

CROSS-BORDER COOPERATION PROGRAMME POLAND - BELARUS - UKRAINE 2014–2020

MICRO-PROJECT IMPLEMENTATION

OPENING CONFERENCE
BIAŁOWIEŻA, 29-30 OCTOBER 2019

PL-BY-UA
2014-2020



Financed by
the European Union

GRANT CONTRACT

■ EXECUTION PERIOD OF THE CONTRACT

GC enters into force on the date when the last of the two Parties signs and ends at the moment when final payment is made by the MA, at the latest 12 months as from the end of the implementation period.



GRANT CONTRACT

■ IMPLEMENTATION PERIOD OF THE PROJECT

begins:

- the day following that on which the last of the two Parties signs
- the first day of the month following the date on which the first instalment of pre-financing is paid by the MA
- a later date: [yyyy.mm.dd]

ends:

- after the number of months of the project implementation, as indicated in the Grant Contract

All project activities financed by the Programme shall end on
31 December 2022 at the latest.

CONTRACT EXECUTION PERIOD

Sustainability
period

PROJECT IMPLEMENTATION
PERIOD

Final
report

GC signature

Final balance
payment

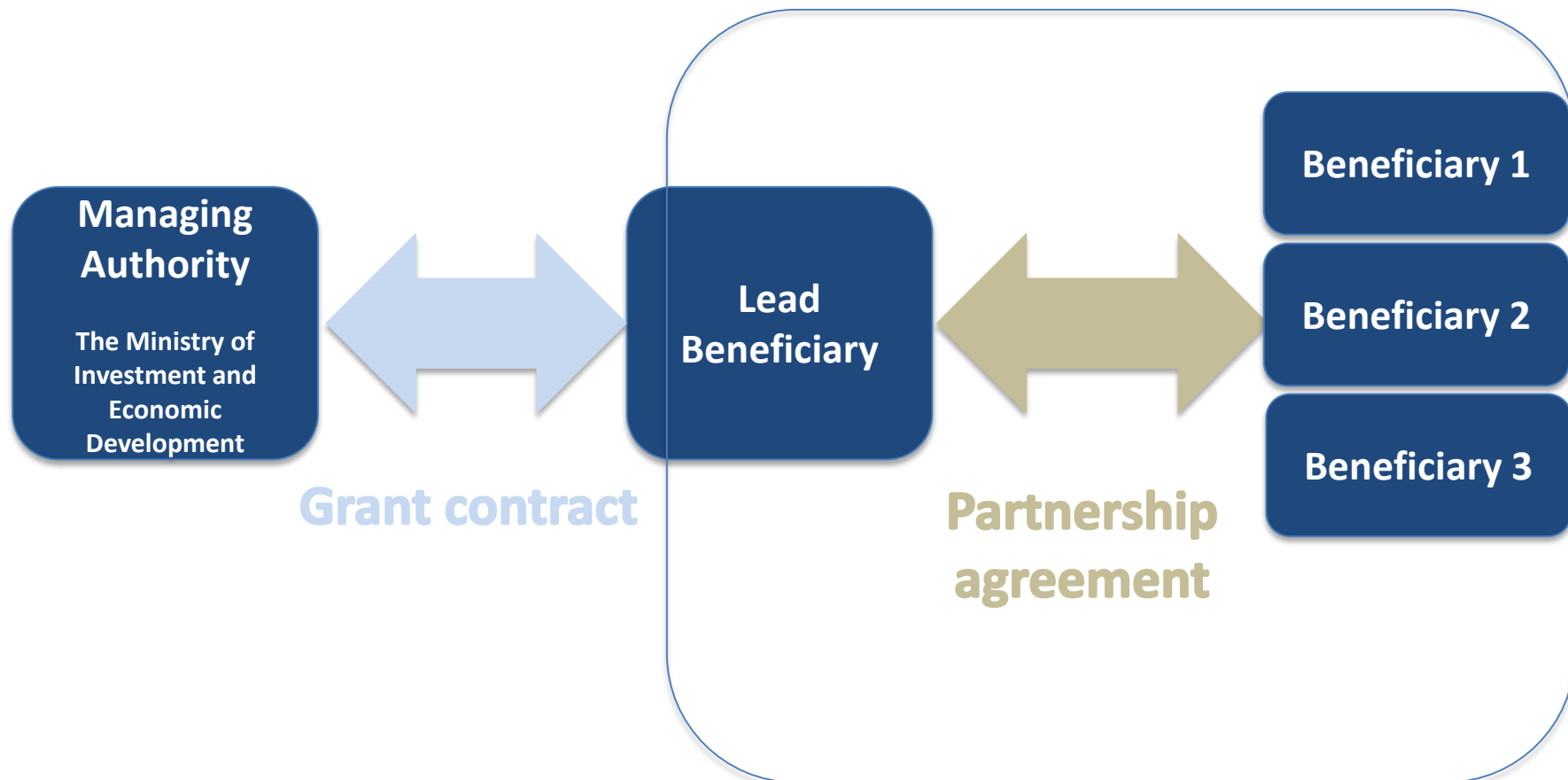
Start date

X months of
implementation

activities carried out; receipt of
works, supplies, services done;
payments made

expenditure
verification,
audit

GRANT CONTRACT AND PARTNERSHIP AGREEMENT



PARTNERSHIP AGREEMENT

joint rights and
obligations concerning
Project implementation



submitted not later than 30
days after conclusion of Grant
Contract; condition for
receiving of payment

According to the template
(**Annex 7** to *Programme Manual*)
English version obligatory, national
versions recommend/acceptable

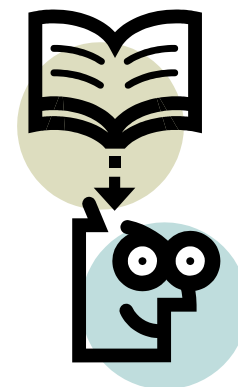
The scope i.a:

- rights and obligations of beneficiaries
- division of tasks, indicators
- budget, transferring of funds
- recovery of funds
- eligible costs
- communication
- control, audits,
- visibility
- other provisions

LEAD BENEFICIARY (LB)

LB, as a party of the Grant Contract, is responsible to the MA for:

- the proper and timely implementation of the Project (managing, monitoring, settlement)
- transfer of the EU funding (grant) to all Beneficiaries
- preparing and submitting of brief report and final report
- information and communication between all beneficiaries



ALL BENEFICIARIES are responsible for i.e.

