



Länsstyrelsen  
Västerbottens län  
Managing Authority for the  
Northern Periphery Programme 2007-2013



Northern  
Periphery  
Programme  
2007-2013



Enclosure 2

## Conditions for Northern Periphery Programme funding

### Main project funding

Name of the Project:	The THING Project – Thing sites International Networking Group (THING)
Project registration number:	4.7
CAV diary number	304-6421-2009
Lead Partner:	Sogn og Fjordane Fylkeskommune
Reference :	Main
Eligible budget:	989 001.85 Euro
Total allocation:	485 378.16 Euro
Allocated fund:	<p>The Programme Monitoring Committee approved the project and total eligible cost for the project execution is 989 001.85 Euro. The Programme Monitoring Committee allocates a maximum of 485 378.16 Euros for the project's execution: 277 675.56 Euros to Member States within the programme area. However, the support may not exceed 60% of eligible costs. 83 127.60 Euros to Norway and the support may not exceed 30% of eligible costs for Norway. 61 375 Euros to Iceland and the support may not exceed 50% of eligible costs for Iceland. 63 200 Euros to the Faroe Islands from the 10% funding source for Non Member State partners and the support may not exceed 50% of eligible costs for the Faroe Islands.</p> <p>No concerns are known to the PMC regarding the capacity of the project partnership to deliver the project and meet administrative requirements.</p> <p>The applicant must note that the implementation of the project must be started within three months of the Programme Monitoring Committee decision and be finished within three months of the end date of the project.</p>

### Background

The County Administration of Västerbotten, acting as Managing Authority and Certifying Authority (MA/CA) for the Northern Periphery Programme 2007-2013, is responsible for ensuring that the programme is carried out/implemented with efficiency and correctness, and that irregularities and fraud are prevented. The authorities are, within their respective field,

responsible to the European Commission and the Swedish Government for the adherence of rules and regulations.

This document, signed by the Lead Partner, aims at informing the Lead Partner about the conditions for Northern Periphery Programme funding and at preparing the ground for an efficient and correct realisation of the project.

## **Decision**

The Programme Monitoring Committee (PMC) for the Northern Periphery Programme 2007-2013 has approved funding for the project stated above. The project description on which the PMC decision is based is found in enclosure 1. The project is in line with the objectives of the Northern Periphery Programme 2007-2013, which was approved by the European Commission on September 28<sup>th</sup> 2007. The MA has granted the Northern Periphery Programme funding. During the project period the MA and the Lead Partner are to be considered as parties to an agreement. Funding is granted only if the Lead Partner adheres to this document and all rules and regulations referred to in this document.

## **Publicity Requirements**

The Commission, in its Regulation No 1828/2006, Articles 8, 9 and Annex I, states the requirements on information and publicity measures concerning assistance from the Structural Funds. The Lead Partner and the Partners shall inform about the grant so that it is clear to the project's participants and the general public, that the project is partly funded by the European Regional Development Fund (ERDF). Detailed information on the publicity requirements is available on the website [www.northernperiphery.eu](http://www.northernperiphery.eu).

## **Publishing of lists of beneficiaries**

According to the Commission in its Regulation No 1828/2006, Art 7.2.d, the MA will publish lists of beneficiaries, the names of the operations and the amount of public funding allocated to the operations. The lists will be published electronically, or otherwise, to reach the widest possible media coverage.

## **Project budget and activity changes**

The Lead Partner has to keep the Joint Programme Secretariat (JPS) informed on how the project's activities and finances proceed. Any alterations and digressions from the decision and the project description must unconditionally be brought to the attention of the JPS, in writing and without delay.

### ***Changes in project budget***

Transfers between individual expenditure categories, without increasing the overall budget, can be approved either by the JPS, the MA or the PMC depending on the following thresholds:

#### ***Transfers between 0-40 000 Euro:***

Assessment of impact on overall project by JPS.

#### ***Transfers between 40 001-100 000 Euro***

Formal decision by the MA if no major impact on the overall project.

#### ***Transfers 100 001 Euro and larger***

Formal decision by the PMC

The same thresholds are applicable for shifts of expenditure between project partners.

*Note that all changes with major impact on overall project outcome should always be a matter for the PMC regardless of the amounts.*

### **Changes in project activities**

*All changes in project activities should always be discussed with the JPS in advance. Changes with major impact on the overall project should be requested by the Lead Partner in a standardized form and formally decided by the PMC. In the request the reasons and justifications for the changes should be clearly stated as well as a summary of the impact on project outcome.*

The Lead Partner will also be required to summarize minor changes to activities in a standardized form together with the progress report. In this form the justifications for the changes should be stated.

