

**FACTSHEET**

## Interreg IPA CBC Italy–Albania–Montenegro Programme

### PROGRAMME MANUAL

#### *4.7 Project changes and eMS procedures*

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## Introduction

Projects are implemented according to the approved application form (AF), which is a binding document. During their implementation, however, projects might face the need to modify some elements to adapt to actual developments.

The Project can be modified only during its implementation period and the modification should not affect the basic purpose of the Operation, the grant award decision or be in contrary to the equal treatment of applicants.

Interreg IPA CBC IT-AL-ME Programme has defined standardised rules for changes of approved projects (article 8 of the subsidy contract). This factsheet provides guidance on the type of changes allowed within an approved project and the relevant steps and procedures to be followed. Projects are invited to take contact with the JS in case questions arise or further guidance is needed.

Keep in mind that all project modification is managed through eMS Platform.

The system allows the JS and the Lead Partner to initiate project modifications. The JS is allowed to initiate modifications at all times and the LP only after the project is in the status 'contracted'. Once the modification is initiated and allowed by the JS, the LP can modify the application form. All modifications need to be consulted with the JS and major modifications need to be approved by MA and/or JMC. After the modification is approved, a new version of the AF is generated, becoming the new valid application form. All the previous versions are stored and are accessible at all times in the project history section.

### 1.1 WHO CAN INITIATE A MODIFICATION?

Modifications can be initiated by a programme authority (e.g. JS, JMC) or by the LP. Furthermore, modifications are initiated automatically if a project is 'approved under conditions' (after JMC decision).

**Approved under conditions:** Applications approved under conditions in the 'Funding Decision (JMC)' interface are automatically re-opened for modifications by the LP. The following workflows are initiated:

- Approval under conditions opens request for modification -> LP modifies AF -> JS approves modification -> new version of the AF is generated.
- or
- Approval under conditions opens request for modification -> LP modifies AF -> JS requests further modifications -> LP modifies AF -> JS approves modification -> new version of the AF is generated.
- or
- Approval under conditions opens request for modification -> LP modifies AF -> JS rejects modification -> project status is changed to Rejected and project is archived.

For information on modifications initiated when applications are approved under conditions, please refer to the FACTSHEET "3.2 eMS user manual- Contracting procedure".

**Programme Authorities:** Can initiate a modification by pressing the 'request modification' button in the project view. The JS user is then asked to enter information about the requested modification into a user interface. Saving directly opens the Application Form for the LP to be edited and informs the LP about the requested modification. The following workflow are initiated:

- JS requests modification -> LP modifies AF -> JS approves modification -> new version of the AF is generated.

*or*

- JS requests modification -> LP modifies AF-> JS requests further modifications -> LP modifies AF -> JS approves modification -> new version of the AF is generated.

*or*

- JS requests modification -> LP modifies AF -> JS rejects modification -> AF remains not changed and no new version of the AF is generated.

**Lead Partner:** Project LP can request a modification by pressing the 'request modification' button. The LP is then asked to enter information about the intended modification into a user interface. Saving, informs the JS about the request. JS can then approve the modification request and open the Application Form for editing by the LP or reject the request. The following workflows are initiated:

- LP requests permission to modify -> JS approves request for modification -> LP modifies AF -> JS approves modification -> new version of the AF is generated.

*or*

- LP requests permission to modify -> JS approves request for modification -> LP modifies AF -> JS requests further modifications -> LP modifies AF-> JS approves modification -> new version of the AF is generated.

*or*

- LP requests permission to modify -> JS approves request for modification -> LP modifies AF -> JS rejects modification -> AF remains not changed and no new version of the AF is generated.

## 1.2 WHEN CAN A MODIFICATION BE REQUESTED?

The eMS handles different ways to reopen already submitted applications:

- Via **modification requests**. This is the only way to generate a NEW VERSION of the AF and can be done at any stage of the programme implementation before the project status is set to 'Finalised'. After the finalization of a modification, the old version of the AF is archived and a new one is created and becomes the valid application form. This process is described in detail below.
- Via re-opening the **attachment upload section**. This opens the attachment upload section for further uploads by the LP. The rest of the application form remains closed. No new version of the AF is generated but it is easily traceable which attachment was uploaded.

