
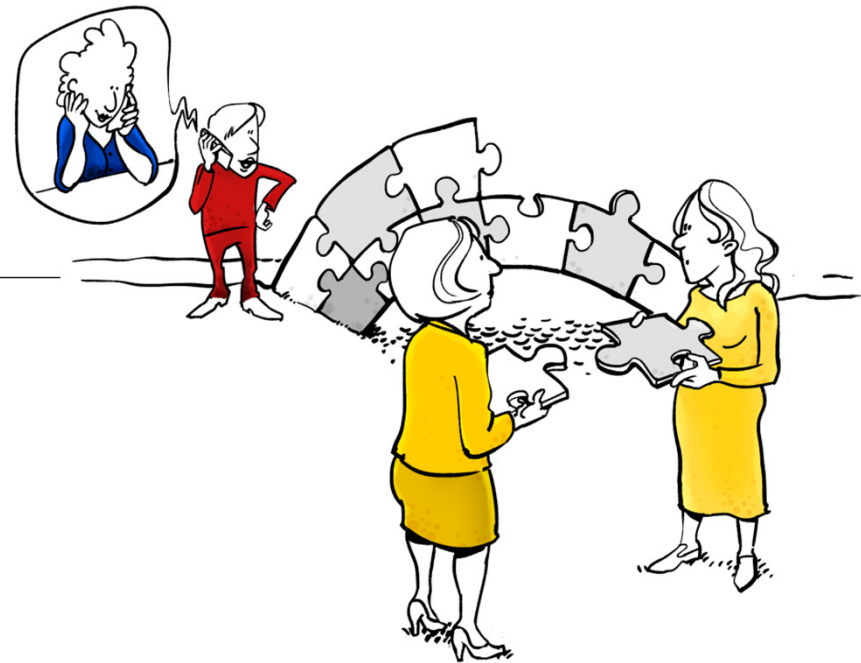


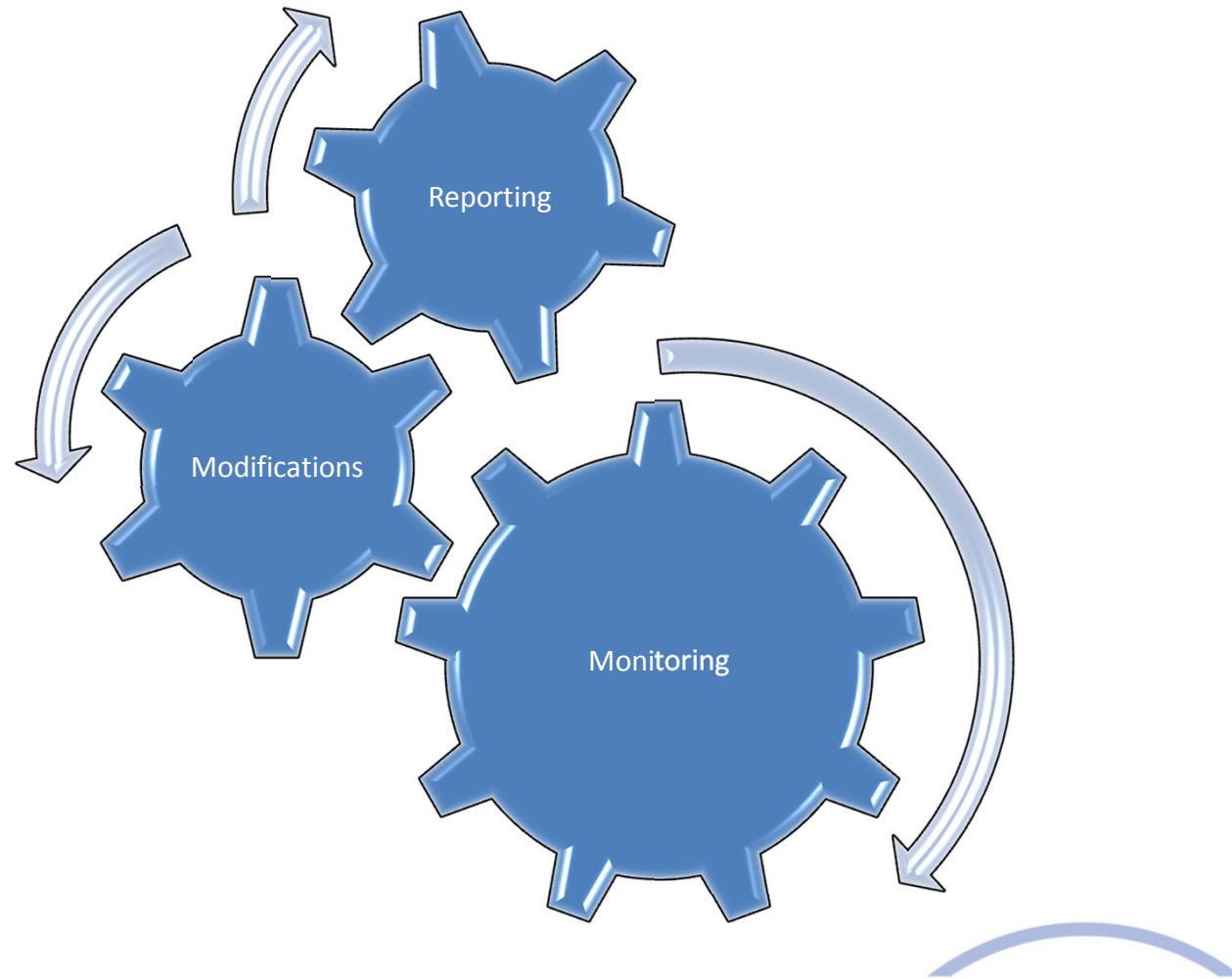
Project Implementation - Financial Management

