



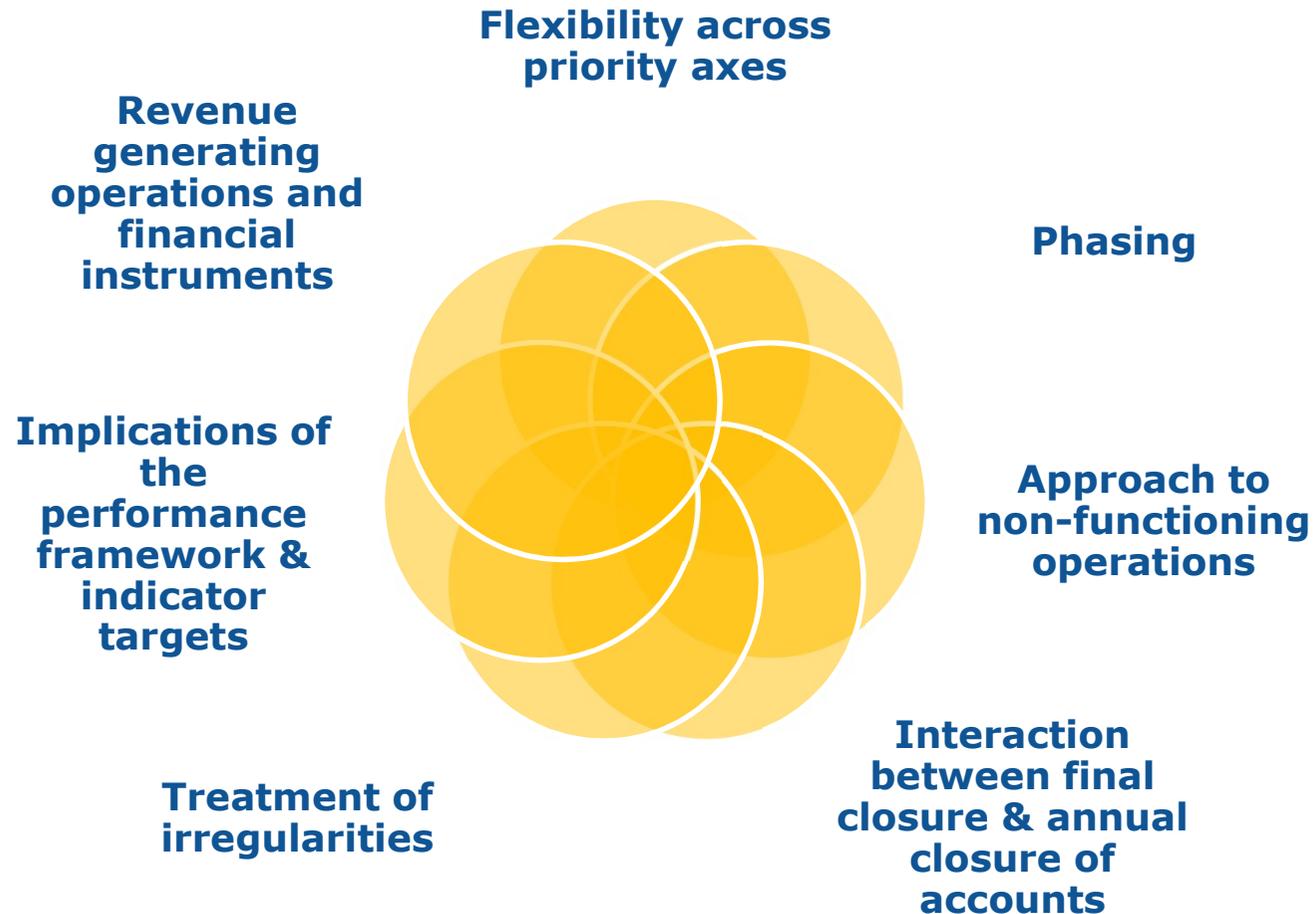
# Closure Guidelines 2014-2020 (ERDF, ESF, EMFF and CF)

