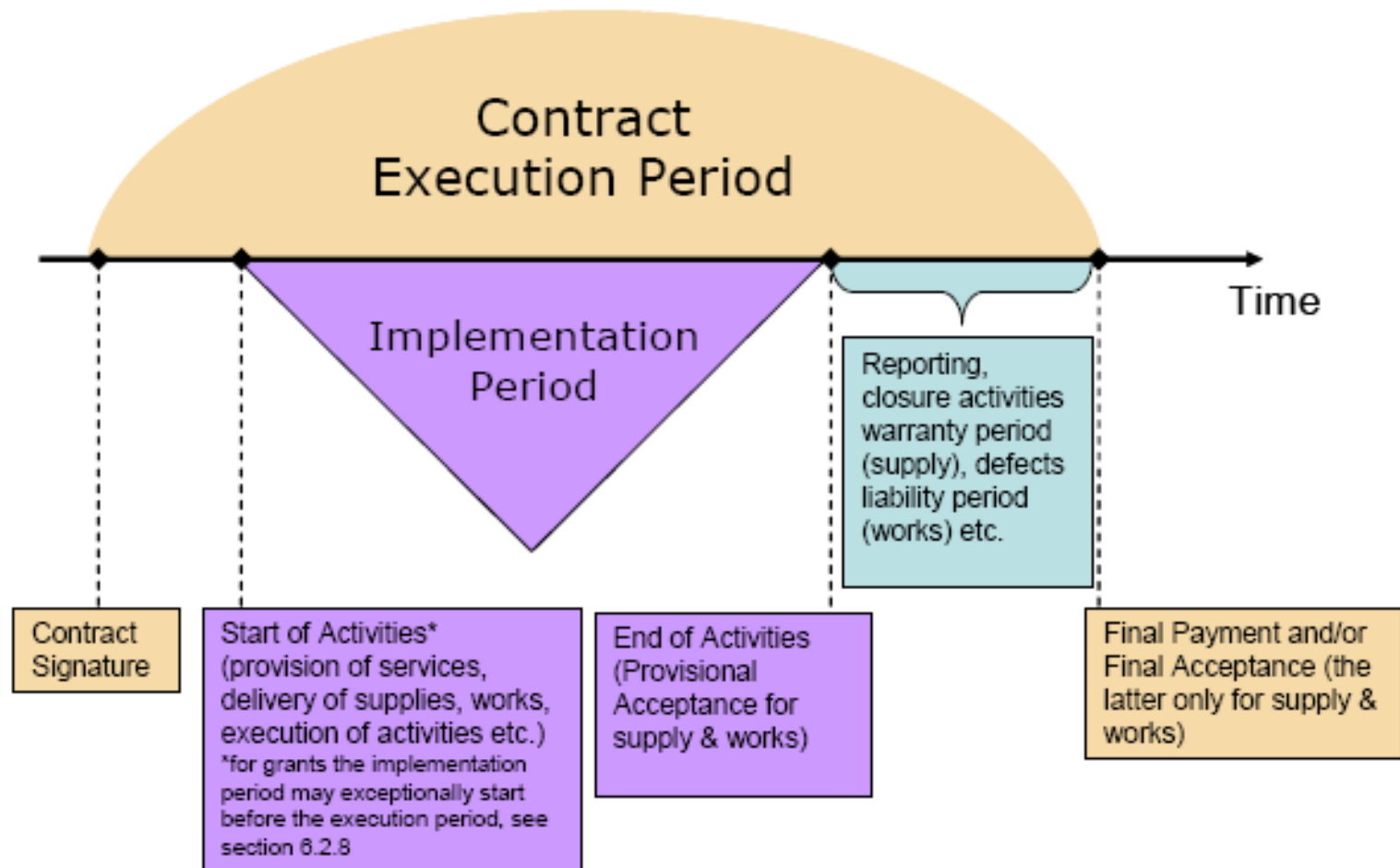
When the execution period of the contract ends:

- *when final payment is paid by JMA*

OR

- *in any case at the latest 18 months after the end of implementation period*

Contract Execution period



Start of Implementation

Costs are eligible only during implementation period!!!

