Project Partners' Guideline

for

SEE Partner Report

Version 1.0
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European Territorial Co-operation 2007 – 2013

Content

List of abbreviations

PPR Partner Report

PP   ERDF Project Partner

LP   Lead Partner

AF   Application Form

1. Introduction

The purpose of the present document is to provide detailed guidance for ERDF project partners (PP) and ERDF Lead Partners involved in the approved projects concerning the usage and the technical characteristics of the Partner Report (PPR).

This reporting tool on partner level was developed for the SEE Programme in order to provide a common **document with two purposes**:

On the one hand each **ERDF Project Partner** can **provide** adequate **information concerning the** periodic activity and financial **progress of its project part to** support **the Lead Partner** (LP) preparing the Progress Report for the whole project.

On the other hand the **ERDF Project Partners and** the **ERDF Lead Partners shall use the same tool for validating their expenditures by submitting the Partner Report to their designated Controller at national level**, and the financial part of this report serves as basis for the Declaration on validation of expenditures that the Controller will issue.

The Partner Report tool is an MS Excel based, dynamic, protected file with interlinked functions and formulas, as well as error messages that highlight inconsistencies in the content of the report. Certain parts of the tool are deserved for the Controllers that are protected by password. **The PP is requested NOT to remove the protection, or trying to access the Controller's part of the Partner Report, since it could result in damaging the tool.**

The standard tool template can be downloaded from the SEE Programme website:

www.southeast-europe.net

Should project partners be confronted with any technical problem when filling in the Partner Report, we advise them to contact the SEE Joint Technical Secretariat:

Email: jts@southeast-europe.net

In case of questions regarding the content of the Partner Report, how to fill it in appropriately, the PP shall contact its respective national Controller, or the LP. In case of general questions, the SEE Contact Point (SCP) can also provide information.

2. Submission of the Partner Report

In case of the procedure validating the partner level expenditures the Controllers on national level will define the respective submission deadlines. Concerning the partner reporting towards the LP the project partnership should define a reasonable internal deadline.

Although there will be appropriate time for preparing a periodic Partner Report between the end of a certain reporting period and the deadline for submission defined by the national controller, it is recommended that the project partner starts to fill in and regularly updating the periodic Partner Report with respective data already during the

reporting period, in order to be able to finalise it as soon as possible following the end of that period.

It is also recommended that once the partner submits the Partner Report to the Controller for validation in a requested format, the e-version of the same document should be forwarded to the Lead Partner at the same time in order to allow them to start the preparation of the Progress Report. When the project partner receives the Declaration on validation of expenditures from the Controller (2 copies of signed and stamped paper version) one original of the Declaration on Validation of Expenditures should be forwarded to the LP together with the final version of the Partner Report. It is recommended to attach a short written notification (e.g. e-mail) in case there is some deviation between the previously sent Partner Report and the meanwhile validated expenditures, as the *Progress Report can contain only validated expenditures*.

In case for a certain period the validation of expenditures on partner level is not ready by the time the LP should submit the Progress Report and the Application for Reimbursement, the LP should include in the Progress Report only the activity report of that specific partner for the period, while the expenditures of that partner can only be included in the Progress Report and Application for Reimbursement for the next period.

3. Technical instructions

<u>Basic technical requirements</u>

The Partner Report is a Microsoft Excel document; the proper functioning under other systems is not guaranteed.

The English version of the MS Office 1997 programme has been used as default for developing the Partner Report.

— **Macros**: since the Partner Report uses several Macro-functionalities in order to make the complex document more user-friendly, **Macros have to be activated**. Depending on the PC-system, and when opening the excel-document, following cases might occur:

- A window might **pop up** asking whether you would like to activate the macro – **confirm by ticking** "activate/enable Macros"

- In other cases, you have to **do it manually by selecting** *Menu – Extras/Tools – Macros* (in all open workbooks)

— **Security level**: the security level has to be **set to "medium" or lower**. As in case of Macros, it **might be** that **your PC-system** has set the **security level** to **"high" by default**.

