

**Interreg**   
EUROPEAN UNION  
**2 Seas Mers Zeeën**



Seminar for approved project partners



# Congratulations and welcome to the 2 Seas !



# Agenda

- A. Establish a common working culture/address language barrier
- B. Programme tools and where to find help
- C. Project lifecycle: project management
  1. The initiation stage
  2. Delivery and reporting
  3. Closure



A. Establish a common working culture/  
Address language barrier



# Differences

Culture is about perception and what is accepted and familiar to different people



Cross cultural communication

Pellegrino Riccardi

<https://youtu.be/YMyofREc5Jk?t=494>

# Language barrier?

## What the British say

- Very interesting ...
- Could you consider some other options?
- You should ...
- With all due respect ...

## How it can be understood

- They like it ...
- They are still deciding
- I have a choice ...
- They are listening to me ...

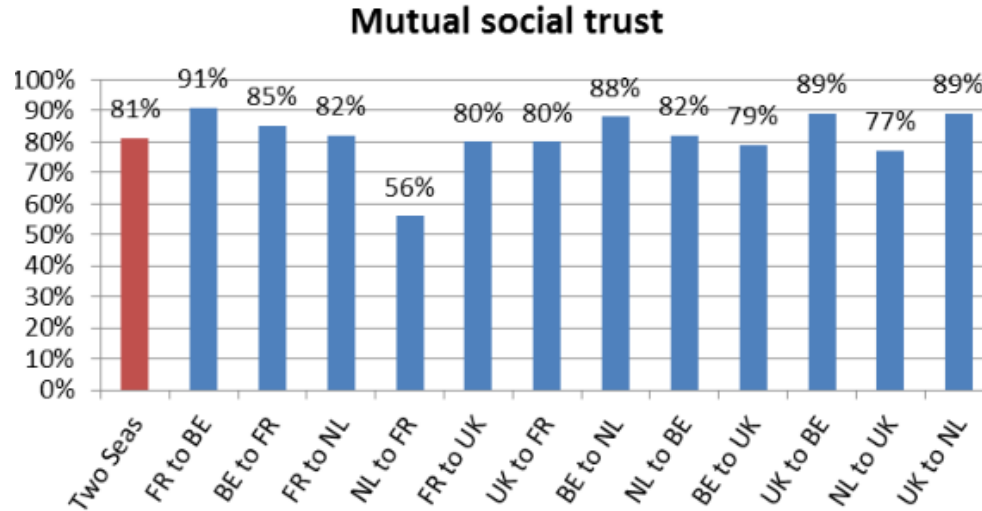
## What the British mean

- I don't like it ...
- This is not a good idea ...
- You must ...
- I think you are wrong ...

Adapted from Erin Meyer - Harvard Business Review

3

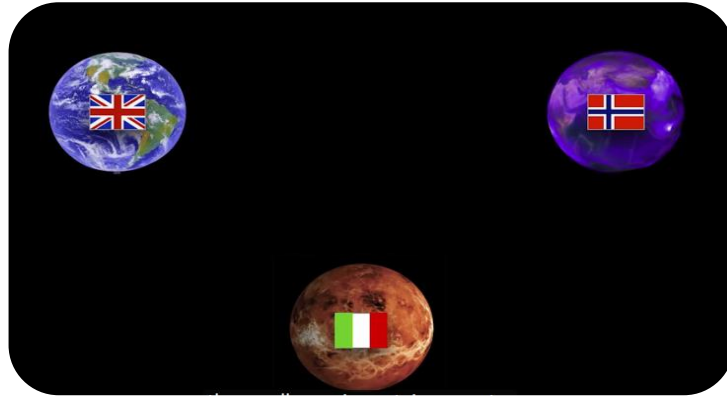
# Trust in the 2 Seas area



[http://ec.europa.eu/regional\\_policy/sources/policy/cooperation/european-territorial/cross-border/eb\\_results/2seas.pdf](http://ec.europa.eu/regional_policy/sources/policy/cooperation/european-territorial/cross-border/eb_results/2seas.pdf)

# Solutions

The best way to create a global mindset is to take the best approaches of each culture to create a new culture.



<https://youtu.be/YMyofREc5Jk?t=806>



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**2 Seas Mers Zeeën**



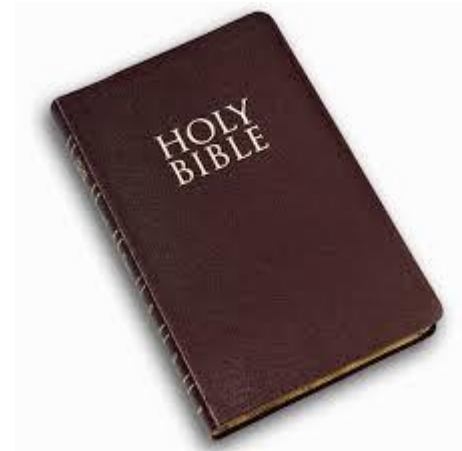
B. Programme tools and where to find help



# Programme Manual

- 15 Factsheets  
Available on the 2 Seas website!

<https://www.interreg2seas.eu/en/publications>



# Electronic Exchange Platform: EEP

**Interreg**   
2 Seas Mers Zeeën

Dear applicants,

CALL 4 INFORMATION (RBO and RBS projects)  
Referred back projects can rework their Application Forms as from 8 December 2017 until 2 May 2018.

CALL 5 INFORMATION  
Step 2 will be open from 12 February 2018 until 2 May 2018.

CALL 6 INFORMATION  
Step 1 will be open from 12 February 2018 until 2 May 2018.

The respective Terms of Reference are available for consultation on the Programme website via <https://www.interreg2seas.eu/en/content/call-proposals>

Kind regards and good luck to all of you,  
The 2 Seas team

**Log in**

Email

Password

[Register if you don't have an account.](#)

[Forgot Password?](#)

[eep.interreg2seas.eu](http://eep.interreg2seas.eu)

Joint Secretariat - Interreg 2 Seas Mers Zeeën (2014-2020) - Les Arcuriales - 45/D, rue de Tournai - 5<sup>e</sup> étage - F-59000 Lille  
contact@interreg2seas.eu - www.interreg2seas.eu - T.: +33 (0)3 20 21 84 80  
Programme co-financed by ERDF



**Interreg**   
2 Seas Mers Zeeën



# Where to find assistance?



45/D, rue de Tournai

5<sup>th</sup> floor

F-59000 Lille

France

Tel: +33 (0) 3 20 21 84 80

[www.interreg2seas.eu](http://www.interreg2seas.eu)

# Where to find assistance ?

## FRANCE

*ongoing recruitment process*

## ROYAUME UNI

Alexander Murphy

Tel: +44 (0)303 444 8168

[a.murphy@interreg2seas.eu](mailto:a.murphy@interreg2seas.eu)



Joseph Foster

Tel: +44 (0)303 444 3420

[j.foster@interreg2seas.eu](mailto:j.foster@interreg2seas.eu)



## PAYS BAS

*Zélande / Brabant-du-Nord*

Wieteke WOLTERBEEK | Middelbourg

Tel: +31 118 631068

[w.wolterbeek@interreg2seas.eu](mailto:w.wolterbeek@interreg2seas.eu)



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Pamela Mulder | La Haye / Haarlem

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## C. Project lifecycle: project management



# Project lifecycle

## 1. The initiation stage

- a) Key components
- b) EEP
- c) Monitoring plan

## 2. Delivery and reporting

- a) Programme and project performance
- b) Preventative monitoring
- c) Reporting
- d) Financial points of attention
- e) Risk management
- f) Deviations
- g) Communication

## 3. Closure

- a) Project evaluation
- b) Administrative closure
- c) Durability
- d) Second Level Audit

Implement your project

Develop your project



# Project lifecycle







# 1. The initiation stage

Purpose: ensure a quick operational start of the project.

Start: MC decision

End: max 6 months after approval



Start: 31st January 2020  
End: 31st July 2020

# a) Key components

Submission of the following documents before 31st July 2020:

- Signed Subsidy Contract
- Signed Partnership Agreement
- Public procurement policy document
- First project steering committee minutes
- Initiation meeting decision list and conclusions
- Monitoring plan



In addition, the FLC will have to be designated.

# b) Monitoring Plan



- Main tool for preventative monitoring
- Dynamic document managed between the project partners and the JS
- Identifies three elements:
  - **Key milestones** (significant moment in the project plan's schedule); no more than 2 milestones per year
  - **Reporting deadlines** for Annual Progress reports and for financial claims
  - **Annual contacts**

# First Level Control: 3 different systems

- In Belgium Flanders: **Centralised system**
- In England and in the Netherlands: **Decentralised system**
  - The FLC can be either internal or external, but in all cases must be independent and validated by the national central approval body.
  - In UK, only internal FLCs from public sector bodies and Universities can be designated provided that they meet certain conditions. In all other sectors, FLC must be external.
  - If external, the FLC must be hired in compliance with applicable public procurement rules.
- In France: **Decentralised system based on a short list**
  - The FLC must be hired in compliance with applicable public procurement rules.

