



**Innovation and Networks Executive Agency**  
Connecting Europe Facility (CEF) Department

## **PRACTICAL TIPS FOR DRAFTING THE FINAL REPORT FOR BENEFICIARIES OF CEF GRANTS**

### **GENERAL REQUIREMENTS**

In line with the Grant Agreement article II.23.2.2, the beneficiary has to submit a final report within a specified deadline<sup>1</sup> following the end date of an Action, using the template provided on INEA's website (<https://ec.europa.eu/inea/en/connecting-europe-facility/useful-documents-and-forms> for CEF-Transport and CEF-Energy and <https://ec.europa.eu/inea/en/connecting-europe-facility/cef-telecom/beneficiaries-info-point-for-CEF-Telecom>). The report should present factually the status of implementation of all activities of the funded Action and highlight all deviations from the latest Grant Agreement in force.

This report is the key element for INEA's final assessment of the Action's implementation as well as the eligibility of costs submitted in the request for payment of the balance. This assessment is part of the INEA ex-ante controls which are carried out before closing an Action and proceeding with the payment of the balance.

INEA may reject ineligible costs and pay only parts of the funding or even reject the final cost claim entirely, if the information provided in the final report is not of sufficient quality or if its assessment has led to doubts with regards to the Action's level of completion, fulfilment of requirements (in terms of procurement, environment, technical standards and publicity of EU support) and/or achievement of objectives (see also Grant Agreement article II.25.4).

Since a final report shall describe the Action's actual implementation and the eligible costs incurred, it should not merely copy the Grant Agreement or a preceding Action Status Report (ASR), where applicable<sup>2</sup>. The Grant Agreement is defining what is foreseen to be done in the future and part of the ASR too, therefore the text in these two documents should not replace the text in the final report.

All measures and activities implemented in the course of the Action have to be sufficiently described and, as appropriate, backed up with relevant milestones, deliverables and other means of verification. All explanations on the level of completion, even if they had already been provided earlier, e.g. in the ASR, have to be presented in sufficient detail in the final report. Beneficiaries are invited to provide feedback on any lessons learnt and are also encouraged to submit supplementary information in the form of pictures, reports, tables, certificates, links to website and social media or other as annexes to the report.

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<sup>1</sup> These deadlines are set to 12 months for CEF-Transport and CEF-Energy and 60 days for CEF-Telecom.

<sup>2</sup> ASR are not applicable for CEF Telecom Actions

## **ADDITIONAL REQUIREMENTS**

- **ACTIONS WHICH ARE PART OF A GLOBAL PROJECT (CEF-Transport) / PROJECT OF COMMON INTEREST (CEF-Energy) (PART 2.3 OF THE FINAL REPORT)**

Actions may constitute a follow-up Action in the context of a Global Project / Project of Common Interest which may previously have received EU funding, with activities related to the same interventions or location. In such cases, the final report has to clearly distinguish the technical and financial cut-off between the already closed Actions and the current Action at the stage of final payment.

Furthermore, the activities of the reported Action shall be described in the context of the Global Project / Project of Common Interest and explain how they build on the results achieved under the previous implementation phase(s). There shall not be any ambiguity about which activities and respective costs belong to the Action being reported and which are outside the scope of the grant in question.

- **ACTUAL IMPLEMENTATION AND TECHNICAL COMPLETION (PART 2 OF THE FINAL REPORT)**

The final report shall describe in sufficient detail the actual implementation of the Action (by activity), both from a technical and a financial perspective, ideally by following the order of activities as defined in the latest Grant Agreement in force. It has to establish a clear link between the implemented activities and the objective of the Action and explain how the individual activities have contributed to achieving this objective.

The final report shall provide information on whether the implementation ran according to the latest Grant Agreement in force, if any problems were encountered, if changes to implementation plans were necessary, if delays occurred and were mitigated according to the risk analysis and, most importantly, if the activity was completed fully or only partially. In all instances the actual completion date of the Action, including for each activity and milestone should be provided. If the actual completion date is planned beyond the date of the submission of the final report, the latter should be used as a 'cut-off' date in parts 2.1 and 2.2 of the final report, but the actual completion date (i.e. when 100% technical completion will be reached) should be mentioned in part 2.4 of the final report. In case the Action will never be fully completed, explanations should be provided in parts 2.3 and 2.4 of the final report.

