Interreg
Danube Transnational Programme

Seed Money Facility–
Lead Partner Seminar

Budapest, 20th September 2018

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Agenda

09:00 – 09:30	*Registration*
09:30 – 09:45	Introduction and Timeframe
09:45 – 10:15	Reporting: summary of the project implementation (6th month report)
10:15 – 10:45	Eligibility of expenditures
	Reporting in eMS (Partner Report)
	• Content reporting • Financial reporting
10:45 – 11:15	*Coffee break*
11:15 – 12:15	Reporting in eMS (Final Project Progress Report)
	• Content reporting • Financial reporting
12:15 – 12:45	MA/ JS criteria for assessing the quality of the mandatory project outputs
12:45 – 13:45	*Lunch break*
13:45 – 14:00	Project changes
14:00 - 14:30	Communication
14:30 – 14:45	DTP Capitalisation Strategy – links and synergies
14:45 – 15:00	Closing remarks
15:00 – 15:30	*Networking Coffee break*

Introduction and timeframe

Reporting: summary of the project implementation (6th month report)

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Summary on Project Implementation

- Mid-term report for summarizing the first 6 months of project implementation

- No financial elements!

- Pro-active measure to detect eventual delays or deviations in order to avoid problems with the PPR and re-imbursement of costs

- Only authentic information provided within the report allows the introduction of effective mitigation measures and adjustments

- To be submitted to the responsible JS PO by email

- Deadline for submission: **4th March 2019**

- Template on DTP website

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Mid-term summary on implementation of the seed money project

Description of the activities performed so far in order to develop the mandatory outputs (max. 3000 characters)

Description of the potential delays and difficulties encountered, and solutions found (max. 3000 characters)

Eligibility of expenditures

Hierarchy of rules

Eligibility in time

Eligibility of expenditure by budget lines

Special eligibility rules

Hierarchy of rules

- EU Regulations
- Programme rules
- National (including specific institutional) rules

READ CAREFULLY

The eligibility rules laid down in the programme level documents cannot be overruled by national or institutional legislation

Eligibility in time

Eligible project expenditure shall be:

- **incurred** within the project period

- **paid** within **starting date and 60 days** from the end date of the project at the latest

Exception

- Control costs

Eligibility of expenditure by budget lines

Eligibility of expenditure by budget lines

1.Staff cost
- Real cost

2.Office and administration
- Flat rate (15% of staff cost)

3.Travel & accommodation

4.External expertise & service

Staff costs

The costs of the **personnel employed** by the beneficiary institution and executing tasks for the project

Limited to:

• Salary payments

• Any other costs directly linked to salary payments incurred and paid by the employer, such as employment taxes and social security

Real cost method:

Full-time working on the project

(no timesheet necessary)

Part-time work on the project

- Part-time with a fixed percentage of time worked per month on the operation (no timesheets)
- Part-time with a flexible number of hours worked per month (timesheet necessary)
- On an hourly basis (timesheet necessary)

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Typical errors

- reporting costs which are incurred during project **but paid after the eligibility period**

- Wrong calculations

Advice

Clarify the calculation method(s) with FLC

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Office and administration expenditure

Flat rate basis of 15% of the eligible staff costs of the project

- **Cannot be claimed as direct cost** under other budget lines
- If the staff costs are not eligible, office and administration costs cannot be declared
- No staff costs declared no Office and administration expenditure can be declared

The following types of expenditures are included under this budget line (exhaustive list):

- Office rent
- Insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances)
- Utilities (e.g. electricity, heating, water)
- Office supplies
- General accounting provided inside the beneficiary organisation
- Archives
- Maintenance, cleaning and repairs
- Security
- IT systems
- Communication (e.g. telephone, fax, internet, postal services, business cards)
- Bank charges for opening and administering the account or accounts where the implementation of an operation requires a separate account to be opened
- Charges for transnational financial transactions

Travel and accommodation costs

Option A)

- Travel costs
- Costs of meals
- Accommodation costs
- Visa costs
- Daily allowances

Travel and accommodation costs

Option B)