# First Level Control: Belgium

Provincie West-Vlaanderen

Mrs Sandra DEMEESTER

[sandra.demeester@west-vlaanderen.be](mailto:sandra.demeester@west-vlaanderen.be)

050 40 35 88

## Centralised system

Each BE/FL PP will have its expenditure verified by the Control cell of Province of West-Flanders



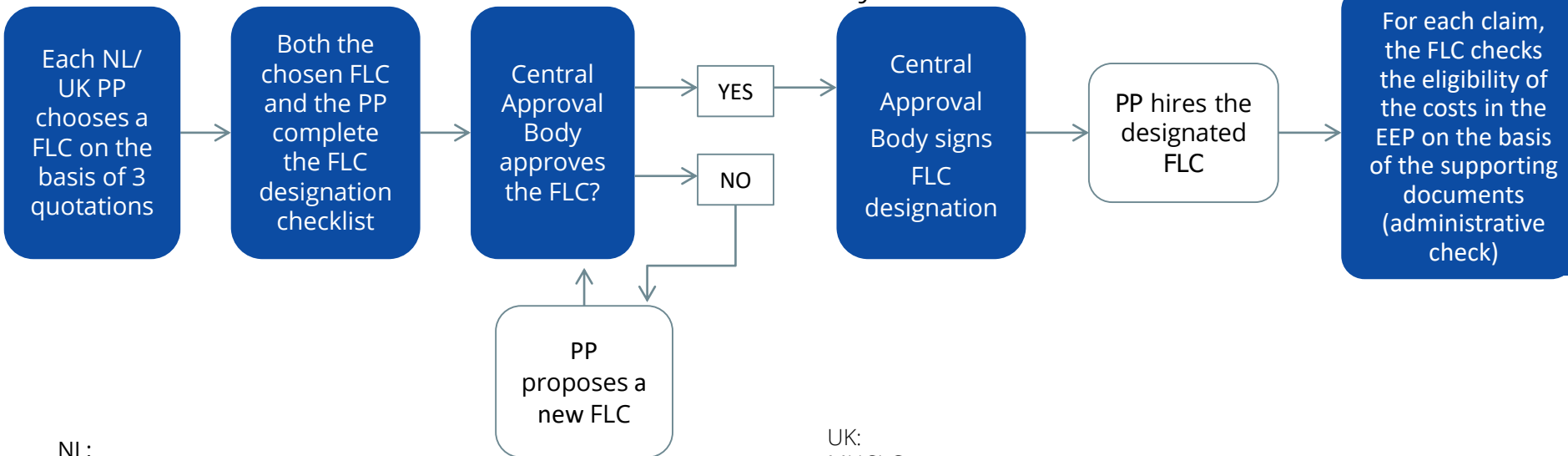
PP and FLC jointly set deadlines in order to implement all administrative (and on-the-spot) controls



For each claim, the FLC checks the eligibility of the costs in the EEP on the basis of supporting documents (administrative check)

# First Level Control: Netherlands & England

## Decentralised system



NL:  
**Ministerie van Economische Zaken**  
**Rijksdienst voor Ondernemend**  
Mr Hanjo Blom  
[interreg@rvo.nl](mailto:interreg@rvo.nl)  
+31 6 25 70 83 92

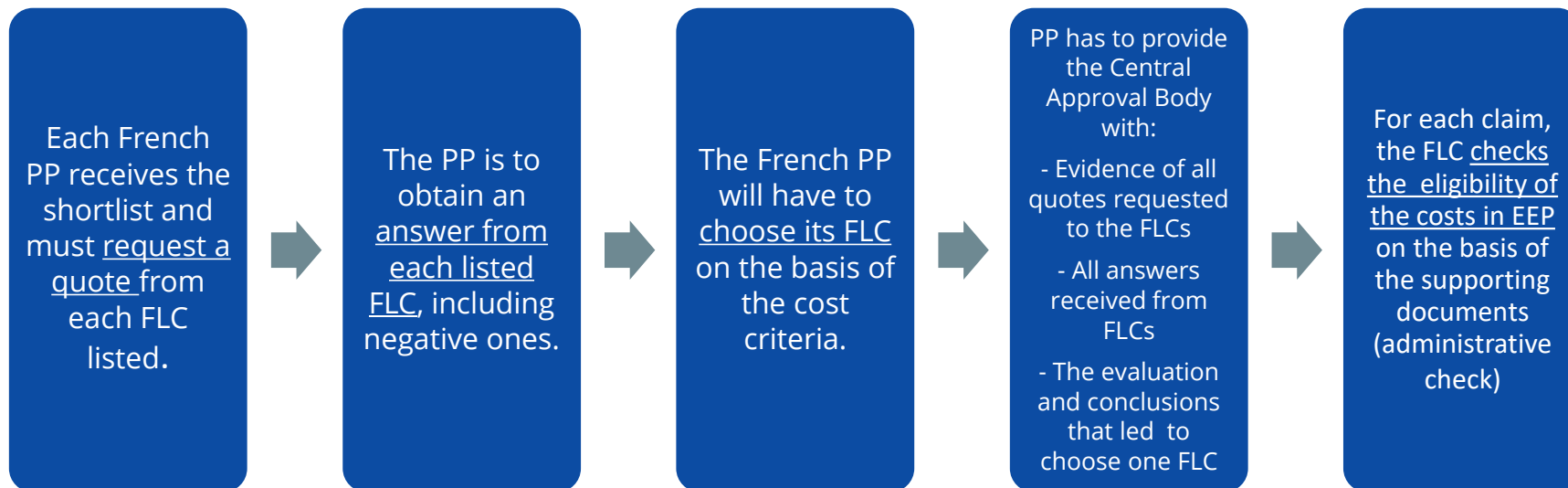
UK:  
MHCLG  
Arni Narain  
[arni.narain@communities.gsi.gov.uk](mailto:arni.narain@communities.gsi.gov.uk)  
0303 44 42706

# First Level Control: France

Région Hauts-de-France  
Mme Isabelle Ragentele  
[isabelle.ragentele@hautsdefrance.fr](mailto:isabelle.ragentele@hautsdefrance.fr)  
03 74 27 40 39

M. Joël DAVID  
[joel.david@hautsdefrance.fr](mailto:joel.david@hautsdefrance.fr)  
03 28 82 70 57

Decentralised system based on a short list



## c) How and where to submit



EEP (electronic exchange platform)