**EGESIF Meeting**  
**20 October 2020, Brussels**

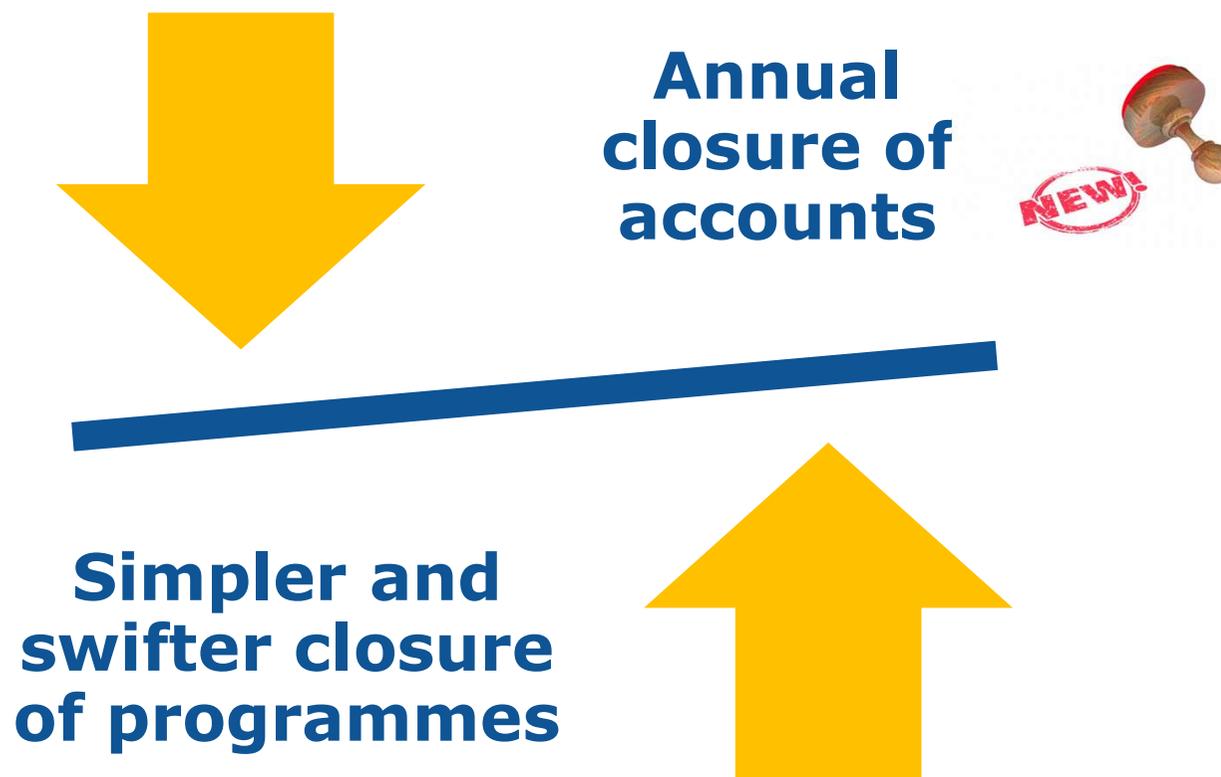
# Outline

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



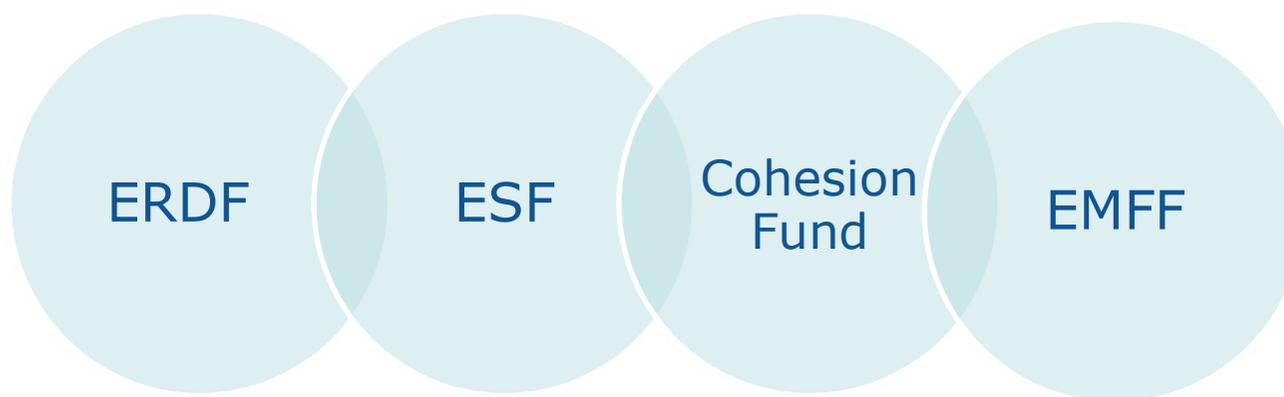
# Closure 2014-2020 – major novelty



# 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

- Decommitment: 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)*

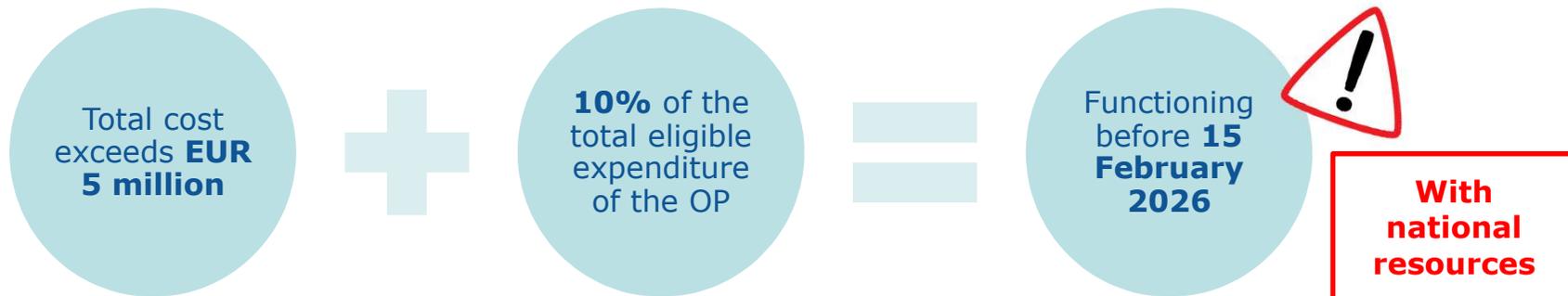
- Operation not co-financed in 2007-2013
- Total cost exceeds EUR 5 million
- Two identifiable phases from a financial point of view
- Detailed and complete audit trail
- Second phase should be eligible for co-financing under 2021-2027
- Member State undertakes to complete second phase in 2021-2027