Interreg Financial Management Camp
28 February - 3 March 2017 | Athens, Greece
 @InteractEU

Malgorzata Zdunek, Interact Programme

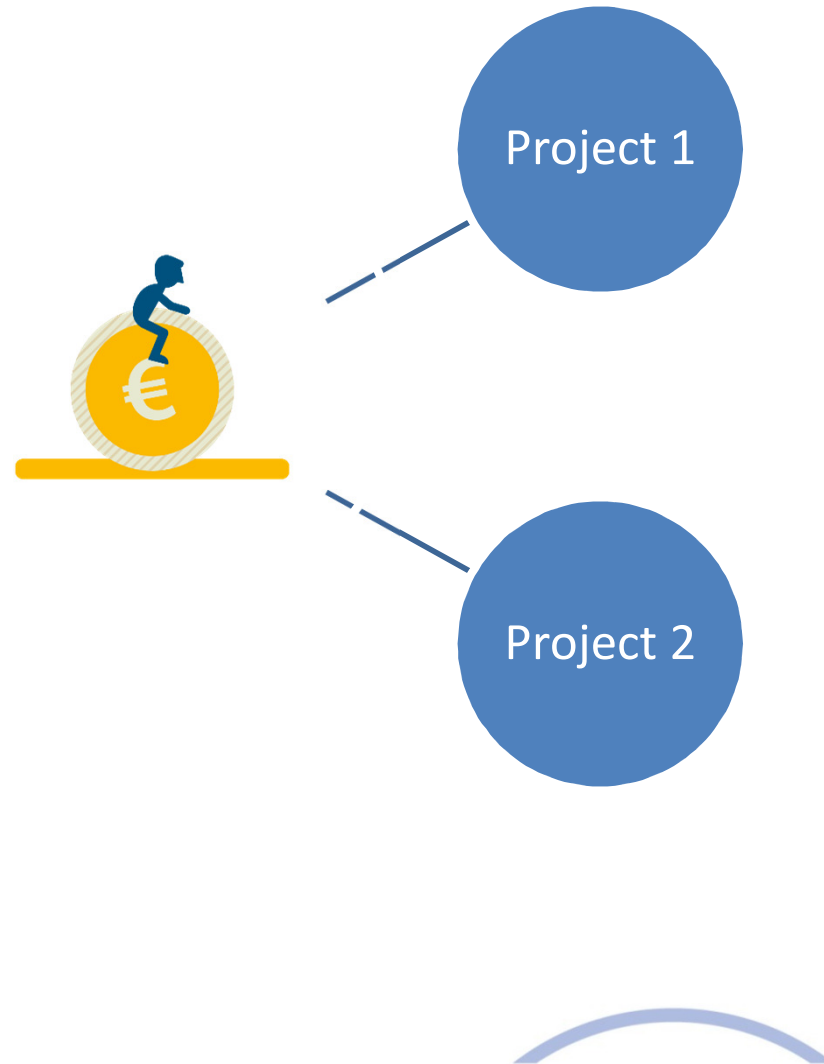


Financial management during project implementation



Monitoring

- To assure that project expenditure incurred:
 - Is in line with budget
 - Complies with the rules of eligibility
- On-going process
- Allows problem identification
- Verifies and provides transparency on the spending of public funds
- Knowledge of current situation always simplifies decisions making, especially if corrective actions are need