- timely and properly carrying out of the activities
- obtaining project goals and its results (indicators)
- fulfilling all the requirements and obligations concerning project monitoring, reporting, promotion, sustainability
- any irregularities that appeared
- for paying back unduly paid financing to the LB

in relation to their part of the project.

PROJECT REGISTRATION - UA and BY

- Obligatory for each project implemented in Ukraine or Belarus
- Procedure – in accordance with the national law of Belarus (*in case of Belarusian beneficiaries*) and/or Ukraine (*in case of Ukrainian beneficiaries*)

NOTICE:

**Without project registration,
beneficiaries shall not
start project activities**



PROJECT REGISTRATION – BY : PROCEDURE

Resolution of the Council of Ministers of the Republic
of Belarus dated September 26th, 2019 No.661
“On Implementation of the Decree of the President of the
Republic of Belarus of August 9th, 2019 No. 304”

EU International Technical Assistance Centre in Belarus
1 Kalvariyskaya Str., 7th floor, office 707
220004, Minsk, Belarus
+375 (17) 200 64 65

PAYMENTS

on the basis of **REQUEST FOR PAYMENT**

up to **90%** of eligible costs

Two **payment options**:

PRE-FINANCING

or

REIMBURSEMENT



PAYMENT OPTIONS

PRE-FINANCING

- **1 tranche: 85%** of the EU grant – after signing of the Grant Contract and registration of the Project in Belarus (if applicable), signing Partnership Agreement
- **final balance payment**

or

REIMBURSEMENT

- **final balance (one-off)** payment of **100%** of EU grant after approval of final report accompanied with expenditure verification certificates

FINANCIAL MANAGMENT

- LB - payments from MA on **separate account nominated in EUR**
- obligatory tracing of interests from pre-financing
- are not due to the Managing Authority, may be used for the activities – must be presented in final report
- **Separate accounting records** for the project purposes (expenditure, costs, revenue, interests)



ELIGIBLE COSTS

Only "**eligible costs**" may be taken into consideration for EU financing!

All **non-eligible costs** incurred by you or your partner **will be deducted from the final payment** or will be recovered. **The grant will not cover them!!!** And your co-financing also.

What is the “eligible cost”???

