



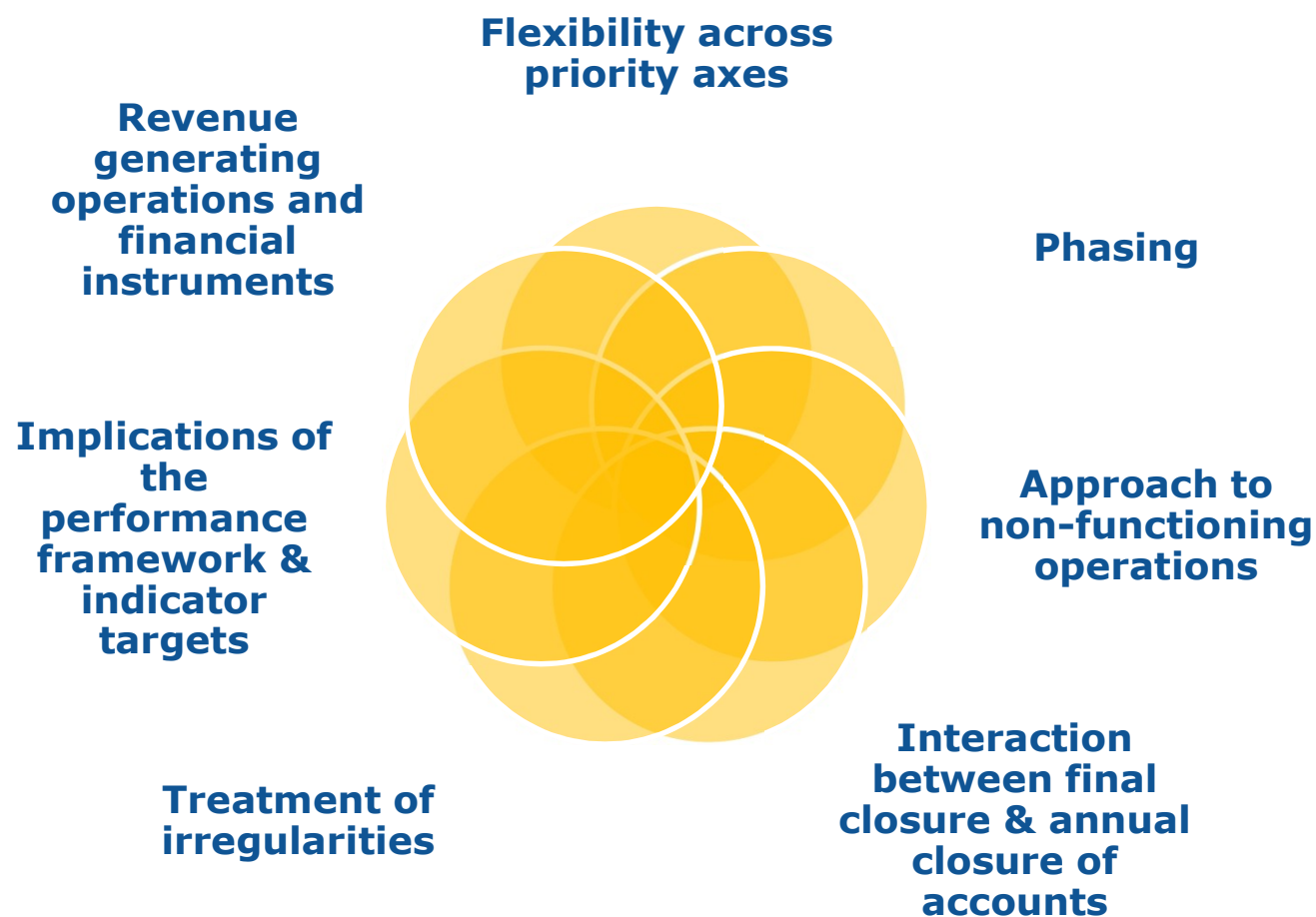
Closure Guidelines 2014-2020 (ERDF, ESF, EMFF and CF)