A modification request can be asked for according to the following:

- A modification request is automatically opened after an application is '**approved under conditions**' (See Factsheet 3.2 eMS User manual – Contracting procedure)
- **Programme authorities** can open modification requests at any time after a project has been approved or approved under conditions.
- **Lead Partners** can request modifications after the project is in the status "contracted". Before that stage it is not possible for LPs to request any modifications.

#### WARNING

No authority can request modifications for projects which are finalized or archived. It is always the last valid AF which is a subject to modification request, not the initial one! It is not possible to initiate a modification request (neither by programme authorities nor by LP) if a previous modification is not finalized (i.e. approved or rejected by JS).

### 1.1 TYPE OF MODIFICATIONS

Changes during the project implementation are allowed, as long as the maximum amount of funding awarded is not exceeded, if provisions related to State aid discipline are respected and if they follow the conditions and procedures as set out in this factsheet.

Any change should be targeted at ensuring the best project performance. Depending on their focus the following type of changes may occur:

- Partnership changes;
- Budget changes;
- Extension of project's duration;
- Content changes.

Modifications can be distinguished among:

TYPE OF MODIFICATIONS	DESCRIPTION	REQUIRED ACTION
Adjustments	minor adaptation or modification of the format of activities or deliverables or adjustments in partner budget section.	Reported in the progress reports
Minor Changes	elements which can be implemented within a certain range of flexibility, but which need to be processed into eMS, updating the AF.	Notified to JS/MA
Major Changes	changes which concern a core element of the project and require a formal request for change to be submitted to the JS/MA and the prior approval by the relevant programme bodies.	approved by MA/JMC

The basis for the project changes is the latest approved AF.

**Request for amendment is to be made in writing by Lead Partner for major as well as for minor changes.** The Request must be justified either by circumstances specifically related to the implementation of the Operation or by changes of external circumstances.

A Request for budget reallocation is to be accompanied by a separate justification for each altered budget line.

Any non-authorised or non-notified modifications of the content of the approved AF going beyond the flexibility limits allowed by the programme lacks legal value and is therefore void. As a consequence, any **expenditure linked to it becomes ineligible.**

#### **WARNING**

**Modification of activities considered as STATE AID relevant, for which contractual provisions apply, must be authorized by the programme bodies, even if minor.**

**The adjustments that could modify substantial elements of the Application Form (such as objectives, results, activities, etc.), or that in any case generate effects on the project, must be notified and previously authorized by the JS. Anyway, in case of situations that present themselves as dubious or seem to be faced uncertain interpretation it is peremptory to inform the JS that it will proceed to the appropriate evaluations.**

## **1.2 ADJUSTMENTS**

The adjustments concern minor adaptation or modification of the format of activities or deliverables or adjustments in partner budget section.

The adjustments have to be reported as “deviations” to the JS either within the periodic progress reports - section “Problem Section Justification”.

The progress report has to include a justification of such minor changes compared to the approved AF, an explanation on their consequence on the project’s implementation and, if applicable, the solution agreed within the partnership on how to tackle them.

In order to clarify the nature of the change, the LP may contact the JS for advice. Based on this information, the JS will advise how to proceed. In case of adjustments, the **LP do not need to start any modification request in the eMS.**

Typologies of adjustment are reported in the sections below:

## WORKPLAN/PARTNER BUDGET ADJUSTMENTS

MODIFICATION	REQUIRED ACTION	RESTRICTION
Minor adaptation of the timeline of activities, deliverables or outputs		<ul style="list-style-type: none"> <li>The modification <b>must not</b> affect the project intervention logic (e.g. project main and specific objectives and results, or <b>project outputs indicators exceeding 30%</b>)</li> <li>The modification must not change the nature, quantity and use of the planned outputs</li> </ul>
Small Modification of format of activities or deliverables (e.g. postponement of a planned workshop, merging of deliverables, adjustment of scope of deliverables etc.)	<ul style="list-style-type: none"> <li>To inform the JS in advance by email</li> <li>To report the modification as deviation in the related WP of the progress report — section “Problem Section Justification”, providing the necessary justification</li> </ul>	
Change of Work Package Leader		N/A
Change in partner budget section (Sub budget lines modification or aggregation within the same WP: description, unit type, period, number of unit, price per unit)		<ul style="list-style-type: none"> <li>The budget per WP and BL cannot be increased</li> <li>No modification of total budget line per WP is allowed</li> <li>No modification of the chosen reimbursement option (real costs/flat rate) is allowed</li> </ul>