ELIGIBLE COSTS

- incurred by beneficiaries
 - within implementation period (exception: audit)
 - indicated in the budget
 - necessary
 - identifiable and verifiable, in particular being recorded in the accounting records
 - compliant with appropriate legislation
 - reasonable, justified, and compliant with the requirements of sound financial management, in particular regarding economy and efficiency
 - supported by invoices or documents
-

FINAL PAYMENT

Lump sums on the basis of the indicator achieved
(report submission in timely manner)

Administrative costs – according to the %
set in the Grant Contract

**Investment and infrastructure
component**

– max 20% of the final amount
of EU co-financing.



NON-PROFIT PRINCIPLE

- The project cannot produce a **profit** (surplus of the receipts over the eligible costs approved by the MA)
- **Revenues** = direct inflows of funds paid by users of products or services produced by the project (e.g. fees for the use of infrastructure produced in the project, for participation in fairs, for admission to exhibitions or payments for training services).
- **Net revenues** = difference between revenues and operating costs incurred (sustainability period).

PROCUREMENT

Legal basis: chapter 4, Commission Implementing Regulation (EU) 897/2014

Rules applicable to:

- Beneficiaries from Poland: Polish law on public procurement and principle of competitiveness - Annex 5a
- Beneficiaries from Ukraine and Belarus: Annex 5b
- International organisations – own procurement rules

All beneficiaries – i.e. lack of conflict of interests, fair competition, sound financial management

The principle of competitiveness

Preparing and conducting public procurement by all Beneficiaries, as well as awarding a contract within the project, should be carried out in a manner that guarantees compliance with the principle of fair competition and equal treatment of contractors.

PROJECT MODIFICATION

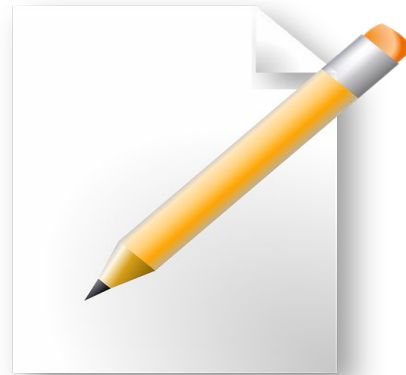
Acceptable, but **CANNOT**:

- result in substantial changes to the project objectives
- change the conditions under which EU financing was granted
- violate the principles of equal treatment of projects

→ MA/JTS has a right to object to the change

PROJECT MODIFICATIONS

- 1) **notification** - bank account, auditor, address
- 2) **minor changes** - budget changes up to 15% of budget headings
- 3) **substantial changes**
 - addendum, JMC decision



REPORTING

- **BRIEF REPORT** – only narrative part – for the 1st half of project implementation period
 - **FINAL REPORT** – submitted within 3 months after project implementation period (narrative and financial parts)
 - templates – annexes 8, 9, 10 to Programme Manual for 2nd CfP
 - Exchange rate used in reports - the month during which the payment was done.
 - The exchange rate risk is borne by Beneficiaries
-

PROJECT CLOSURE

Before final date of implementation period:

- All activities shall be carried out;
- Receipts of works, services, supplies shall be received;
- Payments shall be made

