

## FACT SHEET, November, 2012

### VAT eligibility for Russian Beneficiaries and partners is solved successfully

European Commission sent a Letter to the Ministry of Regional Development of the Russian Federation resolving the long awaited „**VAT eligibility**” question **for Russian Beneficiaries and Partners** on 22 November 2012. The Letter clarifies the conditions for the VAT to become eligible in five Cross Border Cooperation (CBC) Programmes within the European Neighbourhood and Partnership Instrument (ENPI) 2007-2013, in which the Russian Federation participates.

Joint Technical Secretariat has prepared explanation of the „VAT eligibility conditions” applicable for Russian beneficiaries and partners: - *“Pursuant to provisions set forth in the letter Nr. DEVCO/F/MC/pn(2012)1380769 of 22 November 2012 to the Ministry of Regional Development of the Russian Federation, the Value Added Tax (VAT) is deemed eligible for Russian Beneficiaries and Partners of the ENPI CBC Programmes on condition that it cannot be recovered, and the project Beneficiary/Partner provides legal evidences of that”.*

### Third Large Scale Project launches implementation

**Grant Contract for 8 362 897, 00 EUR** of ENPI Estonia-Latvia-Russia CBC Programme co-financing has been countersigned with the Estonian Ministry of the Interior in Tallinn (Estonia) on 5 November 2012. **Large Scale Project “Economically and Environmentally Sustainable Lake Peipsi area”** involves 11 partners from Estonia and Russia and will substantially contribute to the improvement of environmental situation of the Lake Peipsi basin. Specifically, Project activities include core actions like **construction of sewage network** in Pechory area and construction of wastewater **treatment plants** in Pskov Region in Russian side and improvement and **construction of harbors and docks for watercrafts** in Estonian side.

Other 2 LSPs on reconstruction of **Narva – Ivangorod trans-border fortresses ensemble** and **renovation of traffic and border crossing possibilities in Värška-Pechory monastery road**, signed in summer are already under implementation.

### Seminars on reporting were treated by participants as highly helpful

**Projects awarded within the 1st Call** for Proposals are currently under intensive implementation, and preparation and submission of their **first Reports**. More than half from 25 supported Projects submitted their first Reports to the Joint Technical Secretariat. To make reporting process easier to everybody and to avoid mistakes in Reports in future general provisions and legal framework on reporting, specific Narrative and Financial reporting aspects, as well as communication and visibility issues were presented **by Estonian, Latvian and Russian speaking JTS staff to all-around 160 participants of the Reporting seminars for the beneficiaries and partners.**

Identical **seminars** took place in **Riga, Latvia** on 14 November, **Tartu, Estonia** on 15 November, **Pskov and St. Petersburg, Russian** on 27-28 November 2012 relevantly. During the seminar there were asked many questions regarding approval of minor changes, forecast for the financial flow in reports, VAT eligibility, supporting documents in financial and communication parts etc.

**All Questions and Answers** are summarized after Reporting seminars and will be published in the FAQ Section of the Programme website. **Presentations in national languages** are available in the Project Implementation unit as [Seminar Downloads](#).

**Your JTS Team.**