

INTERREG V A Italy – Croatia CBC Programme

FACTSHEET n.7 PROJECT CLOSURE

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INTRODUCTION

Project closure is the last phase of the project implementation process.

The focus at project closure is on the objectives, results, impacts achieved and expenditures occurred in comparison to what has been proposed in the application phase and changes subsequently approved by the Programme. Attention should therefore be put on results and indicators and the completion of all work packages.

The financial aspects of the closure process involve: making sure that all costs have been appropriately charged to the project (by all beneficiaries and to the right budget line), that a proper audit trail exists, and that the revenue generated by the project (if applicable) have been accounted for and that State aid rules and provisions have been respected.

The project closure also refers to putting the relevant arrangements in place regarding post-project obligations towards such legal aspects as ownership and changes thereof, cessation of activities, reallocation of outputs, and Intellectual Property Rights of project outputs and results and free of charge access to them, net revenues occurring after the project closure and not foreseen at the application stage.

1. PROJECT CLOSURE PROCESS

The project closure expenditure refers to the finalization of all the legal and administrative duties and obligations of the LP and PPs related to the granted activities and to the incurred expenditure.

The financial management of the project needs to be finalized by the partnership as a whole.

As a general rule, no further financial commitments (purchase orders etc..) can be made, nor expenses charged and then be eligible for reimbursement, once the project is operationally closed (official end date of the project as indicated in the in the latest version of the AF).

Only the payment of prior financial obligations, against existing purchase orders and similar are allowed, if made no later than 60 days (90 days only for Cluster and Strategic projects) after the official end date of the project as indicated in the in the latest version of the AF.¹

The LP shall submit a Last Progress Report within the deadline set in the Subsidy Contract for the conclusion of administrative duties for project closure, unless the MA communicates the postponement of the opening of the reporting module in SIU due to technical reasons.

¹ Even if, in justified cases, the deadline for the submission of a progress report is extended, this does not impact on the expenditure eligibility end date.

Despite the operational phase of closure of the project will coincide with the official end of the project as indicated in the in the latest version of the AF, it is highly recommended to begin the preparatory actions required for operational closure before the end date approaches.

In order to use all available resources for the achievement of the approved objectives and results of the Programme, when closing the activities of cluster and strategic projects, PPs may report in SIU expenditure incurred by the concerned PP within the end of the project and related to the implementation of project activities not previously reported due to budget limits. These expenditures, once validated by the FLC, may:

- 1) exceed the Partner's total available budget;
- 2) exceed the total budget available for the project.

In the event that the additional resources cannot be compensated within the project (using the flexibility allowed by the Programme and described in Section E.2.4 of Factsheet n. 6), the MC may authorize an increase in the total project budget consistent with the remaining resources available at Programme level.

The MC will take decision upon official request of the LP addressed to MA.

The JS will assess, on a case by case, the appropriateness of the requests and provide its advice to the MA.

A specific Subsidy Contract amendment will be signed as a result.

1.1. Project Closure Costs

Project closure costs include (see FS n.6 paragraph C.3.1 Time-wise eligibility of expenditure):

- Project implementation costs incurred before the end date of the project that are paid no later than 60 days (90 days only for Cluster and Strategic projects) from the end date of the project;
- FLC's costs related to the last Project Progress Report and Application for Reimbursement. **These costs can be incurred after the end date of the project** and shall be paid within 60 days (90 days only for Cluster and Strategic projects) from the end date of the project at the latest.
- Staff costs for project closure activities, incurred and paid within 60 days (90 days only for Cluster and Strategic projects) from the end date of the project at the latest. Staff must be already contracted during the implementation period of the Project.

1.2. Last Progress Report

The Last Progress Report and procedure (including the timing for LP/PPs/FLCs) are the same as the regular project reports, with the sole exception of the Final Activity Report to be filled in at project level by the LP including some specific information concerning project closure (see Annex 1).

The Final Activity Report will be carefully assessed to make sure that the project has been carried out in accordance with the latest version of AF, Subsidy contract and any other conditions posed at Programme level.

1.3. Last Application for Reimbursement

The Last Application for Reimbursement and procedure are the same as the regular Application for Reimbursement.

The procedure will also ensure that all irregularities found during the project implementation can be recovered, that the balance among advance payment, certified expenses and recoveries is made, so that the final project AfR can be reimbursed.

1.4. Formal Letter Confirming the Closure of the Project

A formal letter confirming the closure of the project will be delivered by the MA for each project after the submission and assessment of the Last Application for Reimbursement. In the letter, the main obligations after the project closure and the possibility for the MA to carry out ex-post control will be recalled.

