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Varsinais-Suomen liitto
Egentliga Finlands förbund
Regional Council of Southwest Finland
European Union
European Regional Development Fund
Lead Partner and Communication Seminar
5 April 2018, Turku

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Subsidy Contract
Head of Managing Authority Merike Niitepõld

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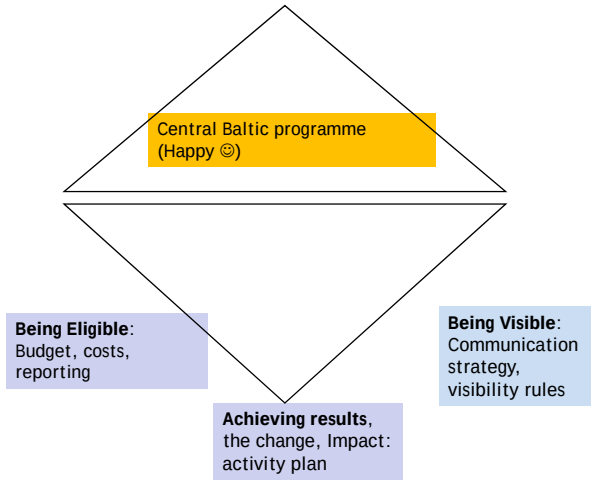
Content

- Lead Partner's role in leading partnership
- Results – Eligibility – Visibility
- Lead Partner's specific roles during „project lifecycle"
- Support to the Lead Partner

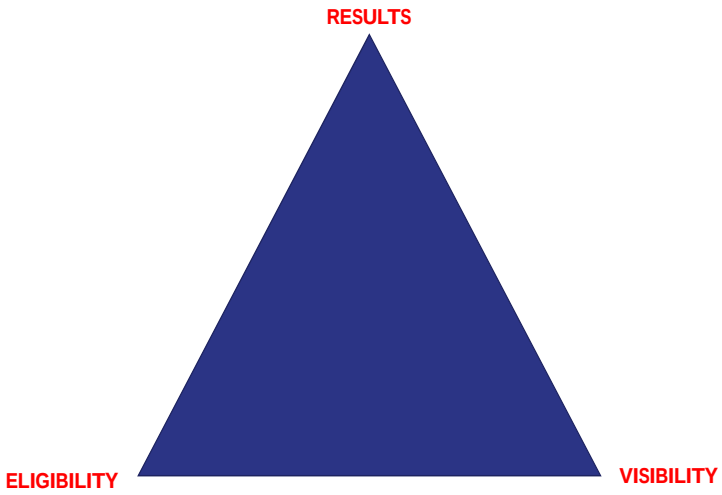
Lead Partner role's origins

- Lead Partner is also Partner
- Lead Partner responsibilities originate from:
  - Project activity plan (application)
  - Programme manual
  - Guide for Project Implementation
  - Subsidy Contract
- Lead Partner delegates the tasks and obligations to the partners via Partnership Agreement(s)

Recipe for „Happy Project World"



3 pillars in project implementation



CB programme's intervention logic and 3rd call portfolio

Competitive economy of the region (29 meur)

Sustainable use of common resources (37 meur)

Well-connected region (37 meur)

Skilled and socially inclusive region (12 meur)

