



CENTRAL BALTIC  
INTERREG IV A  
PROGRAMME  
2007–2013

# Practical Guide for Reporting

(Version 4.0)



EUROPEAN UNION  
EUROPEAN REGIONAL DEVELOPMENT FUND  
**INVESTING IN YOUR FUTURE**

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Dear Lead Partner, Dear Project Partner,

This practical guide contains instructions for reporting the progress and financial implementation of your project and gives a short introduction to the First Level Control and reporting process in the Central Baltic INTERREG IV A Programme 2007-2013. The basic definitions of budget lines and eligibility of different costs have been explained in the Programme Manual of the call during which the project has been approved.

In the beginning of the document the verification of the project costs by First Level Controllers is explained. The First Level Control chapter is aimed to provide basic information needed by the project partners to be able to plan the project's internal processes for reporting.

The second part of the document contains practical advice on how to fill in the Partner Payment Claim as well as the joint Progress Report and Payment claim for the whole partnership.

Since this document contains basic programme level information about the processes and practical instructions for filling in the reporting forms both in partner and project level we advice you also to be in contact with your national First Level Controllers to get information about country specific guidelines or instructions related to reporting.

Please do not hesitate to contact your contact person or the Financial Officers in the Joint Technical Secretariat if you need any assistance or have further questions about the reporting process!

Joint Technical Secretariat

Central Baltic INTERREG IV A Programme 2007-2013

## 1. First Level Control in Central Baltic INTERREG IV A Programme 2007-2013

First Level Control means the control of the costs of each project partner before the Partner Payment Claims are sent to the Lead Partner and the joint Progress Report and Payment Claim can be submitted to the Joint Technical Secretariat.

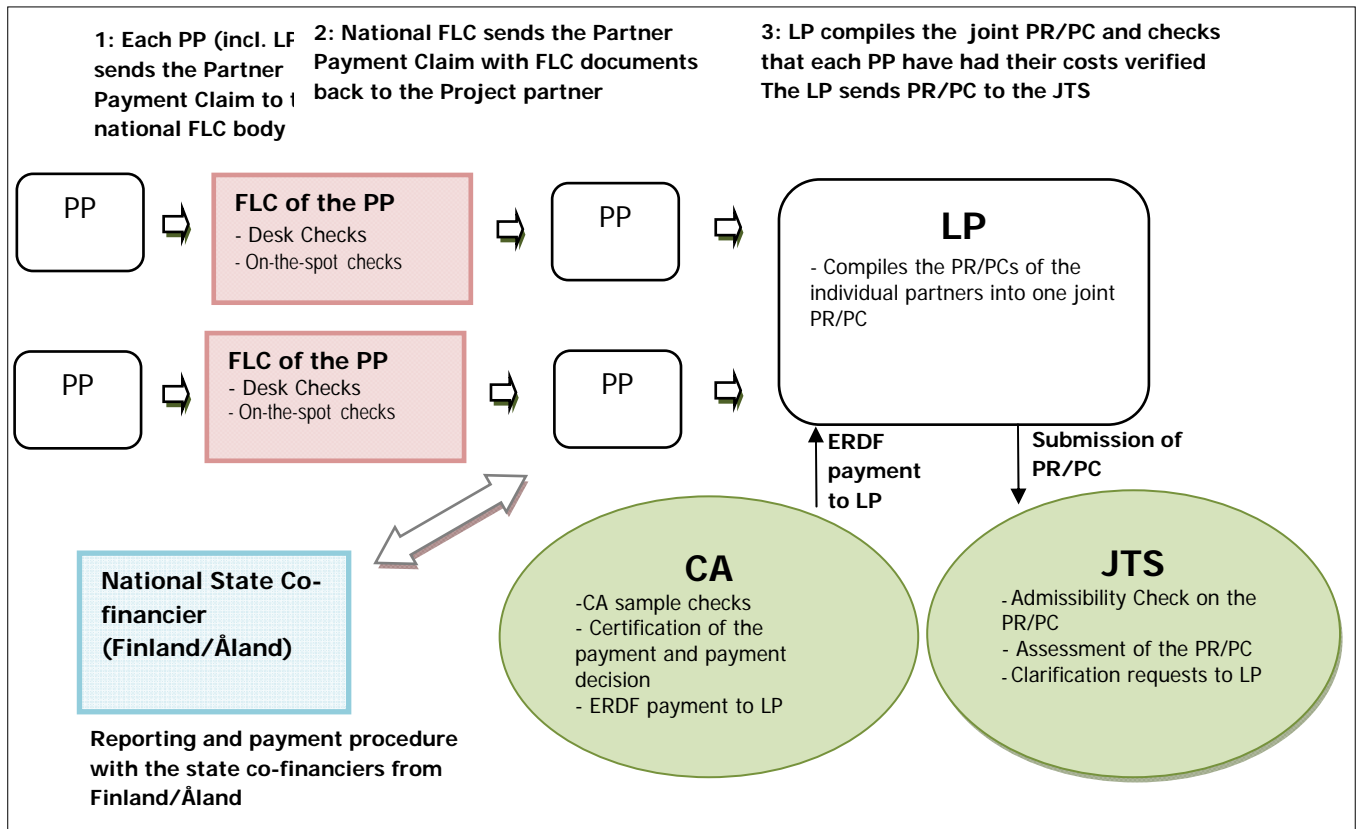
All project partners including the Lead Partner must have their own costs verified by their National First Level Controller. In practise this means that each partner will fill in the Partner Payment Claim and send it with all mandatory annexes to the First Level Controllers (for contact information of the First Level Controller, please see the Programme Manual and programme website [www.centralbaltic.eu](http://www.centralbaltic.eu)). The verification should be conducted as soon as possible after the end of the reporting period. Please note that there may be some country specific guidelines concerning when the Partner Payment Claim has to be submitted to First Level Controllers.

According to the regulation (EC 1080/2006 art. 16.2.) the First Level Controllers have three months to conduct the verification of the costs. After the First Level Control has been conducted the documentation, filled in Control Report and Declaration of Validation of Eligible Expenditure (DVEE) will be returned to the project partner (in Estonia the documents will be sent directly to the Lead Partner. Please see below the flow charts of the First Level Control).

