



MAIN LESSONS LEARNED...

from the first reporting round with two pilot projects

To ensure your online reporting for the North Sea Region Programme is efficient, please read this short document addressing key issues.

The information is organised into the following sections:

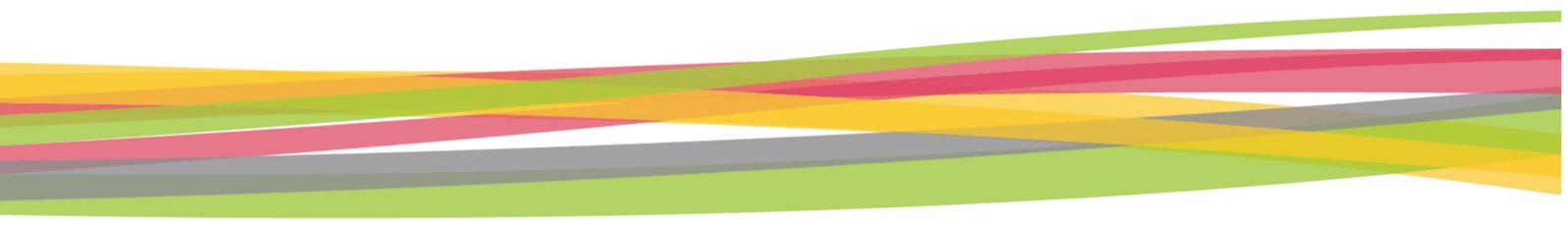
- 1 Get ready to report
- 2 Key report types and procedures
- 3 Activity Report,
- 4 Finance Report.

Please also refer to Fact Sheet 22 for further guidance on reporting.

1 Get ready to report

Before you start reporting, make sure to take the following steps:

- ✓ The Lead Beneficiary needs to invite all beneficiaries to the Online Monitoring System, and ask each beneficiary to decide who will be their Beneficiary Managing User (the person responsible for working with the Online Monitoring System. Each beneficiary can have more than one Beneficiary Managing User.) This can be started as soon as the contract has been signed.
- ✓ Every beneficiary must have a First Level Controller designated.
- ✓ Every beneficiary must have at least one Authorised Signatory approved by the Joint Secretariat to sign and submit the report. The Beneficiary Managing User is responsible for inviting the Authorised Signatory in the Online Monitoring System.
- ✓ In order to claim funding the project's partnership agreement needs to be signed. This is the responsibility of the Lead Beneficiary.
- ✓ The Online Monitoring System works best using the Firefox or Chrome browsers. We recommend downloading one of these before starting the reporting process as some of the functionalities do not work in Internet Explorer.





First Level Controller designation

- ✓ Each beneficiary must fill out the First Level Controller's contact details and the designation checklist to complete the designation process. The beneficiary will not be able to complete the process until both are done. If you are missing any relevant information, please contact your First Level Controller and ask for the missing details. The designation will not be approved if any information is missing.

Authorised Signatory Designation

- ✓ An Authorised Signatory is appointed by the management of every beneficiary and must have the power to enter into financial commitments on behalf of the organisation. The Authorised Signatory does *not* have to be the head of the organisation.
- ✓ In the reporting process the Authorised Signatory signs and submits both the finance and the activity reports. Please note that the Joint Secretariat will send a message to the Authorised Signatory and the Beneficiary Managing User (the person who invited the Authorised Signatory in the Online Monitoring System), when the PIN code for completing the Authorised Signatory designation process has been sent by post.



Please find further information about the Authorised Signatory on our [website](#) and the related FAQs.

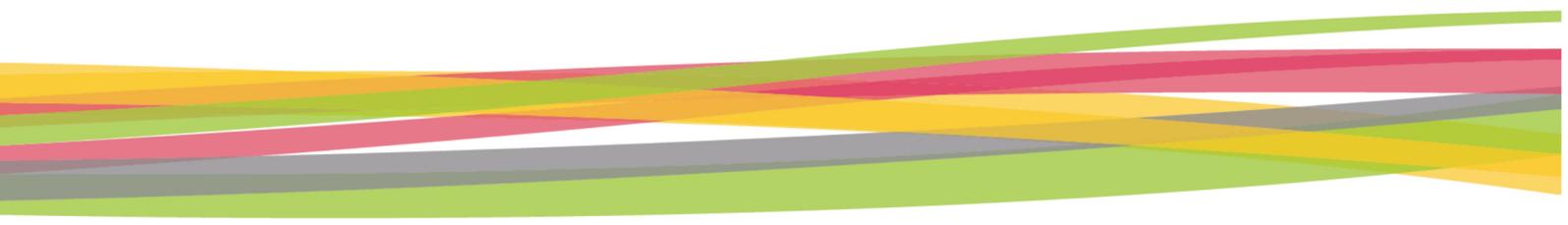
2 Key report types and procedures

Project reports include two types of reports: 1. Activity reports and 2. Finance reports. A project is obliged to report on project activities every six months, alternating between 'basic' and 'full' activity reports. The full report needs to include a finance report. However, you have the option of including a finance report with your basic activity report as well, to ensure your project cash flow.