**EGESIF Meeting
20 October 2020, Brussels**

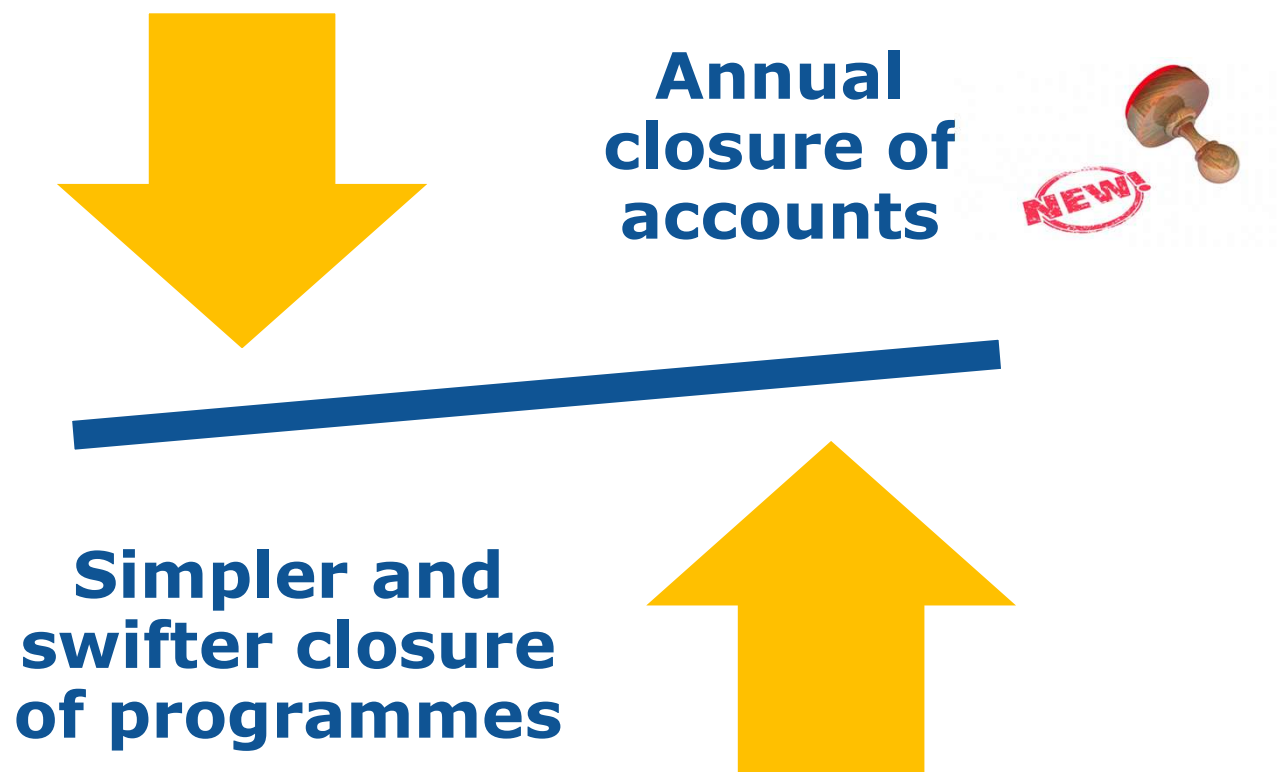
Outline

1. Concept & scope of the Guidelines
2. Preparation for closure
3. Financial management
4. Indicators and performance framework
5. Phasing and non-functioning operations
6. Operations affected by national ongoing investigations or suspended
7. Irregularities
8. Submission and content of closure documents