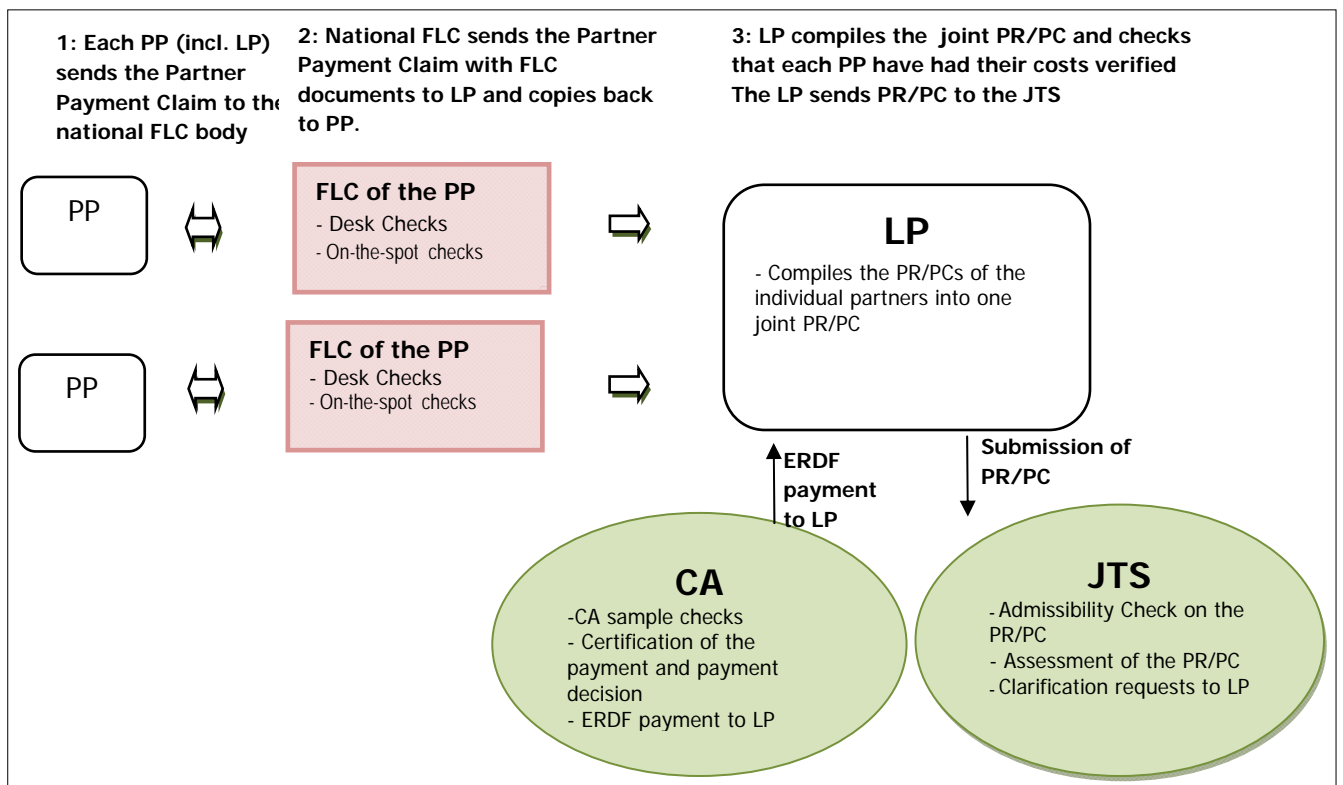
Lead Partner will compile the Partner Payment Claims and information on results of the project implementation into one joint report to be submitted to the JTS – the project's Progress Report and Payment Claim (PR/PC) of that reporting period. During this process LP must check that all project partners have had their costs verified by First Level Controller.

Finnish project partners must in the beginning of the project have their First Level Controller certified by the Finnish Ministry of Employment and the Economy. Documentation on the certification of the FLC needs to be attached to the first Partner Payment Claim

**Model 1 for First Level Control (to be implemented in Finland (incl. Åland), Latvia and Sweden)**



**Model 2 for First Level Control (to be implemented in Estonia)**



## 2. Assessment of reports in the Joint Technical Secretariat

When the Joint Technical Secretariat has received the Progress report it will be imported to the programme's database.

First the JTS will conduct an admissibility check of the received Progress Report and Payment Claim. The admissibility check will mainly focus on the completeness of the received documents. The Progress Report and Payment Claim must contain all mandatory annexes to pass the admissibility check.

For the Progress Reports and Payment Claims that have passed the admissibility check the JTS will conduct an assessment. The assessment will focus on the progress made by the project to reach its targets and on the financial information provided by the project partnership. The JTS may ask for clarifications from the Lead Partner.

After the JTS had conducted the assessment of the Progress Report and Payment Claim and possible questions have solved, the JTS will forward the Progress Report and Payment Claim to the Certifying Authority for the certification of the costs. However CA has still the possibility to raise questions and ask clarifications from Lead Partner when assessing eligibility of the reported project costs.

## 3. Certification of the project cost by the Certifying Authority

During the certification of the Progress Report and Payment Claim the Certifying Authority will ensure that the admissibility check and assessment of the Progress Report and Payment Claim have been conducted properly and especially that the financial information is correct. The Certifying Authority has also the right to ask additional information from the Lead Partner.

The Certifying Authority will conduct sample checks on 10-15% of the projects. These checks can focus e.g. on certain cost items, public procurement and the audit trail.

If the reporting of the Lead Partner and checks conducted by the JTS are considered to be adequate and the Certifying Authority has certified the Progress Report and Payment Claim, the payment process will be initiated and the ERDF funding will be transferred to the Lead Partner. The Lead Partner must transfer the ERDF funding to each of the project partners without delay.

## 4. Project reporting

The project reporting consists of the reporting of each project partner and the joint Progress Report and Payment Claim for the whole project partnership. Each project must report their activities and related costs during reporting milestone:

Reporting milestone	Submission of Progress Report and Payment Claim
1 <sup>st</sup> January to 30 <sup>th</sup> April	Before 30 <sup>th</sup> August
1 <sup>st</sup> May to 31 <sup>st</sup> August	Before 30 <sup>th</sup> December
1 <sup>st</sup> September to 31 <sup>st</sup> December	Before 30 <sup>th</sup> April

Milestones of different calls:

	Call1	Call2	Call3	Call4	Call5	Call6
Start - Dec 2008	MS1					
Jan-Apr 2009	MS2					
May-Aug 2009	MS3					
Sep-Dec 2009	MS4	MS1				
Jan-Apr 2010	MS5	MS2				
May-Aug 2010	MS6	MS3	MS1			
Sep-Dec 2010	MS7	MS4	MS2	MS1		
Jan-Apr 2011	MS8	MS5	MS3	MS2		
May-Aug 2011	MS9	MS6	MS4	MS3	MS1	
Sep-Dec 2011	MS10	MS7	MS5	MS4	MS2	
Jan-Apr 2012		MS8	MS6	MS5	MS3	MS1
May-Aug 2012		MS9	MS7	MS6	MS4	MS2
Sep-Dec 2012		MS10	MS8	MS7	MS5	MS3
Jan-Apr 2013			MS9	MS8	MS6	MS4
May-Aug 2013			MS10	MS9	MS7	MS5
Sep-Dec 2013				MS10	MS8	MS6

Electronic Progress Report and Payment Claim and possible (scanned) annexes have to be submitted by email to the address:  
[report@centralbaltic.eu](mailto:report@centralbaltic.eu)

Signed Confirmation letter to the Progress Report and Payment Claim and paper copies of annexes by mail:

Central Baltic INTERREG IV A Programme 2007-2013  
Joint Technical Secretariat  
P.O. Box 273  
20101 Turku  
Finland

Please note that at the same time with the submission of the first project report the Lead Partner should send project Communication Plan and copy of Partnership Agreement to address [application@centralbaltic.eu](mailto:application@centralbaltic.eu)

Following **reporting forms** are available in the programme website for project reporting and Lead Partners are advised to follow the website for possible updates of the forms:

- Partner Payment Claim
- Timesheet
- Support document for purchases: Please note that this document contains main summary information about the comparison of purchases. In addition to this form normal procurement processes must be followed and project partner should remember to prepare also other documentation related to tendering of project purchases.
- Template for project's Progress Report and Payment Claim: A prefilled form will be submitted by email to the project LP by the end of the reporting period and should be used in the reporting.
- Confirmation letter to the Progress Report and Payment Claim

Please note that the basic definitions of budget lines and eligibility of different costs have been explained in the Programme Manual of the call during which the project has been approved. Please note also that the ERDF support rate of individual project partner in the reports cannot exceed the rate defined in the approved application. If any of the project partners is having income from the project activities the Lead Partner should contact the JTS for further instructions on how to report these incomes.

All expenditure included in the project reports should be easily traced back to its original invoice or other document at any time. It is essential that the PP's and the LP keep all original documents available at least until 30.12.2025. The Lead Partner is responsible to create and submit to the JTS a list of all bodies having project documentation latest with the first Progress Report and Payment Claim.