The technical completion rate (%) should be calculated on the actual completion date or at the latest by the date of the submission of the final report. Some examples for the transport and energy sectors, where the deadline for submitting the final report is one year after the end date:

- the Action was planned to end on 31/12/2017 as per the latest Grant Agreement in force, however, was fully completed only on 30/06/2018; hence the Action's technical completion rate is 100% in the final report which has to be submitted no later than 31/12/2018;
- the Action was planned to end on 31/12/2017 as per the latest Grant Agreement in force, however, will be fully completed only on 30/06/2019; hence the Action's technical completion rate is less than 100% in the final report which has to be submitted by 31/12/2018 at the latest.

Detailed guidance and illustrative examples on the calculation of the Action's technical completion rate are available in the INEA's website - [Information note for Actions with poor, partial or late implementation](#).

Eligible costs are only those which were incurred during the eligibility period as defined in article 2.2 of the latest Grant Agreement in force. Some examples for the transport and energy sectors:

- The start and end dates of the Action as per the latest Grant Agreement in force were 01/01/2015 and 31/12/2017 respectively. The Action was fully completed by 01/06/2018. The technical completion is 100% for the Action in the final report which has to be submitted at the latest by 31/12/2018. Only costs incurred between 01/01/2015 and 31/12/2017 are eligible.

- The start and end dates of the Action as per the latest Grant Agreement in force were 01/01/2015 and 31/12/2017 respectively. The Action will be fully completed only by 01/06/2019. The technical completion is therefore less than 100% for the Action in the final report, which has to be submitted at the latest by 31/12/2018. Only costs incurred between 01/01/2015 and 31/12/2017 are eligible.

In all cases of partial completion, the degree of completion of the Action shall be indicated in quantitative terms (e.g. 84%) and clearly explained, including what exactly has not been done and what are the costs involved (what costs were planned but not used for these not completed tasks). This percentage figure shall be calculated based on the activity's technical completion and aggregated at the level of the Action. In both cases, the method used to obtain these figures shall be explained in the final report.

In its assessment of the final report INEA will scrutinize both the indicated percentage of the technical completion rate (%) at Action and at activity levels as well as provided justification for the completion rate and calculate the degree of completion at Action level on the basis of the weighted degree of completion per Activity. It is to be noted that partial completion does not necessarily lead to a corresponding EU grant. In specific cases, according to the GA in force, only full completion will lead to payment of the EU contribution, e.g. under CEF Transport, in ERTMS the authorisation is required.

Due account shall also be given to the milestones and deliverables as stipulated in the latest Grant Agreement in force. Means of verification to demonstrate the achievement of the activities shall be provided at any time upon request of INEA, and/or attached to the report in electronic format unless already provided at an earlier stage. For CEF Telecom actions, the achievement of the validation/conformance test to confirm interoperability or compliance with a Core Service Platform (foreseen in the form of a milestone) should be provided in the Final Report.

- **TENDERING AND PROCUREMENT (PART 5.2 OF THE FINAL REPORT)**

An analysis of tendering and procurement relevant for the Action shall also be covered in the final report (public tendering or best value for money). Particularly in cases deviating from standard procurement rules, detailed information about the actually applied procedures shall be provided to justify the approach taken. Concerning contract management, large or repetitive contract amendments going beyond the initial contract values shall be flagged for INEA's attention, in particular for works contracts. Furthermore, cases of procurement procedures implemented by one beneficiary on behalf of another also need full justification and explanation.

- **TECHNICAL COMPLETION JUSTIFYING ELIGIBLE COSTS (FINANCIAL STATEMENT AND PART 2.4 OF THE FINAL REPORT)**

The correspondence between the technical completion of each activity and the costs reported in the financial statement shall be clearly demonstrated. Any deviations from the estimated cost at activity level shall be explained, including cost overruns and/or cost savings. Any significant discrepancy between the technical and the financial progress of the Action shall be addressed and duly explained.

The technical description needs to be sufficiently detailed so that for any cost item declared in the financial statement a direct linkage to the respective activity can be established. In case the above is not met, INEA will not have the necessary assurance that the costs were

incurred for the implementation of the Action and will reject those not deemed to be covered by the Action's description in the latest Grant Agreement in force.

## **CONCLUSION**

The final report shall address in specific and accurate terms what actually happened during the Action's implementation period. The description shall be comprehensive, clear and sufficiently detailed. Only on this basis, INEA will be able to process the payment request of the Action. If the report is poorly written and/or does not go beyond the information already provided in the latest Grant Agreement in force and/or the ASRs (if applicable), INEA may not be able to conclude a satisfactory assessment of the eligibility of costs which may lead to partial or complete rejection of costs.

This document is without any prejudice over the rights and obligations laid down in the individual Grant Agreements.