2. LEGAL REQUIREMENTS TO CONSIDER AFTER PROJECT CLOSURE

2.1. Ensuring the Trail and Keeping the Records

The LP must keep detailed records with the information and supporting project documentation (such as invoices, public procurement files, contracts, etc.) in compliance with the requirements set by the Regulation (EU) No 1303/2013, and according to the FS6 and the Subsidy Contract provisions.

2.2. Revenues Generated after the End of the Project

In line with Article 65 of the Common Provisions Regulation, the revenues generated during the implementation period of the project, need to be reported at the latest with the final project payment claim.

This should be specified in the Last Progress Report in order to ensure that all related requirements have been taken into account. Should the project be identified as revenue-generating in accordance with art. 61 of the Common Provisions Regulation, the Managing Authority is entitled to ask for refunding to the Programme in proportion to the contribution from the funds.

The MA, as part of its management verifications, should check that the rules set in the EU Regulations and Programme documents have been followed, and that the assessment of revenue-generating operations has been carried out properly and is fully documented.

2.3. Investments in Infrastructure or Productive Investments

Projects comprising investments in infrastructure or productive investments shall respect the article 71 of Regulation (EU) No 1303/2013 as also outlined in the FS6 and in the Subsidy Contract.

Ownership of infrastructures realised within the project must remain with the concerned beneficiaries either for at least five years following the final payment to the beneficiary or for a different period of time if required by a specific legislation (e.g.: State Aid).

2.4. Rules Concerning Information and Communication

Rules concerning the information and communication measures for project partners, as described in the Factsheet 8, must be carried out by projects during implementation of their activities, and also followed after the project's closure. These responsibilities include, among others, displaying the Union emblem and reference to the fund supporting the operation on all information and communication measures, providing similar information on websites, and on a poster readily visible to the public. Further information on the Communication requirements could be found in Factsheet 8, available on the Programme website: www.italia-croatia.eu.

2.5. Project website and digital tools

The Programme will ensure the mandatory maintenance of projects websites hosted on the Programme web-platform, however Lead Partners are responsible for entering up-to-date information if deemed necessary. Any external website or internet-based tool should be maintained online by the beneficiaries at least until 31st December 2023. After that period, they have to be stored locally to be able to show them in case of a control. A log of the evolution of web-sites and adequate local back-up systems have to be required from developers. The local back-up or technical reference of the hosting computer/server has to be provided to the JS with the Last Progress report.

In addition, all the project final deliverables and outputs (such as in approved Application Form) have to be edited according to the Programme rules as detailed in the Factsheet 8 and the "Reporting Guidelines" and it is mandatory to upload them on:

- SIU system together with the final progress report (all documents listed in the document "Reporting Guidelines" shall be uploaded in the Section Annexes of the Report). In alternative you can indicate URL/link related to the digital products in the communication report
- The "DOCS&TOOLS" - "Library" section of the project web-site:
 - Documents: for all final project deliverables (such as Guidelines, Thematic reports and analysis, Policy recommendations, books, brochures, newsletters, other promotional material etc.)
 - Tools: for all digital tools developed in the framework of the project (such as digital platforms, digital applications, external thematic websites etc.)

- Multimedia: for all videos, web-documentaries, video-interviews (to be linked from the project YouTube channel) and for all photos produced during the pilot actions and project events.

2.6. Formalities required under the applicable State Aid rules in force

In line with Article 71 and 140 of the Common Provisions Regulation, rules concerning the State aid discipline as adopted by the INTERREG V A Italy – Croatia Cross-Border Cooperation Programme² must be obeyed by projects during implementation of their activities, and also followed after the project's closure.

This implies that project partners have to pay attention to the concerned Subsidy Contract provisions³ and check if the State Aid conditions have been observed during the project lifetime according to the FS6 provisions.

The risk of State Aid compliance associated with each project proposal need to be checked and reported by the LP before the project official ending.

To this aim the LP will be requested to give an official final statement confirming that no State aid relevant activities occurred during the project lifetime and that the FS6 and Subsidy Contract provisions have been obeyed. The MA, as part of its management verifications, should check that the rules set in the EU Regulations and Programme documents have been followed, and that the State aid relevance of the operations carried out during the project implementation phase has been monitored properly by the LP and is fully documented.

3. CONTROLS AFTER PROJECT CLOSURE

In addition to the regular procedure and timing, some checks must be carried out in order to ensure the correctness of the closure process.

MA and JS must check if provisions related to a sound project closure have been implemented by project partners and if the PPs correctly received their shares of funds, according to the AfRs submitted at project level and disbursed by the Managing Authority.