<http://eep.interreg2seas.eu/AFA/InitiationStage/Index/170>



# Project lifecycle



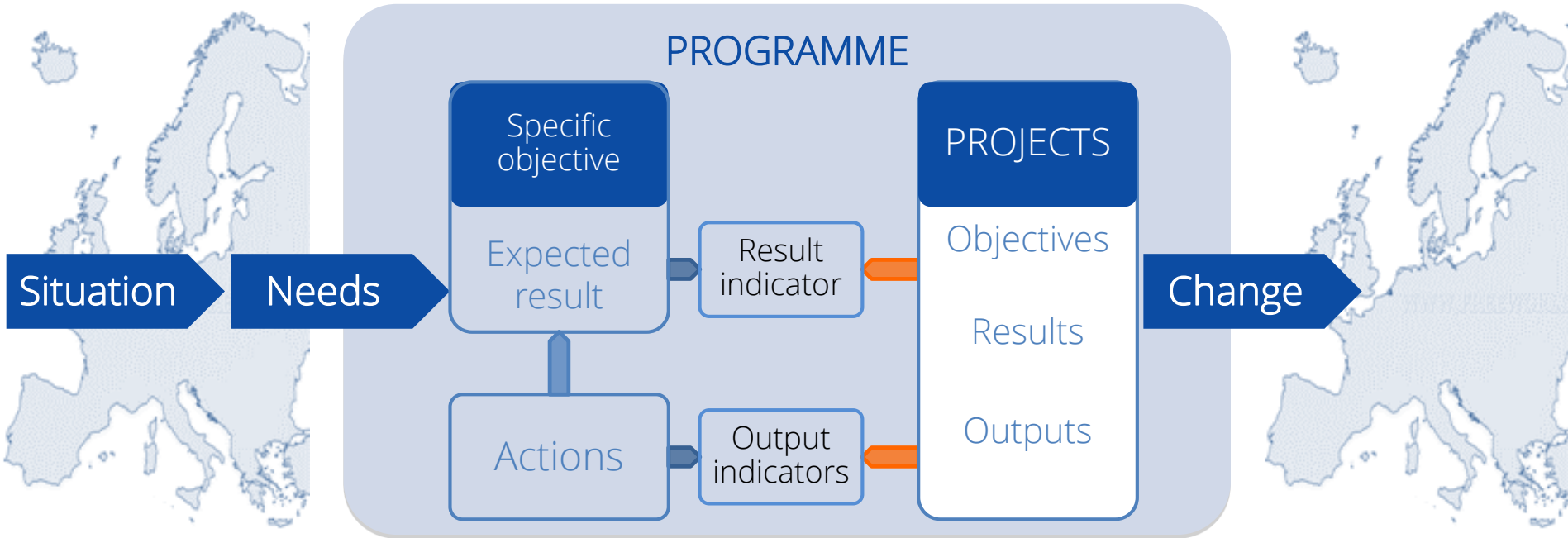
# 2. Delivery and reporting



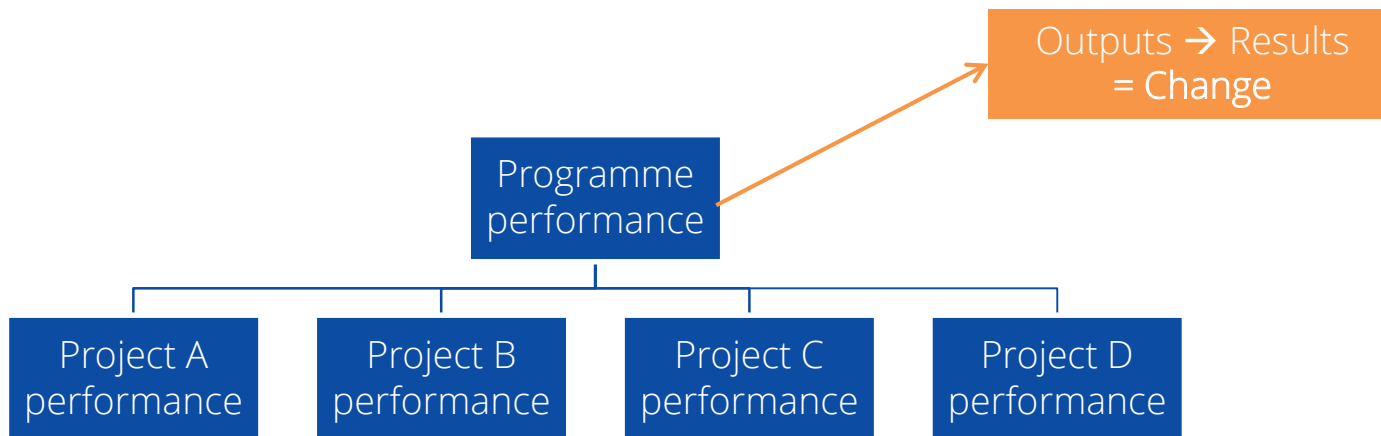
- a) Programme and project performance
- b) Preventative monitoring
- c) Reporting
- d) Financial points for attention
- e) Risk management
- f) Project deviations
- g) Communication



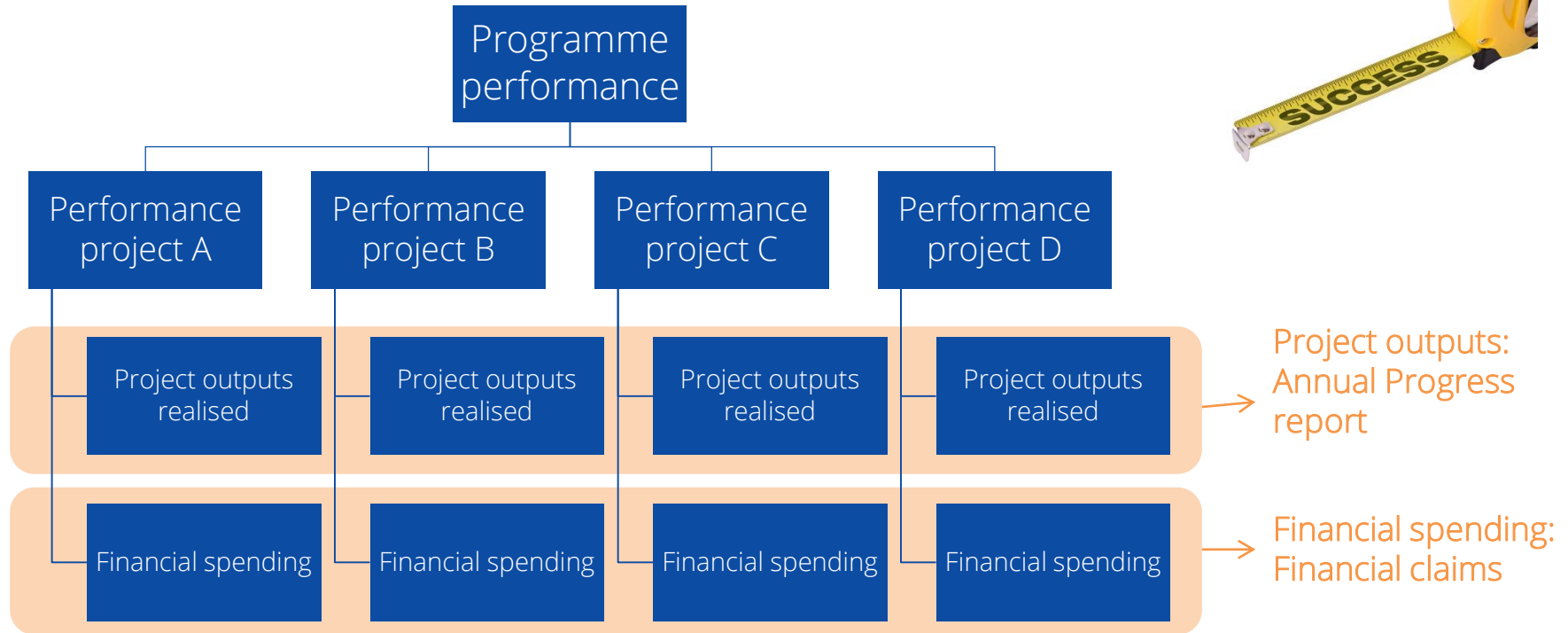
# a) Programme and project performance



# Why performance measurement?



# What to measure precisely?



# Why ongoing?

In case **annual targets** are not met, **corrective measures** may apply.

Task of Technical Assistance is to support projects to meet targets and to avoid corrective measures. Ongoing basis is necessary to:

1. **anticipate** potential issues
2. manage **potential deviations** to project implementation



# Basis for project performance review

- Performance framework (both content and finance-wise) of the project is reviewed annually through the submission of the APR.

## Annual performance targets

# Outputs foreseen  
€ Financial forecast

*Application Form*

**-VS-**

## Achievements

# Outputs delivered  
€ Financial spending

*Annual Progress Report*

# Basis for performance review

- Along with more qualitative information, APR will provide **two annual indicators** used to monitor project performance:

Cumulative outputs achievement rate

Cumulative number of outputs delivered by the end of the given reporting period

=  $\frac{\text{Cumulative number of outputs delivered by the end of the given reporting period}}{\text{Outputs target foreseen by the end of the given reporting period}}$

Cumulative spending rate

Cumulative financial expenditure claimed by the end of the given reporting period

=  $\frac{\text{Cumulative financial expenditure claimed by the end of the given reporting period}}{\text{Financial target foreseen by the end of the given reporting period}}$



# Project performance evaluation

- From these two annual indicators, JS will evaluate the performance of the project by calculating the **achievement/absorption coefficient**.
- It corresponds to the **average** between the **cumulative outputs achievement rate** and the **cumulative spending rate**

$$\text{Coefficient} = \frac{(\text{Cumulative achievement rate} + \text{Cumulative spending rate})}{2}$$

# What if a project underperforms?



- A project is considered as “underperforming” when its achievement/absorption coefficient is below 65%.
- If despite all the preventative monitoring actions, the project fails to reach the performance targets it will receive a **first warning from the Programme** (official communication sent by the MA/JS)
- If the following year the project still underperforms, **corrective measures will be applied in the form of ERDF reduction.**

# Scale of corrective measures

Achievement/absorption coefficient value	Corrective financial measure
[ 65% - 60% ]	5 % of the cumulative financial target of the project of the given year
[ 60% - 50% ]	10 % of the cumulative financial target of the project of the given year
< 50 %	25 % of the cumulative financial target of the project of the given year



# Exercise – Year 1

Outputs foreseen in AF	Annual target	Cumulative target	Achieved Year 1	Cumulative achievement	Performance
Output A	2	2	2	2	100%
Output B	0	0	0	0	
Output C	0	0	0	0	
Total	2	2	2	2	

Annual financial target	Cumulative financial target	Claimed Year 1	Cumulative achievement	Performance
50 000 €	50 000 €	30 000 €	30 000 €	60%

Coefficient  
 $(100+60)/2$   
 $=$   
80%

→ Conclusion: positive performance review: no action!