### 1.3 MINOR CHANGES

Minor changes are modifications of the operation which do not have a significant impact on the operation's implementation, **but which need an updating of the AF in the eMS**.

They may concern administrative/management issues (such as changes of contact details, bank account, etc.) as well as budget shifts among budget lines or WPs up to 15% of the partner's total budget.

Minor changes do not need approval by the JMC, but the LP must notify them to the JS/MA before their processing into eMS.

The LP shall keep an accurate and real-time rank of the project implementation, in order to timely identify the need for a project change. It is **therefore strongly recommended to seek advice and guidance from the JS** as soon as the risk of a deviation is identified by the LP. The JS will help in clarifying whether the needed modifications are minor or not.

Minor changes are limited to the following:

- Modification of administrative elements
- Budget flexibility up to 15% of the partner's total budget

### 1.3.1 Modification of administrative elements

The LP has to inform the JS by email on the change of administrative informations; the JS will then analyse the modification request and, if applicable, the LP will open the respective section “modification request” in the eMS (§ 1.5.2). The LP will then be able to update the information in the eMS. Further details on the modification of administrative elements are provided in the table below.

#### ADMINISTRATIVE CHANGES

MODIFICATION	REQUIRED ACTION
Change of legal representative of the LP/PP	<ul style="list-style-type: none"> <li>To update either the partner section or the supplementary information section of the AF in eMS</li> <li>To upload relevant supporting documents in eMS (eg. in case of change of the legal representative of the LP/PP, it is necessary to submit the updated Statement (Annex A) of the concerned partner, signed and completed with the linked documents, as required in the related application procedure)</li> </ul>
Change of contact data of the LP/PP	
Change of contact data of the project (eg. Project manager, communication, financial)	
Change of LP/PP name without impact on its legal status	
Change of bank account of the LP	

Any modification linked to or affecting the legal status of the beneficiary institution is to be regarded as a major change and it has to be managed following provisions included in § 1.4.

### 1.3.2 Budget flexibility up to 15% of the amount originally budgeted

The budget laid down in the approved AF should be as precise as possible. However, during the project implementation the LP might need to adapt the financial plan to the actual project execution status.

The LP has to inform the JS by email on the budget change; the JS will then analyse the modification request and, if applicable, the LP will open the respective section “modification request” in the eMS (§ 1.5.2). The LP will then be able to update the information in the eMS.

Budget flexibility requirements applied by the Programme regard budget shifts among budget lines and work packages, as specified below:

#### BUDGET FLEXIBILITY

MODIFICATION	REQUIRED ACTION	RESTRICTION
budget shifts among budget lines and/or work packages up to 15% of the partner's total budget	<ul style="list-style-type: none"> <li>To open the eMS procedure “modification request” (cfr § 1.5.2) and inform the JS in advance on upcoming changes, as the modification shall be</li> </ul>	<ul style="list-style-type: none"> <li>The IPA contribution to the operation cannot be increased</li> <li>The nature, quantity and use of planned investments (See <i>Factsheet 4.10</i>) cannot be changed</li> </ul>

	<p>notified to the MA</p> <ul style="list-style-type: none"> <li>• To update an excel tool provided by the JS for checks and monitoring issues<sup>1</sup></li> <li>• to update the AF into the eMS accordingly</li> </ul>	STATE AID contractual conditions setting threshold to the budget granted to beneficiaries may limit the application of the budget flexibility rules
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Exceeding the budget flexibility limits without prior notification to the relevant programme bodies will result in the ineligibility of the amount exceeding the thresholds<sup>2</sup>.