- Travel costs
- Per diems according to the **EC-funded external aid contracts**
  - Accommodation
  - Meals
  - Local travel within the place of mission and sundry expenses

- The current per diem rates can be found on the EC website: http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/index_en.htm_en

Typical errors

- **Stakeholders' travel and accommodation costs** reported under BL Travel and accommodation instead of BL External expertise

- travel costs to IPA programme countries and to countries out of programme area **were indicated as expenditures outside of the programme area**

Important

- travels outside the programme area are subject of confirmation from JS (if not included in the approved AF)

- **Cancelation fees of travel costs** are eligible only in case of force majeure (controller's decision what to accept as justification)

External expertise and service costs

- Studies or surveys (e.g. evaluations, strategies, concept notes, design plans, handbooks)
- Translations
- Services related to the organisation and implementation of events or meetings (including rent, catering or interpretation)
- Legal consultancy and notarial services, technical and financial expertise, other consultancy and accountancy services
- Verifications: Externalised control activities (FLC) for the verification of the project expenditure where it is relevant for the control system of the concerned Partner State
- Travel and accommodation for external experts, speakers, chairpersons of meetings and service providers
- Other specific expertise and services needed for the given project

Typical errors

- **Costs of stamp, postal services** reported under BL External expertise instead of BL Office and administration
- **Travel costs of ASP** reported under BL External expertise instead of BL Travel and accommodation
- Costs of **spare parts, fuel, oils for equipment** shall not be reported under this budget line

Special eligibility rules

Expenditure of the Associated Strategic Partners

EU partners and non-EU partners from eligible area

Added value for the project is demonstrated

ASP-indirectly financed-no separate budget

IPA PP cannot be "sponsoring" PP

Costs of ASP shall be planned in the "sponsoring" ERDF PP and shall be paid by the "sponsoring" ERDF PP

Only travel and accommodation costs of the ASP are eligible under BL3-Travel and accommodation

Typical errors in Partner reports

- invoice number not filled in

- invoice date not filled in (usually for staff costs)

- payment date not filled in (more often in staff costs)

- description not in line with the guideline

- description written in national language

- staff cost reported per item and per person and per month -> more than 300-400 rows, consult with your controller, one aggregated figure is acceptable from DTP side

Reporting in eMS (Partner Report)

Reporting in eMS (Final Project Progress Report)

Mandatory attachments to the PPR

SECTION B – Work Packages	- Output 1
	- Output 2
	- Output 3
	*All three templates are downloadable from the DTP website.
SECTION E – Attachments	- Application for Reimbursement
	*The template is to be provided by DTP.

- ➢ **It has to be signed by the legal representative, scanned and uploaded to eMS**