# Exercise – Year 2

Outputs foreseen in AF	Annual target	Cumulative target	Achieved Year 2	Cumulative achievement	Performance
Output A	10	12	7	9	71%
Output B	5	5	3	3	
Output C	0	0	0	0	
Total	15	17	10	12	

Annual financial target	Cumulative financial target	Claimed Year 2	Cumulative achievement	Performance
400 000€	450 000 €	200 000 €	230 000 €	51%

Coefficient  
 $(71+51)/2 = 61\%$

→ Conclusion: the project underperforms for the 1st time: a  
first warning is issued



# Exercise – Year 3

Outputs foreseen in AF	Annual target	Cumulative target	Achieved Year 3	Cumulative achievement	Performance
Output A	0	12	0	9	67%
Output B	8	13	5	8	
Output C	5	5	3	3	
Total	13	30	8	20	

Annual financial target	Cumulative financial target	Claimed Year 3	Cumulative achievement	Performance
1 000 000€	1 450 000 €	500 000 €	730 000 €	56%

Coefficient  
 $(67+56)/2$   
 $=$   
61.5%



## Exercise – Year 3

Outputs foreseen in AF	Annual target	Cumulative target	Achieved Year 3	Cumulative achievement	Performance
Output A	0	12	0	9	67%
Output B	8	13	5	8	
Output C	5	5	3	3	
Total	13	30	8	20	

Coefficient

$$(67+56)/2 = 61.5\%$$

Annual financial target	Cumulative financial target	Claimed Year 3	Cumulative achievement	Performance
1 000 000€	1 400 000 €	500 000 €	730 000 €	56%

→ Conclusion: the project underperforms for the 2<sup>nd</sup> consecutive year, a corrective measure is applied: 5% of ERDF financial target of year 3 is cut (70 000€)



# Exercise – Year 4

Outputs foreseen in AF	Annual target	Cumulative target	Achieved Year 4	Cumulative achievement	Performance
Output A	0	12	0	9	75%
Output B	2	15	3	11	
Output C	5	10	5	8	
Total	7	37	8	28	

Annual financial target	Cumulative financial target	Claimed Year 4	Cumulative achievement	Performance
1 000 000€	2 330 000 €	1 200 000 €	1 930 000 €	83%

Coefficient  
 $(75+83)/2$   
 $=$   
79%

→ Conclusion: the project is back on track in terms of performance (and has partly caught-up) – no action!



# How to manage corrective measures?

- In case a corrective measure is applied, it is **up to the project (Project Steering Committee)** to propose to the Programme a fair and coherent distribution of the ERDF reduction.
- In principle, one could consider that ERDF reduction should concern:
  - the WP(s) which failed to deliver the foreseen outputs and spending targets
  - the partner(s) not delivering the expected outputs/claiming costs as foreseen

# Can corrective measures be applied several times?

- Mechanisms are in place to apply corrective measures in case of chronic underperformance
- So be aware of this, **plan your project implementation and reporting deadlines well** to reduce the risk of corrective measures to a minimum
- Stay in touch with JS and make use of the preventative monitoring to ensure you achieve the project performance.

## b) Preventative monitoring

“PREVENTIVE  
measure  
IS BETTER  
THAN  
curative  
measure.”

Thai Proverb



## b) Preventative monitoring



- Milestones
  - Pre-milestone contact (informal contact between JS-LP prior to delivery of milestone)
  - Milestone review report
- Annual contact
  - Ideally meeting, exceptionally tele/videoconference (between JS, TF and LP or when possible/needed whole partnership)



# b) Preventative monitoring

## **PART A – to be completed by project**

### **II. Milestone review report**

Evaluation of the achievement against foreseen timeframe: .....

.....

.....

Deliverables and/or Outputs to be promoted: .....

.....

.....

Potential problems encountered and solutions found: .....

.....

.....

Annexes attached to the report:

- 
- 
-

## b) Preventative monitoring - assistance

1. Joint Secretariat: 1 Lead officer + 1 review officer per project.
2. Territorial Facilitation Network: 1 Lead facilitator  
But obviously all partners are always free to contact their facilitator in case of questions.

## c) Reporting

1. Annual progress report
2. Financial claims
3. First level control





# 1. Annual Progress Report (APR):

- Purpose: Sole official tool for the project to demonstrate the project performance
- Period covered: January – December (year N)
- When to be submitted: **by the 31 January** (year N+1).
- 1st APR for your project to be defined with JS officers
- LP is responsible for final drafting and submission on time.

# 1. Annual Progress Report (APR):

- Tips:
  - APR is built on AF
  - Keep track of target groups in Excel document
  - Specific results should be updated every year
  - Be specific, justify delays
  - Provide enough annexes (drafts are acceptable)
  - Keep regular contacts with JS

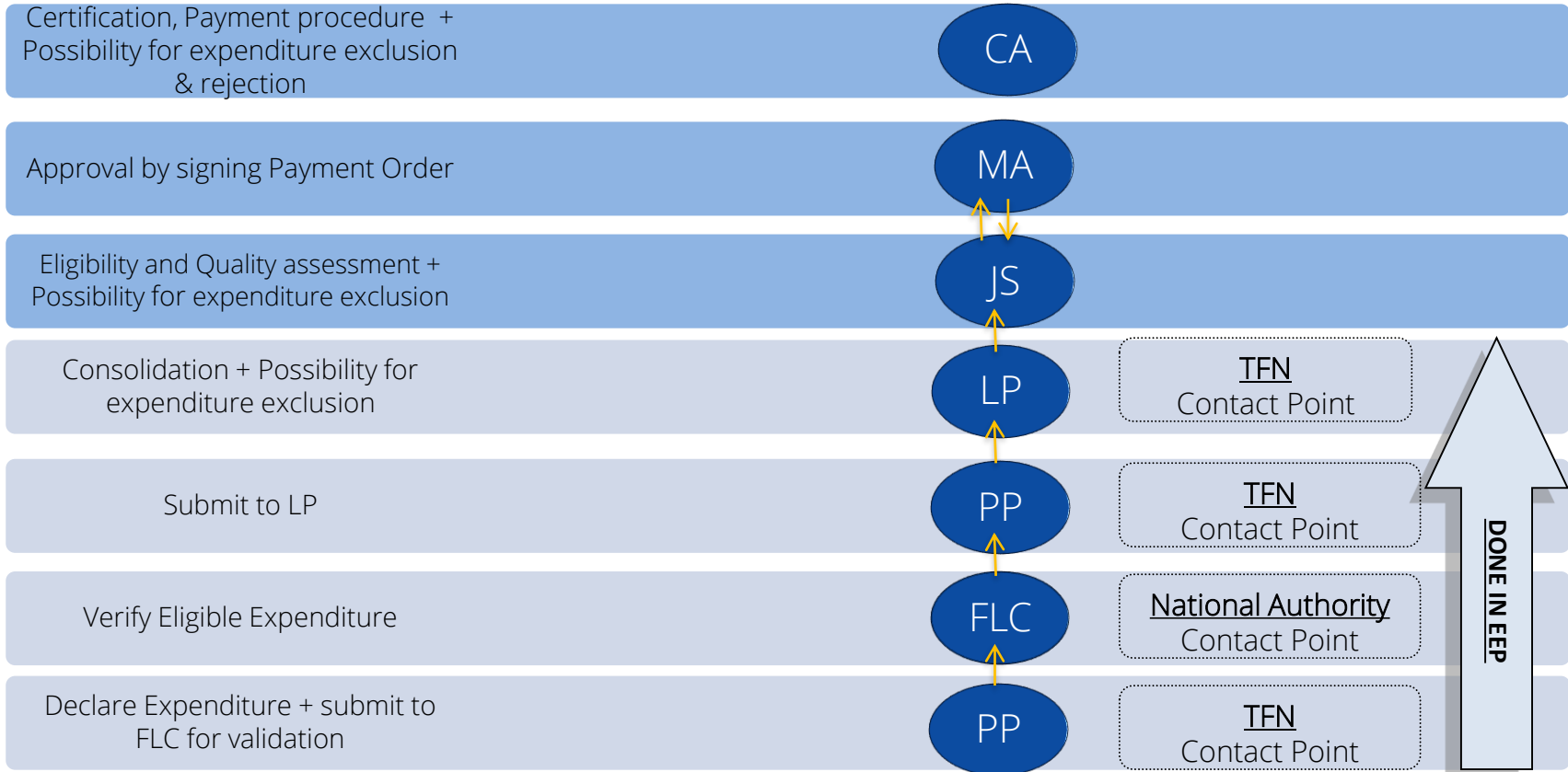
## 2. Financial claims

- Purpose: **Declare all eligible expenditure** by the project partners, get ERDF back and ensure the **financial performance** of the project
- Deadlines: **1 to 4 financial claims per year** (Schedule to be fixed in the monitoring plan, at project level)
  - 31 January
  - 30 April
  - 31 July
  - 31 October
- Each partner should submit at least one claim per year