It is responsibility of the LP to monitor project expenditures in order to ensure the respect of the budget flexibility thresholds. Thus, any expenditure carried out at PP level exceeding the overall budget availability of the respective PP as well as the allocation per BL and WP should be duly monitored and checked by the LP.

Partnerships should be aware that any minor change procedure has to be launched at latest 60 days prior the project relevant reporting deadline. In case of more requests of minor budget changes, the cumulative percentage of different requests should be under the abovementioned thresholds (15%).

As regards the STATE AID assessment performed by the Programme and linked contractual conditions please see *Factsheet 4.6 State Aid*.

## 1.4 MAJOR CHANGES

**MAJOR CHANGES** include any deviation from the latest approved AF going beyond the flexibility limits applicable to “minor changes”, as detailed in the §1.5.

Any major change must be previously approved by the relevant programme bodies (MA/JMC). Major changes concern the following:

- Partnership changes;
- Budget change between partnership;
- Budget changes, exceeding level of flexibility allowed;
- Changes in the project’s duration;
- Changes in the content and/or activities of the Operation.

In case of major changes, which have a direct impact on the text of the subsidy contract (e.g. the financial table included in the subsidy, legal succession of the LP organisation, etc.), the LP

<sup>1</sup> In order to keep track of budget changes and to check if the total change exceeds the percentages set in the subsidy contract, the tool in annex 1 shall be used

<sup>2</sup> Unlike for budget shifts above 15%, for which prior approval is a condition of eligibility, for minor budget shifts up to 15%, it is clear that this is just a temporary ineligibility, because partners are entitled to this minor budget shift without approval, and upon notification. Therefore, in cases of exceeding budget below 15%, detected by the JS during monitoring of the submitted JPR, the JS may agree with the LP to accept the JPR, provided that the LP enters also a budget shift into the eMS before submitting subsequent JPRs. Alternatively, the JS may revert the JPR to the LP or to the FLC for a correction of the exceeding expenditures or it may reject them, as they may be reported in subsequent JPRs, upon budget change in the eMS.

must submit the Request for amendment of the Subsidy Contract to the JS at the latest **35 days before the end of the implementation period**. Please note that the modification procedure takes some time, therefore the LP should carefully assess, whether a modification request is needed. We advise all LPs to change as little as possible (**1-2 times is acceptable, more needs to be duly justified**), because this has a strong impact on the project performance. The JS assess the request and forward the evaluation to the MA. After the approval by the JMC, the MA will issue an addendum to the Subsidy Contract.

#### 1.4.1 Changes in the Operation Partnership

The partnership is a core element of an Operation, as it has been assessed in the application process and approved by JMC, and the contribution of the LP and each PP are clearly defined<sup>3</sup>. Changes to its composition should therefore be limited as much as possible. It anyway requires the prior approval of the relevant programme bodies. However, once approved, it is effective retrospectively starting from the date when a written request<sup>4</sup> was submitted to the JS.

In addition, the programme has set minimum requirements for the composition and number of project partners (*see Factsheet 1.1 Programme Strategy Framework*). Stricter partnership requirements may also be stated in the terms of reference of a specific call for proposals. Projects should be aware that if the minimum number of partners as well as the eligible territories involved, are no longer ensured, the MA is entitled to withdraw from the SC.

Changes in partnership may concern:

- the withdrawal of a partner
- the integration of a new partner

In case a **project partner withdraws** from the project, the remaining partners should undertake all possible measures to find a rapid and efficient solution to ensure the further proper implementation of the project. They should ensure that the responsibilities and project tasks of this partner are taken over by a new partner (preferably from the same country/region) or are reallocated within the existing partnership.

It should be noted that the concept of partnership change requiring the approval by the programme bodies refers to any change that has legal impact on the legal relationship within

<sup>3</sup> Accordingly, the change of partner functions, i.e. partners agree on a new lead partner (LP) within the same partnership, even though it must be considered only in very exceptional circumstances upon consultation of the Joint Secretariat, it must be regulated in the same way: a) a change request by the LP agreed with all partners (e.g. documented through meeting minutes, etc.); b) JMC approval; c) change of the application form in the eMS (new version); d) consensual termination of the old subsidy contract, signatures of the new subsidy contract and of the new partnership agreement.