# 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

Member States to decide whether include or exclude them from a programme

If included → Annex III + inform the Commission about the outcome

**Suspended operations:** no expenditure may be declared after submission of final payment application. Final date of eligibility not extended

If irregularities are established → the Commission will proceed with recovery

*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**

# 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**

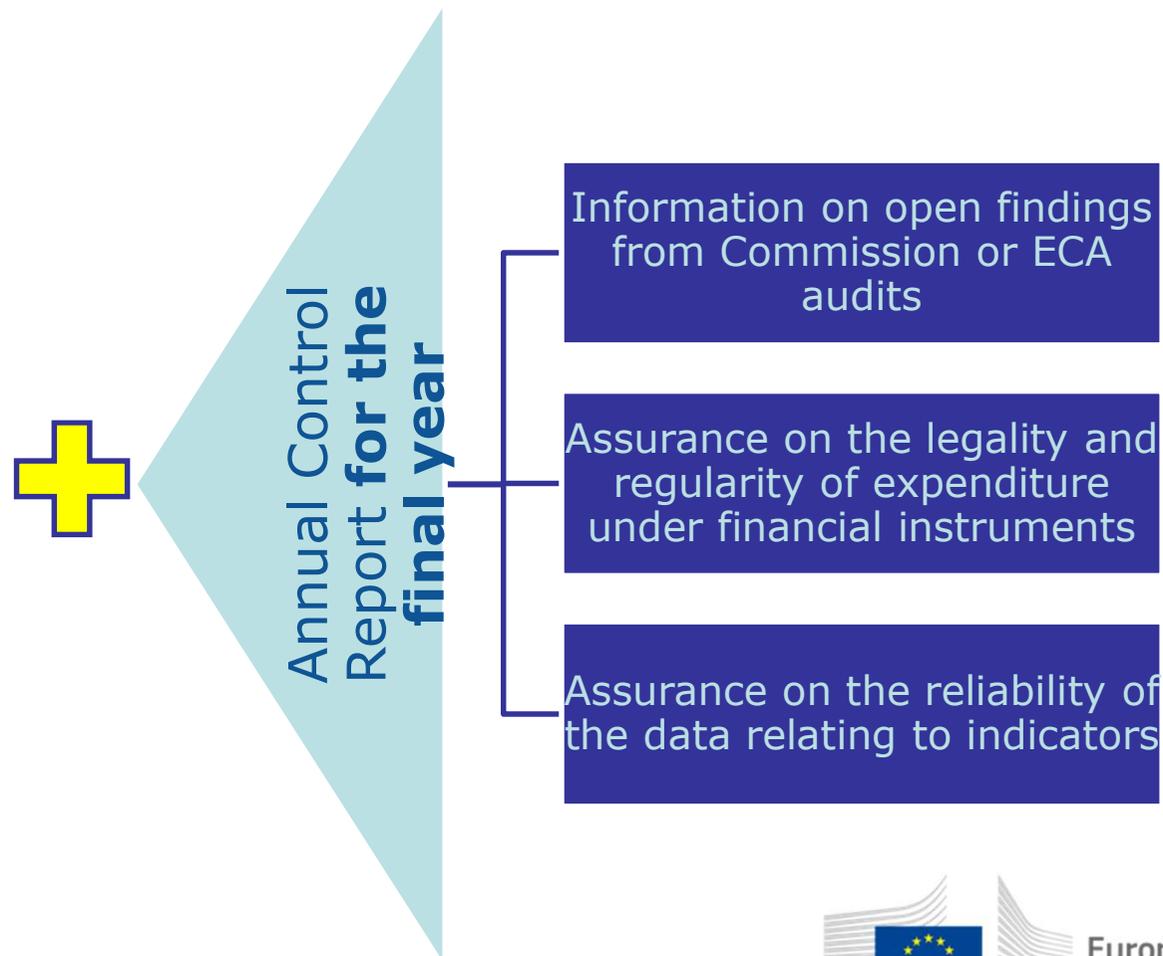
# CONTENT OF CLOSURE DOCUMENTS (II): Final implementation report



- **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?