# 3. First Level Control

- For each financial claim: one **FLC checklist** & one **FLC certificate** filled in by the FLC:
  - The FLC checklist contains questions targeting budget lines, horizontal topics, IPR, state aid, etc.
  - The FLC certificate contains a total eligible cost
- In addition, during the project lifetime, the FLC will have to perform:
  - an **administrative on-the-spot check** (at least once during the project lifetime)
  - a **physical on-the-spot check** (at least once during the project lifetime for partners having infrastructure works)

# Reporting Procedure



# d) Financial points of attention

1. Audit trail
2. Concept of 'eligibility'
3. Budget lines
4. Public procurement
5. In kind contribution
6. Revenues
7. State Aid
8. Anti-fraud
9. Intellectual Property rights (IPR )



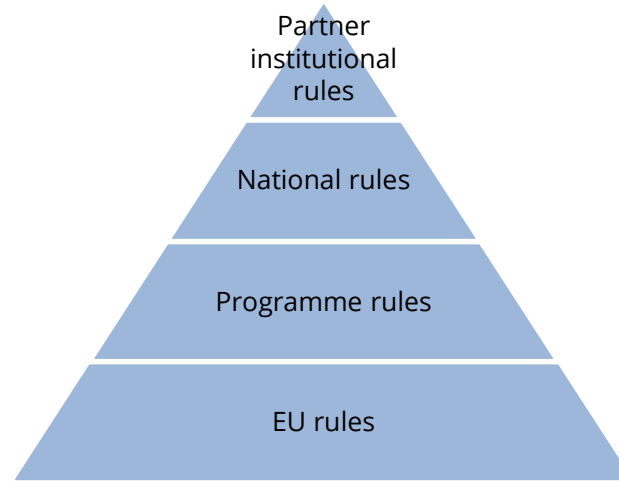
# 1. Audit trail

Each project partner is to build a solid audit trail and ensure that all relevant and necessary supporting documentation for all costs related to the project activities is available at any time.



## 2. Concept of “eligibility”

There are different levels of « eligibility rules »



To be eligible, an expenditure must:

- Relate to actions foreseen in the Application Form
- Allow the project's outputs and results to be achieved
- Be reasonable, justified and consistent with the applicable EU, National, Programme and internal organisation rules
- Be incurred and paid by the partner organisation before the project end date



# 3. Budget lines



BL1: Staff costs

BL2: Office and Administrative expenditure

BL3: Travel and Accommodation

BL4: External Expertise and Services

BL5: Equipment

BL6: Infrastructure and Construction works



# BL1: Staff costs

Consists of costs for staff members:

- Employed by the partner organisation
  - Listed in the Application Form
  - Working full time or part time on the implementation of the project
- If First level control is internal, the costs must be foreseen under this BL*

2 options are possible to claim staff costs and have been defined in the application form:

- **Flat rate** = 20 % flat rate of direct costs other than staff costs
- **Real costs** = Staff costs must be calculated individually for each employee

# BL2: Office and Administrative expenditure

- General administrative expenses of the partner organisation for the delivery of project activities
- Exhaustive list (see Programme Manual)
- Flat rate of 15% of each partner's staff costs

# BL3: Travel and Accommodation

- Limited to travels, meals, accommodation, visa, daily allowances
- **Only related to staff members**
- In line with the national/institutional rules applicable by the partner organisation
- Incurred within the Programme eligible area, except for project management meetings in **Brussels, Paris, London, Amsterdam** (if justified in the annual progress report)
- All other travels outside the Programme area must be relevant and originally identified in the AF or subject to prior approval by the Joint Secretariat

# BL4: External Expertise and Services

- Tasks that cannot be carried out by project partners
- **Exhaustive list** (including external First level control costs)
- Expenditure paid on the basis of **contracts**/written agreements and against **invoices**/requests for reimbursement to external service providers: information on the public procurement contracts to be provided in the EEP

# BL5: Equipment

- Purchased, rented or leased by a partner
- **Exhaustive list** (see Programme Manual)
- Compliance with depreciation rules if applicable (if the equipment is a **key component of one or more project outputs**, full cost can be claimed)

# BL6: Infrastructure and Construction works

- Full cost of infrastructure and construction works can be reported
- Purchase of land (if applicable) cannot exceed 10% of the total project budget

# 4. Public Procurement



- Aim: securing transparent and fair conditions for competition in the common market
- Three levels to be taken into consideration:
  - EU public procurement rules
  - National/Regional public procurement rules
  - Internal organisation rules (if existing)

The strictest rule must be applied!



# 5. In kind contribution

- Consists of a provision of works, goods, services, land and real estate **provided for free to the project**
- Considered as a « donation » to the project (no payment back)
- Can be declared under 3 budget lines:
  - External expertise and services
  - Equipment
  - Infrastructure and works
- Unpaid voluntary work is not eligible within the 2 Seas Programme

# 6. Revenues

Definition (Article 61 of Regulation (EU) No 1303/2013):

Net revenues: *Cash in-flows directly paid by users for the goods or services provided by the project, such as charges borne directly by users for the use of infrastructure, sale or rent of buildings, or payments for services less any operating costs (...)*

All revenues have to be deducted from the financial claims

# 7. State Aid



- Pay attention to:
  - Check Eligibility / suggested areas for consideration
  - If concerned by state aid at 1<sup>st</sup> level:
    - » Monitoring of your typology: SME qualification
    - » Ongoing compliance with eligibility rules and any other specific conditions of applications
  - If concerned by state aid at 2<sup>nd</sup> level:
    - » Risk management → Establish the mitigation measures

# 8. Anti-Fraud

- Any detected suspected / established case of fraud needs to be reported to the MA/JS
- Existing reporting means:
  - FLC report on suspected or established fraud
  - Anonymous (or not) whistleblowers

# 9. Intellectual Property Rights

Definition: *“Intellectual Property Rights are the rights that protect the creations of the human mind (intellectual property)”*.

In case of IP within the project, the partnership should sign an agreement (next to the Subsidy Contract and Partnership Agreement)

Protection of the IP

- **Deliverables and outputs can be protected** by IP rights but the project results must be widely communicated and disseminated



# Exercise – Monitoring

I am the lead partner of my project. Is it possible that one of my partners decides to claim costs for the July deadlines when I and all other partners claim costs at the other deadlines.





# Exercise – Budget lines

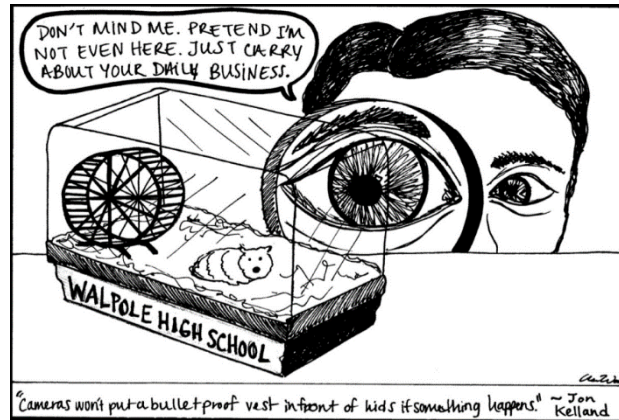
Are these costs eligible? Under which BL?

		Staff costs	Office and Administration	Travel and accommodation	External expertise and service	Equipment	Infrastructure and works	Not eligible costs
1	Travel and accommodation for speakers				X			
2	Over time for full-time staff	X						
3	Charges for transnational financial transactions		X					
4	Gift given to a speaker of 75€							X
5	Building material for an infrastructure project						X	
6	Rent of parking places for staff working on the project at the office		X					
7	1st class ticket for staff members			X				
8	Laboratory consumables					X		



# Exercise – Observers

Our observer is participating at the project steering committee.  
Is it possible that my organisation pays their travel costs and claim them in the project ?