**Timesheets:** As defined in the programme manual, the calculation of the salary of part-time employees must be based on an hourly rate resulting from the actual salary of the employee divided by the number of hours worked for the project. Please note that the national rules have to be taken into account when calculating the hourly rate.

Projects are advised to use the template available on the programme website, or alternatively record the time used for the project work on the timesheet template and provide the FLC a detailed calculation which enables the FLC to determine the eligibility of the hourly rate that has been used when calculating the reported project related personnel costs. This calculation should be signed by the person responsible for accounting.

Project partners should always check with their First Level Controller if they approve other calculation than the one based on the timesheet template.

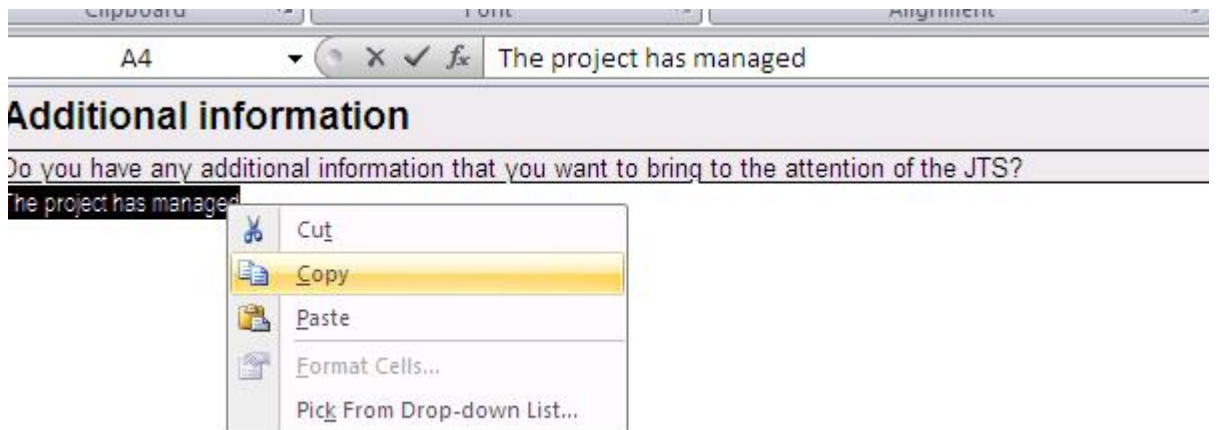
Example for the calculation of the hourly rate:	
Monthly personnel cost	3000 €
Hours worked for the project	92 hrs
Hours worked outside the project	60 hrs
Total hours worked by the employee	152 hrs
Hourly rate (3000€/152 hrs)	19,74 €
Project related personnel costs (92 hrs x 19,74 €)	1 816,08 €

#### 4.1. Technical information for filling in the reports

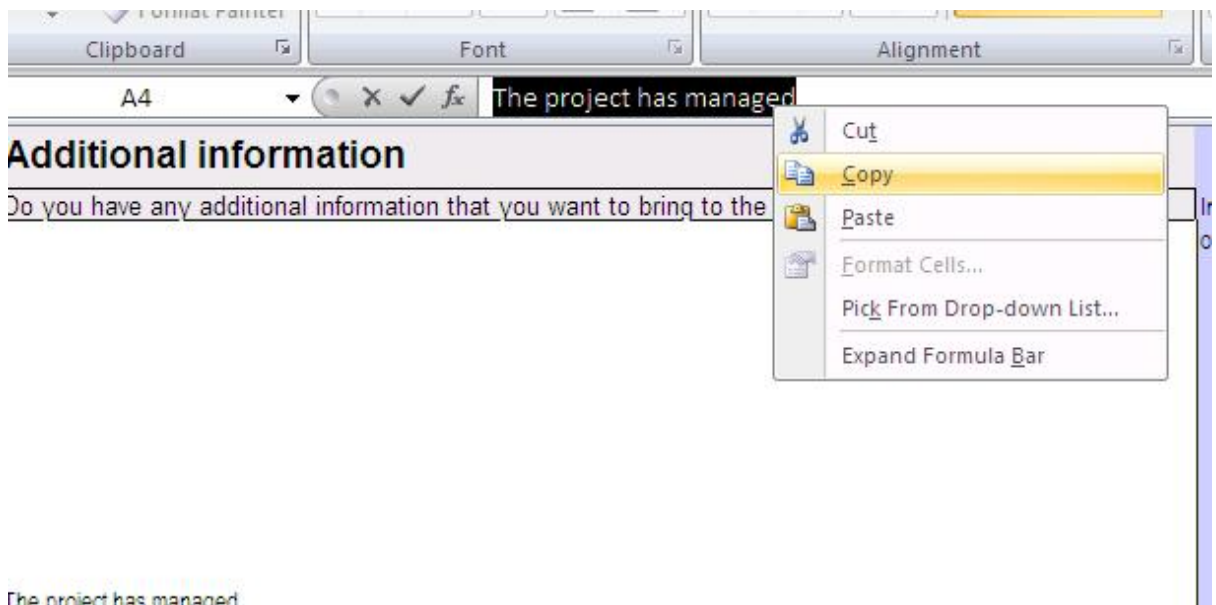
An Excel Form for the Partner Payment Claim is available in the programme website and a prefilled Progress Report and Payment Claim will be provided by the JTS to the Lead Partner. Only the reports based on these forms and filled in by Microsoft Excel will be accepted. The project should not use Open Office or Macintosh because full compatibility cannot be guaranteed.

#### Copying methods for the project data

Correct methods to copy the project data from other form:

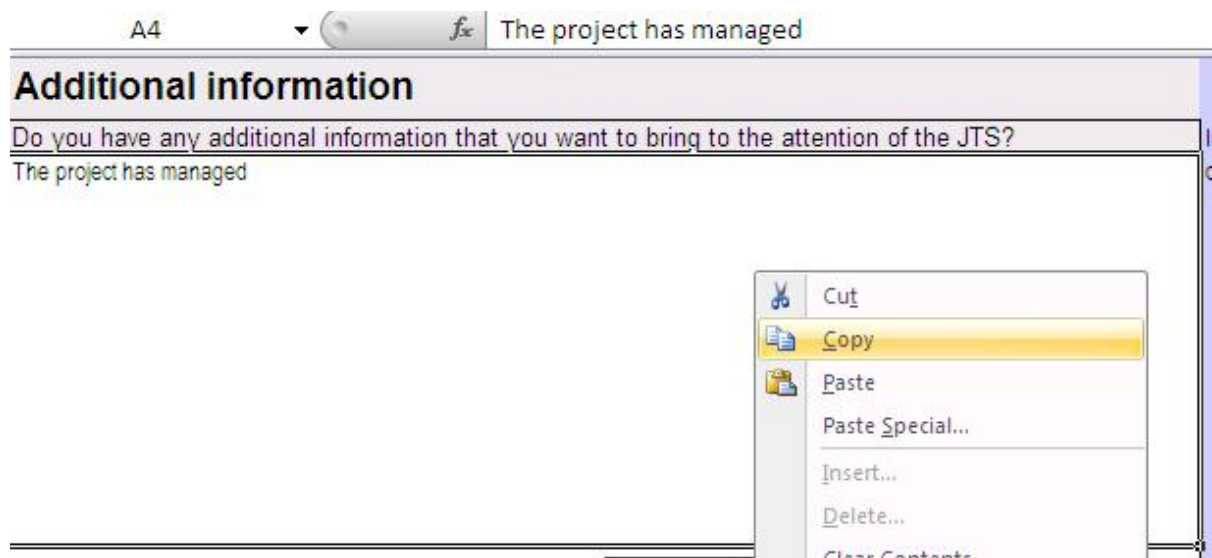


1.