Access to and use and quality of ICT

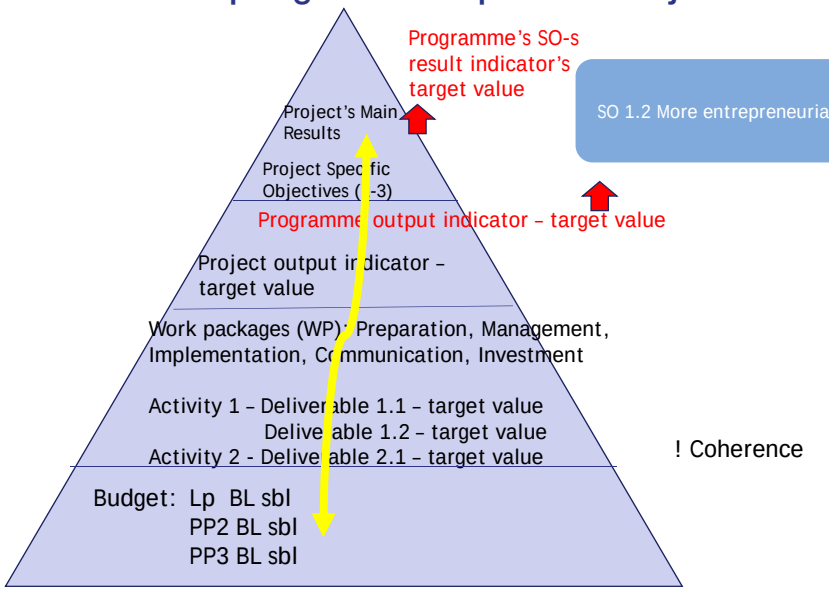
The shift towards a low-carbon economy

- SO 1.1 New knowledge intensive companies
- SO 1.2 More entrepreneurial youth — DigiYouth
- SO 1.3 More exports by the Central Baltic companies to new markets — IHMEC, SMEAisle, NNFA, Lef network China
- SO 2.1 Natural and cultural resources developed into sustainable tourist attractions — Baltic Wings, Lakesperience
- SO 2.2 Sustainably planned and managed marine and coastal areas — Coast4us
- SO 2.3 Better urban planning in the Central Baltic region — Augmented Urbans, HEAT
- SO 2.4 Reduced nutrients, hazardous substances and toxic inflows to the Baltic Sea — HEAWATER, SEABASED
- SO 3.1 Improved transport flows of people and goods — EfficientFlow, E-TICKETING, REFEC
- SO 3.2 Improved services of CB small ports for mobility and tourism — BATSECO-BOAT, SEASTOP, Smart Marina, Sustainable gateways
- SO 4.1 More people benefiting from stronger CB communities — ARC, CoMe Strong, MUCH MORE, PRIME, DSB, Gardens
- SO 4.2 More aligned vocational education and training programmes — CoMET, Crea-RE, NatureBizz, UniLog, SimE

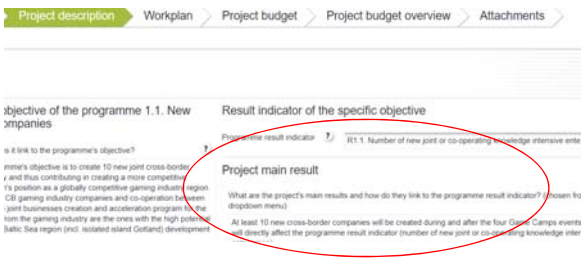
CB Programme Approach

- To achieve changes together
- Specific objective – Result indicator – Baseline value and – Target value work together
- **Projects** – only means to achieve programme results => choose projects with the best impact and realistic to implement by strong partners

Project approach and programme specific objectives



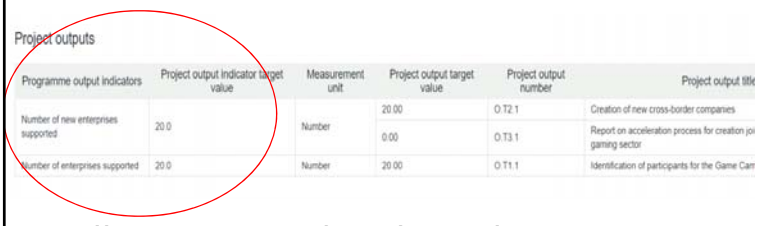
Targeting results



! Always keep in mind results the project is targeting

! If relevant propose the change in activity plan, propose reallocation of the resources,…

Achieving outputs

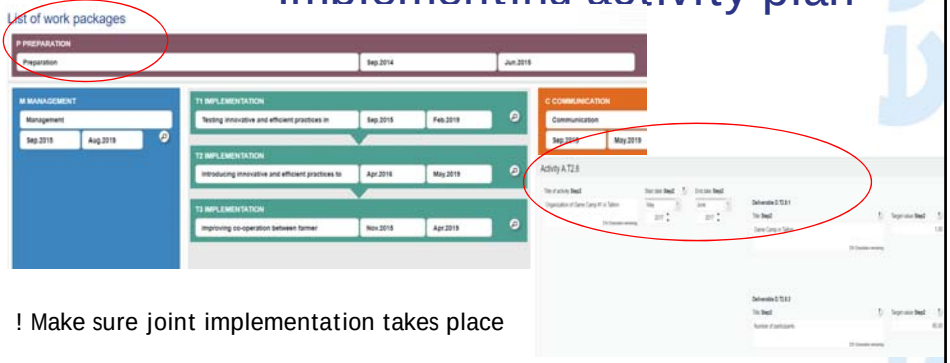


! Milestones towards main results

! Rigid element – you should achieve those and prove (evidence)

! If needed propose the change in project approach, in activity plan, reallocate resources,…

Implementing activity plan



! Make sure joint implementation takes place

! Coherence of the Activity plan (complex well integretaed plan to achieve results)

! Be informed, involved proactively in all activities – be on top of the project!

! Be aware, follow sequence of activities, project timeline

! If partner(s) underperform, certain activities prove not efficient, target group's not reached, relevant delays, etc – take initiative, analyse, work out solution, communicate, propose to JS

Using Budget resources

Total project budget

Partner data			Programme co-financing		
Partner data	Partner abbreviation	Country	ERDF	ERDF co-financing (%)	Percentage of total ERDF
1 - Turun yliopisto	UTU	SUOMI / FINLAND	€ 497.097,45	75,00 %	29,90 %
2 - Satakunnan ammattikorkeakoulu	SAMK	SUOMI / FINLAND	€ 339.637,38	75,00 %	20,43 %
3 - Kungliga Tekniska Högskolan	KTH	SVERIGE	€ 242.879,96	75,00 %	14,61 %
4 - Uppsala Universitet	UU	SVERIGE	€ 326.704,42	75,00 %	19,65 %
5 - Viljandimaa Arenduskeskus	VCDC	EESTI	€ 54.576,80	85,00 %	3,28 %
6 - Eesti Pulmajalit	EWHA	EESTI	€ 201.511,20	85,00 %	12,12 %
Sub-total for partners inside programme area			€ 1.662.407,21	--	100,00 %
Sub-total for partners outside programme area			€ 0,00	--	0,00 %
Total			€ 1.662.407,21	--	100,00%