# Exercise – Public procurement

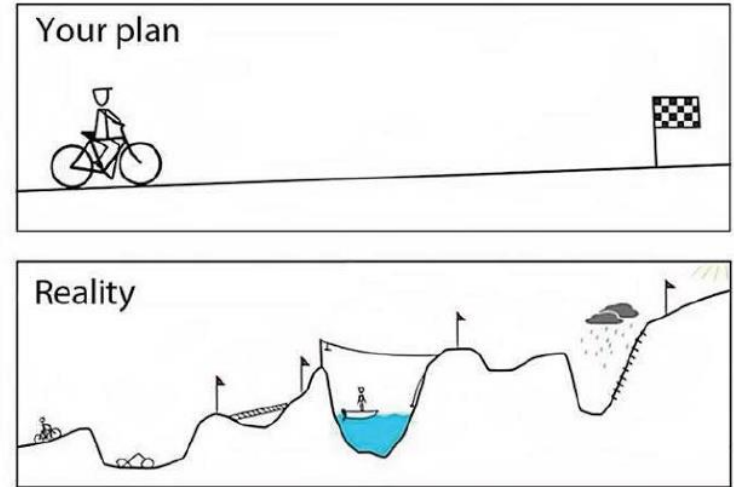
My organisation is a SME. In terms of public procurement, do I have to apply the procedures applicable to my organisation or do I have to follow the Interreg rules?



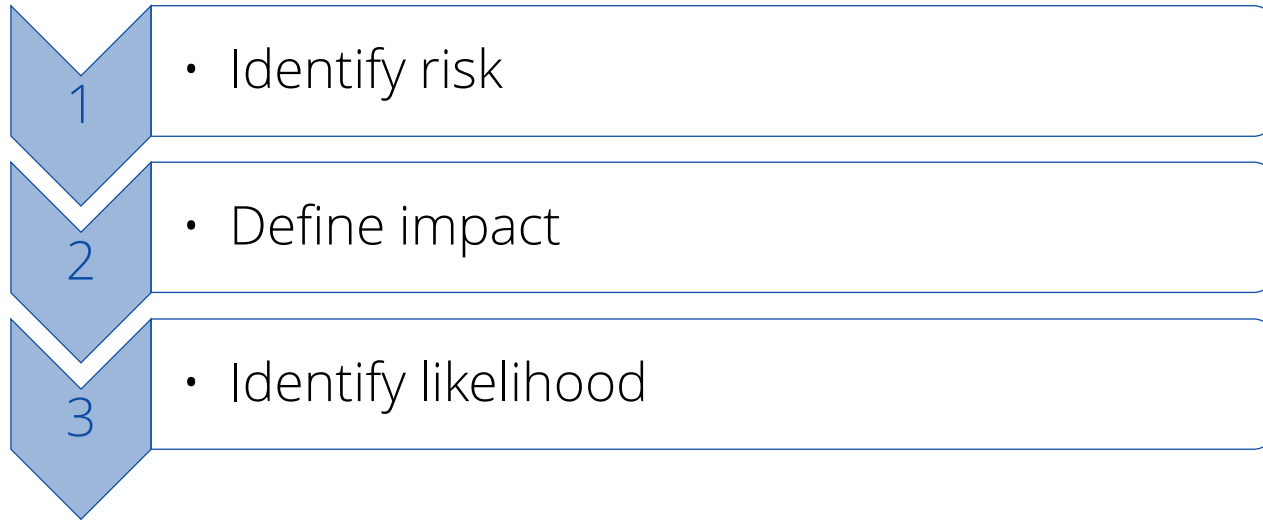
# e) Risk management

Risks are internal or external events that may occur during project implementation and **could threaten the achievement of project objectives** and the project as a whole

- 1/ Identified in the AF
- 2/ Updated once a year



# Risk management – Application Form



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Minor, Significant or Critical risk ?

What are the measures to mitigate ?

# Risk management tool

	A	B	C	D	E	F
1	<b>SPECIFIC PROJECT RISKS AS IDENTIFIED IN THE AF AND REGULARLY UPDATED</b>					
2	<b>Identified risk</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Risk rate</b>	<b>Mitigating measures</b>	<b>Risk annual review</b>
3						<b>Year 20XX (N)</b>
4	<p>WP1 O1: Hypothesis that user joystick driving data and the analysed driving characteristics provide clinical information for diagnosis, monitoring effect of treatment and can indicate need for intervention is novel. If the hypothesis is incorrect or the data insensitive to significant changes in user condition, the data obtained from the activities will be less rich.</p>	3 - Serious	3 - Possible	<p>Significant Risks</p>	<p>Preliminary analysis from EDECT indicates that basic information about joystick movement does provide basic information about user effort while driving.</p>	
5					<p>WP1 has been designed so that the other activities do not depend on the validation of this hypothesis. Standard data collection and analysis techniques will be employed e.g. from Participant questionnaires and observer data and the driving assistance system data.</p>	
6						
7						
8						
9						
10						
					<p>Difficulties to hire in time appropriate temporary staff for</p>	

**Interreg**   
EUROPEAN UNION  
**2 Seas Mers Zeeën**



Lunch break



# f) Project deviations

1. Flexibility rule
2. Minor modification
3. Technical modification
4. Major modification
5. Termination of the Subsidy Contract



# 1. 20% Flexibility rule

A project may overspend **up to 20%** of its foreseen BLs, WPs and **partner budget** provided that this is compensated elsewhere with the same underspending.



# 20% Flexibility rule

## Claimed budget

		BL1	BL2	BL3	BL4	total	
	Budget AF	296 000,00	76 000,00	68 000,00	55 000,00	495 000,00	
WP1	200 000,00 €	100 000,00 €	25 000,00 €	48 000,00 €	25 000,00 €	198 000,00	99%
WP2	100 000,00 €	76 000,00 €	19 000,00 €	15 000,00 €	10 000,00 €	120 000,00	120%
WP3	99 000,00 €	70 000,00 €	17 500,00 €	9 000,00 €	3 500,00 €	100 000,00	101%
WP4	46 000,00 €	26 000,00 €	7 500,00 €	2 500,00 €	1 000,00 €	37 000,00	80%
WP5	50 000,00 €	20 000,00 €	5 000,00 €	5 000,00 €	10 000,00 €	40 000,00	80%
Total	495 000,00 €	292 000,00 €	74 000,00 €	79 500,00 €	49 500,00 €	495 000,00	100%
		99%	97%	117%	90%	100,00%	



## 2. Minor modification

- Done directly through the EEP at any time
- No impact on 'how' or 'what' of project (only minor administrative changes)

For example:

- change in contact person
- change in address
- change in bank account

# Minor modification: Process

- The Lead Partner (LP) informs the Joint Secretariat (JS) about the change through an email
- The JS issues the minor modification in the EEP (based on the LP's request)
- The JS informs the Lead Partner once the modified application form is available and asks about a validation on the modification
- The LP Informs all partners and FLCs

# 3. Technical modification



- Change the 'how' and not the 'what'
- Can include:
  - Changes to the content of the activities;
  - Changes to the number, nature and delivery date of deliverables;
  - Budget changes beyond the flexibility rule, within the given total ERDF;
  - Decrease of the total ERDF
  - Changes in the allocation of the budget per semesters;
  - Changes in the allocation of the budget per calendar year
- Advised to have max 1 technical modification per year (at the latest 2 months before the project end date)

# Technical modification: Process

- The Lead Partner (LP) informs the Joint Secretariat (JS) about the change via a template
- The JS grants the modification rights to the LP
- The LP modifies the Application Form in the EEP and resubmits
- The JS evaluates the modified Application Form
- If approved, the modified AF is the new official reference for the project, the FLC and all the Programme bodies
- The LP Informs all partners and FLCs

! Updated annexes must be submitted before the next financial claim!

# 4. Major modification



- Change the 'what' of the project
- Major change includes:
  - Changes to the partnership (formal partners and/or observers in case there is an impact on the outputs);
  - Decrease to the number of outputs and/or changes in their nature;
  - Changes to the project duration;
  - Changes to the budget allocation per calendar year;
  - Increase of project ERDF budget.
- Might regroup multiple deviations (incl. technical modifications)
- Strongly advised to limit to 1 per project (at the latest 6 months before the project end date)

# Major modification: Process

- The Lead Partner (LP) informs the Joint Secretariat (JS) about the change about the change via a template
- The JS grants the modification rights to the LP
- The LP modifies the Application Form in the EEP and resubmits
- The JS and the Monitoring Committee (MC) assess the major modification
- The MC decides upon approval or rejection of the major modification
- If approved, the modified AF is the new official reference for the project, the FLC and all the Programme bodies
- The LP Informs all partners and FLCs

! Updated annexes must be submitted before the next financial claim! Keep in mind that a major modification can also imply changes to the subsidy contract and to the partnership agreement

# 5. Termination of Subsidy contract

- When no exception plans have been successful enough to get the project back on track
- Consequence: no future expenditure eligible



# Exercise

Below is the project spending. Our budget has been exceeded in WP2. Does my project have to make a modification?