The MA, with the support of the JS, performs on-site visits on a sample basis after project closure (ex-post verification), in order to verify the durability of project activities and the maintenance of long-term commitments.

² Articles 107 and 108 of the Treaty on the Functioning of the European Union; the Commission Regulation (EU) No 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid; the Commission Regulation (EU) No 360/2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest; the "Commission Notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union" (2016/C 262/01).

³ See artt.: 9, par. 2 lett. h), 10, 19 par. 3, 22 par. 1 lett. N), 26 par. 4

Besides, other authorised bodies such as Certifying Authority (CA), Audit Authority (AA), the European Commission's audit services, the European Court of Auditors, national bodies, may carry out controls to check the quality of the project implementation and in particular its financial management regarding compliance with EU and national rules. Projects may be checked even after the project has ended, therefore it is important to ensure good documentation and safe storage of all project documents at least until the date indicated in the project closure notification.

WHERE TO FIND ASSISTANCE

The JS (JS) is based in Venice, with two branch offices one in Zadar and one in Dubrovnik and can be contacted at any time by Lead Partners for any queries related to project implementation, including project closure process.

Joint Secretariat

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ANNEX I

TEMPLATE FOR THE FINAL ACTIVITY REPORT

(MINIMUM INFORMATION TO BE COLLECTED BY THE LP ON THE PROJECT AS A WHOLE)

To the Last Progress Report should be attached (in the section “Annexes”) a Final Activity Report focused on project results, outputs and on the impact in the area of cooperation generated by the project.

The Final Activity Report at project level does not replace (but it is added to) the usual Activity Reports that LP and PPs have to prepare and upload in SIU.

The final Activity Report is composed of 2 parts:

- the first part provides details and assessment of the project implementation and results, compared to the information already provided in the different progress reports, in order to give back a cumulative illustration of what the project delivered;
- the second part provides a collection of data from the project which will then be aggregated at the Programme level.

PART 1

A. PROJECT HIGHLIGHTS

Please provide a cumulative overview of the project’s achievements

Max 1500 characters spaces included

The text shall tackle the following aspects:

- 1) **Context** The "big" problem you are tackling
- 2) **Challenge** The one most important challenge you are trying to solve - this is why the project exists in the 1st place- to solve it
- 3) **Expectations** What are we promising to people?
- 4) **Solution** What is the thing we are trying to change? (What is the exact solution, so that even your life partner or cousin could understand it)
- 5) **We started by** (1/3) The first thing you did in the project, one thing
- 6) **We then** (2/3) The second thing you did in the project
- 7) **Finally** (3/3) The third you did in the project
- 8) **What we achieved** (proof) 3 points that prove you managed to solve #3 "expectations"
- 9) **Our vision is to** What would happen if the whole world knew about this solution, what are your pushing to do?

B. PROJECT OUTPUTS AND RESULTS

According to the Progress Report data concerning output indicators (section “Programme output indicator”), please provide information about:

Reasons of discrepancies between planned and realized outputs (if any)

Impact of outputs underachievement on project results
Additional results (was the project able to reach additional outputs /results besides those foreseen in AF?)

C. DURABILITY AND TRANSFERABILITY OF THE PROJECT AND ITS RESULTS

Please describe:

How will the outputs and results be maintained and developed further after project end?
How has the availability of project results and outputs for general public and other stakeholders been ensured during the project life and eventually after the project end?

D. CAPITALISATION OF RESULTS

Please provide information about capitalisation:

Was the project able to capitalise or influence future calls or other projects? Please specify main results or output to be considered for future capitalisation action. Are there any obstacles of legal or administrative nature that the project has encountered and which hampered cooperation? Is there any room to solve these obstacles?
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E. PARTNERSHIP COOPERATION

Please provide an assessment of the participation and involvement of the partners in the project, answering the following questions:

Were all the Partners active?
Were they all able to attract other local/regional actors and involve them in the project activities?
What was the added value given by the CB cooperation?
Which were the main problems encountered?
Was the project able to create links with other projects?
Will the PPs cooperate in the future even without funding (if yes explain the main aims of this cooperation)?

F. TARGET GROUPS INVOLVEMENT

Please list the main target groups that benefited from the project's achievements as inserted in the relevant Report Section in SIU (Section "Target groups") and provide further details on how they were able to make use of the outputs/ results of the project.

TARGET GROUPS	Description
TARGET GROUP 1	
TARGET GROUP 2	
TARGET GROUP 3	

G. CONTRIBUTION TO EUSAIR

Please provide a description of the project contribution to the EUSAIR in terms of synergy with the Strategy's pillars and alignment of implemented project's activities with the Action Plans and labelled projects.

