



Closure of ENI CBC Programmes

Closure Guidelines and Meeting with Managing Authorities

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ENI CBC Programmes 2014-2020

- Legal framework
 - [Regulation \(EU\) 2014/232](#) establishing a European Neighborhood Instrument (ENI CBC Regulation)
 - [Commission Implementing Regulation \(EU\) No 2020/879](#) ("*ENI CBC Implementing Regulation*")
 - [Regulation \(EU\) 2022/2192](#) ("*Disruption Regulation*" establishing provisions for the 8 programmes under implementation disruption due to the Russia's war of aggression against Ukraine)
 - Provisions of ENI CBC Programmes and Financing Agreements

Common Provision Regulation and ESIF Closure Guidelines do not apply to ENI CBC Programmes

ENI CBC Closure Guidelines

- Facilitate the closure process by providing the methodological framework for Managing and Audit Authorities for the closure of ENI CBC programmes
- Align with the ESIF guidelines while addressing specificities stemming from the ENI CBC legal framework
- Take into account external circumstances that impacted the programme implementation
 - COVID-19 crisis in 2020 and 2021
 - Implementation disruption of eight out of 15 programmes due to Russia's war of aggression against Ukraine (Section 11 'Programmes with implementation disruption')
- ***Commission Notice Guidelines provide legal certainty***

ENI CBC Closure Guidelines Meeting with Managing Authorities (26/09/2023)

- Address questions raised by Managing Authorities in relation to the Closure process and guidelines
 - Submission of closure documents
 - Reporting recoveries
 - Legal proceedings, administrative appeals and ongoing investigations
 - Reporting on indicators
 - Potential programme amendments
 - Additional questions: Final dates for expenditure (projects and technical assistance)

Submission of closure documents

- Closure documents shall be submitted to the European Commission by 15 February 2025 (or by 1 March 2025 if the deadline is agreed with the Commission)
- STEP proposal cannot be applied or introduced for ENI CBC programmes
- ‘STEP-like’ flexibility: upon request by the Managing Authority, the Commission services would grant similar flexibility as proposed for cohesion programmes to submit the final report by 15 February 2026.

Final dates for eligibility of expenditures

- **31 December 2023** for project implementation (incurred and paid)
- **30 September 2024** for Technical Assistance for closure of the programme and for closure of projects (incurred and paid)
- e.g. expenditure verification, audit and final evaluation of the projects, closing events etc.

Reporting recoveries in the final balance

- Any amount not recovered by the time of finalising the accounts before the submission should be considered as **unrecoverable**
- **Excluded from the calculation of final balance:**
 - From beneficiaries from Member States
 - From public entities from partner countries
 - Responsibility lies with the Managing Authority
- **Included in the calculation of final balance:**
 - From non-public beneficiaries from partner countries
 - Amounts for which Managing Authority requests the Commission to take over the task

Legal proceedings, administrative appeals and ongoing investigations

- Final accounts are the last possibility to declare expenditure
- The Managing Authority may decide or not to exclude from the final accounts expenditure affected by:

Ongoing OLAF investigations or audits of the Commission or ECA

Ongoing investigations, suspended by legal proceedings or by an administrative appeal

- If included : Table 7 and 8 of the worksheet “2.2 Financial corrections, recoveries, OLAF, legal proceedings (EU funds)”
- If at the end of procedures irregularities are established, Managing Authorities should reimburse the Commission

Reporting on indicators

- **Cumulative values** for output and result indicators will be reported as achieved by the end of year 2023 or until the date of submission of the final report
- **Programmes under implementation disruption:** Cumulative values of indicators achieved in two phases:
 - Phase 1 up to the date on which the programme implementation disruption started
 - Phase 2 for the duration of the programme implementation disruption (**possibility to report only on indicators achieved by beneficiaries in the Member States**)
- Any issues affecting the performance of the programme should be described in the narrative of the final report (for all programmes)
- **No performance framework**

Thank you



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Preparation for closure in ENI-CBC in period 2014-2020

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Structure

- Overview of deadlines
- Audit of the final accounts
- Additional audit work at closure:
 - Indicators
 - Not fully implemented projects
 - Programmes with implementation disruption
 - Irregularities and financial corrections

Preparation for closure: Overview of deadlines



Content of closure documents

- Final technical part
- Final accounts
- Management declaration and annual summary of controls
- Audit opinion and audit report

Audit opinion and audit report

- The audit opinion and audit report will cover both:
 - the final accounting year and
 - the entire duration of the programme in accordance with Article 77(5) ENI CBC Implementing Regulation.
- The audit opinion is given on:
 - The accounts;
 - L&R of expenditure declared;
 - Functioning of the MCS.