- Make sure all costs are relevant/linked to activities in Activity plan
- Manage, coordinate proactively changes & modifications
- Use Flexibility rule
- Timely committing: spending situation after period 3

Reporting the implementation and the use of resources

! Money will not arrive after Partner reports are certified => Project report

! Report mirrors activity plan

! Not copy-paste from partner reports – generalise, integrate, choose relevant evidence…

! Inform about deviations, needs for change

Balance between future and past

- **Proactive activities** – leading, organizing, communicating, procuring, buying,…
- Activities about „what already happened“ – reporting, notifying (Eg *de minimis*), providing information…

LP responsibilities in project preparation phase

- LP is responsible for forming professional, balanced partnership and prepare in cooperation strong joint work plan to target and achieve relevant results => JOINT ACTIVITY PLAN

- LP should not have mechanically compiled the group of organizations and divided activities, resources (budget) according to own/their wish(es)

! Key: trust among partnership, make sure all partners are competent and capable and aware of the objectives and joint effort to achieve results

LP responsibilities in project implementation

- LP is responsible for ensuring professional, balanced implementation of the **joint** work plan, showing good leadership in proactive way

=> JOINT EFFORT TO ACHIEVE RESULTS TOGETHER

- LP should not be passive dispetcher between separate parts of activity plans of the partners and the programme JS

- Key! Maintain trust within partnership, be proactive, involved, informed in all aspects of project implementation

LP role responsibilities after project ends

- LP is responsible for sustaining the relevant results and/or outputs, fulfilling legal obligations related to maintaining documents and materials of the project
- Will not disappear after project ends!

Scenarios in project implementation -1

1. Implementation of activities leads to the achievement of the targeted results and outputs - OK

2. Implementation of activities leads to exceeding of the results and outputs - OK

3. Implementation leads to the targeted results, outputs but with significant budget savings (undesrpending) - OK

Scenarios in project implementation -2

4. Implementation of the activities will not lead to the targeted results, outputs => change of the activity plan as early as possible

5. Partnership does not perform well: partner falls out, underperforms => lead, motivate, manage,…, change partnership

6. Failure in communication towards either partnership, target group, general public => ?

…

Support, resources in project implementation

- **Written guidelines:** Programme Manual, Guide for Project implementation, LP To-Do List
- **Events:** LP seminar, Project Implementation Seminar (PIS), Annual Event
- **People** in JS/MA, FLC-s, national Contact Points

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Thank you and now Karolina will tell how it has been in the real life,…

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Time for discussion

Project Coordinator Helinä Yli-Knuutila

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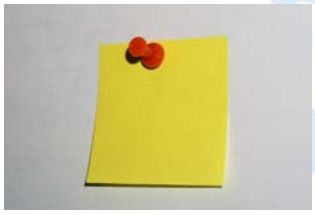
Practical exercise in tables



1. Write down **3 important practical things** that you will take care of with your project and your partnership, when you go home

One idea = one post-it

2. Share your thoughts in your table
3. Give your post-its to Programme staff

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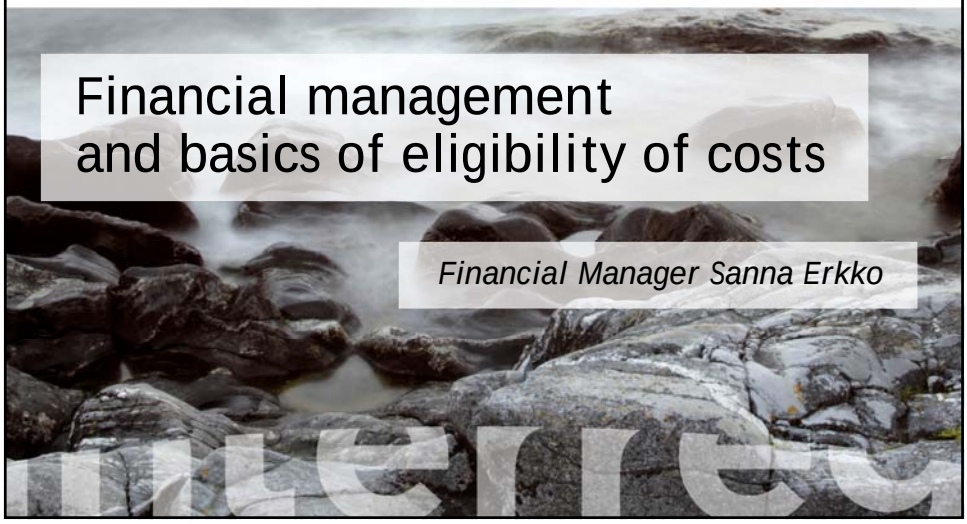