- You can **change the security level** by **selecting** *Menu – Extras/Tools – Macros – Security – Security level*

<u>Warning messages:</u>

− **ERROR messages.** Please make sure that **no ERROR message** appears on any worksheets.

− **Red colour text.** Please make sure that **no Red colour text** appears in any description fields**:**

  • <u>Red colour notification</u>: compulsory field incomplete

  • <u>Red colour of inserted text</u>: you have exceeded the maximum number of characters.

  Even if the text exceeding the maximum number of characters will not be automatically deleted from the electronic version of the Partner Report, this text will not be visible in the printed version.

− **Colour of cells and tables:**

  • **Orange fields**: Scroll down menus to select from options;

  • **Dark red fields**: are automatically calculated and cannot be changed;

  • **Grey fields**: are automatically completed from other fields. These fields can not be changed

  • **Light blue fields**: can be used only by the Controllers

<u>Proper use of Excel:</u>

− Text boxes: in order to write/amend a text box, enter the box and tick twice. Please, make sure that the text filled in is displayed completely when printed.

− Transfer of data: please allow sufficient time for a proper automatic transfer and updating of the data inserted between the different sections of the Application Form.

− If you want to use a bullet list in any of the input fields in the Application Form, please press 'Alt+Enter'.

− Drop down lists: select one of the pre-defined items. In case of mistake, just select another item.

− Never use the autofill option ("drag and fill" function) of Excel in the budget tables. If an error appears due to the hidden rows correction can not be made.

Please remember to restructure the printing layout once the Partner Report is filled in completely, allowing a clear displaying of the pages and optimising the paper consumption: before printing, think about environmental responsibility! (e.g. Page breaks can be changed manually.)

4. Customising the 'basis Partner Report tool'

Before the PP starts to prepare the Partner Report referring to a specific period, the report template should be customised to the project part of that partner by filling in certain fields of the report with the basic data from the approved Application Form of the project. **The template tool itself cannot be used for reporting, as without customisation some parts of the tool are blank, without fields for the different Work Packages!** In order to customise the tool to the project part, one of the core tasks is to **fill in** appropriately the table *'5.1 Total budget of the ERDF Project Partner'* (based on table *'5.5 ERDF Partners' budget'* of the approved project Application Form) for the respective partner, as the reporting tool will create automatically so many Work Packages in other parts of the report tool, for as many WPs the approved budget of the respective partner is inserted in table 5.1.

The customised 'basis Partner Report tool' should be saved by the PP and should be used when a new Partner Report is to be prepared for a certain period. It is recommended that the 'basis Partner Report tool' of a partner should be prepared in cooperation of the LP and the respective PP. Either the LP prepares the 'basis report tools' for each PP, or each PP prepares its own 'basis report tool' and the LP confirms, if all data are valid on the basis of the approved Application Form of the project.

The following fields should be filled in for creating the 'basis Partner Report tool':

1 - Main data worksheet

- Project code
- Project acronym
- Project title
- Name of the project partner/lead Partner (the one using the report)
- Starting and end dates of the project
- Contact person and legal representative of the project partner

5 - Financial Report worksheet

- Table *'5.1 Total budget of the ERDF Project Partner'* (based on table '5.5 ERDF Partners' budget' of the approved project Application Form) for the respective partner
- Table *'5.5 Information on state contribution'*
  - If relevant for the PP, in the field of *'Total amount of state contribution allocated'* the PP should insert the amount allocated by the Member State of its location, based on a separate co-financing contract (or other legal act), as contribution to co-financing. (No other source of co-financing – i.e. regional, local, other – should be considered here)
  - The State contribution rate should be defined in %.

3 - Activities per WPs worksheet

- Title of the Work Packages from WP3 on
- All those qualitative and quantitative outputs and results (defined in the Application Form for the whole project) should be listed under the ***output / result description field*** of the different WPs, to which the respective PP contributes during the whole project implementation.
- The unit, the base and target value of these outputs / results should be defined.