H. CONTRIBUTION TO HORIZONTAL PRINCIPLES

Please provide a description of the project contribution to the horizontal principles of equality between men and women, non-discrimination and sustainable development.

I. COMMUNICATION ACTIVITIES

Please refer to the Final Communication Report template and provide a summary on the main achievements trying also to identify which were the most successful communication tools in reaching general public/decision makers/other target groups.

J. NATURA 2000

Please describe, if it is the case, measures foreseen and implemented by the project:

a) In case the project involved Natura 2000 sites, describe what measure the project envisaged and implemented to avoid any negative impact:

b) In case the project had a positive effect on Natura 2000 sites, please describe which measure the project has foreseen and implemented in order to reach a direct or indirect positive impact:

PART 2

A. TYPES OF ACTIONS ADDRESSED (as defined in the Cooperation Programme)

Select, within the Specific Objective's types of actions, the one addressed by the Project

Specific Objectives	Types of action	Please tick the most relevant one within the SO addressed by your project

1.1 Enhance the framework conditions for innovation in the relevant sectors of the blue economy within the cooperation area	Joint projects and actions aimed at creating platforms, networks and at supporting exchange of good practices in order to enhance the knowledge transfer and capitalization of achieved results in the field of blue economy	
	Actions aimed at cluster cooperation, joint pilot initiatives in order to boost the creation of marketable innovative processes and products, in the field of blue economy	
2.1 Improve the climate change monitoring and planning of adaptation measures tackling specific effects, in the cooperation area	Actions aimed at improving the knowledge base, data and monitoring systems supporting adaptation capacity	
	Actions aimed at increasing the capacity for planning of adaptation measures	
2.2 Increase the safety of the Programme area from natural and man-made disaster	Actions aimed at improving monitoring of risks	
	Activities aimed at increasing the management capacity of / prompt response to disasters	
3.1 Make natural and cultural heritage a leverage for sustainable and more balanced territorial development	Actions aimed at increasing the value of natural and cultural heritage by developing and implementing protection and promotion measures	
	Actions aimed at fostering economic development by sustainable tourism or other activities based upon natural and cultural heritage protection and promotion	
	Actions aimed at decreasing the human pressure to natural and cultural heritage sites	
3.2 Contribute to protect and restore biodiversity	Actions aimed at improving the knowledge base, data and monitoring systems for protecting biodiversity and ecosystems	
	Actions aimed at supporting the restoring of biodiversity	
3.3 Improve the environmental quality conditions of the sea and coastal area by use of sustainable and innovative technologies and approaches	Developing, demonstrating and implementing small-scale innovative environmental friendly technology actions and approaches	
	Innovative actions aimed at improving the knowledge on the environmental quality	
4.1 Improve the quality, safety and environmental sustainability of marine and coastal transport services and nodes by promoting multimodality in the Programme area	Support coordination/ harmonization/ monitoring of data and systems for enhancing multimodality	
	Piloting tools/ solutions for improving connectivity in the transport systems	

B. TYPES OF OUTPUTS PRODUCED

Specify the types of outputs generated by the project and provide a brief description

Output typology	Description
Trainings	
Monitoring systems	
SMEs clusters	
New networks	
Action plans	
Strategies	
Platforms	
Adaptation plan	
Building renovation	
New ferry line	
Transportation services	
Accessibility infrastructures	
Risk management plan	
Others (please specify)	

C. TYPOLOGY OF IMPACTS

Please indicate what type of impact(s) your project has had. You can choose more than one answer. For each tangible impact selected, please provide a concrete example from your project, where possible supported by quantitative information.

TANGIBLE IMPACTS

Tangible impacts	Example/ quantitative information
Improved access to services	
Cost savings	
Time savings	
Reduced energy consumption	
Reduced environmental impact	
(Man-made, natural) risk reduction	

Business development	
Job creation	
Improved competitiveness	
Other tangible impacts (specify)	

INTANGIBLE IMPACTS

Intangible impacts	Example/quantitative information
Building institutional capacity	
Raising awareness	
Changing attitudes and behaviour	
Influencing policies	
Improving social cohesion	
Leveraging synergies	

INTANGIBLE IMPACTS

Intangible impacts	Example/quantitative information
Building institutional capacity	
Raising awareness	
Changing attitudes and behaviour	
Influencing policies	
Improving social cohesion	
Leveraging synergies	
Other intangible impacts (Specify)	

D. FINAL LIST OF PROJECT'S DELIVERABLES AND OUTPUTS

(add rows according to n° of deliverables)

WP	Deliverable Title	Target n° as in the AF	Target n° effectively achieved	Progress Report in which proofs of achievement have been provided