Financial management and basics of eligibility of costs

Financial Manager Sanna Erkko

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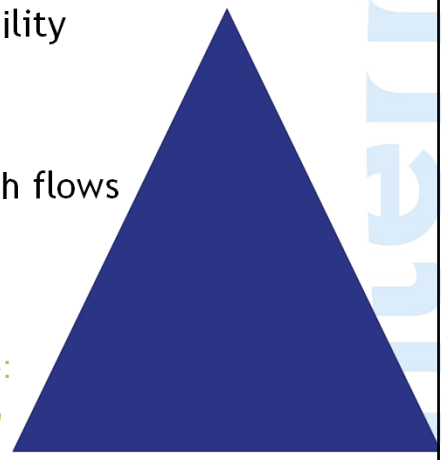
Contents

- Basic principles for eligibility
- Budget lines
- Public procurement
- Reporting, controls & cash flows
  - Reporting flow
  - Layers of controls
  - Cash flow



Being Eligible: Budget, costs, reporting

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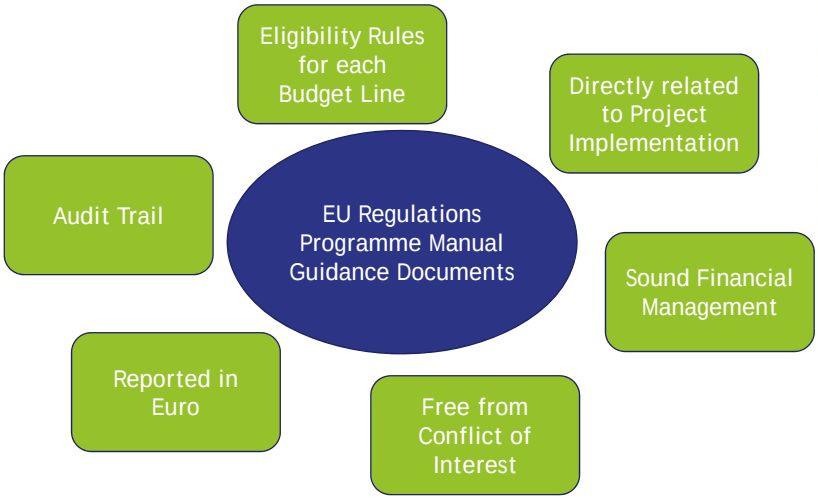
Basic Principles for Eligible Costs



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Hierarchy of rules 2014-2020 Eligibility of Costs

- EU
- Programme
- National
- Institutional rules

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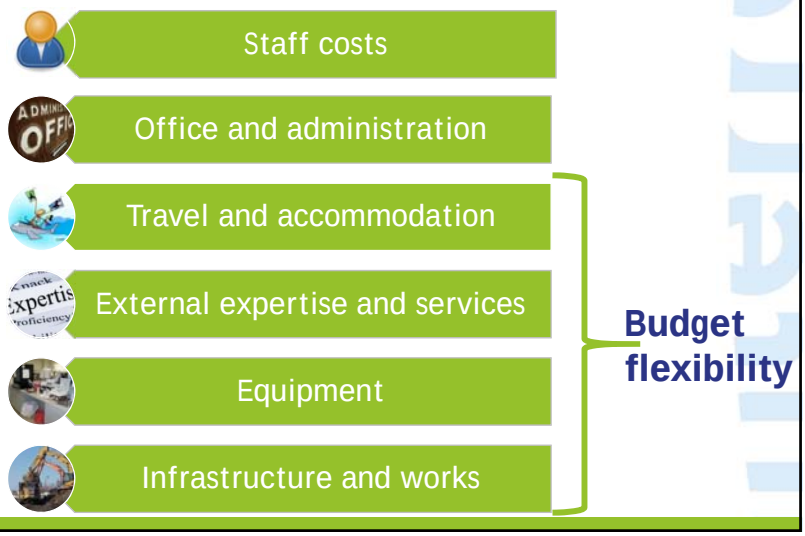
Eligibility of costs: budget lines



VAT

- An eligible cost only if the partner has no means to recover it
- Will be checked by the FLC with the first partner report
- Any changes in VAT status – notify JS conctact person and report to FLC

Public Procurement Requirements of the Programme

- Applies to **all** partners
- No artificial splitting of purchases
  - cumulative amounts count
  - type of the service crucial
- Framework contracts applicable

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Public Procurement Requirements of the Programme