Reporting takes place at two levels. Each beneficiary needs to produce their own reports which feed into the formal project reports. The Lead Beneficiary compiles all the information contained in the beneficiaries' reports into a project level report. The project level report then needs to be submitted to the Joint Secretariat for approval.

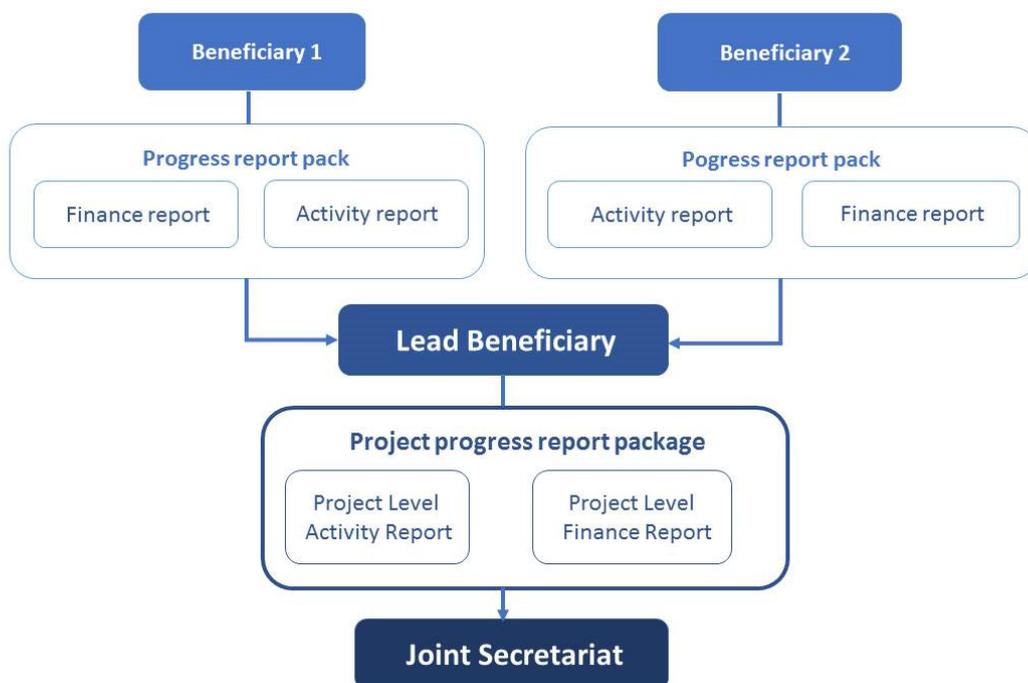
General information about the connection between activity report and finance report

If the activity report includes a finance report, please be aware that each beneficiary that is claiming expenditure needs to have their finance report approved by their First Level Controller and signed by their Authorised Signatory. Only after the finance report is completed can the Authorised Signatory sign the activity report and then send the whole report package (activity + finance) to the Lead Beneficiary.



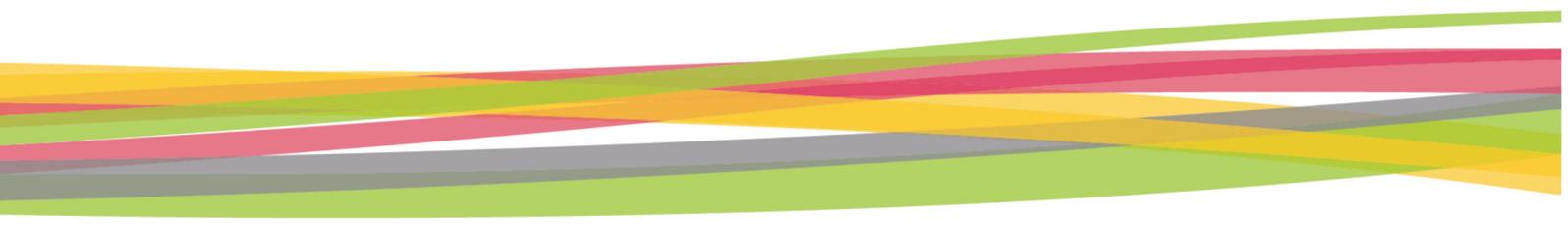


The key steps and main process are outlined the figure below.



3 Activity report

- ✓ Responsibility for organising the reporting process within the partnership lies with the Lead Beneficiary. Practically speaking this means that the Lead Beneficiary decides which aspects of each report need to be filled out by which beneficiary in order to get all the information needed to draft the project level report. The beneficiary reporting form in the Online Monitoring System is a tool that can be used by each beneficiary. It is up to the Lead Beneficiary to decide which information needs to be collected from which beneficiaries in order to describe what the project has accomplished within the reporting period.
- ✓ Many fields are therefore optional for beneficiaries and the Lead Beneficiary will instruct each beneficiary on which must be completed. Mandatory fields are highlighted in the system and must be completed before you can submit the report.
- ✓ Each beneficiary's report is for the Lead Beneficiary's use only. The Joint Secretariat will not read or consider individual beneficiaries' reports. Please follow your Lead Beneficiary's instructions on what to fill out and to what level of detail.