4 - Indicators worksheet

- The base and target values of the output and result indicators of the respective partner's project part (based on the '7 Indicators' list of the approved project Application Form)

6 - Special expenditures worksheet

Only, if any of the following categories are relevant in case of the respective PP:
- Table '6.1 - 10% flexibility rule in the Project Partner's budget' – the 'Total amount allocated' column per WPs (based on the '2 Partnership' description of the approved project Application Form);
- Table '6.2 - 20% flexibility rule in the Project Partner's budget' – the 'Total amount allocated' column per WPs (based on the '2 Partnership' description of the approved project Application Form);
- Table '6.3 – Common costs in the Project Partner's budget' – the 'Total amount allocated' column per WPs (based on the '5d Common Costs' section of the approved project Application Form);
- Table '6.1 – In kind contribution in the Project Partner's budget' – the 'Total amount allocated' column per WPs (based on the '2 Partnership' description of the approved project Application Form)

The total amount allocated to each WP in case of the special types of expenditure have to be counterchecked with the LP, as the Application Form contains WP level information only for the Common Costs.

5. How to fill in the Partner Report for a certain reporting period

In each reporting period the 'basis report tool', initially customised for the PP, should be used.

The Partner Report shall be prepared in English.

It is the task and the interest of the PP to prepare the Partner Report so that it provides the appropriate information needed for the validation of expenditures, as well as for the LP to compile the Progress Report for the whole project. The following part of the guideline clarifies what the PP should focus on, when filling in the different parts of the report.

1 - **Main data** worksheet

- The starting and end date of the respective reporting period;
- In case there is any change in main project data (project duration, contact person, legal representative of PP) in comparison to what was previously inserted in the 'basis Partner Report tool'

2 - **Activity Report** worksheet

2.1 – Summary of the project activities

A brief, coherent, summary should be provided about the implementation of the project part from the start of the project till the end of the latest reported period. The description should have an overview on the main activities, achievements and results of the respective PP so far. Since the description will be used by the LP to compile the main Progress Report of the project, it should be coherent, easy-to-read and self-explanatory.

(Max. 2500 characters)

2.2 – Project implementation timeframe

It should be confirmed, if the project part implementation is in line with the timeframe planned in the AF. In case of deviation, justification should be provided together with the estimation of the delay in months.

(Max. 500 characters)

2.3 – Spending targets

It should be confirmed, if the financial progress of the project part is in line with the approved spending forecasts of the project. In case of deviation, justification should be provided together with the estimation of the deviation referring to the WPs.

(Max. 500 characters)

2.4 – Other issues

Any other problem related to the project part implementation, or the involvement of the PP, etc; as well as the proposed, or carried out solutions.

(Max. 500 characters)

2.5 – Project changes

Those changes of the reporting period that do not require subsidy contract modification should be listed:

- The budget reallocations of the PP below the 20% limit (in accordance with part 3.1.3 of the SEE Implementation Manual), providing clear justification for any of such deviation, describing also, if and how these deviations affect the planned activities, outputs and results of the PP.

– The administrative changes of the partners that take place in the period.

In case it is necessary, a new filed can be added by clicking on the 'add' button.

(Max. 500 characters per field)