Audit of the final accounts: Russia & Belarus

1.4 Information for clearing

- For programmes under implementation disruption, the amounts incurred and paid by Russian and Belarusian beneficiaries and contractors, which have been excluded from clearing in the annual accounts submitted after the suspension of Financing Agreements signed with Russia and Belarus, will not be eligible expenditure under the concerned programme.
- This exclusion is also applicable to amounts initially accepted by the MA between 1 July 2021 and the cut-off date of the suspension of the Financing Agreements, for which no audit work could be carried out.

Specific recovery procedure for programmes under implementation disruption

- Article 14(5) Disruption Regulation allows the MA to request that the Commission takes over the task of recovering amounts when it is unable to offset them. This is possible provided that the MA is not successful in the simplified recovery attempt.
- It is sufficient for the MA to document its decision not to carry out more than one recovery attempts.
- The template of the final accounts: a specific table in worksheet 2.2 with the list of recoveries handed over to the Commission.

Audit of the final accounts

Final balance

- Article 64 of ENI CBC Implementing Regulation
- The amount of the final balance will include the unrecoverable amounts based on the provisions of Article 14 Regulation (EU) 2022/2192 on programmes under the implementation disruption.
- Overbooking is acceptable.

Unrecovered amounts excluded from the calculation of final balance

1. Responsibility lies with the Managing Authority :

- From beneficiaries from Member States
- From public entities from partner countries

2. the Commission to take over the recovery:

- From non-public beneficiaries from partner countries (in line with financing agreements)
- Amounts for which Managing Authority requests the Commission to take over the task

Calculation of final balance (draft version)

Calculation of the final balance	
EU contribution requested for clearing during the final accounting year	
EU contribution cleared during the whole implementation period (in previous accounting years)	
Unrecoverable amounts from non-public entities in partner countries (without amounts due to the implementation disruption)	
Unrecoverable amounts due to the implementation disruption (Article 14(3) of the Disruption Regulation)	
SUB-TOTAL	
MINUS	
Payments from the European Commission	
TOTAL AMOUNT OF FINAL BALANCE	

Additional audit work at closure: indicators

- Conclusion on reliability of data and its aggregation based on all audits of operations during the period and the assessment of system audits (if applicable)
- Cumulative values for output and result indicators achieved by the end of year 2023.
- For disrupted programmes: for the period of disruption, the MS reports indicators for the countries not subject to the disruption

Additional audit work at closure

- **Not fully implemented project:** the MA may reduce the grant to a project beneficiary/ies (Art 38 and 48 of ENI CBC Implementing Regulation). Such expenditure should not be declared to the Commission based on the decision of the MA.

Irregularities and financial corrections

Ongoing investigations, audits, irregularities

- MA decides at the moment of the final accounts, if expenditure subject to audits, OLAF investigations (if known) and national investigations are considered eligible or not
- Expenditure removed under ongoing assessment of L&R can be re-declared only once the MA has confirmation about its eligibility, i.e. verifications finalised by the final accounts.
- Report in the ACR about the follow-up for all audit recommendations issued during the period (issued by AA, EC, ECA), including confirmation of implementation of corrections requested by the EC

Irregularities and financial corrections

- The amounts excluded from clearance of prefinancing in the previous years due to ongoing assessment of legality and regularity can be declared in the final year only if the MA finalizes the assessment and confirms the eligibility.
- Expenditure under investigation with suspensory effect, still under investigation at the time of the final accounts, can be included in the final accounts, as it is the last opportunity to declare expenditure. The list of open judicial reviews is submitted with the closure documents.
- The AA should check that irregularities were implemented by the final accounts.

Other elements outside Closure guidelines

- RTER: no calculation of cumulative RTER (different compared to 2007-2013)

Closure 2014-2020 includes however cleaning any annual RTER that was not yet final and application of any remaining corrections.

- Additional audit work could be requested, depending on the programme, in such areas as e.g. the use of State aid advances, MA treatment of revenue generating projects, non-functioning projects.

Commission audits

- The audits planned to be carried out in preparation to closure will be tailored to the specific remaining risks.
- These ad-hoc closure audits will be carried out under one of the enquiries of the DAC depending on the risk to be addressed.

Commission audits

Focus of such Commission audits may in particular be on:

- the reliability of performance data when doubts / risks subsist
- effective use of advances under State aid
- specific eligibility rules where risks were identified during implementation
- robustness of controls carried out in case of important volumes of expenditure absorbed in the last years / months of implementation

Thank you for the attention !