- ➢ **The amounts in AfR should fully match the amounts in eMS**
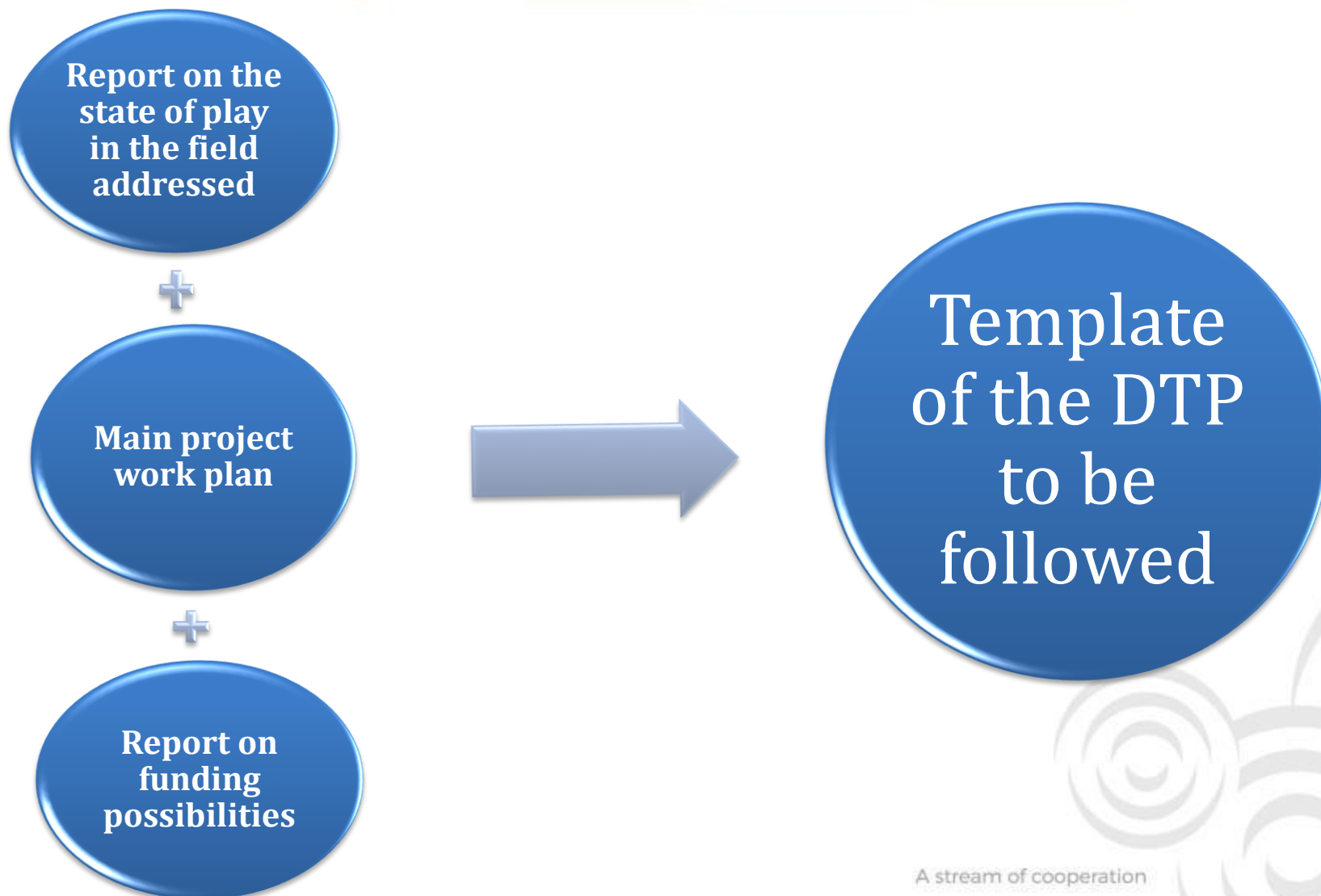
- ➢ **LP and bank information should be included**

➢ **The progress report (PPR), mandatory outputs and AfR are checked by the MA/JS**

➢ **After the approval (in case it is fine) the report is forwarded to Certifying Authority**

➢ **EU contribution is transferred to the LP (ERDF, IPA and ENI contribution)**

➢ **LP transfers the EU contributions to project partners**

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➢ "Irregularity" is to be considered as any infringement of a provision of EU law resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union by charging an unjustified item of expenditure to the general budget.

➢ Irregularity might be suspected by the LP, controllers, the programme management bodies (MA/JS, AA, CA), or any other person in different stages of the project implementation

➢ Suspected irregularity should be reported to the responsible body at the Partner State

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➢ The use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds; non-disclosure of information in violation of a specific obligation, with the same effect; the misapplication of such funds for purposes other than those for which they were originally granted

➢ Suspected irregularities and fraud cases follow for the most part the same procedural steps

➢ It is possible to report suspicions also directly to European Anti-Fraud Office (OLAF) (https://ec.europa.eu/anti-fraud/olaf-and-you/report-fraud_en)

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MA/JS criteria for assessing the quality of the mandatory project outputs

Report on the state of play in the field addressed

+

Main project work plan

+

Report on funding possibilities

→ Template of the DTP to be followed

Report on the state of play in the addressed field

The Report on the state of play in the addressed field should contain a detailed and comprehensive analysis at least of the elements listed below.