2. The project has managed

Incorrect copy method



In practise this means selecting the text/figures to be copied in formula bar or inside the cell, and not by copying the whole cell as such.

Partner Payment Claim has been locked without a password to enable project partners to add rows in case they are needed for the partner reporting However project partners should remember to check that the data is transferred correctly in to the Budget summary of Partner Payment Claim.

## 4.2. Reporting of the project partners

### 4.2.1. Partner Payment Claim

In the end of each reporting milestone each project partner must fill in the Partner Payment Claim and submit it as paper and electronic versions to the National First Level Controller for the verification of those costs. Partner Payment Claim has to be signed by authorised person in the partner organisation. It is advisable to start the reporting already during the milestone to be able to submit the report to the First Level Controllers as soon as possible after the end of the reporting period, because the reports later submitted to the JTS will be processed in the order of their arrival.

Partner Payment Claim is an excel workbook consisting of three different sheets. The form for the Partner Payment Claim is available in the programme website and the provided form must be used in the reporting. Only the reports based on this template and filled in by Microsoft Excel will be accepted. The project should not use Open Office or Macintosh because full compatibility cannot be guaranteed.

Finnish project partners must attach documentation on the certification of the First Level Controller to the first Partner Payment Claim.

#### Budget summary

The project partner should fill in this worksheet as the last one and combine here all information related to the costs per budget line and partner financing. Project must follow the approved budget lines and in case the budget lines would be exceeded. Lead Partner must submit a change request for the whole project partnership beforehand.

Please notice that the ERDF support rate (two first decimals being decisive) in the financing section cannot exceed your support rate indicated in the signed Subsidy Contract. National co-financing of the project partner should follow the funding informed in the approved application. First Level Controllers will verify the national co-financing of the project partner computationally.

#### Activity report

The activity report contains information about partner's contribution to the different work packages of the project. The project partner is asked in here to describe the activities of the milestone, also in the light of what was promised in the approved Application Form. In case there are deviations from the original Application Form they will have to be explained.

#### Specification of budget lines

Specification of budget lines contains information about all costs visible in the projects accounting centre. The costs must be converted while compiling the report according to the average monthly exchange rate of the Euro set by the European Commission for the last month of the reporting period. The rates are published at <http://ec.europa.eu/budget/inforeuro/index.cfm?Language=en>.

Please note that all figures must be rounded to two decimals as defined in the Programme Manual.

**Project costs should be reported in the reporting period which includes the date when the cost was paid out.** Project partners should report only costs that were paid by the project partner organisation and are relevant to the implementation of the approved project. If the costs have been recorded according to accrual basis in the end of the year or reporting period, they can be included in the report if the project partner organisation includes in the Partner Payment Claim documentation that the costs have been paid out before the report has been submitted to the FLC. For more information about the eligibility of costs, please see the Programme Manual.

Only in duly justified cases, costs which do not relate to the given reporting period can be reported, provided that these costs were paid within the eligible project implementation period and they are relevant to the implementation of the approved project. **Please notice that this does not refer to cases, when partner budget line has been exceeded and in those cases project has to apply for change into project budget.**

### Reporting of in kind contributions

In kind contributions in the project cost budget are marked into budget lines 2.2. "other partner personnel", 2.3. "unpaid voluntary labour" and 8 "in kind contributions". These contributions are also used as project financing. The share of in kind contributions (budget lines 2.2., 2.3. and 8) cannot exceed the national co-financing of the project partner. In mainland Finland there is in addition limitation that maximum 50% of partner's own financing can be consist of in kind contributions.

In the project reporting during one milestone the reported in kind contributions cannot exceed the national co-financing required to generate ERDF funding of that milestone. In case the amount of in kind contributions during a milestone exceeds this maximum amount project partner should remember also to fill in "Support document for in kind contributions". While partner payment claim shows the amount that can be used within this milestone for partner reporting the cumulative amount of in kind contributions is shown in the "support document for in kind contributions", so that FLC can also follow the accumulation of these contributions. Before conducting the final payment the CA will check that the cumulative in kind contributions of project partners are in line with the approved application.

#### 4.2.2. Documentation to be attached to the Partner Payment Claim

Following documentation must be submitted with filled in Partner Payment Claim to the First Level controllers. Please note that the list is indicative and some of the listed documents are country specific:

1. Partner payment claim; incl. Specification of budget lines (paper and electronic versions)
2. Bookkeeping list / General ledger<sup>1</sup>
3. Cumulative general ledger
4. Copies of the original invoices and other equivalent probative accounting material (e.g. scanned)
5. Bank statements of the actual payments
6. Clarification on depreciation method used (for the first depreciation of the item in question)
7. If VAT the status changes: Certification that VAT is not recoverable if VAT is included in the project costs and the certification has not been submitted earlier. Possible also to submit as scanned version.
8. Calculation methods and rationale (documentation of the certification of the value of in kind contribution) for the value of the unpaid voluntary labour, equipment or machinery to be used by the project etc
9. Unpaid voluntary labour: time sheets and contract(s) for persons carrying out the unpaid voluntary labour
10. Provision of land or real estate: impartial analysis of the value of the provision
11. Adequate documentation for the value of the salaries:
  - a. Copies of employment contracts
  - b. Time sheets of the part time employees
  - c. Salary slips of the full time / part time employees
  - d. Payment orders / bank statements of the paid out salaries
12. Calculation scheme for office and rent costs
13. Public procurement documents, contracts and related material to verify purchasing processes. Copies of project related contracts
14. Specimens of booklets, outputs etc which are produced by the project; Programmes and participant lists of seminars

Note that templates for the Timesheet, Support document for in kind contributions and the Support document for purchases will be available on the programmes website (<http://www.centralbaltic.eu>) and should be used when reporting costs of project partner.

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<sup>1</sup> General ledger (pääkirja, huvudbok, pearaamat/raamatupidamise, virsgrāmata), is a "formal" book-keeping report, which shows detailed entries (for example invoice number, voucher number, recording date, supplier, debit/credit recording etc.) for the whole period - both costs and income. Total costs of general ledger should match with the total costs of Payment Claim for the reporting period – otherwise explanation is needed.

### 4.2.3. Partner Documentation to be sent to the LP

After the Partner Payment Claim has been verified the First Level Controllers return following documentation to the project partners:

<p><b>Finland (incl. Åland), Latvia, Sweden:</b></p> <p>FLC will send the following documentation back to the PP:</p> <ol style="list-style-type: none"><li>1. <b>Signed</b> Declaration of Validation of Eligible Expenditure – DVEE (original)</li><li>2. Control Report - CR (original)</li><li>3. The copy of the checklist (Only in Finland)</li></ol>	<p><b>Estonia:</b></p> <p>FLC will send the following documents back to the PP:</p> <ol style="list-style-type: none"><li>1. Signed Declaration of Validation of Eligible Expenditure – DVEE (copy)</li><li>2. Control Report - CR (copy)</li></ol> <p><b>The following documents will be sent directly to the LP:</b></p> <ol style="list-style-type: none"><li>1. Signed Declaration of Validation of Eligible Expenditure – DVEE (original)</li><li>2. Control Report - CR (original)</li><li>3. The validated partner or lead partner level PR/PC (originals)</li></ol>
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The project partner must send the following documentation to the Lead Partner to be included into the project level Progress Report and Payment Claim:

1. Validated Partner Payment Claim
  2. Partner level Declaration of Validation of Eligible Expenditure (DVEE) (original);
  3. Control Report (CR) (original); FLC checklists for Finnish project partners (original)
  4. Copy of the controller certifications of the Finnish partners for the first PR/PC
  5. General ledgers for the reporting period signed by a person, who is responsible for accounting (e.g. accountant)<sup>2</sup>.. If a general ledger is not available another equal list printed from the accounting system (always to be agreed with Financial Officer (JTS) and Financial Controller (Certifying Authority). Possible also to submit as scanned version.
  6. Cumulative general ledgers for the whole project duration signed by the person responsible for accounting. Possible also to submit as scanned version.
- If general ledger already shows the cumulative costs for the whole project duration, separate report is not needed.
7. If the VAT status changes: Certification that VAT is not recoverable if VAT is included in the project costs and the certification has not been submitted earlier. Possible also to submit as scanned version.
  8. Specimens of booklets, outputs etc which are produced by the project; Programmes and participant lists of seminars

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<sup>2</sup> General ledger – explanation please see p.10.