Value of the Purchase	Process described in	Bear in Mind

Remember the requirements of your organisation

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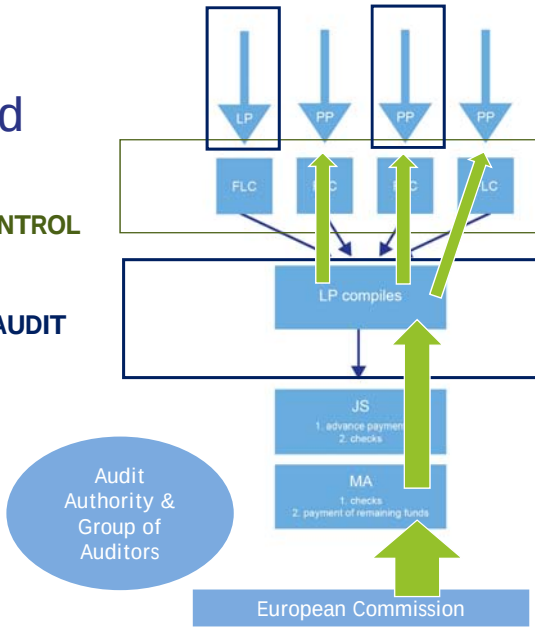
Reporting, payments and controls

FIRST LEVEL CONTROL

SECOND LEVEL AUDIT



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Financial management

Lead partner

- Guarantee the sound financial management of the project
- Follow up project spending and budget line spending
- Transfer ERDF amounts to partners immediately
- FLC checks on own costs

Project partner

- Manage its own budget according to sound financial management
- Assume responsibility for own costs and repay costs if needed
- FLC checks on own costs

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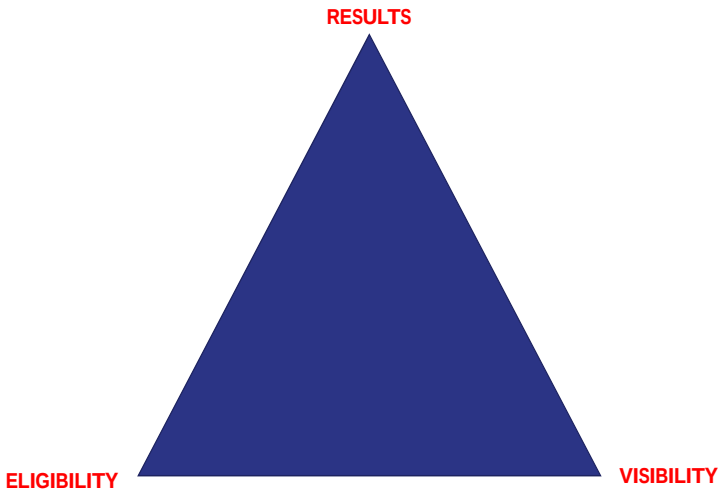
Reporting and eMS

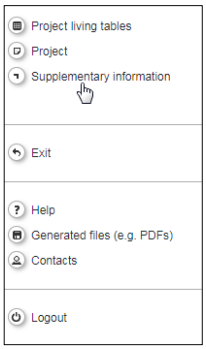
Project Coordinator Tiina Keinänen

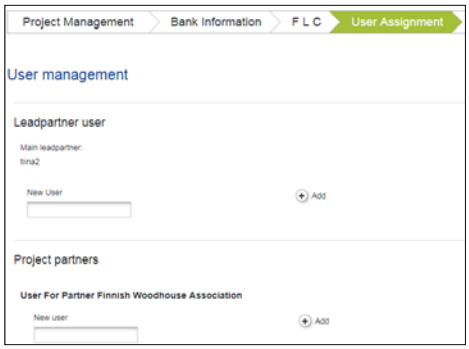
3 pillars in project implementation



Entering in eMS

- Each partner must register in the eMS as an user
- User assignment by lead partner → add username





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Reporting tips

- Make it interesting and informative
- Provide information that your audience needs
- Limit it to the requested period
- Compare actual performance with respect to the plan in the application form
- Remember to attach evidence to outputs and deliverables

➢ *Guide for Project Implementation*

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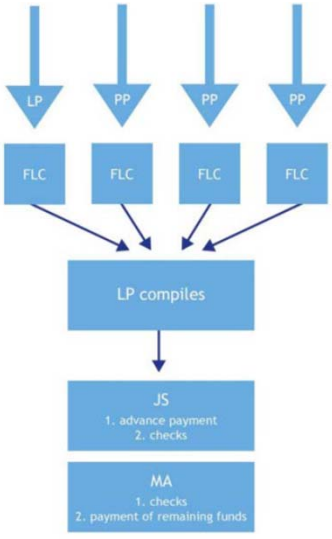
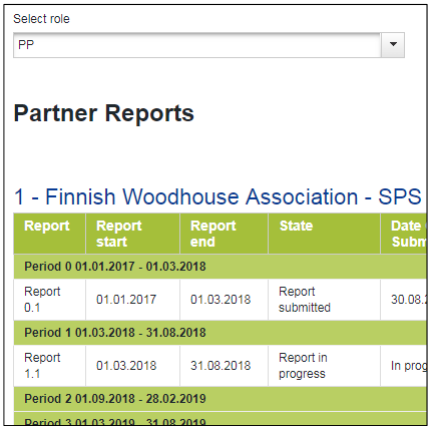
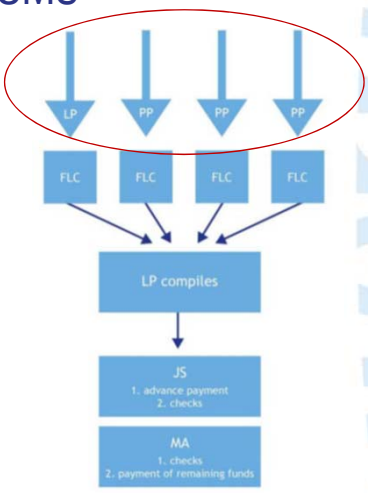
Reporting process