- ➤ **Description of the status quo in the field addressed by the project**
- ➤ **Description of the needs and challenges in the field addressed by the project including country level information for the area covered by the project**
- ➤ **Description of the target groups of the main project and their needs**
- ➤ **Overview of past and current activities in the field and of complementary projects that were/are implemented and current gaps that are addressed by the main project**
- ➤ **References and bibliography used to develop the output**

Criteria is based on the structure of the mandatory outputs

Report on the state of play in the field addressed	
Criteria	**Score**
The status quo in the field addressed is clearly described	1 to 5
The needs and challenges in the field addressed by the project are clearly described and country level information is provided for the area covered by the project	1 to 5
The target groups and their needs are defined	1 to 5
The results of previous initiatives, projects are described and the knowledge gained is planned to be exploited in the proposal	1 to 5

Main project work plan

The main project work plan should contain detailed information at least of the elements listed below.

- ➢ Description of the main and specific objectives of the main project
- ➢ Description of the result of the main project
- ➢ Description of the proposed methodology to reach the result
- ➢ Outline of the main activities and outputs to be delivered by the main project
- ➢ Description of the partnership, including the main partners to be involved and their role in the project

- ➢ Budget estimation of the main project

Criteria is based on the structure of the mandatory outputs

Main project work plan	
Criteria	**Score**
The work plan coherently defines the main and specific project objectives and the results	1 to 5
The work plan describes the overall methodology for coherently reaching the project result and achieving the objectives	1 to 5
The work plan coherently described the planned main activities and main outputs	1 to 5
The main partners to be involved in the project are defined and listed and are relevant for achieving the objectives.	1 to 5
The budget of the main project is defined and detailed	1 to 5

Report on funding possibilities

The Report on funding possibilities should contain a detailed and comprehensive analysis at least of the elements listed below.

➢ **Description of the potential funding sources of the main project and potential future calls that can be addressed**

➢ **In case the decision has been taken to apply for a certain call, please provide sound justification**

Detailed road map defining the steps to be undertaken after the finalisation of the seed money project

Criteria is based on the structure of the mandatory outputs

Report on funding possibilities	
Criteria	**Score**
The potential funding sources are analysed and listed, including the potential future calls	1 to 5
If possible, the decision on the selected fund or type of fund that the main project will apply for is justified	1 to 5
The road map defining the steps to be undertaken after the finalisation of the seed money project is described	1 to 5

➢ The minimum score to be received for each criterion in order to receive the reimbursement of funds is **3**.

➢ In case certain quality criteria are scoring less than the minimum threshold, the MA/ JS will ask the LP to correct and to complete the output.

➢ In case after the second request for completion still the quality criteria are not matching the requirements of the programme, the MA/ JS may decide not to reimburse the EU contribution part of the expenditure relates to the output not reaching the quality criteria.

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Project changes

Major Changes – not possible

- partner changes;

- project prolongation;

- budget reallocation between/among PPs;

Minor Changes – possible (previous confirmation from JS PO is needed)

1. administrative changes (contact details, bank account, LP legal succession)

2. minor adjustment of the content (timing, location, format of activities)

3. budget reallocation among outputs and/or budget lines separately (cannot alter the quality/relevance of outputs; modify the flat rate or result in a major change, e.g. externalization of the project implementation – upper limit set for 70%)

Communication

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➢ SMF Programme Manual *(Pages 60 and 69)*

➢ EC Regulation 1303/2013 (Annex XII, section 2.2)

➢ Visual Identity Guidelines for DTP projects
(pages 20-24 not applicable for SMF projects)   *downloadable in*

➢ SMF project logo in different formats   *DTP website*

➢ Poster templates

Danube Transnational Programme
visual identity guidelines for projects

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➢ Acknowledge support from EU funds
in ALL project documents, materials, deliverables, outputs and events
(both in hard copy and electronic):

- Include ALWAYS the **SMF logo** with the EU emblem in a visible prominent place (*other logos smaller*)

- Include ALWAYS a **reference to the received Fund/s** (ERDF, IPA):