Closure Guidelines 2014-2020: issues raised by the MS in EGESIF



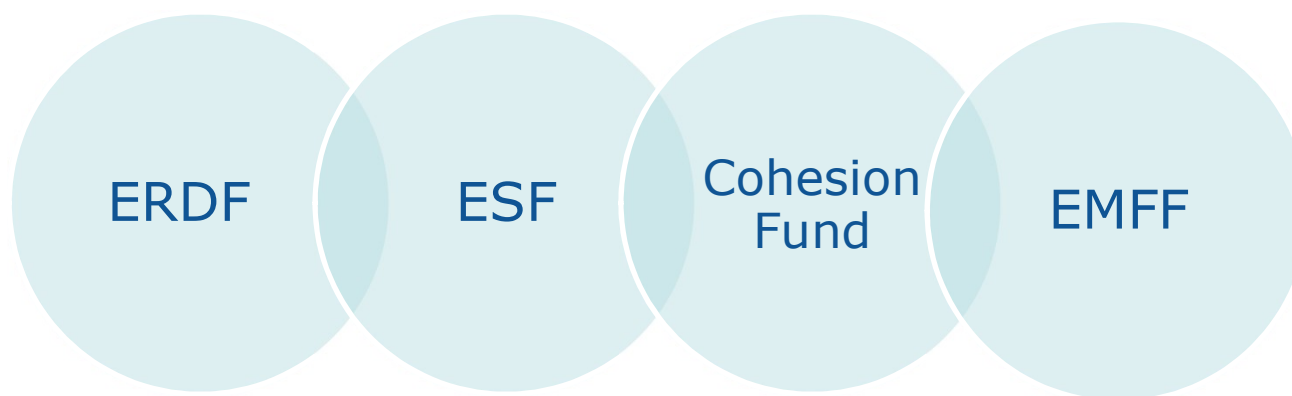
Closure 2014-2020 – major novelty



CONCEPT AND SCOPE



- Financial settlement of the Union's outstanding budgetary commitments → through payment or recovery and/or decommitment of any final balance



- Early closure:** may be requested when all the activities related to the implementation of the programme have been carried out

PREPARATION FOR CLOSURE

(to be *adopted* by the Commission)

31 December 2020

- Transfers between Funds, programmes or categories of regions

(to be *submitted* by the Member State)

30 September 2023


- Transfers between priority axes of the same programme, under the same category of region and the same Fund
- Approval or amendment of major projects

15 November of corresponding year

- **[REACT EU]** Transfers of additional resources for 2021 and 2022 between ERDF and ESF → only apply to the ongoing year or to future years



FINANCIAL MANAGEMENT

- Decolmitment: unused commitments related to the last year of the programming period to be decommitted in the course of closure
- Clearance of the initial and annual pre-financing 
 - **Amounts not recovered by the Commission in 2020, will be cleared or recovered at closure (CRII)**
- Calculation of the final balance → **10% flexibility** (CRII+)
- **Overbooking** vs annual closure of accounts

INDICATORS AND PERFORMANCE FRAMEWORK

To be included in the FIR

Cumulative (annual for ESF) values for output indicators up to and including **2023**

Any issues affecting the performance of the programmes

The year 2023 values for the result indicators (for ERDF/CF only)

- Specificities for non-functioning and phased operations
- Implications of the **performance framework** for closure 
- *[The requirements of the performance framework do not apply to additional resources from the **REACT-EU** proposal]*



PHASING OF OPERATIONS

- Follows Article 111 of the draft CPR proposal for 2021-2027

Conditions



(cumulative)

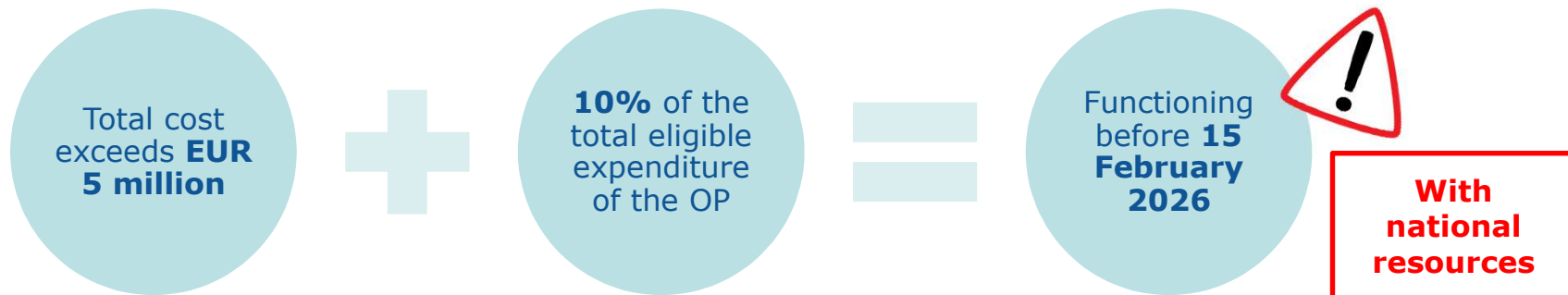
- Operation not co-financed in 2007-2013
- Total cost exceeds EUR 5 million
- Two identifiable phases from a financial point of view
- Detailed and complete audit trail
- Second phase should be eligible for co-financing under 2021-2027
- Member State undertakes to complete second phase in 2021-2027