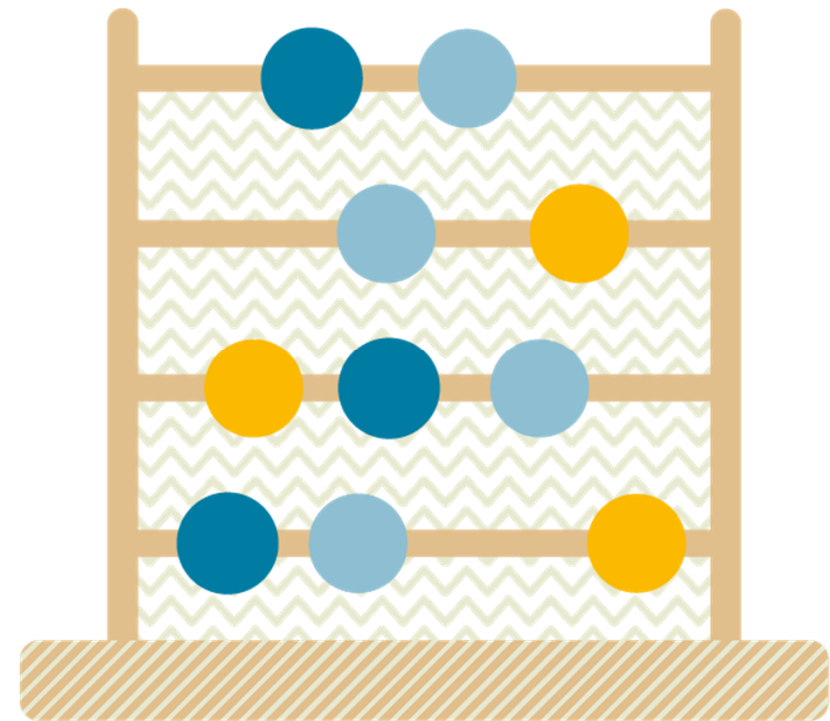
Reporting

All programmes require

- Financial content of reports:
 - List of eligible expenditures
 - Expenditures attributed to BL and WP
 - Certificate
 - Claim of total ERDF in EUR
- E-cohesion

Differs programme by programme

- Frequency
- Deadlines
- Content
- Attachments



Reporting – Lead Partner responsibilities

- Deliverables comply with content and quality requirements
- Cost as budgeted
- Determine the information needs in the partnership
- Make sure that all information available on programme reporting procedures and reporting templates is passed on to the partner level
- Provide clarification related to the information/requirements
- Making sure that the partners provide the right information in order to produce the project report
- Making sure that any feedback from the reports reaches the partners