- ✓ At the beginning of the activity report there is a 'highlights of main achievements' section. The project level 'highlights' section of the report is mandatory, will be made public and may be sent to the European Commission and other key stakeholders. It will not be edited, so please ensure that the text is free of spelling errors and is ready for public view. While the beneficiary level 'highlights' section is not mandatory, we highly encourage you to fill it in as a way of summarising your general progress during the reporting period. Your input to the project level report matters!
- ✓ Please make sure that the project level report only includes attachments that are relevant for the project's progress. For example, the Joint Secretariat is not interested in meeting notes of your internal meetings, but if project leaders have met with government officials to discuss the policy implications of a project activity we would be interested in the minutes from such a meeting. In other words, please send us documents that provide evidence of content level achievements made. This can include, but is not limited to, project deliverables such as studies, reports/strategy papers, political agreements, adoption of new processes, new standards, new tools, number of solutions tested – either through physical testing or piloting of new approaches with target groups. Upload documents that confirm major and crucial decisions, milestones or major conclusions. If you have more than one document you would like to upload, please put them together in a zip folder and upload the folder. Please remember that less is sometimes more!

4 Finance report

- ✓ If you do not have any expenses to report in a given period, then you are required to fill out the mandatory text box under the Expenditures tab 'Explanation for No Reported Expenditure'. By filling out this box, you bypass the First Level Control verification process and only your Authorised Signatory needs to sign the activity report in order to submit both reports (activity and finance) to the LB. *This means that no First Level Control check is necessary on beneficiary level if the beneficiary is claiming €0.* Please see Fact Sheet 22 for more information about this.
- ✓ For each budget line where expenditure is more than €0 you will need to upload a list of items of expenditures as an attachment. This should be easily available from your accounting system (this is a regulatory requirement). It is important to note that the total amount for each budget line should correspond *exactly* (to the nearest EUR, rounded down) to what is claimed in the finance report. If any total in your claim includes cents you must always round down to the nearest EURO. For example, if your total staff costs are €9.99 you must enter €9.00. This is because you cannot enter amounts in cents in the system and it is never possible to claim more expenditure than you have incurred (even if it is only 1 cent).
- ✓ If you are operating in a currency other than Euros, please make sure that your attachment/annex for the budget line clearly identifies how your exchange rate has been calculated. Please see Fact Sheet 10 for information about where to get the official currency conversion rate at the time of reporting.



- ✓ Reporting expenditure outside of the Programme Area: Please note that ALL expenditure needs to be reported within the Expenditures section regardless of the location of the expenditure. If any portion of a beneficiary's total expenditure has taken place outside programme area this *also* needs to be included in the 'Outside the Programme Area' section. The expenditure will *not* be double counted. See Fact Sheet 18 for an explanation of what 'outside the programme area' means in this connection.
- ✓ When you first start your finance report and enter any amount of expenditure, for example under investments, equipment, the main expenditure tab etc. - you will get an error message saying that the total reported expenditure is not equal to the total reported funding. This will be the case until you fill out the funding session *after* all other sections have been completed.
- ✓ The programme match funding must be equal to beneficiary match funding (50%/50%). If a budget line total ends in an uneven number you can expect that the bigger amount will be taken to the beneficiary match funding. If the total budget is, for example, €15,001 the ERDF funding will be displayed as €7500 and the match funding will be displayed as €7501.
- ✓ Investments and Equipment section – you will only have the possibility to report expenditure if you have indicated items for these budget lines in your application.
- ✓ If deductions are made by the First Level Controller and there is no explanation for the deductions, it is your responsibility as the beneficiary to reject the audit report and instruct the First Level Controller to fill in the necessary details. No claim for expenditure will be accepted by the Joint Secretariat unless *all* deductions are explained.
- ✓ As stated in Fact Sheet 24 the First Level Controller of the individual beneficiary carries out the first level control. In addition to this the First Level Controller of the Lead Beneficiary has one more role to perform as he/she checks that there is a First Level Controller certificate in place for the expenditure reported by each partner. The purpose of this exercise is to ensure that first level control has taken place. The First Level Controller of the Lead Beneficiary does not re-control any of the expenditure incurred by other beneficiaries as this would be double work.
- ✓ As Lead Beneficiary you will have to ensure that the expenditure reported by all beneficiaries' results from implementing the project and corresponds only to the activities agreed between the partnership and laid out in the approved application. This means that you go through the activities described in the activity report by each beneficiary and see if anything sticks out. The purpose of the exercise is to ensure that your partnership is moving in the right direction. It is not something which involves your First Level Controller as all costs have already been subject to first level control.