

Interreg - IPA CBC Greece - Albania



Project funding for Greek and Albanian Beneficiaries

Managing Authority of European Territorial Cooperation Programmes
Joint Secretariat of the Interreg IPA CBC Programme
“Greece – Albania 2014 – 2020 “

www.greece-albania.eu
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The Programme is co-funded
by the European Union
and by National Funds
of Greece & Albania



Greek Beneficiaries

- ▶ The preliminary steps for the funding are

Registration at the Public Investment Programme (PIP)
(automatically done through the MIS by JS)

Appointment of the entity responsible for the account (either the beneficiary or the Regional Development Fund), the account manager and determination of the payment procedure *(done by the entity responsible for the account)*

Proposal for the incorporation of the PIP number (project/beneficiary) to the current year's PIP *(done by the JS)*

Greek Beneficiaries – Funding requests

- ▶ Are being submitted on the MIS
- ▶ Can be done at any time throughout the project duration and after the end date of the project, if needed
- ▶ Funds are available at the BoG within 1 week from the JS approval

Pre-conditions for the approval of a funding request

There is enough credit at the, in force, PIP

At least 70% of the funding already received has been paid out

The request is well justified

Greek Beneficiaries – Common problems & mistakes

- ▶ **Not enough credit on the PIP**

PIP is formulated based on estimations send by the beneficiaries and the availability of funds. In case of non availability of credits, contact with your project officer on time.

- ▶ **Funding requests have mistakes such as wrong name of the account manager**

- ▶ **Even though the requests are being approved, the payments and verifications are being done much later, causing problems to the Programme's reliability**

Albanian Beneficiaries

Receive a pre-financing



20% of the IPA contribution

The main steps are:

1. Open a Bank Account (to the Bank of Albania for public and governed by public law institutions and to a commercial bank for private organisations)
2. Submit the pre-financing request to LB
3. LB submits the pre-financing request to JS
4. JS requests the pre-financing to the Certifying Authority
5. The pre-financing amount is **credited** by the General Accounting Office of the State to **LB's bank account**
6. The LB transfers the pre-financing amount to the Albanian Beneficiary's bank account, **within 30 days** without any deductions (National Bank of Albania for public and governed by public law institutions)
7. *Especially for public and governed by public law institutions another bank account is opened to a commercial bank (2nd level bank account). Once the pre-financing is granted to the Bank of Albania the beneficiary submits a request to the MFE for transferring the pre-financing from the account at the National Bank of Albania to the 2nd Level Bank Account*

Albanian Beneficiaries

All the additional payments are directly connected to the Verification of Expenditures

1. The Albanian Beneficiary uploads its expenditures on the MIS
2. The First Level Control verifies the expenditures
3. The Certifying Authority certifies the expenditures by incorporating them to next planned Payment Claim to the European Commission
4. The 85% of the certified expenditures, reduced by ~ 29% (amortisation percentage) is credited to LB's bank account.
5. The LB transfers the IPA contribution to the Albanian Beneficiary's bank account, within 30 days, without any deductions. Any bank charges borne the LB and are eligible as long as they are foreseen at the approved project budget

Common Problems and Mistakes

Problem	Solution
<p>Delays on the transfer of the pre-financing and IPA reimbursement from the LB to the Albanian Beneficiaries</p>	<p>The LB's should proceed to any preparatory actions possible with their accounting department or any other department, before the reimbursement is credited to their bank account</p>

Common Problems and Mistakes

Problem	Solution
Delays on the transfer of IPA reimbursement from the Bank of Albania to the second level bank accounts (public and governed by public law institutions)	The Albanian beneficiaries should proceed to any preparatory actions possible, in order to be able to submit the request to the MFE for the transfer of the IPA funds, immediately after they are credited to the BoA
Lately, delays have been occurred at the transfer process from the General Accounting Office to the LB's	The JS/MA is in contact with the Certifying Authority in order to overcome this obstacle

Common Problems and Mistakes

Problem	Solution
<p>It has been recorded that some Albanian bank charge commissions for receiving the IPA contribution. Therefore, the final amounts received by the beneficiaries is deducted</p>	<p>The Albanian Beneficiaries are suggested to contact their banks and request not to be charged with any commissions (if possible)</p>
<p>The Albanian beneficiaries wait for the IPA reimbursement in order to pay their expenditures. But the IPA reimbursement is an extremely time consuming process, causing delays at the payments. Due to these delays, the implementation of the project activities is postponed. This way a vicious circle of delays begins, causing further problems at the projects.</p>	<p>The Albanian Beneficiaries must have the financial capacity to implement the projects. They must try to find financial resources in order to ensure the timely project implementation</p>

General points

- ▶ **National co-financing (15%) for Albanian Beneficiaries:** The national co-financing is ensured by each beneficiary own sources
- ▶ **VAT:** NOT eligible for all Albanian beneficiaries since it can be reimbursed
- ▶ The LB are obligated to **officially inform the Certifying Authority and the JS** regarding the transfer of the IPA funds to the Albanian Beneficiaries by sending a **formal Letter, accompanied by the relevant bank document**. Also, the LB must inform the Albanian Beneficiary for the transfer, immediately after its completion
- ▶ In case of non implementation, the **pre-financing amount must be returned in full to the programme's bank account through the LB**. The return of the pre-financing amount is a precondition for the withdrawal of a beneficiary from the project.

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Thank you for your attention!