<sup>4</sup> As general rule, before the submission of all assessed documents through the eMS function, a formal request has to be submitted by the LP to the JS, including a written request signed by the legal representative (see annex TEMPLATE FOR PROJECT MAJOR CHANGES). Therefore, once approved by the relevant Programme Body, the changes are effective from the date of submission of the signed formal request. In exceptional, urgent und duly justified cases, other types of written informal communication may be admitted by the Managing Authority to start a decision of the relevant Programme Body, but in these cases, changes are effective only from the date of the decision

the partnership. This could be the case if a partner institution leaves the partnership and its tasks are taken over by a separate or new legal entity<sup>5</sup>.

In case of institutional changes where according to the national law the legal personality does not change and where all assets of the LP/PP are taken over so that a deterioration of the financial capacity of the acquiring institution is not to be expected (i.e. in cases of universal succession), prior consent by the programme bodies is not necessary. However, the LP must submit in due time related information to the MA/JS together with all documents, necessary to analyse the legal case. If the MA/JS considers the conditions stated above as not fulfilled (i.e. case of singular succession), the LP will be informed that a partnership change procedure has to be started.

When the withdrawing partner is replaced by a new incoming organization, this should be located preferably in the same country/region of the withdrawing partner and must have the necessary experience and technical, organizational and financial capacity to properly participate in the project.

Funds of the withdrawing partner become available for the new partner only after the approval of the replacement by the programme bodies. During the modification process, the JS and if any the NIPs, will have to perform a check on the legal status/eligibility of the new partner.

When the withdrawing partner is replaced within the existing partnership, the budget may be partly reallocated among the partners taking over its tasks.

When a partner leaves a partnership, it could be no replaced by any other organization (within or outside the existing partnership). In this case the activities in the workplan referring to the withdrawing partner (and the related budget) have to be excluded from the revised AF.

However, this possibility is allowed only if the concerned activities and the role of the withdrawing partner are not crucial for the project implementation and their exclusion do not have an impact on reaching the project objectives/results/outputs as planned in the approved AF. If this cannot be demonstrated, the MA has the right to block the project and demand repayment of funds.

Finally, a combination of the above three types of partnership changes is possible, e.g. when only part of activities is taken over by a newly incoming PP and other ones (with related budget) are either excluded or distributed within the partnership.

A project may also request the inclusion of an additional partner (without any partner withdrawal). This is in principle possible where the added value for the implementation of the project is demonstrated and according to the maximum number of partners allowed for each Operation.

All changes to the project partnership (a simple change in the name of a partner is not considered as a partnership change whenever the competences and legal status remain the same) require the submission of a request for change describing the new allocation of activities and budget. The LP has also the responsibility of informing the JS without delay of

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<sup>5</sup> Even if the withdrawing institution and the new one joining the partnership are coming from the same group of organizations, a partnership change procedure has to be launched in case both constitute, within a group, separate entities in legal terms.

the eventuality of such changes. The request for change is checked by the JS, in coordination with the NIPs where relevant; its **approval is a competence of the JMC**.

Any modification to the partnership agreement (PA) has to be sent to and approved by the MA.

In case of withdrawal, the costs of the old project partner are only eligible and can be co-financed until the date of its withdrawal as communicated by the Partner to the LP; the eligibility of these costs is also subject to the confirmation from the LP and assessment from the JS that the contribution of this partner can be used for the project by the remaining project partners.

Despite its withdrawal, a project partner still has the obligation of keeping all relevant files, documents and data for the audit trail (*See Factsheet 4.10 Eligibility rules*).

Obligations deriving from the Subsidy Contract and the Partnership Agreement in terms of audits, retention of supporting documents and durability of outputs, remain applicable to the withdrawing partner even if only part of the originally foreseen budget was spent.