### **4.3. Progress Report and Payment Claim of the project**

#### **4.3.1. General information**

Lead Partner should submit to the Joint Technical Secretariat an electronic Progress Report and Payment Claim and in addition as paper copy a confirmation letter signed by authorised person in the Lead Partner Institution. The information presented in the confirmation letter and electronic Progress Report and Payment Claim must be identical for the report to pass the admissibility check.

The input fields in Progress Report Payment Claim are coloured white. Yellow fields are prefilled from the programme database.

#### **4.3.2. Sections of the Progress Report / Payment Claim**

The Joint Technical Secretariat will send you a Progress Report and Payment Claim form, where information on your project has been prefilled. The Lead Partner should combine information presented in the Partner Payment Claims of the project partners into one joint Progress Report /Payment Claim. Only the reports based on the prefilled form and filled in by Microsoft Excel will be accepted. The project should not use Open Office or Macintosh because full compatibility cannot be guaranteed.

#### **Progress report**

Give your project a reference which allows securing that the Progress Report and Payment Claim and Confirmation Letter belong together. This reference may contain up to 25 letters and numbers and should be a unique set of characters. It is used for technical reasons and must not relate content-wise to the report. The reference number is unique for each set of Progress Report and Payment Claim and Confirmation Letter that are submitted to the JTS:

Please check the information included in the Progress Report and Payment Claim before the authorised person signs the confirmation letter. The information provided in the confirmation letter and Progress Report and Payment Claim must be identical for the project to pass the admissibility check. The Progress report and Payment Claim is not valid without the signed confirmation letter.

## Activity report

The activity report contains information about partners' contribution to the different work packages of the project. The Lead partner is asked to here describe the activities of the milestone, also in the light of what was promised in the approved Application Form. In case there are deviations from the original Application Form they will have to be explained.

The prefilled fields contain the same information about project activities that have been written in the approved project application concerning the project work packages. On the right hand side the Lead Partner should describe the activities implemented in order to reach the planned activities / outputs. If there are some deviations from the original project plan the Lead Partner should describe and justify them in a separate input field.

At the end of the work sheet there is space for explaining how the activities described in the work package section have contributed to the achievement of the general objectives and aims of the project during the reporting period, as well as how the cross-border added-value has been reflected in the reporting period

## Indicators and policy objectives

In indicator section you should provide information about the achievement of the indicator targets of your project.

### In1. Project and programme indicators

#### In1.1. Project level targets

The project level targets are those that you have formulated in the approved application form. You should provide the JTS information on how you have succeeded in reaching these project level targets.

#### In1.2.-In1.3. Programme Level targets and indicators for sub-programmes and direction of support

These indicators are defined in the Programme Document for each Direction of support or otherwise included in the programme indicator structure. Please fill in information about the achievement of the programme level targets. The prefilled information is based on the information provided in the approved Application Form.

#### In2 Policy objectives

Please fill in information about the project's contribution to different policy objectives.

## Payment Claim

The Payment Claim worksheet contains summary information about:

- Costs per budget line
- Costs targeted to adjacent areas
- Costs outside the programme area
- Implementation of Investments

Please note that all figures in PR/PC must be rounded to two decimals as defined in the Programme Manual.

### P5. Activities outside European Union

Please fill in information about the project activities outside the European Union and specification of those costs per budget line. Please note that in order to be eligible the activities outside the European Union must always have been included in the original Application Form and be approved by the programme's Steering Committee.

### P6. Realisation of the investments

Please provide here summary information about the realisation of investments during the reporting period. (E.g. the readiness of the investment, are there deviations from the original timetable of the investment, what has been done and by whom.)

### P7. Clarification for most important expenditure and calls for tender for services and products

Please clarify what were the most important expenditures of the project during the reporting period and how the calls for tender have been arranged. (e.g. organising seminars or conferences, publications, purchase of equipment and processes related to purchases such as tendering)

## Financial Data compilation

The Lead Partner should in this work sheet combine information about verified costs and financing for all the project partners. Information is further transferred to the "Payment Claim" section. No costs that have not been verified by a First Level Controller can be included into the Payment Claim of the project.

Please note that all figures must be rounded to two decimals as defined in the Programme Manual and they should be filled in as numbers and not e.g. by using formulas.

## Additional information

In this work sheet you should write any additional information related to the reporting, which you could not include into any of the other sections and well as inform JTS about the changes of the contact information for the project partnership.

## Attachments and checklist

You should list all materials, outputs etc of your project that you are attaching to the Progress Report and Payment Claim.

You should also fill in the checklist in the end of this work sheet. It is also used by the JTS for the admissibility check of the Progress Report and Payment Claim.

Please note that separate guidelines have been prepared for the projects' Communication Plan. Each Communication Plan will be assessed separately and if the plan does not comply with the requirements set forth in the guidance for the Communication Plan, the project will be requested to resubmit a revised version. If the project does not submit a Communication Plan that complies with the programme requirements, it may delay payments to the project until the Communication Plan has been approved.

Mandatory documents to be sent with the Progress Report and Payment Claim (excel form) to the JTS:

1. Confirmation Letter (original)

For the whole partnership

2. Declarations of Validation of Eligible Expenditure (DVEEs) (originals)

3. Control Reports (originals), FLC checklists of Finnish project partners (original)

4. General ledgers for the reporting period signed by a person, who is responsible for accounting (e.g. accountant). If a general ledger is not available another equal list printed from the accounting system (always to be agreed with Financial Officer and Financial Controller of the programme). Possible also to submit as scanned version.

General ledger (pääkirja, huvudbok, pearaamat/raamatupidamise väljavõte, virsgrāmata), is a "formal" book-keeping report, which shows detailed entries (for example invoice number, voucher number, recording date, supplier, debit/credit recording etc.) for the whole period - both costs and income. Total costs of general ledger should match with the total costs of Payment Claim for the reporting period – otherwise explanation is needed.

5. Cumulative general ledger for the whole project duration signed by the person responsible for accounting. Possible also to submit as scanned version.

If general ledger already shows the cumulative costs for the whole project duration, separate report is not needed.

6. If the VAT status changes: Certifications that VAT is not recoverable if VAT is included in the project costs and the certification has not been submitted earlier. Possible also to submit as scanned version.

7. Minutes of the Steering Group meeting in which interim or final report has been approved for the submission to the MA/JTS (scanned version also possible).

8. Specimens of booklets, outputs etc which are produced by the project; Programmes and participant lists of seminars

9. Copy of the controller certifications of the Finnish partners for the first PR/PC

10. List of bodies holding documentation related to project audit trail with contact information with the first PR/PC (Subsidy contract §4 and §11)

11. Interim report (excel). JTS will send template for Interim report to the Lead Partner and instruct when to submit that to the JTS

12. Final report (excel) with the last Progress report and Payment Claim.

## Reporting FAQ

### Timesheet

Timesheet should be filled in by part-time employees of the project on a daily basis and have to be provided separately for each person. Total of monthly hours should be equal to daily working time multiplied with total working/vacation days in a month.