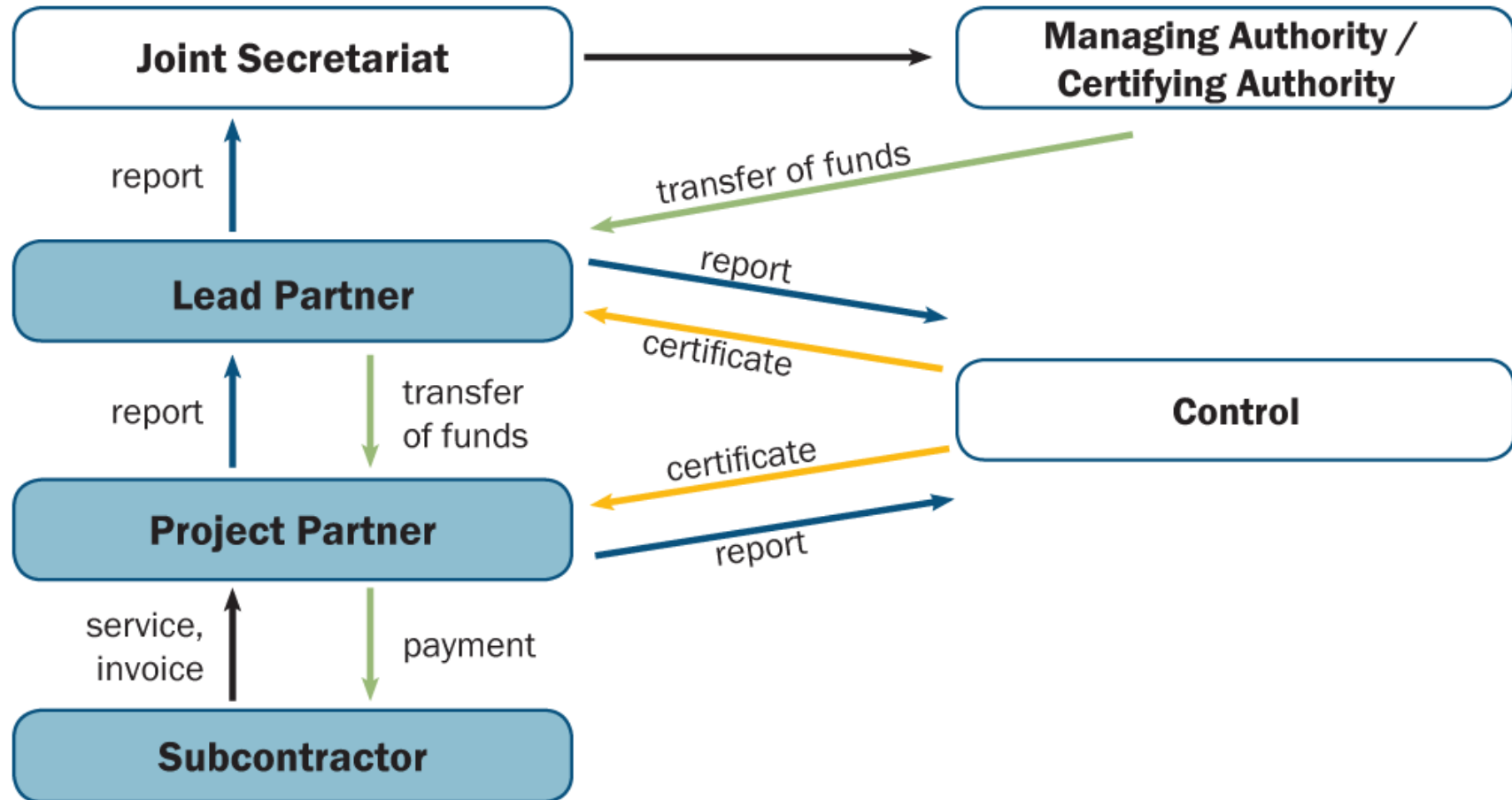


Reporting – Partners responsibilities

- Review progress of tasks on partner level
- Report to the LP/ inform about the progress
- Inform of the potential risks and problems associated with risks
- Inform about information needs and discuss them with the LP and the rest of the partnership
- Regularly exchange status information
- Present / discuss plans for next actions