3 - Project activities fulfilled in the reporting period by Work packages

– The actual *implementation status* of each WP should be selected from the drop down lists (orange fields: not started yet/ in progress/ completed);
– The *titles of the Work Packages* (from WP3 on) should be defined in accordance with the approved Application Form
– As many *activity description field* should be added to a certain Work Package by clicking on the 'add' button next to the 'Activities', for as many Activity some action carried out in the respective period can be reported.
  – The number of the Activities for which implementation is to be reported should be defined and inserted, based on the respective Activity number in the approved Application Form of the project (e.g. Act. 2.3).
  – Concerning these Activities their implementation in the period shall be reported by describing briefly the progress done by the PP. The description should provide evidence that the implemented activities and their reported and claimed costs are in line with the planned ones (i.e. as defined in the approved AF). The description of the activities must also be in relation with each reported output.
  – The location of the activities should be defined
  – In case of deviation from the original plan (description of activity, locations, outputs) justification is requested
  – The output / result delivered in the respective period should be described. The description should provide the clear connection between the delivered output / result and the one defined in the Application Form.
  – The Actual Value of each quantified outputs, or results of a Work Package should be updated according to its status at the end of the reporting period.
– As many *public procurement fields* should be added to a certain Work Package by clicking on the 'add' button next to the '*public procurement within the WP*', as many public procurements were carried out in the respective period.
  – Each public procurement carried out in the respective period should be defined by describing its purpose, the date and amount of contracting, and the name of the sub-contractor. The definition should provide clear connection between the related activity and output description, as well as the related invoice listed in other part of the report.
– Make sure that *no message in red* appears on the worksheet notifying about missing description, or selection of WP status!

4 – Indicators

The Actual Value of each relevant programme, as well as project specific *indicator* should be updated according to its status at the end of the reporting period.

5 - Financial Report

In most fields of the tables (dark red fields) data are transferred from other parts of the Partner Report (e.g. List of invoices), or calculated automatically, or should have been previously filled in when creating the 'basis Partner Report tool'.

The following tables and fields should be filled in manually by the PP for each Partner Report:

5.3 – Financial progress by work packages table

In case of each WP, for each relevant budget line the total amounts of expenditures validated in all previous periods should be inserted cumulatively.

5.4 – Information on ERDF transfers from LP to PP

The PP should provide information about all ERDF transfers of the LP in relation to each Declaration on validation of expenditures issued for the specific PP.

- As many rows should be created by the 'add' button, as many Declarations on validation of expenditures were issued for the PP previously. (Since the numbering of the periods are automatically done, in case there was more than one Declarations issued for the PP in relation to a certain reporting period – e.g. period 3/1 and 3/2 – the second, or following Declarations should be listed in a new row, even if the period numbering will be shifted by that).
- The date of issuing each Declaration on validation of expenditures should be inserted.
- The total amount of eligible expenditures should be defined in relation to each Declaration.
- The ERDF co-financing rate should be defined in relation to each Declaration.
- The amount of ERDF validated and covered by each Declaration should be defined.
- The date when the PP received the ERDF transfer of the LP in relation to each Declaration should be inserted.
- The amount of ERDF received should be defined in relation to each Declaration.

5.5 – Information on state contribution

The PP should provide information about the state contribution of co-financing.

- The cumulative total amount of state contribution of co-financing should be inserted in relation to the previously validated expenditures.
- The amount of state contribution of co-financing should be inserted in relation to the expenditures reported in the current report.

6 - Special expenditures

Only, if any of the following categories are relevant in case of the respective PP:

6.1 – 10% flexibility rule in the Project Partner's budget

The total amount of expenditures related to the 10% flexibility rule validated in previous periods should be inserted cumulatively.

6.2 – 20% flexibility rule in the Project Partner's budget

The total amount of expenditures related to the 20% flexibility rule validated in previous periods should be inserted cumulatively.

6.3 – Common costs in the Project Partner's budget

The total amount of expenditures related to Common costs validated in previous periods should be inserted cumulatively.

6.4 – In kind contribution in the Project Partner's budget

The total amount of in kind contributions validated in previous periods should be inserted cumulatively.

7. – List of invoices per Work Packages

All expenditures of the PP that are to be validated in the reporting period should be listed according to their related Work Packages and budget lines in connection with the supporting invoices, or other accounting documents of equivalent probative value.

Generally, a single invoice should be clearly connected to only one Work Package. In case a sub-contract covers activities related to more than one WP, the invoice of the sub-contractor should provide detailed information concerning the costs charged in relation to the different type of activities of the different WPs.

Staff costs should be listed at least on the level of the different staff persons involved and can be distributed proportionally among the different WPs, if relevant.