In the framework of a request for partnership change, the LP has to submit the signed project change letter with further supplementary documents, as listed below:

#### PARTNERSHIP CHANGE

TYPE OF CHANGE	SUPPLEMENTARY DOCUMENTS
Partner withdrawal with replacement of new partner	<ul style="list-style-type: none"> <li>• Withdrawal letter of the concerned partner (in case it has already received funds also a declaration concerning the observation of obligations deriving from the SC and PA)</li> <li>• The new Partnership Agreement signed by the new Partnership</li> <li>• Partner Statement (Annex A) and administrative documents of the Incoming Partner, as required in the related application procedure</li> <li>• Acknowledgement of partnership (e.g. minutes of project steering committee, email confirmation etc)</li> </ul>
Partner withdrawal with replacement of existing partner(s)	<ul style="list-style-type: none"> <li>• Withdrawal letter of the concerned partner (in case it has already received funds, also a declaration concerning the observation of obligations deriving from the SC and PA)</li> <li>• Updated Partner Statement (Annex A) taking over activities and budget of the withdrawing partner</li> <li>• Acknowledgement of partnership (e.g. minutes of project steering committee, email confirmation etc)</li> <li>• Amendment of the PA_Declaration signed by the LP</li> </ul>

<p><b>Partner withdrawal without any replacement</b></p>	<ul style="list-style-type: none"> <li>• Withdrawal letter of the concerned partner (in case it has already received funds, also a declaration concerning the observation of obligations deriving from the SC and PA)</li> <li>• Acknowledgement of partnership (e.g. minutes of project steering committee, email confirmation etc,)</li> <li>• LP letter focused on the new distribution of roles among the confirmed partners without compromise the project aims)</li> <li>• Amendment of the PA_Declaration signed by the LP</li> </ul>
<p><b>Structural or legal status change of Partner organization (e.g. legal sucession)</b></p>	<ul style="list-style-type: none"> <li>• Official documents stating the structural/legal change of the concerned organization</li> <li>• In case of already received funds, a declaration from the changed partner concerning the observation of obligations also related to the previous partner organization, deriving from the SC and PA</li> <li>• Updated Partner Statement (Annex A)</li> <li>• Amendment of the PA_Declaration signed by the LP</li> </ul>

#### 1.4.2 Changes in the budget

Changes in budget are allowed as long as the maximum amount of IPA co-financing awarded to the operation is not exceeded and certain conditions are also fulfilled, as described below. As explained in the § 1.5.2, Projects are allowed flexibility in the spending of their IPA budget up to a maximum of 15% (whichever is greater) of the project work package and budget line, as stated in the latest approved version of the AF. To this end they are requested to justify these deviations and update the AF accordingly. It remains the duty of the lead partner (LP) to monitor compliance with the above-mentioned thresholds and the overall IPA co-financing.

During the project duration, reallocations exceeding these thresholds are allowed 1-2 times at maximum, duly justified, and need an approval by the programme bodies.

**In particular budget shifts among budget lines and work packages could be the following:**

- a) from 15% up to 25% of the partner's total budget shall be approved by the Managing Authority
- b) above 25% of the partner's total budget, as well as any budget shift among partners, shall be approved by the Joint Monitoring Committee<sup>6</sup>

They require prior approval of the managing authority (MA). In this case, the LP has to timely submit a request for changes to the JS and MA.<sup>7</sup>

When requesting a budget change, supplementary documents have to be enclosed to the signed change request, as listed in the following table.

<sup>6</sup> In exceptional and duly justified cases (e.g. minor adjustments after project closure, not substantially impacting on the final balance among countries or on the project outputs), the Managing Authority may derogate from this.