Reporting process and cash flows



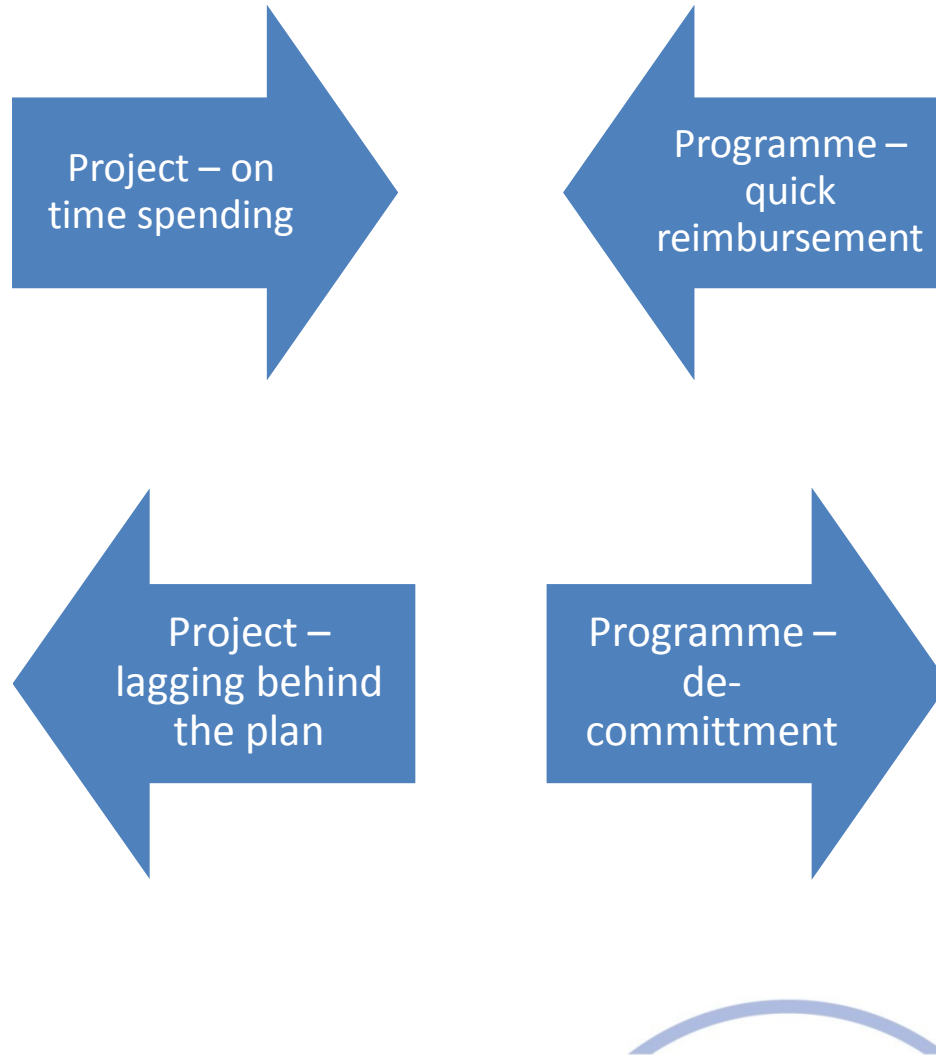
Reporting – what can get wrong?

- Queuing for verification
- Discrepancies in interpretations
- E-cohesion
- Irregularities (procurement)
- Lack of funds at programme account



Balancing the relation programme – project

“The joint secretariat shall ... assist beneficiaries in the implementation of operations.”
(ETC Regulation, Article 23.2)