	Budget AF	Claimed budget				Total	%
		BL1	BL2	BL3	BL4		
WP1	200 000,00 €	100 000,00 €	25 000,00 €	50 000,00 €	25 000,00 €	200 000,00 €	100%
WP2	100 000,00 €	76 000,00 €	19 000,00 €	15 000,00 €	10 000,00 €	120 000,00 €	120%
WP3	100 000,00 €	70 000,00 €	17 500,00 €	9 000,00 €	3 500,00 €	100 000,00 €	100%
WP4	50 000,00 €	30 000,00 €	7 500,00 €	2 500,00 €	- €	40 000,00 €	80%
WP5	50 000,00 €	20 000,00 €	5 000,00 €	5 000,00 €	10 000,00 €	40 000,00 €	80%
Total	500 000,00 €	296 000,00 €	74 000,00 €	81 500,00 €	48 500,00 €	500 000,00 €	100%





# Exercise

Below is the project spending. Does it fit within the flexibility rule?

	Budget AF	Claimed budget				total	%
		BL1	BL2	BL3	BL4		
	296 000,00 €	74 000,00 €	68 000,00 €	55 000,00 €	493 000,00 €		
WP1	200 000,00 €	100 000,00 €	25 000,00 €	50 000,00 €	25 000,00 €	200 000,00 €	100,00%
WP2	100 000,00 €	76 000,00 €	19 000,00 €	15 000,00 €	10 000,00 €	120 000,00 €	120,00%
WP3	97 000,00 €	70 000,00 €	17 500,00 €	9 000,00 €	3 500,00 €	100 000,00 €	103,09%
WP4	46 000,00 €	30 000,00 €	7 500,00 €	2 500,00 €	0,00 €	40 000,00 €	86,96%
WP5	50 000,00 €	20 000,00 €	5 000,00 €	5 000,00 €	10 000,00 €	40 000,00 €	80,00%
Total	493 000,00 €	296 000,00 €	74 000,00 €	81 500,00 €	48 500,00 €	500 000,00 €	101,42%
	%	100,00%	100,00%	119,85%	88,18%	101,42%	



# Exercise

- One of my partners has to withdraw from the project. Which kind of modification is that?



## g) Communication

1. Communication requirements  
(according to EU regulation)
2. Joint Secretariat assistance
3. Programme communication channels

# 1. Communication requirements

**acknowledge funding** and inform public

All communication tools developed by Interreg 2 Seas projects, need to display the Programme logo and add a reference to the European Regional Development Fund.

# 1. Communication requirements

acknowledge funding and inform public



- a) Size
- b) Proportion
- c) Protected area

# 1. Communication requirements

acknowledge funding and **inform public**

- a) Project Poster
- b) Temporary billboard / permanent plaque
- c) Partner institutional website
- d) Project events
- e) Project publications

# 1. Communication requirements

## a) Project poster



Every project partner should place a **poster** with information about the project (minimum size A3), including the financial support from the Union, at a location readily visible to the public, such as the entrance area of a building.

**Template** available on 2 Seas website.

# 1. Communication requirements

## b) **Temporary billboard** / permanent plaque

- Location readily visible to the public
- Significant size (minimum of 1 m<sup>2</sup>)
- Infrastructure or construction : total public support to the operation exceeds EUR 500 000



# 1. Communication requirements

## b) Temporary billboard / **permanent plaque**

- To replace the temporary billboard
- No later than 3 months after completion of the works
- Location readily visible to the public
- Significant size (minimum of 1 m<sup>2</sup>)

# 1. Communication requirements

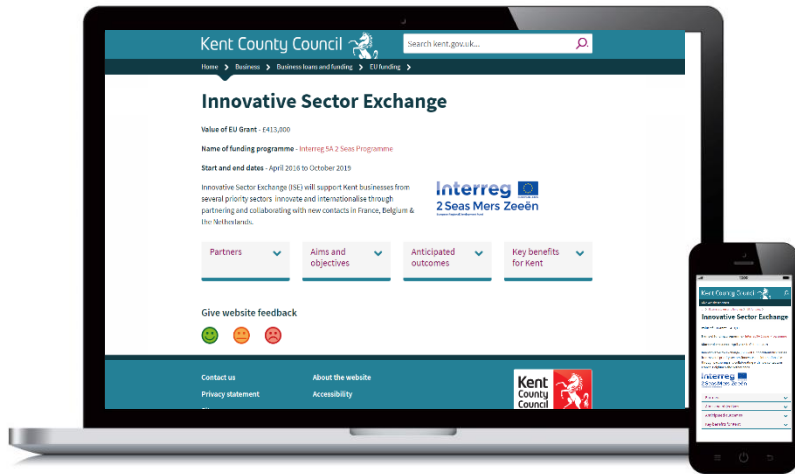
b) Temporary billboard / permanent plaque

**Template** on 2 Seas website



# 1. Communication requirements

## c) Partner institutional website



On every project partner's website, a description of the project, proportionate to the level of support, including its aims and results, and highlighting the financial support from the Union.

# 1. Communication requirements

## d) Project events

- During the events, projects are encouraged to place the **EU flag** and the **project poster** or a **project banner** in a readily visible place (e.g. the front of the meeting room) ensuring visibility of the EU and the programme.
- The **Programme logo**, as well as a **clear reference to ERDF and the European Union** has to be used on any agendas, list of participants, related hand-outs and presentations. (Regulation (EU) No 1303/2013).

# 1. Communication requirements

## d) Project publications

- Include the **Programme logo**
- If impossible: include the following sentence:

*“This project has received funding from the Interreg 2 Seas Programme 2014-2020 co-funded by the European Regional Development Fund under subsidy contract No [Number].”*



# Exercise – How to communicate your achievements: Is that a good way to communicate?





# Exercise – How to communicate your achievements: Is that a good way to communicate?





## Exercise – How to communicate your achievements: Is that a good way to communicate?





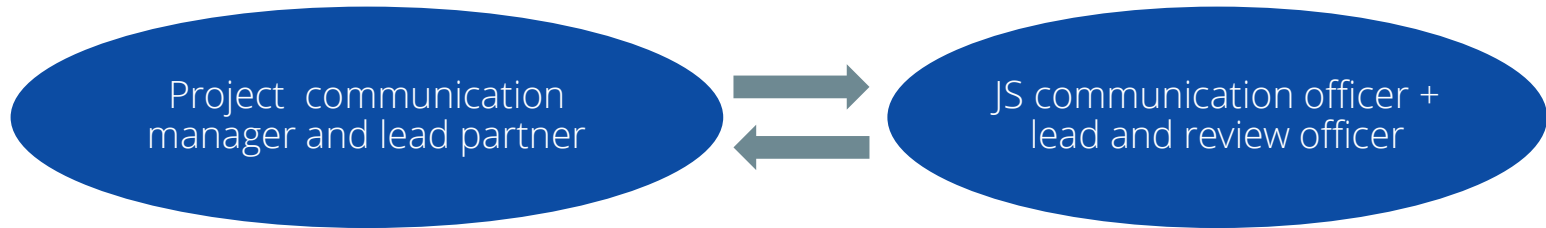


# Exercise – How to communicate your achievements: Is that a good way to communicate?



## 2. Joint Secretariat assistance

The JS is at the service of projects. This service also applies to communication issues. All messages should be addressed to the JS communication officer + lead and review officer.



# 3. Programme communication channels

Website

News-  
letter

Social  
media

Annual  
event

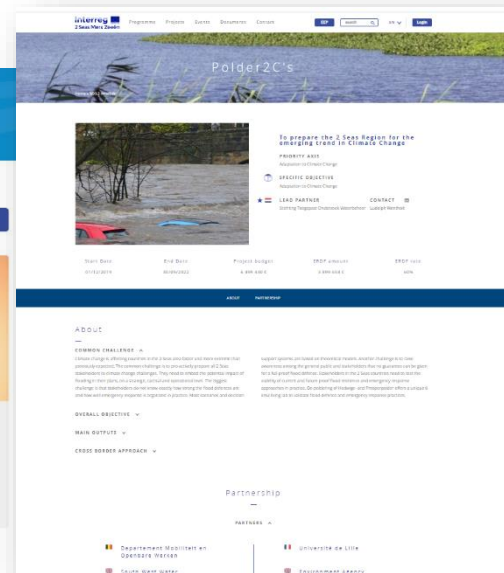
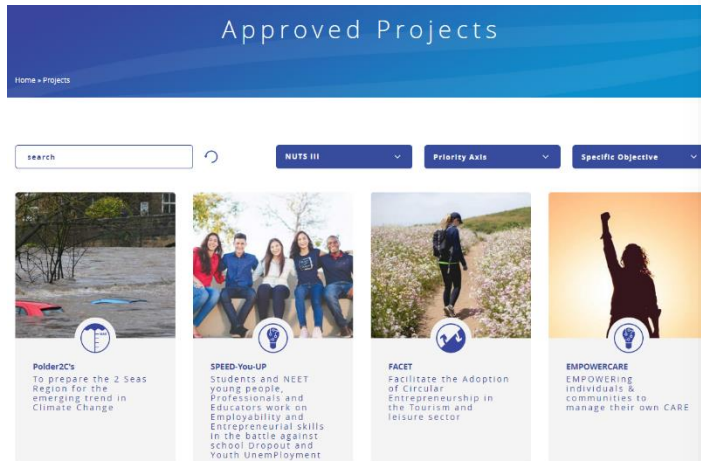
# 3. Programme communication channels