*Changes with major impact on the overall project can normally only be allowed once during the project lifetime.*

### **Reports and Applications for Payments**

The Lead Partner will report on project progress and apply for payment at least at the end of every six-month period. The Lead Partner and the JPS can agree to a shorter (but not longer) interval between reports. Financial information verified by the National Controllers (see section "Financial control" below) should be enclosed with every application for payment.

A final report detailing the project outcome and financial information verified by National Controllers should be submitted to the JPS within six months after completion of the project.

Guidelines and forms for reports, applications for payment and final reports are available at the website [www.northernperiphery.eu](http://www.northernperiphery.eu).

### **Lead Partner's responsibilities**

According to Art 20 in Regulation (EC) 1080/2006, Article 20 of the European Parliament and of the Council, the Lead Partner is responsible for:

- a) Establishing an agreement between the Lead Partner and the project partners on the rules of the partnership cooperation. The partnership agreement must, inter alia, include all provisions necessary to guarantee sound financial management of the funds allocated to the project, and arrangements for recovering funds unduly paid; (Template for partnership agreement is available at the website [www.northernperiphery.eu](http://www.northernperiphery.eu)).

*Please verify that a partnership agreement has been established by ticking the box below.*

Yes, an agreement has been established for the project partnership

- b) ensuring the implementation of the entire project;
- c) ensuring that the expenditure presented by the project partners has been incurred for the purpose of implementing the project and corresponds to the activities agreed between those partners;
- d) verifying that the expenditure presented by the project partners has been validated by the National Controllers;

e) transferring the Northern Periphery Programme contribution to the project partners.

In addition to these responsibilities and other obligations stated in this document, the Lead Partner undertakes:

1. to start the project according to the action plan approved by the PMC,
2. to implement the project within the time schedule stated in the approved action plan,
3. not to submit invoices concerning expenditure incurred before the starting date of eligible expenditure as stated in the main decision document. **No** expenditure incurred before the starting date of eligible expenditure will be reimbursed;
4. to inform the JPS immediately if project costs are reduced, if the project objectives, the action plan or the budget plan and financial plan on which the decision is based change, or one of the disbursement conditions ceases to be fulfilled, or circumstances arise which entitle the MA to reduce or demand repayment of the subsidy wholly or in part,
5. to comply with all regulations and documents referred to in this agreement as well as with all other applicable Commission Regulations and national legislation. Community Strategic Guidelines on cohesion and the Northern Periphery Programme 2007-2013 Document must also be complied with.

### **Financial control**

According to Article 16 in Regulation (EC) 1080/2006 of the European Parliament and of the Council, National Controllers shall be designated in each programme partner country. The responsibility of the National Controllers is to validate the legality and correctness of expenditure declared by each partner participating in the project. The check is made before submitting a payment claim to the Northern Periphery Programme and covers all project expenditure. Each project partner including the Lead Partner shall state their expenditure to a National Controller in the country where the partner operates.

For project partners within the EU but outside the territory of the Programme Partner Countries (20% flexibility rule), the Lead Partner is responsible for ensuring that the National Controller in the country concerned has access to all programme specific rules, guidelines and forms needed to make a correct validation of the expenditure declared by the partner.

For project partners operating under the 10% flexibility rule, the responsibility for the expenditure declared by the partner lies with the Lead Partner and should be validated by the National Controller for the Lead Partner concerned. The Lead Partner should ensure that the National Controller has all necessary access to any specific rules on public expenditure in the country where the 10% partner operates, in order to ensure that expenditure is certified correctly.

Additional checks on the project's expenditure may be performed by the MA/CA/JPS and the Audit Authority.

### **Payment of the Grant**

Payment of the grant is made after an application of payment has been accepted by the MA/CA. Payment is based only on eligible expenditure that has actually been paid out by the Lead Partner or one of the Partners. Sufficient public match funding must also have been paid out to the project during the project period. If national match funding is lacking, partly or in

whole, the Northern Periphery Programme funding will be reduced according to calculations based on the grant rate in the main decision document.

### **Eligible Expenditure**

The Common Eligibility Rules regulates the eligibility of expenditure in projects co-financed by the Northern Periphery Programme 2007-2013. The Common Eligibility Rules shall be applied in all partner countries participating in the Programme. By signing these Conditions, the Lead Partner assures that he is familiar with the content of the Common Eligibility Rules and the related European Commission regulations. All expenditure has to be in line with Commission Regulations as well as National legislation. Should any questions arise, the Lead Partner should contact the JPS for further information.

The Common Eligibility Rules and the EC regulations most commonly referred to can be found at the website [www.northernperiphery.eu](http://www.northernperiphery.eu) or sent from the JPS.

### **Reporting of irregularities**

According to EC Regulation 1828/2006, EU member states shall report to the Commission (OLAF) any irregularities leading to financial corrections affecting the ERDF payment by more than EUR 10 000.

