



CLOSURE GUIDELINES SEMINAR

Section 4

Submission of closure documents

4.1.2 CLOSURE DOCUMENTS for IPA CBC

1. **Final statement of expenditure** (as integral part of the final payment application) issued by the Certifying Authority
2. **Final implementation report** submitted by the Managing Authority
3. **Closure declaration**, supported by a **final control report**, issued by the Audit Authority

4.2.2 DEADLINE FOR SUBMISSION for IPA CBC

All closure documents:

31 March 2018

Including for programmes with transitional arrangements

The final report needs to cover also operations suspended due to administrative and legal proceedings

4.3 COMMON RULES ON CLOSURE

- Preparation of the final statement of expenditure a **reasonable time (at least nine months) before deadline of 31.03.2018**
- **30 September 2017:** deadline **recommended** for submission of **last interim payment claim**
- **Transmission of interim payment claims** even when the total of pre-financing and interim payments has reached **95%**

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4.3 COMMON RULES ON CLOSURE

If **failure** to submit any of the closure documents:

- **de-committment** of that part of commitment for which the COM did not receive closure documents (Article 137 of IPA Implementing Regulation)
- **financial corrections** may be applied to contributions already paid (Article 138 of IPA Implementing Regulation)
- Closure carried out based on **latest admissible documents**

4.4 CHANGING OF DOCUMENTS

- **Modification** of any of the closure documents **after the deadline** for their submission **not possible** (recommendation: submit prior to the deadline)
- Only correction of **clerical mistakes** possible or **technical corrections** upon Commission request
- Correction **to withdraw expenditure** (no introduction of new expenditure)

4.5 RETENTION OF DOCUMENTS

- **At least three years** after closure, without prejudice to the State aid rules in the MS
- **Period interrupted** in case of legal proceedings, financial corrections or duly substantiated request from Commission
- Also documents related to **authorization of expenditure, accounting, payments, treatment of advances, guarantees, debts**



CLOSURE GUIDELINES SEMINAR

Section 5 Content of closure documents

5.1 FINAL STATEMENT OF EXPENDITURE

- **Template** to be drawn up *mutatis mutandis* in accordance with Annex XI to Reg. (EC) 1828/2006
- Identification of total amount of eligible expenditure **incurred and paid by the final beneficiary**
- **Ceiling: maximum amount of IPA contribution** and subsequent **maximum rate for each priority axis** set out in the financing decision adopting the programme

5.1.2 Preparation of the final statement of expenditure for Component II

The Managing Authority should:

- **Analyse the final expenditure** (incurred and paid up to the end of 2017)
- Verify the **regularity of expenditure for all beneficiaries participating in an operation** (Art.13 of Reg. (EC)1828/2006 applies mutatis mutandis)
- Verify **reconciliation with the records in the accounting system** and that there is an **adequate audit trail**

- Ensure **that the CA receives all necessary information for the purpose of certification**
- Draw up and submit to the Commission **the annual and final reports on implementation**
- Verify **that the beneficiaries received the full public contribution due to them,** in the final statement of expenditure
- Verify that all **errors/irregularities** have been **corrected**
- Verify the **regularity of expenditure**

The **Certifying authority** should:

- Draw up the **application for payment** and the **final statement of expenditure**
- Ensure the **accuracy, eligibility and regularity** of the amounts declared
- Ensure that amounts recovered are repaid to the EU or if not, that they have been considered in the final statement of expenditure

- Verify that all **errors/irregularities** have been **corrected**
- Request further information and/or undertake own verifications where necessary
- Draw up the final statement on **withdrawn and recovered amounts, pending recoveries and irrecoverable amounts** (mutatis mutandis: Article 20 and Annex XI of Reg. (EC)1828/2006)
- Keep an account of withdrawn and recovered amounts **following cancellation** of all or part of the contribution for an operation

Amounts recovered to be repaid to the EU prior to the closure by deducting them from the next statement of expenditure.

5.1.3 Recoveries and irregularities

- **CA** - ultimate responsibility to ensure that irregular amounts are recovered from the lead partner (without prejudice to the participating countries' responsibility for detecting and correcting irregularities and recovering amounts unduly paid)
- The beneficiaries repay amounts unduly paid to the Lead beneficiary (as per their agreement). If not, the participating country on whose territory the partner is located, repays the CA the due amount.
- **Last annual statement on recoverable amounts** shall be sent together with the final application for payment – conditions of Article 104(g) of IPA Implementing Reg. apply;

5.1.3 Pending recoveries

- Template to be used: Annex XI(2) to Reg.(EC) 1828/2006 – amounts subject to recoveries to be included in the final payment application, but they will not be paid
- When proceedings launched for the recovery – amounts to be declared as "pending recoveries".
- CA to inform the COM of recoveries made **between the submission** of the final statement of expenditure **and the final payment by the COM.**
- Amounts recovered after closure **to be returned back to EU budget.**

5.1.3 Reporting on irregularities

- Amounts withdrawn, amounts recovered and deducted from the statement of expenditure and amounts to be recovered – **aggregate amounts to be reported per priority axis.**
- Irrecoverable amounts reported to COM to be identified individually by the reference number of the irregularity or otherwise
- CA to inform the COM if it requests that the IPA share of each irrecoverable amount is **borne by the EU budget.** If no reaction from COM within one year after the submission of the final statement – the irrecoverable amount to be borne by the EU budget.

5.2 FINAL REPORT

- To be submitted to COM **by 31 March 2018**, after the examination of the JMC
- Contains information set in Article 112(2) of the IPA Implementing Regulation
- To be created mutatis mutandis in accordance with the template set in Annex XVIII to Reg. (EC) 1828/2006

5.2.2 Admissibility and Acceptance

The **Commission** has:

- 5 months to provide its opinion and comments (no provisions on admissibility)

The MA has:

- 2 months to respond (+ further 2 months if needed)

Objective: Approval within **one year of submission**

5.2.3 Reporting on operations

- Operations shall be completed by **31 March 2018**
- **List of non-functioning projects to be provided according to Appendix I**
- Information on **completion of operations** on a six-monthly basis until 31 March 2020

5.2.5 Reporting on results

- **Explanation and justification** of any significant divergence (i.e more than 25%) against the set targets in the programme and problems encountered in their achievement should be provided
- Explanation presented in the form of a **short summary** of 3 pages maximum

5.2.6 Use of interests

- Remains the **property of the beneficiary country**, but has to be used for the programme only
- Shall be considered as **national public contribution** to the programme
- Shall be declared with the **final application for payment** to the Commission