Except costs relating to final reports, expenditure verification and evaluation of the Action

Art. 7.2.11: incurred not later than submission of the Final report

Start of Implementation

Costs are eligible only during implementation period!!!

Art. 7.2.11: In exceptional cases before the Action's start, but during the execution period

Procedures to award sub-contracts for goods, services or works may be initiated before, but sub-contracts MAY NOT be concluded by the Beneficiary or its partners before Action start date!

Start of Implementation

Costs are eligible only during implementation period!!!

Art. 7.2.11: In exceptional cases before the signature of the Grant contract, listed in the Art. 7.2.11

Financing of Action – Eligibility of Costs

Special conditions	General conditions
<p>Art. 3 Financing of the Action</p> <ul style="list-style-type: none">-Total cost of the Action;-JMA undertakes to finance x % of the estimated total eligible costs-% of indirect costs; <p>Annex I: Description of the Action</p> <p>Annex III: Budget</p>	<p>Art. 14 Eligible costs</p> <ul style="list-style-type: none">-conditions to be fulfilled;-categories of direct eligible costs (staff, travel and subsistence costs, purchase or rental of equipment and supplies, services, consumables, subcontracting expenditure, costs deriving directly from contract requirements);-contingency reserve;-Indirect costs;-Contribution in kind;-Ineligible costs.

Eligible costs

Art.3.5, Special conditions

In-kind costs are eligible only if it is:

- an unpaid voluntary work

OR

- usage of the Beneficiary's and/or the project partner's own premises for implementation of the project activities



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Financing of the Action

Budget includes all eligible project costs, not just the ENPI CBC programme contribution. Double ceiling for JMA financing (art. 3.2 Special Conditions), examples:

Project budget EUR 277 778.00	Project actual costs (example 1) EUR 321 436.00	Project actual costs (example 2) EUR 242 371,00
Grant amount (90%) EUR 250 000.00	Actual grant amount EUR 250 000.00	Actual grant amount EUR 218 134.00 (=242 371,00*90%)

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Reporting and Payments

Special conditions

Art.4 Narrative and financial reporting and payment arrangements

- Narrative and financial reports accompany every request for payment;
- pre-financing and further instalments;

General conditions

Art.2 Obligation to provide information and financial and narrative reports

- Interim and final reports (narrative and financial section)- Annex VI;
- Intervals for submission of reports

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Reporting and Payments

General conditions

Art. 15 Payment and interest on late payment

- Options for payment;
- Time-limit for approval of reports; time-limit for payments;
- Interest on late payment;
- Refusal of payment, recovery, suspension of payment;
- Expenditure verification report (15.6)
- Financial guarantee;
- Exchange rate and currency;
- Interest.

Payments and Requests for Payment

Art. 7.2.13

Option 1: < 18 months AND < 300.000€

- Initial: **40%** of the **programme's contribution**
- Further: not more than **40%** of the **programme's contribution**
- Balance



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Payments and Requests for Payment

Art. 7.2.13

Option 2: > 18 months OR > 300.000€

- Initial: **40%** of the **programme's contribution** for the first 12 months
- Further: **covering the needs for each 12 month period**
- Balance

Further pre-financing is conditioned by the proof of spending by the Beneficiary and its partners of at least 70% of the previous payment (and 100% of any previous payments)

Total pre-financing may not exceed 80% of the programme's contribution

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Expenditure Verification

Art. 7.2.14

Shall be attached to:

- ✓ **Any request for further pre-financing if Payment Option 2;**
- ✓ **Any request for payment for the balance.**

The expenditure verification report for the Balance covers all the expenses not covered by any previous EVR



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Expenditure Verification

Art. 7.2.3 SC

- If EVR is not required – a **list of financial and supporting documents** and a **printout** of the project account showing project's income and expenditure and payments received



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Thank you!