On the worksheets of each WP that has related expenditures to be validated, as many rows should be created under a certain budget line by the 'add' button, as many invoices are to be listed in relation to that specific budget line of the WP.

Data on a single invoice should be detailed under the different fields according to the followings:

No.	*Please number each item listed. It is possible to add or delete rows as necessary*
Invoice No./ Documents of equivalent probative value ID	*Insert the invoice number or ID (reference) of the document of equivalent probative value according to the original document*

Name of the service provider issuing the invoice	*Insert the name of the body or person issuing the invoice exactly as it is written on the invoice. I case of staff costs the name of staff person whose salary is to be validated shall be defined.*
Description of the expenditure	*Describe the type/subject of the expenditure in English according to the invoice/accounting document. In case it is required at national level, the description of expenditure shall be given both in national language and English* *Examples for description of expenditure by budget lines:* – *Staff costs: covered month(s), type of costs (salary/social security contribution), covered activity.* – *Overheads: type of expenditure (e.g. rental fee, electricity, phone, etc.)* – *Travel and accommodation costs: type of service provided (e.g. hotel, flight, bus, etc.), the name(s) of beneficiary staff, the destination / event related to (identifiable with the event / activity reported in activity report).* – *External expertise and services: type of service provided (survey, study, event organisation, audit, etc.), the related output (study, event, PR material, etc. identifiable in activity report as well), partial invoice (in case relevant).* – *Equipment: The description of purchased equipment(s), the related activity in WP (e.g. tool for field survey), clearly identifiable in the list of Equipment specification (part 5c of AF).* – *Small scale investment: The description of investment(s), the related activity in WP, clearly identifiable in the Investment description (part 5b of AF).* – *Financial charges and guarantees: type of service provided (bank account fee, transfer fee, etc.)*
Activity fulfilled according to the approved AF	*Give short reference to the activity fulfilled according to the approved application form to which the expenditure is related and the numbering of AF (e.g. act. 2.3; organisation of project event). In case the expenditure it is related to more activities (i.e. staff costs) all those should be listed.*

Issued on dd/md/yyyy	*Insert the date of issuing the invoice/ date of the accounting document*
Paid on dd/mm/yyyy	*Insert the date of payment of the expenditure according to the proof of payment (e.g. bank statement)*
Total amount in original currency	*Insert the total **gross** amount indicated on the invoice in original currency.* *Costs incurred in EUR as original currency has to be also listed.*
Reported expenditure in original currency	*Insert the amount reported as project expenditure of the total amount in original currency included costs incurred in EUR as original currency.* *The reported expenditure shall be inserted according to the VAT status of the Project Partner. i.e. in case the PP can reclaim VAT, the reported amount shall not include the VAT. **(see example!)***
Currency	*Insert the abbreviation of the original currency in which the expenditure incurred, e.g. EUR, RSD, ALL, HUF, etc. according to international standards*
Exchange rate	*Insert the monthly accounting exchange rate of the Commission in force in the last month of the reporting period for each currency other than Euro. In case the original currency is Euro, "1" shall be always inserted (this option is automatically given in the Partner Report tool).*
Reported expenditure EUR	*The "Reported expenditure in original currency" is exchanged to EUR automatically, therefore it is obligatory to fill in the fields "Reported expenditure in original currency" and "Exchange rate".*
Ineligible expenditure deducted by the Controller EUR	*The project partners have to leave empty this field, as it has to be filled in by the Controllers (these cells are blocked for the PPs in the Partner Report tool).*
Eligible expenditure validated by the Controller EUR	*This field is automatically calculated on the basis of the "Reported expenditure EUR" and the "Ineligible expenditure deducted by the Controller EUR.*

Common cost (CC) in kind contribution (KC) 10% (X) 20% (Y)	*In case the expenditure reported is considered as a special type of expenditure, the type has to be selected by the project partner from the drop down list at this column as follows:*
	CC: Common Costs :
	KC: In kind contribution:
	X: expenditure under 10% flexibility rule
	Y: expenditure under 20% flexibility rule
	It is important to fill in carefully this column, as the expenditure categorized according to the above types of expenditure will be summarized automatically in the Section 6. Special types of expenditure of the Partner Report, and the Declaration on validation of expenditure Annex "B" will be based on the information given in these cells. In case this column is not filled in correctly, the information will be misleading, and the Controllers have to request completion of the Partner Report by the project partner.