- Each project partner fills in **Partner Report** and submits it with all mandatory annexes to FLC
- FLC checks the eligibility of the costs and issues **Independent FLC Report**
- Lead partner compiles **Project Report** and submits that to the JS
- The MA makes **advance payment** of 60 % for the LP (small projects) after technical admissibility check
- The JS assess the Project Report
- The MA makes the **final payment** based on the certified cost for the LP



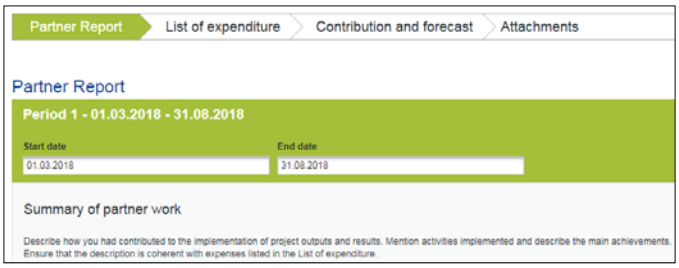
Reporting process in eMS





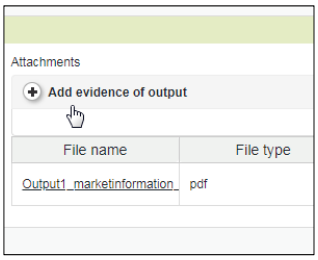
Partner Report

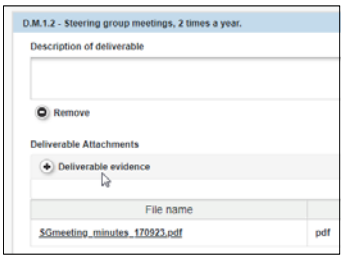
- Reporting of activities implemented by partner during the period
  - Main project output
  - Target groups
  - WP activities and deliverables



Partner report

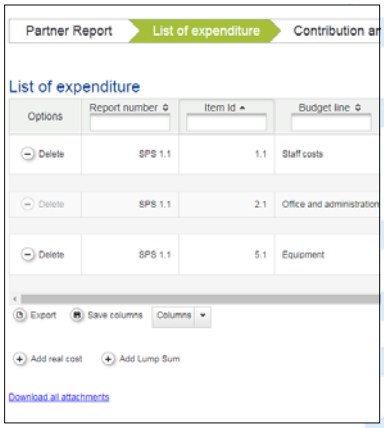
- Compare actual performance with respect to the plan in the application form
- Remember to attach evidence to outputs and deliverables

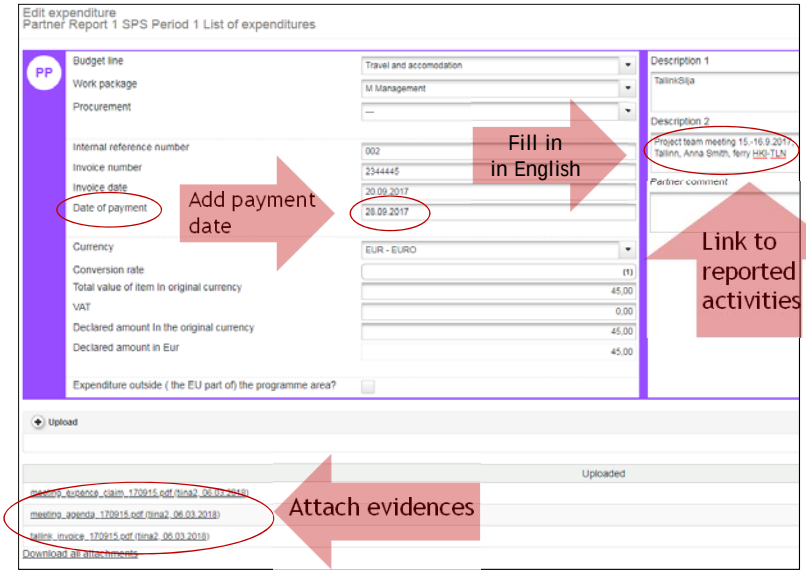




List of Expenditure

- Cost must be linked to reported activities
- Cost reported when paid out → remember to add payment date
- Remember to attach evidence to each reported cost
- Filled in in English