### **Availability of documents**

According to Art 90 in Council Regulation (EC) No 1083/2006, all supporting documents regarding expenditure must be kept available to the Commission and the Court of Auditors for a period of three years following the closure of the *operational programme*.

All financial material and, for example, contracts, tendering documentation and publicity material related to the project shall be kept by the project partners until three years have passed after closure of the Northern Periphery Programme 2007-2013, or longer, if it is required by national rules. It shall be traceable by archive- or documentation-plans where the original documents are kept (even if the operation of the project partner is re-organised or changed).

### **Reduction, Suspension and Revocation of a funding decision**

The MA has, according to §26 in the Swedish Regulation (2007:14) on the management of structural funds, the right to review or revoke a funding decision in part or in its entirety if:

- the decision was made based on faulty, incomplete or misleading information from the Lead Partner or any of the Partners
- the Lead Partner or any of the Partners uses the grant for another purpose than that, for which it was intended.
- Any other condition occurs which causes that the Lead Partner or any of the Partners, considering the purpose of the grant, evidently should not be allowed to keep it
- The Lead Partner or any of the Partners otherwise inflicts on the conditions, rules and provisions that adhere to the grant.

### **Repayment**

If the funding decision is revoked, the Lead Partner must, according to §27 in the Swedish Regulation (2007:14) on the management of structural funds, repay the amount that has been received contrary to the regulations and the decision for funding. If it is unreasonable to reclaim the total amount, the MA can decide upon a reduction. The Lead Partner is also

required to pay interest according to Swedish law. The MA can decide upon a reduction of interest if there are adequate reasons.

### **Revenues after project closure**

*Applicable only to operations which are co-financed by the ERDF or Cohesion Fund and the total cost of which exceeds EUR 1 000 000.*

Following the provisions stated in Article 55 of Council Regulation (EC) No 1083/2006, revenues generated in a project should be estimated in advance. If this is not possible, the Lead Partner should inform the MA/CA of any revenue generated by the project within five years after project closure. Such revenues are to be repaid to the MA/CA and deducted from the expenditure declared to the Commission.

Where, at the latest three years after closure of the *operational programme*, it is established that a project has generated revenue that has not been taken into account under the section above, such revenue shall be refunded to the general budget of the European Union.

### **Durability of operations**

If the project, within five years from its completion, undergoes a substantial modification:

- a) affecting its nature or its implementation conditions or giving to a firm or a public body an undue advantage; and
- b) resulting from a change of ownership of the item funded by the ERDF grant;

the related contribution from the Funds should be repaid, in accordance with Article 57 of Council Regulation (EC) No 1083/2006.

The Lead Partner is, for five years after project completion, required to maintain a website where information, ensuring that the general public can take part of the project outcomes, is available.

### **Examination**

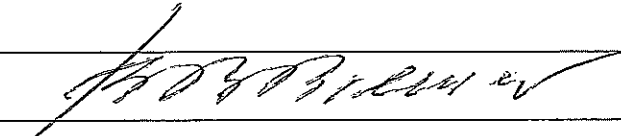
Representatives for the MA, the JPS, the PMC, the CA, the Audit Authority, the European Commission and the European Court of Auditors are entitled to examine the project and to take part of all relevant documentation and accounts of the project until three years after closure of the *operational programme*.

### **Language**

The official working language of the Northern Periphery Programme administration is English and all written communication with the JPS and MA /CA should therefore be in English.

## Signature

By signing, the Lead Partner certifies that it has taken part of the necessary conditions to realise the project with correctness, efficiency and high quality. The Lead Partner undertakes to follow all rules and regulations concerning grants from the European Regional Development Fund. By signing, the Lead Partner also acknowledges that the decision for main project funding is based on the latest version of the application submitted to the JPS.

<b>Place and date</b>
17.12.09
<b>Lead Partner Authorized signature</b>

<b>Name in clear script</b>

BJØRN BIRGER BRÆMER



Sogn og Fjordane fylkeskommune  
Fylkesrådmannen  
Askedalen 2 - 6663 Leikanger

## **Contact Information**

### **Managing Authority** for the Northern Periphery Programme:

County Administrative Board of Västerbotten

SE-901 86 Umeå

Sweden

Tel +46 (0)90 10 70 00

E-mail: [anneli.nilsson@lansstyrelsen.se](mailto:anneli.nilsson@lansstyrelsen.se)

### **Joint Programme Secretariat** for the Northern Periphery Programme:

Northern Periphery Programme, Strandgade 91, 4 sal,

DK-1401 København K

Denmark

Tel +45 3283 3786

E-mail: [niclas.forsling@northernperiphery.eu](mailto:niclas.forsling@northernperiphery.eu)

Website: [www.northernperiphery.eu](http://www.northernperiphery.eu)