NON-FUNCTIONING OPERATIONS

- At the time of submission of closure documents → all operations have to be functioning

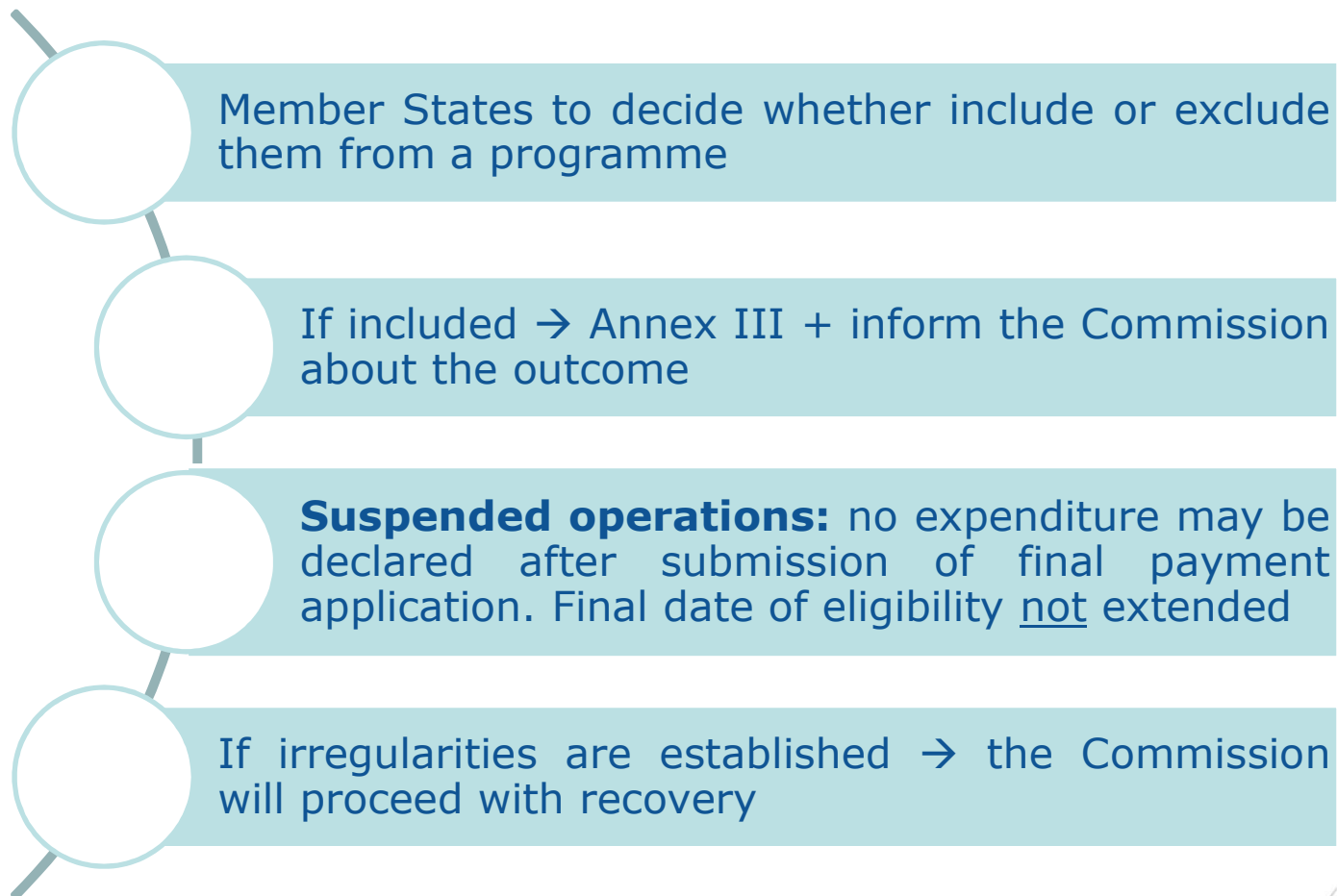


Physically completed or fully implemented and have contributed to the objectives of the priority



- If the operations are not functioning by this deadline → recovery of the amounts may take place