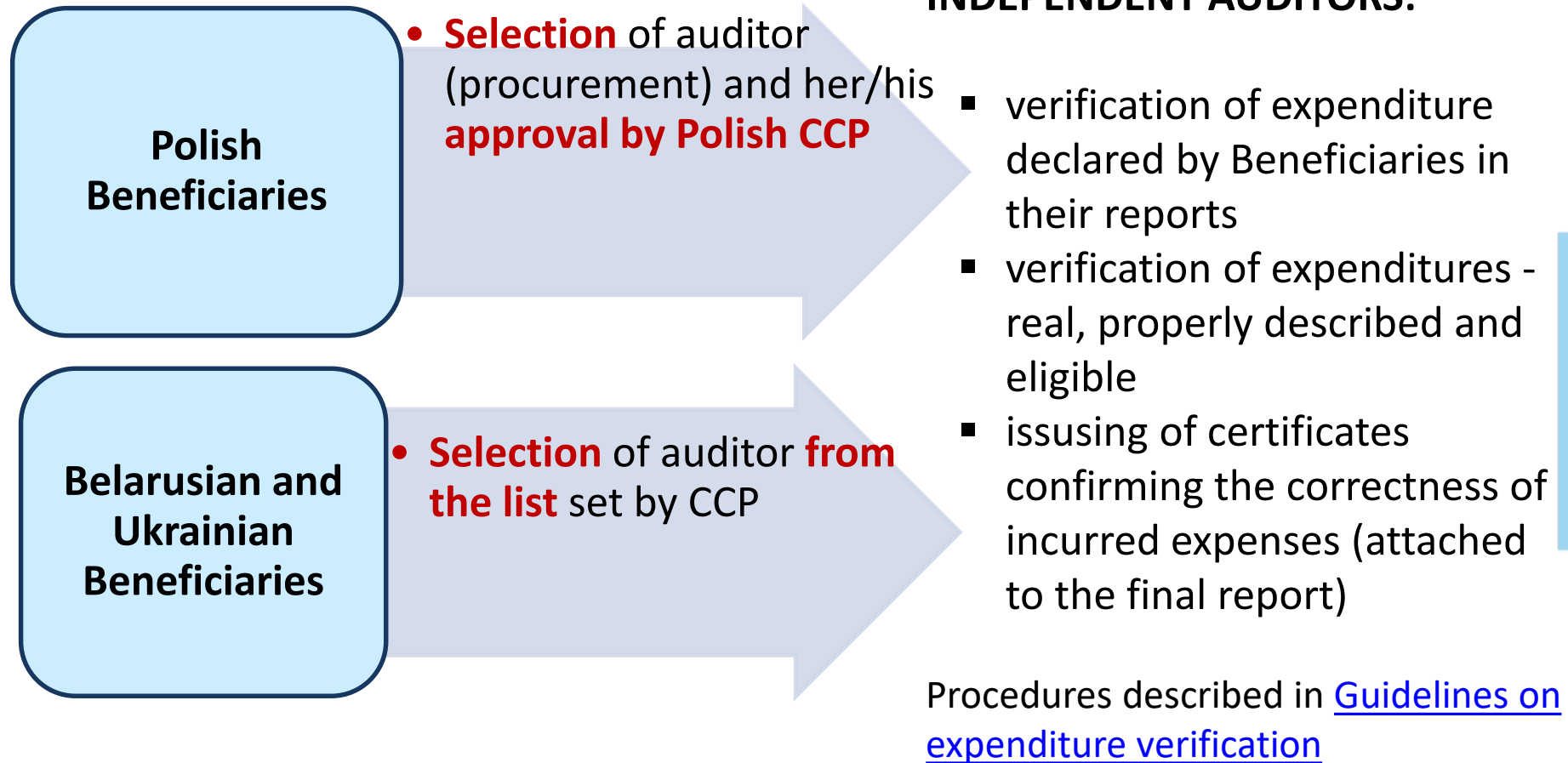
After the date of final project implementation - only costs related to the preparation of the final report:

- expenditure verification / audit;
 - final project evaluation.
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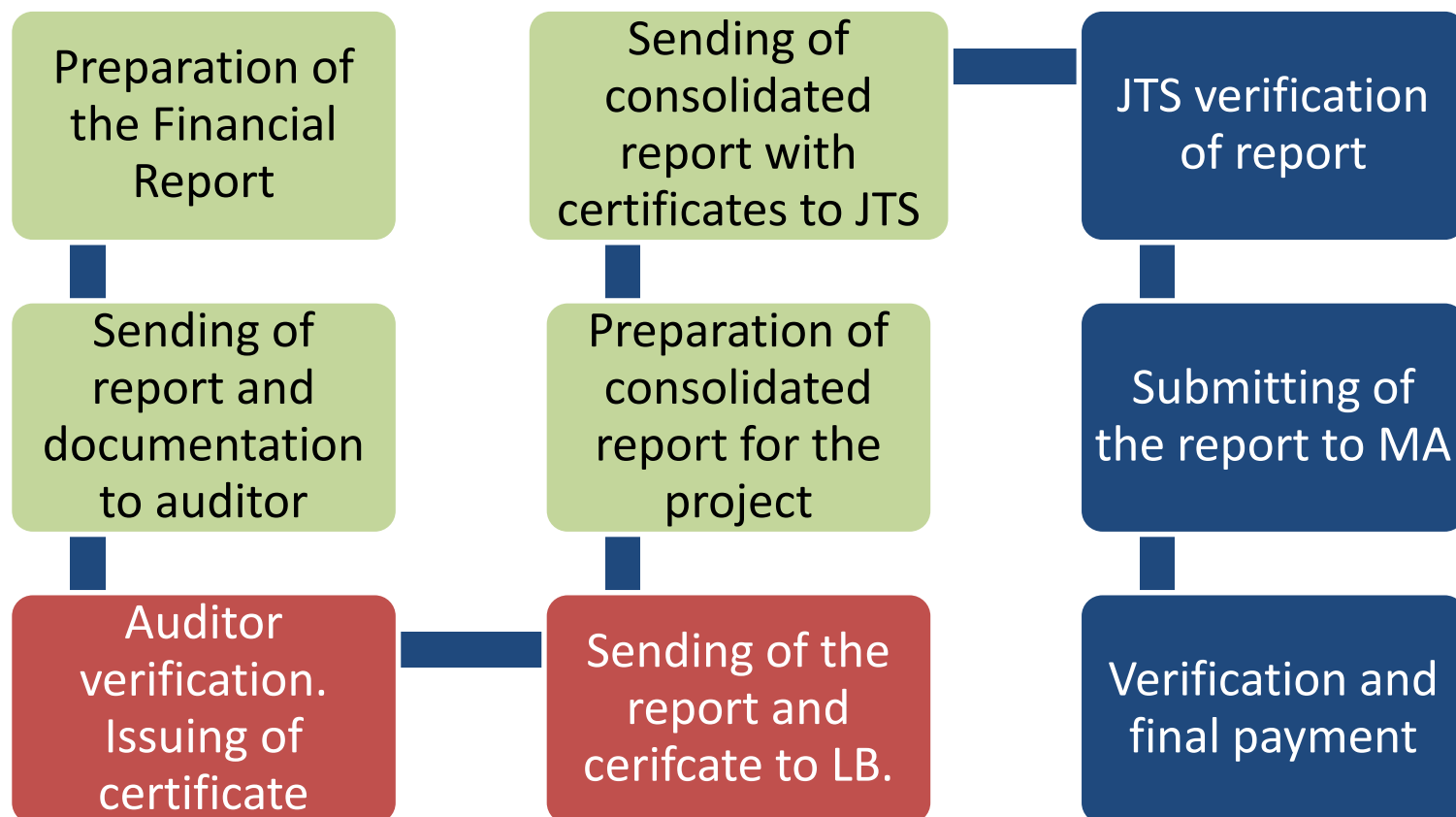
AUDIT AND CONTROLS

- **Independent auditors** - verification and certification of project expenses as part of the final report
 - **JTS and CCP** - on the spot visits and monitoring visits
 - **Audits of other institutions** (Audit Authority, European Commission, European Anti-Fraud Office, other authorized institutions)
- Checks may take place up to 5 years after the payment of the balance for the Programme.
-

AUDYT I KONTROLE



CERTIFICATION OF EXPENDITURE



RECOVERY OF FUNDS

- In the event of **serious errors, infringements or fraud** activities related to a breach of national or Community law
 - Amount recovered in proportion to the seriousness of the infringements
 - Funds may be **deducted from the final payment**
 - If deduction from the final payment is not possible, the MA issues a **payment request**
- Partnership Agreement includes recovery procedures between Beneficiaries

TERMINATION OF THE CONTRACT

If the MA / LB considers that the contract can no longer be performed effectively or properly, it shall **consult** the other party.

If no solution can be agreed, either party may **terminate the contract** by giving two months' written notice.

The MA may decide to terminate the contract without notice and compensation in the event of serious violations, e.g. corruption, participation in a criminal organization or other unlawful activity or if the Beneficiary becomes insolvent / goes bankrupt, etc.

All cases are described in the Grant Contract.