    '*Project co-funded by European Union funds (ERDF, IPA)*'

➢ Include in each partner **institutions' website**, where such a website exists, a short **project proposals** (aims, results) highlighting the **EU financial support**

➢ Place a **poster** (minimun A3) visible in each partner's premises including the quantities of the received funds *(within 3 months after the project approval)*

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SMF Project logos

➢ **Provided by the JS** → *Downloadable in DTP website!* → Not eligible to create another project logo

- Acronym in the color of the project priority

- Be careeful with institution logos: <u>not bigger in height OR width than EU emblem</u> included in the project logo *(Check Annex of the Visual identity guidelines)*

Mandatory posters

- ➢ Each project partner to place at least one poster at a location visible to the public (such as the building entrance area)
- ➢ To stay visible for the whole project duration
- ➢ Minimum size A3
- ➢ With information about the project **including the quantities of each EUfund received**

  → *Editable templates in DTP website but to be adapted with the SMF logo!*
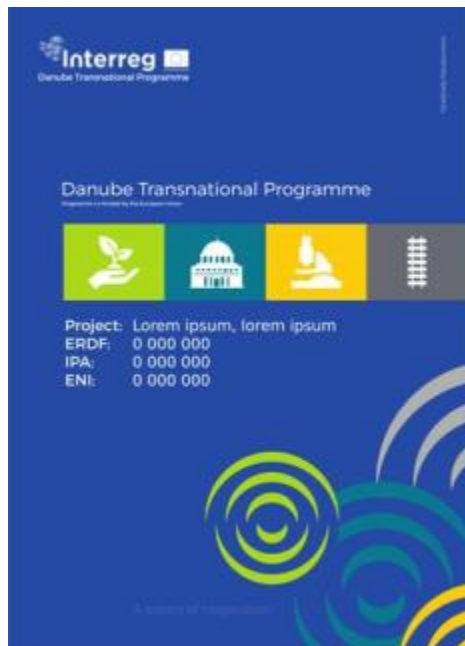
DTP Capitalisation Strategy:
links and synergies

➢ *It is about connecting the dots-* knowledge is scattered and capitalisation strategy (CS) offers methods to unite it and improve it;

➢ DTP CS differs to capitalisation processes in other INTERREG programmes;

➢ DTP projects are grouped in **12 Thematic Poles** (TP) with a Thematic Pole Leader;

➢ TPs are based on the EUSDR Priority Areas to reinforce the links between the Programme and the Strategy and foster the capitalisation opportunities;

➢ **Priority Area Coordinators** (PACs) have important role as they can guide the TPs by providing advice whether intended line of work follows the Action plans and how it can be streamlined.

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➢ Because it makes the knowledge and results more accessible;

➢ Because you will work on developing a main project and avoid starting from the scratch if there are already accomplished results;

➢ Because you will adopt already tried and tested measures which will contribute to better quality of results;

➢ Because it's not only about sharing topics, it is about sharing methods, good practices, reaching same stakeholders

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So far… (examples)

- ➢ Cross pole fertilisation – Pole1, 2 and 3 cooperate in order to upgrade the field of their work, since more synergies and complementarities can be identified;

- ➢ Excellent cooperation with PACs established (e.g. presence in the Steering Group meetings);

- ➢ TP (common) online recommendation report for stakeholders – TP 6 (ongoing process);

- ➢ Cooperation with projects from other programmes is notable (e.g. Summer School on Social Innovation co-organize with the SIC Social Innovation Community project (H2020) and SENSES – TP leader of TP 3)

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➢ Find it useful? Then follow on http://www.interreg-danube.eu/relevant-documents/dtp-capitalisation-strategy

➢ Get in touch with a respective Thematic Pole Leader to keep abreast of developments that may be of your interest;

➢ Search the project data base on http://www.interreg-danube.eu/approved-projects;

➢ Get in touch with a respective project Lead Partner in case there is anything specifically dealt only within that project;

➢ Investing additional time in researching the DTP Thematic Poles and projects will pay off

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Closing remarks

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