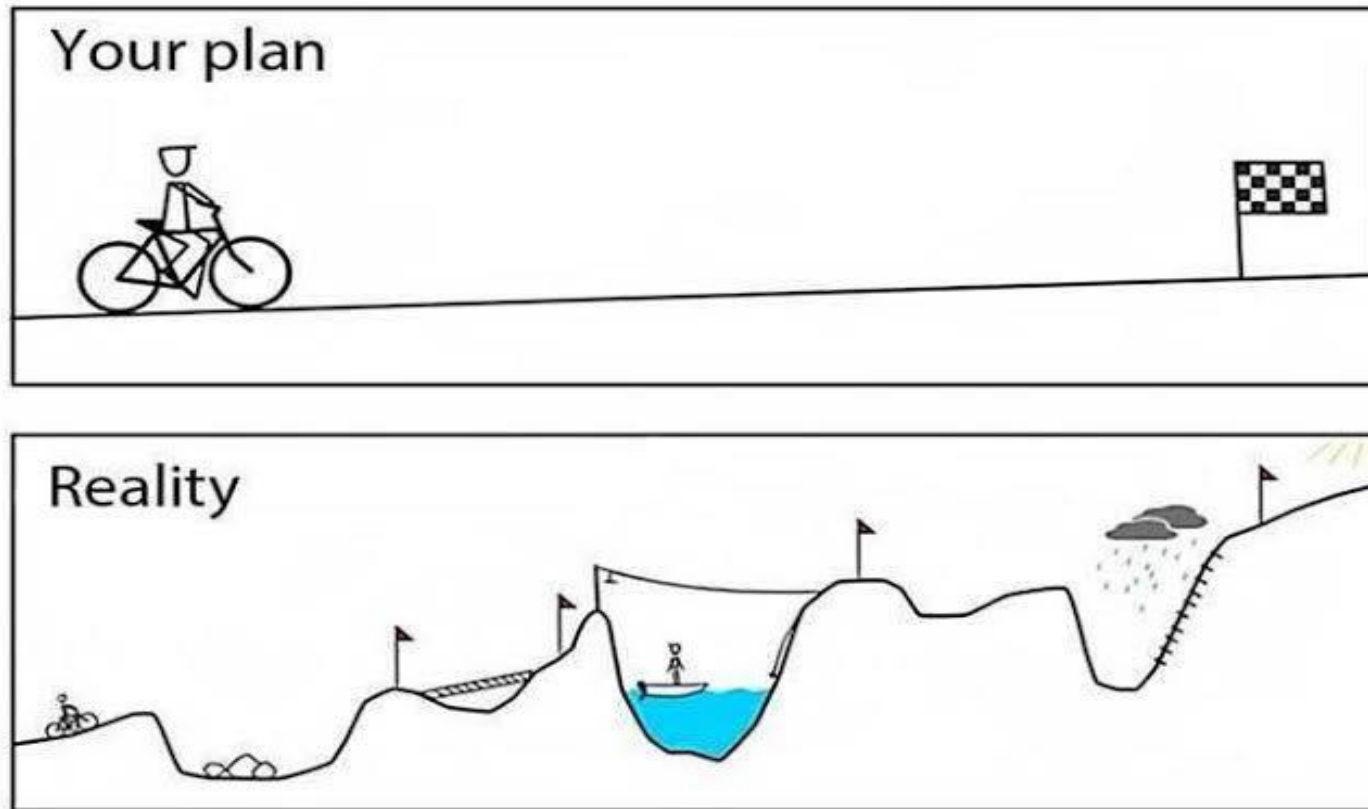


Project financial implementation warning signs

- No proper monitoring
(where is the invoice for these constructions works?)
- No clear leadership
(should we buy it now or next year?)
- Inexperienced project management
(I am not into finance – consult your accountant)
- Little communication at every level
(I did not know it is important)
- Competing priorities
(I am told to help my boss with other duties)



**Nothing goes as planned, but that is fine
provided someone controls the situation**



Project modifications and programme reactions

Modification	Programme reaction
Activity	Accepted, budget implications considered
Roles	Join implementation is not threatened
Partnership	Serious change
Outputs and results	Questioned
Time plan	Accepted, de-commitment considered
Budget	Flexibility of 10 – 20 %



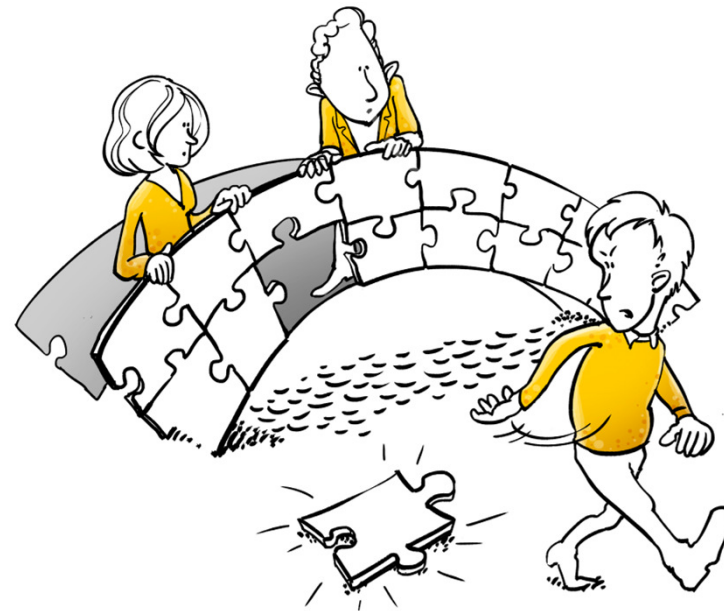
Modifications

Budget modifications:

- Budget line – Budget line
- Work package – Work package
- Partner – Partner
- Mixture of all above

Programme approval:

- Joint Secretariat
- Managing Authority
- Monitoring Committee



Questions asked by programme before modification considered

- Is it really necessary to implement this modification?
- What should be done in order to avoid this modification?
- The nature of modification (activity, partnership)?
- Who does it affect (1 partner, whole partnership)?
- Does it affect project budget?
- Does it affect project timeline?
- Is it dangerous for delivery of some outputs or results?



How to avoid modifications ?

- Define the responsibilities and procedures for day-to-day management and coordination
- Involve partner finance managers from the start
- Make sure reporting procedure is clear
- Have in place risk and quality management
- Make sure communication within partnership is smooth, open and honest



Unavoidable

Erupting volcano, fire in the office, flooded investment



Cooperation works

All materials will be available on:

www.interact-eu.net

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