The total *'Reported expenditure EUR'* of a certain budget line of a Work Package is automatically transferred also into the respective *'current report'* fields of *table **5.3 of the Financial Report***.

The '*7. Summary of expenditure in the current report of the ERDF project partner'* **is automatically calculated** on the basis of the data inserted on the 7.0, 7.1.,…7.5. invoices sheets.

ATTENTION!

The reported expenditure shall be inserted according to the VAT status of the Project Partner!

Example No. 1: *The reported expenditure relates to the project in 100%*		PP reclaims VAT (VAT is not eligible expenditure)	PP does not reclaims VAT (VAT is eligible expenditure)
Invoice data	Gross amount	6000	6000
	VAT (e.g. VAT 20%)	1000	1000
	Net amount	5000	5000
Data on the list of invoices	Total amount in original currency	**6000**	**6000**
	Reported expenditure in original currency	5000	6000
	Currency	EUR	EUR
	Exchange rate	1	1
	Reported expenditure EUR	**5000**	**6000**

Example No. 2: The reported expenditure relates to the project in 50%		PP reclaims VAT (VAT is not eligible expenditure)	PP does not reclaims VAT (VAT is eligible expenditure)
Invoice data	Gross amount	6000	6000
	VAT (e.g. VAT 20%)	1000	1000
	Net amount	5000	5000
Data on the list of invoices	Total amount in original currency	**6000**	**6000**
	Reported expenditure in original currency	2500	3000
	Currency	EUR	EUR
	Exchange rate	1	1
	Reported expenditure EUR	**2500**	**3000**

8. – Revenues

This part of the partner report should be filled in only in case some revenues are generated by the PP project implementation during the respective period.

It should be reported, if the generated revenues have already been foreseen in the approved Application Form of the project by selecting 'Yes', or 'No' from the orange dropdown list field.

As many rows should be created by the 'add' button, as many revenue related documents are to be listed.

Data on a single document should be detailed under the different fields according to the followings:

No.	*Please number each item listed. It is possible to add or delete rows as necessary*
Documents of equivalent probative value ID	*Insert ID (reference) of the document of equivalent probative value according to the original accounting document*
Description of the revenue	*Describe the type/subject of the revenue in English according to the accounting document. In case it is required at national level, the description of expenditure shall be given both in national language and English e.g. conference participation fees, revenues from the sales of publications or books, etc.*

Related activity according to the AF	*Give short reference to the project activity according to the approved application form which generated the revenue. e.g. "conference for building sustainable cities"*
Revenue incurred on (date)	*The date of cash-in-flows from the users of the goods and/or services provided by the project*
Date of accounting the revenue	*Insert the date on which the revenue is accounted according to the original accounting document*
Total amount of revenues generated original currency	*The total amount of cash in-flows directly paid by users for the goods and/or services provided by the project*
Total amount of net revenues original currency	*The total amount of revenues generated has to be discounted to net revenues.*
Currency	*See instructions for the list of invoices*
Exchange rate	*See instructions for the list of invoices*
Total amount of revenues generated EUR	*The "Total amount of revenues generated" is exchanged to EUR automatically, therefore it is obligatory to fill in the fields "Total amount of revenues generated original currency" and "Exchange rate".*
Total amount of net revenues EUR	*The "Total amount of net revenues" is exchanged to EUR automatically, therefore it is obligatory to fill in the fields "Total amount of net revenues generated original currency" and "Exchange rate".*
Total amount of net revenues validated by the Controller EUR	*The Controller has to confirm the amount of net revenues in EUR. This amount has to be deducted from the total eligible amount validated on the list of invoices.*