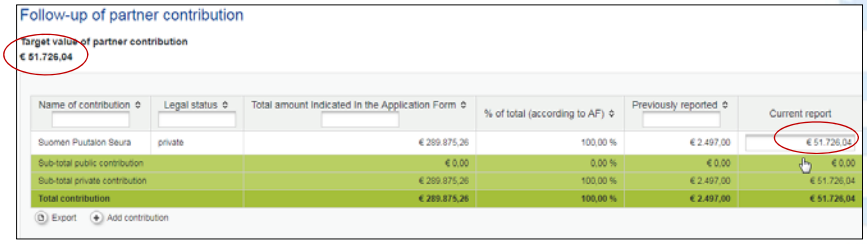


List of Expenditure

- Costs are reported in currency incurred
  - eMS converts the costs automatically to euros
  - the final conversion rate is calculated when the partner report is submitted to the FLC
- Lump sums are always reported in euros

Contribution and forecast

- Add a forecast (in euro) of how much money you foresee to spend in the next reporting period
- If the spending forecast differs from the approved work plan you should provide a brief reference to foreseen activities.
- Add target value of partner contribution to the current report column



Attachments

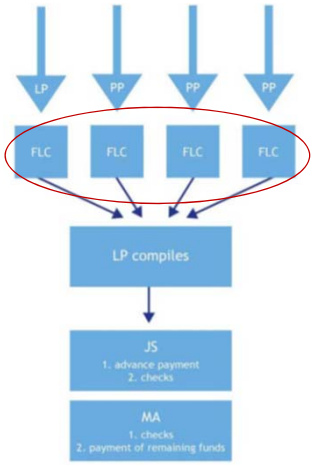
- **Partnership Agreement** with the first period report
- **Certifications that VAT is not recoverable** if VAT is included in the project costs with the first report and if the VAT status changes
- **Bookkeeping list/ General ledger**
- **Declaration of de minimis** if needed (template available at programmewebpage)
- Evidence about deliverable which cannot be attached to Partner report section
- Evidence about cost which cannot be attached to the List of expenditure section

Submitting Partner Report

- Check that Partner Report, List of expenditure, Forecast and contributions and Attachments are filled in
  - *Check Saved Report*
  - *Submit Report*
- In-built checks do not replace the check of the partner to make sure that everything has been included and is correct

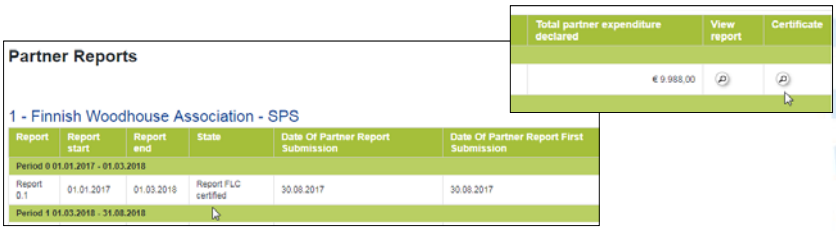
First Level Control

- **Centralised**
  - Estonia -The Ministry of Finance
  - Latvia -Ministry of Environmental Protection and Regional Development of the Republic of Latvia
  - Sweden –Swedish Agency for Economic and Regional Growth
  - Åland –Åland Government, Department of Trade and Industry
- D**e-centralized**
  - Finland - designation from the Ministry of Economic Affairs and Employment, carried out by independent auditors
    - Finnish partners have to procure and apply the designation for their own FLC



First Level Control

- FLC check each cost
- Partner will receive automatic message in eMS mailbox when FLC certification is completed
- FLC certificate about certified cost



Partner Reports

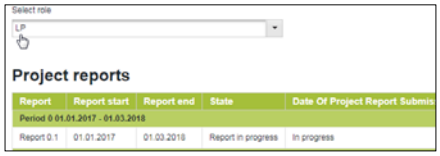
1 - Finnish Woodhouse Association - SPS

Report	Report start	Report end	State	Date Of Partner Report Submission	Date Of Partner Report First Submission
Period 0 01.01.2017 - 01.03.2018					
Report 0.1	01.01.2017	01.03.2018	Report FLC certified	30.08.2017	30.08.2017
Period 1 01.03.2018 - 31.08.2018					

Total partner expenditure declared	View report	Certificate
€ 9.988,00		

Project Report

- Lead partner prepares
- Overview of the project as whole
- Provide information that your audience needs
- Limit it to the requested period
- Compare actual performance with respect to the plan in the application form
- Remember to attach evidence to outputs and deliverables

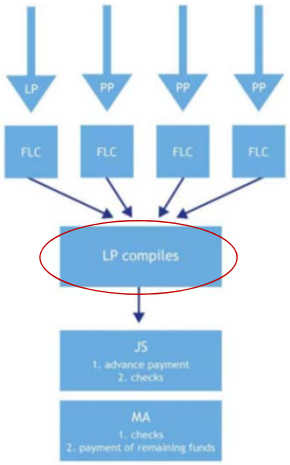


Select role

LP

Project reports

Report	Report start	Report end	State	Date Of Project Report Submis
Period 0 01.01.2017 - 01.03.2018				
Report 0.1	01.01.2017	01.03.2018	Report in progress	In progress