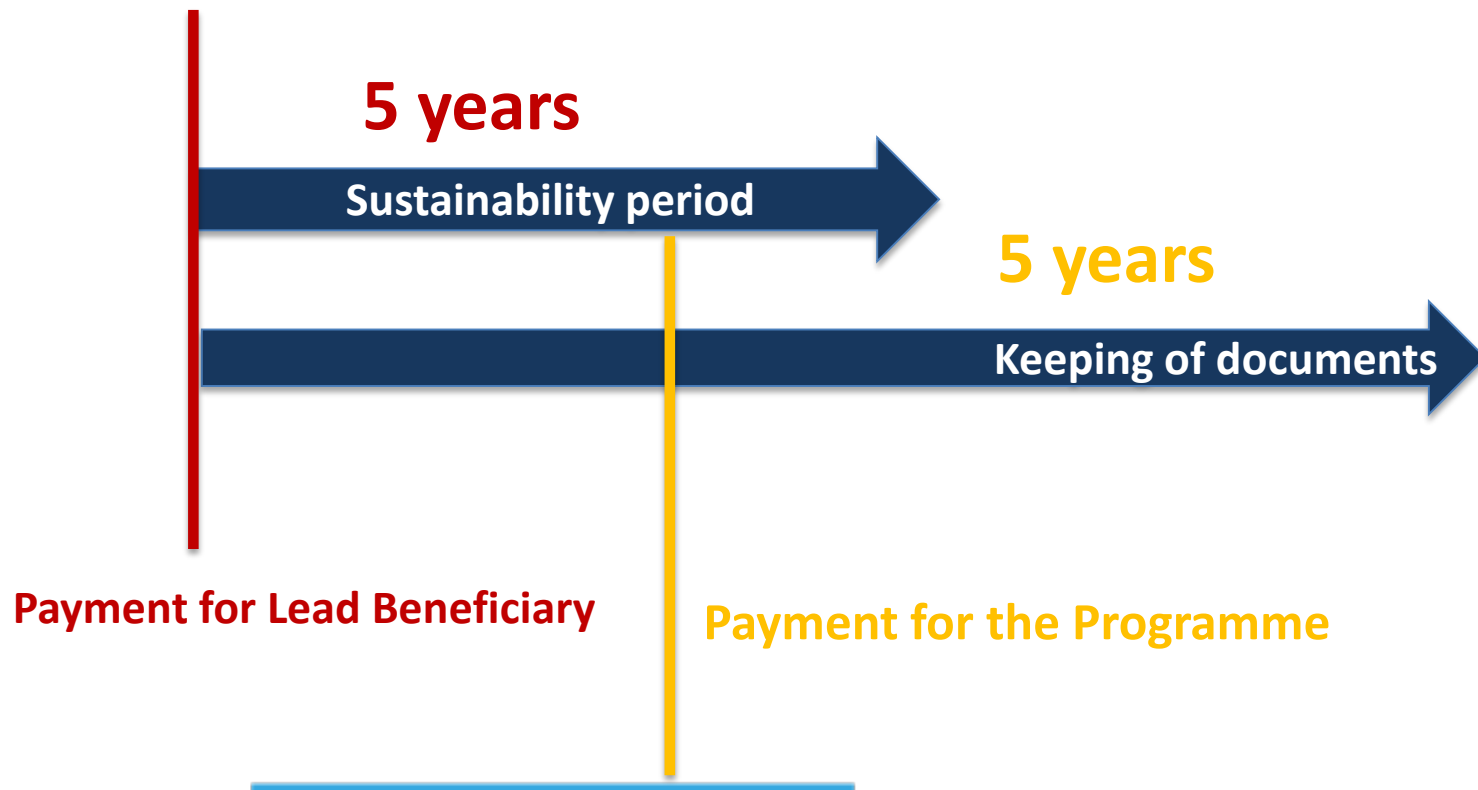
SUSTAINABILITY

No less than 5 years from the final payment to the Lead Beneficiary



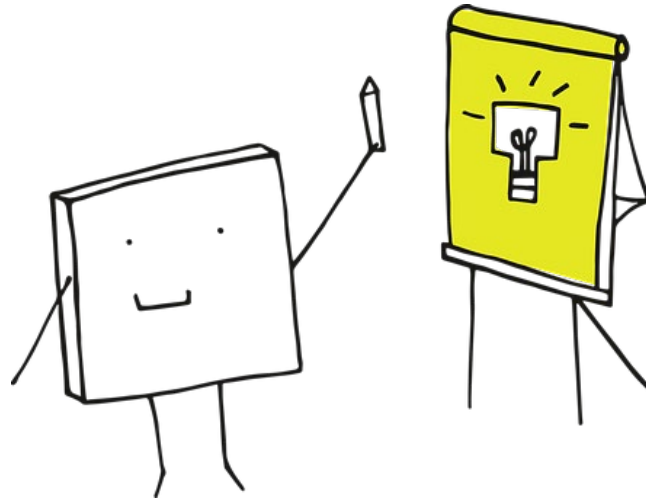
KEEPING OF DOCUMENTS

For 5 years from the date of payment of the final balance of the Programme



TRAININGS

- Communication workshops – November 2019
- Implementation workshops – February/March 2020



Dziękujemy za uwagę!

Wspólny Sekretariat Techniczny
Program Współpracy Transgranicznej
Polska - Białoruś - Ukraina 2014-2020

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