OPERATIONS AFFECTED BY INVESTIGATIONS OR SUSPENDED



Irregular amounts may be replaced by overbooking



European
Commission

IRREGULARITIES

- Any necessary deductions must be carried out in the accounts of the final accounting year

**Amounts to
be recovered
and
irrecoverable
amounts**

- May be reported not only in previous accounting years, but also in the final accounting year
- General rule → Commission will exclude these amounts from the calculation of the final balance
- Commission will assess whether the amounts should be charged to the EU budget

**Member State to
inform on the
outcome of the
recovery process**



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DEADLINE FOR SUBMISSION OF CLOSURE DOCUMENTS

15 February 2025

[except for the last AIR for the EMFF - 31 May 2024]

Possible extension by the Commission to 1 March 2025

- Member States may not modify any of the closure documents after



Consequences of not submission by the deadline

- De-commitment of commitments still open on 31 December 2023
- Closure on the basis of available information

CONTENT OF CLOSURE DOCUMENTS (I)

The final implementation report (last AIR for EMFF)



The accounts for the final accounting year (1 July 2023 to 30 June 2024)



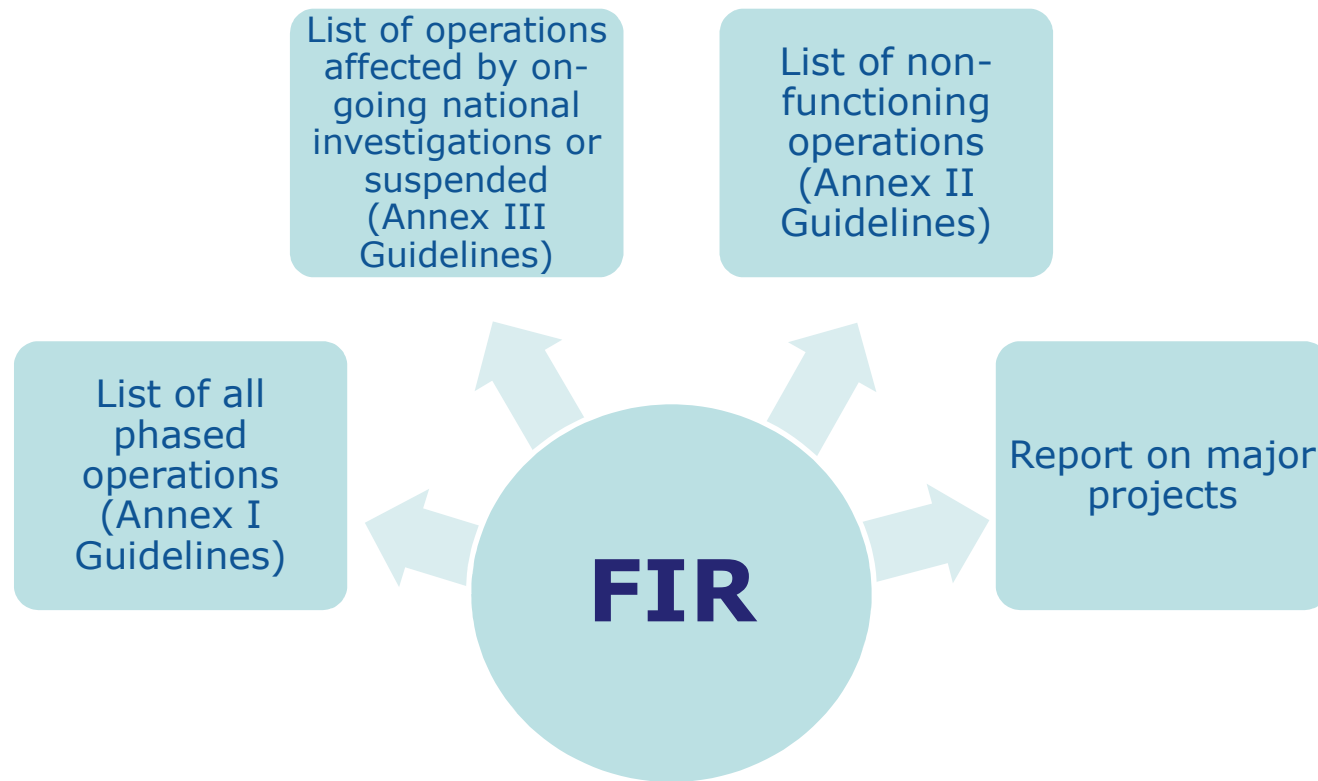
The management declaration and the annual summary for the final accounting year