Working hours should be marked according to a normal working time per day – overtime hours are not eligible costs in projects. If a person works overtime in organization during reporting period, neither costs of this overtime work nor hours worked overtime are mentioned in time-sheet.

#### PLEASE FILL IN THE MONTHLY SALARY AND OTHER OBLIGATORY CONTRIBUTIONS OF THE EMPLOYER.

Please note that the personnel costs are only eligible if the employer is legally bound to pay them and if a written agreement for transfer of the tasks in the project to the employee exists (e.g. working contract, job description)

If the employment for the project does not start with the beginning of the month or if the employment for the project does not end with the end of the month, the personnel costs have to be calculated proportionately.

Please round the exchange rate on 4 digits after the decimal point.

National currency (e.g. SEK):

Month	Personnel costs					Total
	Salary	Health charges	Social charges	Other (specify)		
	(nat. currency)	(nat. currency)	(nat. currency)	(nat. currency)	(nat. currency)	
1						0,00
Payment date (dd/mm/yyyy)						
Exchange rate (1EUR=?)						0,0000
Subtotal (in EUR)	0,00	0,00	0,00	0,00	0,00	0,00

Remember to mark the **total salary paid** to the person into the column "salary".

**Holiday allowances / salaries**

Project can only report the share of the holiday allowances/salaries that have been earned during the project implementation and that is related to the time person has been working for the project (please remember also to check the national eligibility rules). Reservations for holiday allowances/salaries are not eligible, but the actual costs can be reported when they have been paid out. In the final report of the project the controller verifies the final amount of reservations for eligible holiday allowances / salaries and the LP has the responsibility to submit JTS proof about the actual payment when the costs have been paid out.

In the Timesheet normal salaries for holiday month are marked normally as salary to the timesheet. For holiday allowances (lomaraha) a separate clarification will be needed and they should not be marked as salary to the timesheet

#### **4.4. Interim report**

For the projects lasting over two years also an Interim report is expected. The time for submitting the report is approximately 15-18 months after the project start-up. The Interim report will be submitted as part of one of the PR/PCs and should give an overall account of the first half of the project. The relevant form(s) will be sent to the project by the JTS contact person.

Please remember when filling in the information that you should fill in information for the whole project implementation period until now, and not only for one reporting period. The answers should also reflect the work of the whole partnership.

In case remarkable changes in the project implementation are needed at this stage, you must contact the JTS to discuss the changes at the earliest possible moment to initiate a project change procedure.

Also remember to check other reporting instructions for possible additional mandatory annexes of the Interim report.

##### In1. Information about the main activities of the project

Please describe on a strategic and overall level the activities you have carried out so far during the project. You should mainly reflect how the activities have contributed to realising the objectives of the approved application and the objectives of your chosen Sub-programme, Priority and Direction of Support.

The questions that you should at least answer are:

- What have been the main activities of the project so far?
- Have the activities been in line with the approved project plan. If not, which changes have been made and why?
- How has the project so far helped to support the specific objective of your Sub-programme, Priority and Direction of Support?

##### In2. Main results achieved through project activities

Explain the main results that you have achieved so far.

The questions that you should at least answer are:

- What have been the main results of the project activities so far?
- Have the activities been in line with the approved project plan? If not, why?
- How have you fulfilled the indicators?
- Have some of the results surprised you? Have there been results that you did not foresee? How do these support the project application and how have you used/will you use them?

### In3 Information activities of the project and target groups reached

Explain the most important information activities that you have carried out. Also tell about the target groups that you have reached with the activities. Keep in mind what you have promised in the approved application and also in your communication plan.

The questions that you should at least answer are:

- What have been the main information activities so far? Who have you reached by these activities?
- Have the activities been in line with the approved plan? If not, why?
- What have been the most successful tools for information and communication? What have you found difficult?

### In4. Explain how the project has contributed to Community and Central Baltic INTERREG IV A Programme 2007-2013 Horizontal objectives

Please reflect on how your project has contributed to the horizontal objectives of the Programme (sustainable development, gender equality and anti-discrimination). The information given should naturally be in line with the explanations in the application, but should now be more detailed and reflect the real activities and impacts of the project.

The questions that you should at least answer are:

- Have the contributions to the horizontal objectives been what you anticipated in the approved application?
- Are there any additional positive impacts that you have identified?
- Have you identified any negative impacts during project implementation? If yes, how have you tried to mitigate these?

### In5. What are the lessons learned during the project implementation and how are you planning to apply them for the remaining implementation period?

This is a section where you will be asked to share overall thoughts about project management and implementation. Implementing your project you should of course follow the approved application – however, there will inevitably also be changes and surprises. Explain how you have dealt with the challenges and surprises that you have faced during project implementation.

Your reflections may be used by the JTS in our communication and training activities. They may also be valuable when we consult future projects.

The questions that you should at least answer are:

- How much time have you needed for project management? Have the resources you planned for been enough?
- What has been the benefit of cross-border cooperation? Which challenges have you faced and how have you solved them?
- What would be your most important advice to projects that only now apply for funding? What would you do differently if you would start planning your project now?
- Do you have any other thoughts that you would like to share?

#### In6. What are the forthcoming activities in the project implementation and timetable for their implementation?

Please explain the most important upcoming activities in your project. Will the timetable be as you set it in the approved application? If not, what are the likely changes and why do they occur?

If there are major changes, please be sure to discuss these with your contact person in the JTS as soon as possible. These may require a project change to be done.

### **4.5. Final report**

The Final report should be submitted with the last Progress Report and Payment Claim of a project. The relevant form(s) will be sent to the project by the contact person.

Please remember when filling in the information that you should fill in information for the whole project implementation period, and not only for the last reporting period. The information should also cover the whole partnership.

Please remember to check other reporting instructions for possible additional mandatory annexes of the Final report.

#### F1 Summary of the project's background

Please give a short introduction to why the project was needed. Explain the original problem or development area that the partners decided to solve together. Please also reflect on the process of project planning and how the partners worked together in finalising the application. Also explain why a cross-border approach was chosen.

#### F2 Please explain the objectives and final results of the project

Please name the objectives and final results of the project. These should of course be in line with the approved application, but here you can also reflect on possible changes in emphasis or surprising results that you only found out while implementing the project.

The questions that you should at least answer are:

- What were the original objectives of the project and what are the final results of it?
- Did the project follow the original plan or did you have to make corrections to the approved application?
- How have you fulfilled the indicators?
- Has the project reached the promised results and is it in line with the promised objectives? If not, why?

### F3 Work Packages implemented during the project and results and achieved targets in the work package level

Please spend time on each Work Package and reflect on what you had originally promised and what the final outcomes of them were. Here you will receive pre-filled data on the strategic focus, results and outputs you had foreseen for the project. Explain to what extent these have been fulfilled.

The questions that you should at least answer are:

- Which were the final results and outputs of your project?
- Have these been in line with the project objective? Will they help to achieve the project objective?
- Have all foci, results or outputs been fulfilled? If not, why? Have you nevertheless been able to fulfil the main objectives of the project?
- Some outputs and results may also have been much more successful than you originally anticipated. Why was this, how did you make use of these?

### F4 List of highlights from the project (that could be used as Best practice examples)

Please name one or several highlights of your project. These may be from any area of your project (project management, ways of working, cross-border cooperation, a single result or unexpected benefit, cooperation with stakeholders, successful information and communication activities...). These may be things that you anticipated from the beginning or also something that you found out during the project implementation.