Project Report

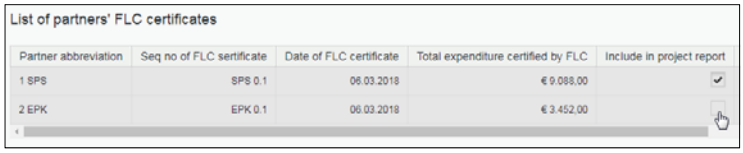
- Lead partner has a right to demand good quality in reporting
- If information is missing in Partner Report the lead partner has a right to revert the report back for the partner (via the FLC)
  - evidences on reported outputs or develiverables are missing
  - evidences on reported cost are missing
  - the report is not completly filled in

Report

- Highlights of main achievements
- *List of partners' FLC certificates*
- Project specific objectives
- Achievement of project outputs
- Target groups reached
- Problems and solutions found
- Horizontal principles

List of partners' FLC certificates

- Include certificates on the Project report by clicking tickbox
- Remember to check each FLC certificate (certified *List of expenditure*)


List of partners' FLC certificates

Partner abbreviation	Seq no of FLC sertificate	Date of FLC certificate	Total expenditure certified by FLC	Include in project report
1 SPS	SPS 0.1	06.03.2018	€ 9.088,00	☑
2 EPK	EPK 0.1	06.03.2018	€ 3.452,00	

List of partners' FLC certificates

- Lead partner has right to deduct the cost if
  - flexibility rule is not followed by partner
  - not related to the project
  - ➢ justification must be given

List of partners' FLC certificates

- Lead partner has right to revert the report back for the partner (via the FLC) if list of expenditure is not properly filled in
  - payment dates, evidences on cost etc. are missing

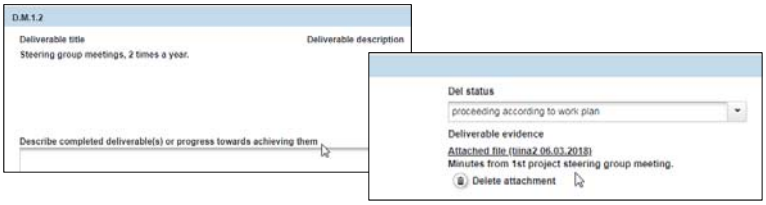
Work packages

Report | Work packages | Certificates | Project Report tables | Attachments

- Decribe progress of each work package
- Describe and justify problems and deviations
- *Project outputs and Programme output indicators*
- *Activities and deliverables*

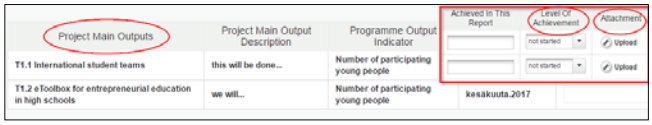
Activities and deliverables

- Fill in each section "Describe completed deliverable(s) or progress towards achieving them" with relevant explanation
- If the activity/deliverable was already completed in previous reports it should be mentioned: "Completed and reported in period X"
- For each reported deliverable upload deliverable evidence



Project outputs

- Project outputs are reported as level of achievement and evidence related to the reported project outputs is attached



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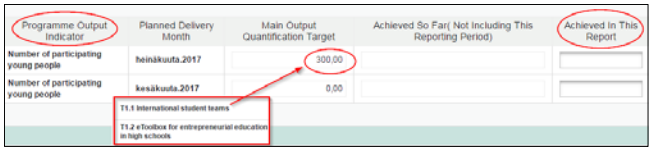
Programme outputs

- Programme output indicators which are linked to the project outputs are reported in column Achieved in this report
- Achievement values are only reported for those indicators which quantification target is more than 0



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Attachments

Report > Work packages > Certificates > Project Report tables > Attachments

- A scanned copy of signed *Confirmation Letter* to the Project Report
- If a signee is new, documentation to show that the person/position signing the letter holds the right to sign the document
- A copy of the signed Partnership Agreement with the first period Project Report
- Declaration of de minimis if needed
- Any other attachments which cannot be attached in work packages

Confirmation Letter

- Remember to attach Confirmation Letter to each Project Report
- ”ERDF applied” can be found from Project Report tables

Submitting Project Report

- Check that Report and Work packages filled in
- Check that Certificates are included and relevant Attachments upload
  - *Check Saved Report*
  - *Submit Report*
- In-built checks do not replace the check of the lead partner to make sure that everything has been included and is correct

More information

- Guide for Project Implementation
- Project contact persons at the JS
- eMS support (ems@centralbaltic.eu)
  - Technical errors and problems

Parallel sessions after lunch

14:00-15:30

Session 1: Introduction to communication issues and visibility requirements

MAIN ROOM

Session 2: Workshop on eligibility of costs

JULIN 1 (LITTLE ROOM, NEXT TO THE RESTAURANT)