The audit opinion and the control report for the final accounting year

CONTENT OF CLOSURE DOCUMENTS

(II): Final implementation report

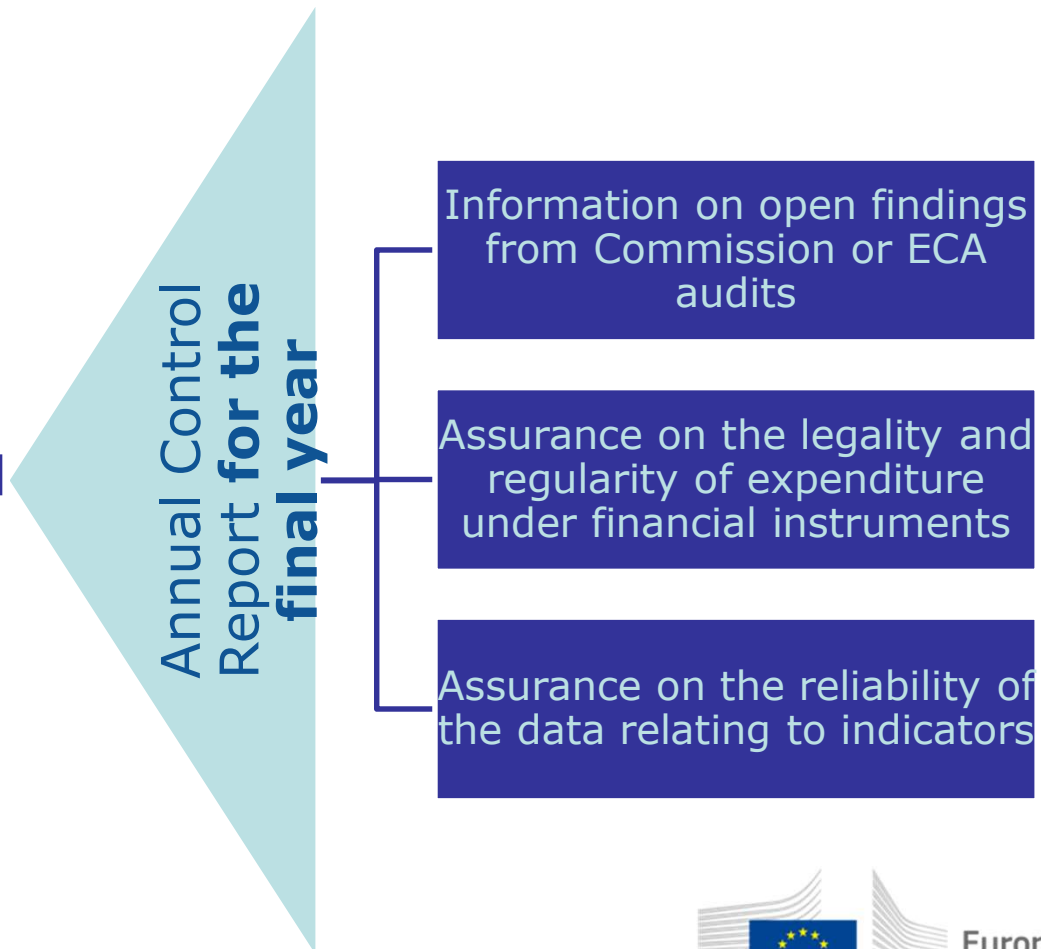


- **Acceptance and deadlines:** within 5 months of the date of FIR receipt + Member States 2 months to respond to Commission observations

CONTENT OF CLOSURE DOCUMENTS

(III): Audit opinion and control report

- = Structure as for any other accounting year



PAYMENT OF FINAL BALANCE

No later than:

whichever is
later



- 3 months after the date of acceptance of accounts of the final accounting year or;
 - 1 month after the date of acceptance of the FIR
-
- Issues regarding **legality and regularity** of the underlying transactions can be raised by the Commission after payment of the final balance and closure of the programme.



Questions?