The highlights may be used by the JTS in our information and communication activities as well as in guiding future project applicants.

### F5. Sustainability

#### F5.1. How the outcomes of the project could be used by other organisations?

Please reflect on the sustainability of your project results, and mainly on the external (not partner) organisations or stakeholders that will benefit from the project results and outputs.

The questions that you should at least answer are:

- Which organisations and stakeholders will benefit from the project results and outputs?
- Are the beneficiaries the same that you anticipated when planning the project? If not, how have you identified the new beneficiaries?
- How do you guarantee the free use of the project results to the general public/the relevant target groups in the future?
- Where and how well has the project managed to increase the general understanding of the use of the ERDF funds?

Please note that all results and outputs should be made available free of charge (this also includes funds collected to cover possible expenses). If the project will receive any income during five years after the completion of the project implementation, you must inform your JTS contact person of this immediately to discuss the implications.

## F5.2. How the project results will be maintained and developed further after the project implementation has been ended?

Please explain how the project partners ensure that the project results and outputs are used also after the project implementation. It is important that the project leaves some lasting effect. Here you should reflect on what you promised in the approved application. In addition you should also explain any new ideas or plans that have developed during the project implementation.

The questions that you should at least answer are:

- Which partners are responsible for maintaining which results and outputs?
- Are the strategies explained in the approved application still relevant? If not, why not and what adjustments have you made to guarantee the sustainability of the project results and outputs?

## F6 Project personnel

Please use this space to explain who belonged to project personnel. Also explain the personnel structure of the project.

The questions that you should at least answer are:

- Who worked for the project? What was the position and role of the employees?
- Did the project employees work together within the partnership and across the border(s)? Could you avoid an overlap of functions? (The so-called joint staffing principle)

## F7 Explain how the project has contributed to Community and Central Baltic INTERREG IV A Programme 2007-2013 Horizontal objectives

Please reflect on how your project has contributed to the horizontal objectives of the Programme (sustainable development, gender equality and anti-discrimination). The information given should naturally be in line with the explanations in the application, but should now be more detailed and reflect the real activities and impacts of the project.

The questions that you should at least answer are:

- Have the contributions to the horizontal objectives been what you anticipated in the approved application?
- Are there any additional impacts that you have identified?
- Have you identified any negative impacts during project implementation? If yes, how have you tried to mitigate these?

## 5. Changes in relation to the approved application

### 5.1. Budget flexibility rule

The budget flexibility rule allows the project to make within certain limits an adjustment of the project budget during the whole project duration. Under the flexibility rule the project may adjust the total budgets of all budget lines and work packages whenever it is needed (not only once) as long as the cumulative amount of the reallocated sum (a sum of all adjustments done from the beginning of the project) does not exceed either:

**10%** of the total project budget or a cumulative total of **40 000 EUR** transferred between budget lines in **project level**

and

**10 %** of total partner budget or cumulatively up to **20 000 EUR** transferred between budget lines on **partner level**.

If a project partner needs reallocation of a partner budget they must inform the project Lead Partner as soon as the amount of the needed reallocation is clear.

*A specific reallocation Excel table* is to be used by the LP to support the follow up of the reallocation. LP gathers the partners' data by a deadline internally set within the partnership and inserts the data into a specific reallocation table and at the latest 1 month before the respective Milestone ends sends it to JTS. In addition the reallocation table includes a specific section where the LP/PP justifies/explains the over allocation of specific budget line(s).

Within the budget flexibility rule it is not possible to change the nature and intended use of equipment/investment items/other activities. The following budget lines are excluded from the flexibility rule:

*BL 2.2 Other partner personnel contributing to the project*

*BL 2.3 Unpaid voluntary labour*

*BL 6 Investments*

*BL 8 In-kind contributions*

The reallocation table is to be sent by LP to the JTS contact person by e-mail, **who confirms (by consulting the MA when necessary) the reallocation of the budget**. The table is then considered as a valid budget until the official budget change needs to be done. In order to guarantee timely reporting, the reallocation table has to be sent to the JTS one month before the end of the milestone.

A change needs to be applied in case the project partnership has used up the possibilities given by the budget flexibility rule exceeding the 10 %/40 000 Euro –limits or it is already foreseen that the budget change will anyway be more than 10 %/40 000 Euros compared to the currently valid<sup>3</sup> project budget and/or the content of the project changes substantially or if project partnership changes or project needs to apply for prolongation or major changes appear in the project content (*See Chapter 6*).

## 5.2. Project change

Please note that the Change request contains macros. Change the settings of your Excel application to allow the macros (tools/macro/security/security level -> medium). When opening the file, please select "enable macros" or "yes". This makes it possible to add partner sheets or add text fields if needed.

Once a change request is submitted, your contact person at the JTS will assess it. Based on the assessment of the JTS, the Managing Authority – in case of small changes – or the Steering Committee – in case of major changes – will decide on the change request.

To support the decision-taking, the requested change must be presented in a detailed and logical way. If the information is insufficient additional clarifications have to be requested. If necessary, the change request has to be resubmitted. Please take into account that the changes are not valid before the approval of the Managing Authority/Steering Committee and not all the changes may be acceptable. **Always make sure that you discuss the project change with your JTS contact person as early as possible.**

Lead Partner must submit revised Application Form and Annex 6 as attachment to the Change Request. Regarding the reference of the applicant you should keep in mind that the reference needs to be a different set of characters in all the different versions of the Confirmation Letter and Application Form<sup>4</sup>. When submitting the Confirmation Letter and Application Form for the Change request, keep in mind to create a new reference, which is identical in the two forms. Also remember to change the date in both forms according to the date when the new Application Form, to which the current Confirmation Letter refers to, has been sent to the JTS. This is important, as the reference and date are what link the signature of the Confirmation Letter and the Application Form to each other.

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<sup>3</sup> Valid budget = also after each amendment

<sup>4</sup> Projects approved in the first call must submit signed paper copy of the Application Form instead of the Confirmation letter.

### **Project identification**

Fill in the details of the project according to the approved project application.

### **Applied changes**

Here you should explain the changes that you are applying for. Explain them in as much detail as possible, including information regarding all the partners that are applying for a change. Note that you may add text boxes according to your need.

Identify each of the requested changes. List each budget change separately (budget line by budget line and partner by partner).

### **Reason for changes**

It is very important that you justify the requested changes. The JTS/MA must be able to see that the change is relevant and needed, that it is in line with the spirit of the approved application and that it helps to carry out the project in the best possible way. The relation of proposed changes and the aims of the approved application have to be well explained as all changes have to be in line with the aims of the approved project plan. The information should be presented in similar way than in the original application.

In this field you should give the reasons and/or justification for each of the changes in detail. You should also list the involved partners (number or/and name of the partner).

### **Change request approved by the projects Steering Group**

Please note that it is mandatory for the project's Steering Group to have approved the changes before the request is submitted to the JTS/MA. Fill in the date of the Steering Group meeting where the project change was approved and attach a copy of the minutes of the meeting to the request.

### **Mandatory Annexes to the Change Request**

Remember to list the documents that you have annexed to the Change Request. The mandatory annexes are the protocol of the Steering Group meeting where the change was approved, the updated Application Form and Annex 6.

### **Signature**

The Change Request should, in general, be signed by the same person (position) that signed the Application Form.

### **Total budget change**

This sheet should contain the summary information of the whole partnership. You should add up the information from the Partner budget sheets here. On this sheet you have the possibility to add or delete partner budget sheets according to your need.

