

**Conclusions -  
Payment Cycle:  
Intermediate Payment,  
Final Report &  
Financial Statement,  
Audit**

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# TEN-T EA: first results after two years of autonomy

- Main simplifications, e.g.:
  - improved decision model;
  - budget break-down modifications;
  - harmonized templates;
  - improved financial analysis process.
- Main achievements, e.g.:
  - reduced backlog;
  - shorter time period required for treatment of cost claims;
  - considerably faster payments
  - overall programme execution results.



# Beneficiary's experience (1)

Vuosaari Harbour project (Finland)

- Beneficiary experience based on 3 TEN-T projects (2003, 2005 and 2006);
- Suggestions for improvement of TEN-T administration:
  - Commission guidance for data items, NOT format;
  - More reliance on national auditing;
  - Decisions more in line with procurement decisions;
  - Commission reporting requirements cumulative.



# Beneficiary's experience (2)

## Fixed Link across Fehmarn Belt

- Beneficiary experience based on 2007 MAP project
- Observations about the Payment cycle in TEN-T programme:



# Beneficiary's experience (3)

- Suggestions for improvements:
  - Uncertainty of annual commitment - “calculation tool” suggested to forecast annual commitments;
  - Timing of advance payment/first annual payment - suggestion that TEN-T EA by the start of a year gives Beneficiary information about the annual commitment;
  - Definition of the eligible cost, e.g.indirect eligible cost, application of flat rate, suggestion to publish examples.



# Beneficiary's experience (4)

- Comments regarding:
  - MAP well defined for multi-annual projects;
  - Link between ASR and payment cycle;
  - Financial statement templates;
  - Mid-term evaluation.



# Questions raised by beneficiaries

Proposed for discussion in the break out session

- Scheduling projects' financing
- Perception of administrative burden
- Audit requirements



# Scheduling of payments

## What has been done:

- Simplified templates for financial statements;
- Analysis of ASR made more efficient;
- Reminder system aimed to be established.



# Scheduling of payments: discussion

## 1. Calculation of annual installment:

- “Calculation tool” for annual commitments;
- Criteria and methodology used;
- Calculations provided to beneficiaries.



# Scheduling of payments: discussion (2)

## 2. Timing of payment

- Related to ASR cycle;
- Attempts to ammend involve risk of extra reporting.

## 3. Eligibility of financial costs

- Subject to provisions of Regulation 680/2007 and EC Funding decision.



# Scheduling of payments: conclusions

- New reporting rules, requirements and templates perceived positively;
- Payments considerably faster;
- Timely submission of ASR's crucial for the interests of both Beneficiary and TEN-T EA !!!



# Perception of administrative burden

## What has been done:

- New decision forms for 2007-2013 projects;
- New, optimized templates for interim payments;
- Increased role of ASR;
- Only minimum required information asked for.



# Perception of administrative burden: discussion

## 1. Flat rate application:

- Conditions specified in the EC Decision;
- To consider when applying with new projects.

## 2. Reporting on procurement procedures:

- In the latest templates abandoned.

## 3. Project division in activities

- Project tied to EC Decision, based on application;
- Division as addressed internally should be presented already in project application.



# Perception of administrative burden: discussion

## 4. Structure of costs:

- Direct/indirect costs
- VAT eligibility

## 5. Transfer of budget between activities/beneficiaries:

- More flexible rules for 2007-2013;
- Transfer of max 20% of total eligible cost of project;
- Issue opened about projects approved before 2007;
- When transfer exceeds the 20% - Commission decision pending.



# Perception of administrative burden: conclusions/follow-up

- Further exploit of synergies: beneficiaries' needs vs Agency' s needs
- Importance of defining everything already in application!!!
- Suggestion to TEN-T to produce guidance and informative materials for application preparation
- Ad-hoc working group suggested
- Discussions about 20% rule to be continued bi-laterally



# Auditing

## Info from TEN-T EA:

- Audit requirements foreseen by regulatory framework;
- Always working on basis of sampling method;
- Advice: have all required documents prepared beforehand!



# Auditing: discussion

## Possible improvements in auditing:

- Improve on clarity;
- Request for previous info on material to be audited;
- Reduce administrative work;
- Coordination with previous audits carried out:
  - reduce of repitive requests of the same documentation;
  - a single audit methodology applied.
- Ex-post audit instead of ex-ante
  - preference for keeping the present approach



# Wrap-up

- Right track;
- Better mutual understanding;
- Next steps – possible working group.



Thank you for your attention!

