




IPA closure guidelines seminar for IPA CBC authorities

Presentation sections 1 – 3

20 October 2016, Belgrade



Legal form and procedure

- Commission decision approving the IPA closure guidelines with the guidelines as annex to the decision: **C(2016) 5756 of 16 September 2016**
 - Closure guidelines = a new annex to the Financing Agreements of the component II, III and IV IPA programmes
 - Prepared by DG REGIO and DG EMPL based on the Commission decision on the closure guidelines for Structural funds: C(2015) 2771
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State of play

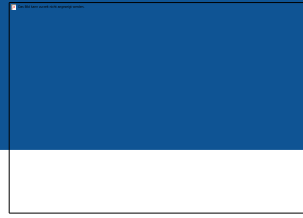
- Guidelines adopted on 16 September 2016 – decision **C(2016)5756**
 - Financing Agreements of components III and IV programmes to be adopted on the next days
 - Financing Agreements of IPA CBC programmes are being adapted and will be consulted with the IPA countries' partners; signature of the Commission foreseen by the end of November 2016
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CLOSURE GUIDELINES SEMINAR

Section 1

Content of closure documents



1. Closure general principles

Closure = financial settlement of outstanding Union's budgetary commitments through either:

- *Payment of the final balance* to the beneficiary country authorities
 - Issuing of a *recovery order* by the Commission
 - *Decommitment of the final balance* by the Commission
- Scope of the guidelines for the IPA CBC programmes Greece-former Yugoslav Republic of Macedonia and Greece-Albania *limited to Member States only*




CLOSURE GUIDELINES SEMINAR

Section 2 Preparation for closure



2. Preparation for closure

2.1 Amendment of Commission Decisions on IPA CBC programmes

- Programme modification request to be submitted until **December 2016**
 - Reminder: **longer procedures** due to the necessity to consult IPA II Committee and sign the modified Financing Agreement
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CLOSURE GUIDELINES SEMINAR

Section 3 Eligibility of expenditure



3. Eligibility of expenditure

3.1 Final date of eligibility of expenditure

- for IPA CBC: **31 December 2016**
 - expenditure of operations not completed by that date will be deducted from the Statement of expenditure by the Commission (*unless they qualify for the non-finished projects treatment*)
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3.2 Revenue-generating projects

Legal basis for IPA CBC: Article 35 of the IPA Implementing Regulation and Article 6 of the Financing Agreement


Income (receipts=revenues) will be **deducted** from the eligible expenditure for the concerned operation, fully or partially, **at closure at the latest.**

Exceptions: investments in firms, financial instruments, private co-financing of operations






3.5 Specific eligibility rules for component II (1/3)

- Articles 34(3) and 89 of IPA Implementing Regulation apply
 - **Public aid** granted under IPA CBC shall observe the State aid **ceilings** in the meaning of Article **107(1) of TFEU**
 - Programmes with **transitional arrangements**: the part of the joint operation located in Albania/former Yugoslav Republic of Macedonia may only be completed by **31 December 2019**
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3.5 Specific eligibility rules for component II (2/3)

Programmes with **transitional arrangements**:

- a) Only implemented in GR: cross-border benefit ✓
 - Implemented in GR and IPA country:
 - b) IPA has cooperated in 1 of 4 ways: CB benefit ✓
 - (i) even where only partially any of 4 or
 - (ii) totally one of 4 and not other three
 - c) IPA has NOT fulfilled at closure (i) or (ii) → operation taken out of closure
→ GR can up-date until 30/6/2020.
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3.5 Specific eligibility rules for component II (3/3)

Non-functioning projects at the moment of submission of closure documents may be included in the Final statement of expenditure provided:

- Adequate justification
 - Total cost of the project min. € 1,5 million
 - IPA allocation to these projects < 10% of the total programme allocation
 - 2 years for completion
 - regular monitoring, 6-monthly reporting to COM
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