Make sure that the table includes the information of all the various partner level changes. The information reported in this table is crucial for determining whether a project change is so-called small or not. The general rule is that a change is small when each change between budget lines is less than 10% of the whole project budget. Always make sure that you discuss the project change with your JTS contact person in good time.

Under Additional information you should describe the changes in words, giving the justification and reason for the changes.

### **Partner budget change**

Each of these sheets should contain information regarding one partner only.

Mark the needed changes between budget lines in the table. Give explanations and justifications for the changes under Additional information. The changes should be explained well and in enough detail here. This is the section for giving the most detailed information. This will be used by the LP to provide a summary and compilation of the partner level information.

### Example for Change request:

<b>Project identification</b>	
Project title Marketing strategy for the Central Baltic region	
Project number and acronym CB99 MARKETCB	
Original and approved duration of the project 1.1.2011-31.12.2013 Applied new duration of the project same as above	
<b>Applied changes:</b>  E.g. Change 1: Activity XXX to be carried out by an external expert instead of project own personnel. 25 000 EUR have been moved from BL 2 to BL 4 to enable the implementation of activity XXX. Involved partner: P3  Change 2: Change of the responsible partner in WP2 from P3 to P5  Change 3: Rearrange and reschedule dissemination activities (main event), involved LP	
<b>Reason for changes:</b>  E.g. Change 1. Activity XXX was originally planned to be implemented by the project personnel. During the project it has become clear that activity is so demanding that it should be done by an external expert instead. This way the project can ensure the best possible result and this is the most effective way to reach the goal. The scope of the work contract with external expert is 500 hours * 50 EUR whereas, if carried out by the personnel, the overall costs would be 2*400hours * 70 EUR. (The external expert/consultant will be chosen by a tender procedure). Changes in the budget: 25 000 EUR have been moved from BL 2 to BL 4 to enable the activity XXX. Involved partner: P3 (25.000 EUR).  Change 2: P5 takes over the responsibilities of P3 due to the reason XXX. This ensures the most efficient implementation of the project results. Changes in the budget: P5 reallocates from BL4 2.000 EUR and from BL5 3.000 EUR to BL2. Involved partners: PP3 (5.000 EUR) and PP5 (0 EUR).  Change 3: Reasoning: The project´s main event is to be carried out in MS8 instead of MS6 and in a modified way due to reason XXX or justifications XXX. Changes in the budget: Increase in BL7 of 5.000 EUR covered by savings in BL5 (1.700 EUR) and BL2 (3.300 EUR). Involved partner: LP (5.000 EUR)	
<b>Change request approved by the projects Steering Group: dd/mm/yyyy</b>	
<b>Mandatory Annexes to the Change Request:</b>	
1. Minutes from Steering Group	3. Annex 6
2. Application Form	4. Confirmation Letter
5. add if needed	6. add if needed
Signature:	

## Annex 1: Attachments to be submitted in different stages of reporting

Partner Payment Claim to the FLC	Project Partner submits to LP	Progress Report and Payment Claim to the JTS
<ol style="list-style-type: none"> <li>1. Partner payment claim; incl. Specification of budget lines</li> <li>2. Bookkeeping list / General ledger</li> <li>3. Cumulative general ledger</li> <li>4. Copies of the original invoices and other equivalent probative accounting material (e.g. scanned)</li> <li>5. Bank statements of the actual payments</li> <li>6. Clarification on depreciation method used (for the first depreciation of the item in question)</li> <li>7. If the VAT status changes: Certification that VAT is not recoverable if VAT is included in the project costs and the certification has not been submitted earlier. Possible also to submit as scanned version.</li> <li>8. Calculation methods and rationale (documentation of the certification of the value of in kind contribution) for the value of the unpaid voluntary labour, equipment or machinery to be used by the project etc</li> <li>9. Unpaid voluntary labour: time sheets and contract(s) for persons carrying out the unpaid voluntary labour</li> </ol>	<ol style="list-style-type: none"> <li>1. Validated Partner Payment Claim</li> <li>2. Partner level Declaration of Validation of Eligible Expenditure (DVEE) (original);</li> <li>3. Control Report (CR) (original); FLC checklists of Finnish project partners (original)</li> <li>4. Copy of the controller certifications of the Finnish partners for the first PR/PC</li> <li>5. General ledgers for the reporting period signed by a person, who is responsible for accounting (e.g. accountant. If a general ledger is not available another equal list printed from the accounting system (always to be agreed with Financial Officer (JTS) and Financial Controller (Certifying Authority).. Possible also to submit as scanned version.</li> <li>6. Cumulative general ledgers for the whole project duration signed by the person responsible for accounting. Possible also to submit as scanned version.</li> </ol> <p>If general ledger already shows the cumulative costs for the whole project duration, separate report is not needed.</p>	<p>Progress Report and Payment Claim (in excel)</p> <ol style="list-style-type: none"> <li>1. Signed Confirmation Letter (original)</li> </ol> <p><u>For the whole partnership</u></p> <ol style="list-style-type: none"> <li>2. Declarations of Validation of Eligible Expenditure (DVEEs) (originals)</li> <li>3. Control Reports CRs) (originals); FLC checklists of Finnish project partners (original)</li> <li>4 . General ledgers for the reporting period signed by a person, who is responsible for accounting (e.g. accountant. If a general ledger is not available another equal list printed from the accounting system (always to be agreed with Financial Officer (JTS) and Financial Controller (Certifying Authority). Possible also to submit as scanned version.</li> <li>5. Cumulative general ledgers for the whole project duration signed by the person responsible for accounting. Possible also to submit as scanned version.</li> </ol> <p>If general ledger already shows the cumulative costs for the whole project duration, separate report is not needed.</p>

<p>10. Provision of land or real estate: impartial analysis of the value of the provision</p> <p>11. Adequate documentation for the value of the salaries:</p> <ul style="list-style-type: none"> <li>a. Copies of employment contracts</li> <li>b. Time sheets of the part time employees</li> <li>c. Salary slips of the full time / part time employees</li> <li>d. Payment orders / bank statements of the paid out salaries</li> </ul> <p>12. Calculation scheme for office and rent costs</p> <p>13. Public procurement documents, contracts and related material to verify purchasing processes. Copies of all project related contracts.</p> <p>14. Specimens of booklets, outputs etc which are produced by the project; Programmes and participant lists of seminars</p>	<p>7. If the VAT status changes: Certification that VAT is not recoverable if VAT is included in the project costs and the certification has not been submitted earlier. Possible also to submit as scanned version.</p> <p>8. Specimens of booklets, outputs etc which are produced by the project; Programmes and participant lists of seminars</p>	<p>6. If the VAT status changes: Certification that VAT is not recoverable if VAT is included in the project costs and the certification has not been submitted earlier. Possible also to submit as scanned version.</p> <p>7. Minutes of the Steering Group meeting in which the interim / final report has been approved for the submission to the MA/JTS (scanned version also possible)</p> <p>8. Specimens of booklets, outputs etc which are produced by the project; Programmes and participant lists of seminars</p> <p>9. Copy of the controller certifications of the Finnish partners for the first PR/PC</p> <p>10. List of bodies holding documentation related to project audit trail with contact information with the first PR/PC (Subsidy contract §4 and §11)</p> <p>11. Interim report (excel). JTS will send template for Interim report to the Lead Partner and instruct when to submit that to the JTS</p> <p>12. Final report (excel) with the last Progress report and Payment Claim.</p> <p><i>Please note that the LP should at the same time with the first report submit project communication plan and copy of Partnership agreement into address <a href="mailto:application@centralbaltic.eu">application@centralbaltic.eu</a></i></p>
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