Website

News-  
letter

Social  
media

Annual  
event



# 3. Programme communication channels

Website

News-  
letter

Social  
media

Annual  
event

## NEWS

December 2019

[2 Seas projects](#) | [New projects approved](#) | [Seminars for approved projects](#) | [Territorial Facilitation Network Beneficiary survey](#) | [New website features](#) | [Project videos](#) | [Project events](#)

*Please note that the Joint Secretariat will be closed between 23/12/2019 and 02/01/2020.*

**MAY COOPERATION TAKE US  
TO NEW HORIZONS IN 2020!  
BEST WISHES  
FROM THE 2 SEAS**



- Projects in the picture
- Project videos
- Project events

# 3. Programme communication channels

Website

News-  
letter

Social  
media

Annual  
event



@interreg2seas



linkedin.com/in/interreg2seas



youtube.com/interreg2seas

# 3. Programme communication channels

Website

News-  
letter

Social  
media

Annual  
event



# Project lifecycle





# 3. Closure

- a) Programme/project evaluation
- b) Administrative closure
- c) Durability
- d) Transferability
- e) Audit



# a) Programme/project evaluation

- At programme level:
  - Obligation to capture and measure the programme results
  - Programme results = addition of projects' results on the territory
- At project level:
  - Capture and measure the project results ( notably specific results)
  - Importance to define the modality of measurement (% , baseline value, expected targets...)



## b) Administrative closure



- Be clear that the project end date **is** the project end date (no eligible costs beyond that date)!
- Each project has its end date; however, no project can end beyond **30/09/2022**
- Keep in mind that administrative closure takes time. Start to prepare the closure at **least 3 months** before the project ends.
- Appoint one person at the partner organisation level for ensuring necessary follow-up.

# Ensuring the audit trail

- All supporting documents (invoices, public procurement files, contracts, etc.) shall be made available for **4 year after the last ERDF payment is made to the project**
- Documents related to state aid: 10 years starting from the date when the aid was granted
- Keep in mind that if you foresee revenues after project completion, the **net revenues will have to be deducted**

# Last financial claim

- The last consolidated project financial claim shall not exceed the maximum delay of **six months** after the project end date
- FLC **on-the-spot administrative checklist** for each PP
- FLC **on-the-spot physical checklist** for PP with infrastructure and construction works (BL6)
- An action plan for partners who foresee net revenues after the project lifetime

# Closure report: content

- Same sections as an APR + additional sections on
  - the cross-border added value,
  - horizontal principles (sustainable development and equal opportunities),
  - durability and transferability,
  - future outlook and
  - an evaluation on the Technical Assistance support received

# Closure report: submission

- No regular APR for the last year of implementation
- If project ends between 01/01 and 31/05, no regular APR for the second last year of implementation AND the months falling in the last calendar year of implementation (=1 cumulated closure report)
- Closure report to be submitted within the 6 months following project closure

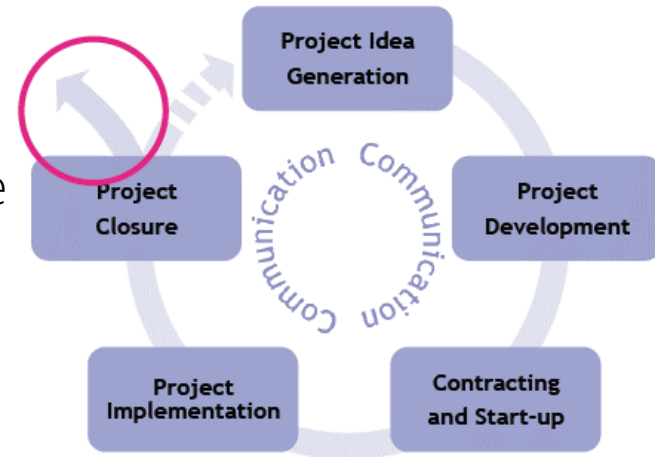
# Durability of investments

- Projects comprising investments in infrastructure or productive investments shall repay the ERDF contribution if, in the five years following their closure, one of the following happens:
  - a **cessation or relocation of a productive activity** outside the Programme area;
  - a **change in ownership** of an item of infrastructure which gives to a firm or a public body an undue advantage;
  - a **substantial change affecting its nature, objectives or implementation conditions** which would result in undermining its original objectives.



## c) Durability

- Ensure that project outputs and results have a lasting impact on beneficiary organisations and stakeholders
- Ensure that project outputs and results have lasting impact on the wider programme area and further away
- Try to ensure that there is commitment and funding to take the next steps



## d) Transferability



# e) Second level Audit

## Levels of control

- First level control: 100% of expenditure
- Quality control CA: Sample of projects
- Quality control MA: Sample of projects
- 2nd level audit: Sample of projects



## Target of the audit

- Compliance with European, national and Programme rules
- Implementation of the operation in accordance with the approval decision
- Link between the expenditure declared by the beneficiary to the accounting records and supporting documents held by the beneficiary
- Payment to the final beneficiary of the ERDF (LP and PP)

# How to ensure good audit results ?

- Satisfactory and efficient first level control
- Good and accurate audit trail (traceability of expenditure and filing)
- Availability of responsible persons (including FLC) and solid archiving system in place for the documentary review by the auditors
- Quick reaction during the contradictory phase

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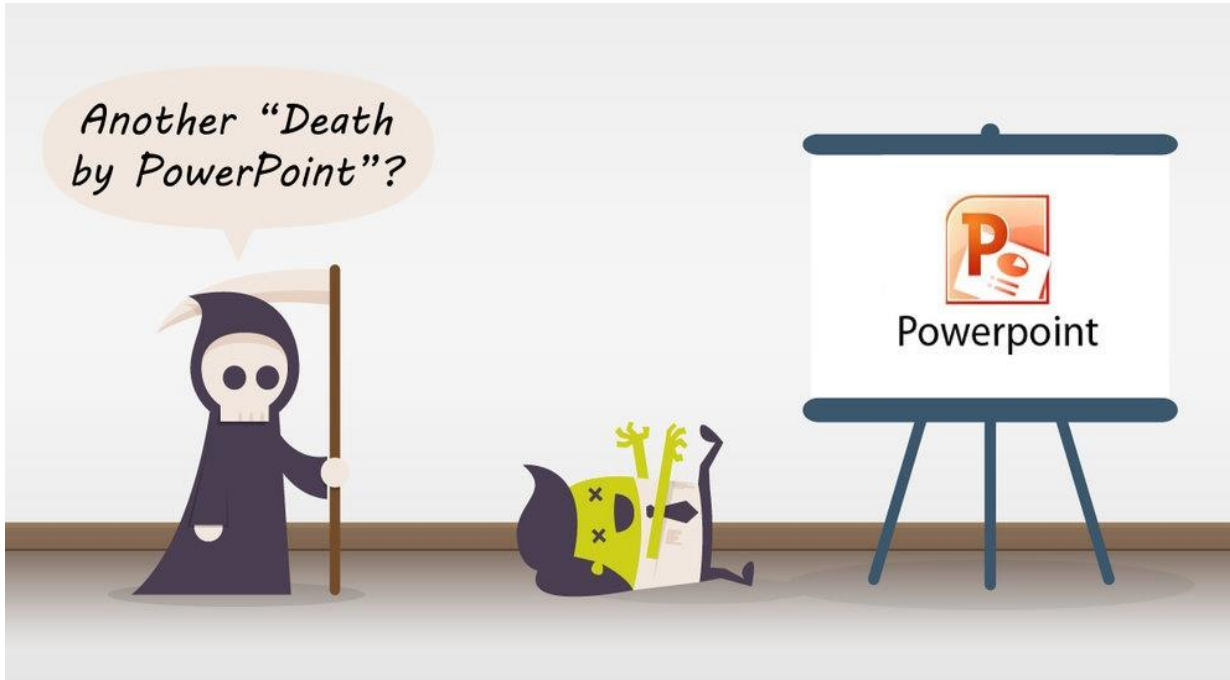
What's next?



# Good luck !

- Participate to your Initiation meeting
- Organise the 1st Steering committee
- Launch the the FLC designation process
- Contractual documents

# Any questions?



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Thank you for your attention!