<sup>7</sup> Be aware that a major change of the budget may also be requested by the Managing Authority following the project de-commitment procedure, as described in annex 2

## BUDGET CHANGE

TYPE OF CHANGE	SUPPLEMENTARY DOCUMENTS
Budget shifts among budget lines and/or work packages from 15% up to 25% of the partner's total budget	<ul style="list-style-type: none"> <li>a separate justification for each altered BL/WP and the updated excel tool provided by the JS for checks and monitoring issues</li> </ul>
Budget shifts among budget lines and/or work packages above 25% of the partner's total budget,	<ul style="list-style-type: none"> <li>a separate justification for each altered BL/WP and the updated excel tool provided by the JS for checks and monitoring issues</li> </ul>
Budget shift among all partners compared to the approved AF	<ul style="list-style-type: none"> <li>a separate justification for the budget shift and each altered BL/WP plus the updated excel tool provided by the JS for checks and monitoring issues</li> <li>Acknowledgement of partnership (e.g. minutes of project steering committee, email confirmation etc)</li> </ul>
If applicable, budget reduction following the mid-term project review or programme decommitment	<ul style="list-style-type: none"> <li>Acknowledgement of partners with reduced IPA budget</li> </ul>

Financial implications of a partnership change are not considered as budget change, but rather than as a consequence of the partner change.

Projects should be aware that changes to the budget allocation per period are not allowed as this is the basis for the programme spending targets towards the European Commission<sup>8</sup>.

It is to be noted that following the approval of a major budget change, the new budget can still benefit from the budget flexibility rules (as explained in the § 1.5.2.) in order to perform minor changes<sup>9</sup>.

### 1.4.3 Changes in the project duration

Projects should put their efforts in completing their activities successfully and within the time plan set in the AF. To this end, measures should be put in place by the LP and project partners to identify and tackle possible delays at an early stage. Projects are also requested to inform the JS in case of difficulties that may lead to significant delays in the delivery of activities (e.g. through the project reports, direct contact with the JS). If, despite this, projects are not in the position to comply with the approved end date, they may request an extension of the project

<sup>8</sup> With reference to the budget allocation per period, with express derogation, the JS/MA can authorize budget shift per period only in exceptional and well-justified cases.

<sup>9</sup> Budget shift request among budget lines and work packages (minor and major up to 25% of the partner's total budget) can be submitted by beneficiaries even after the project end date and before the final report submission, for the final settlement of the project budget, according to the relevant procedures described in the present F.S.

duration through a request for changes. The request for changes in project duration requires prior approval by the JS.

Projects should be aware that extensions of project duration are limited to exceptional and well justified cases.

Any change in project duration up to six months shall be approved by the MA and above six months by the Joint Monitoring Committee.

Some limitations/ apply to the extension of project duration:

- As a general principle, the extension of a project duration **cannot exceed 9 months**. They cannot exceed the programme duration, either. Therefore, projects approved towards the end of the programme must pay particular attention to a timely delivery of their activities.
- The maximum duration of a project, including extensions, cannot be longer than 36 months for standard projects.
- Notwithstanding the above point, the latest end date for a project is 30 June 2022 and no extension of duration beyond this date shall be granted. Therefore, with reference to targeted call projects maximum project extension is six months.

A request of project extension can be submitted only after project mid-term review and before the project end date (as in the latest release of the approved AF). Any extension request submitted after the end of the project implementation period will be rejected.

It is strongly recommended to timely identify any potential need for prolongation and to submit the concerned project extension request at least 60 days before the project ending date (except in any case a justified and following term duly authorized by the MA/JS), in order to ensure a proper planning and implementation of the activities in the final phase of the operation.

The submission of the extension request of project's duration has to be accompanied by an acknowledgement of the whole partnership (e.g. minutes of project steering committee, email confirmation etc.).

In case of project extension request, the LP has to produce a duly justified remodulation of the spending targets for the periods accompanied with mitigation measures, according to the rules and procedures of Section 1.4.2.

#### 1.4.4 Changes in the project content

Changes of minor entity to the content of a project (e.g. the rescheduling of activities, changes in the communication tools used, etc.) can be made by providing information and a justification on the reasons for change in the relevant project report.

In case project activities need to be modified going beyond a mere adjustment of the workplan (including additional or reduced project activities, deliverables and outputs, main characteristics of planned outputs and investments, project objectives and results), a formal approval by the programme bodies is necessary, through a formal request for change.

Any change of the targets for the output indicators **above 30%** shall be approved by the MA.

Major changes that substantially change the nature and the objective of the project (i.e. project objectives, results and main outputs assessed in the project selection procedure) require the prior approval by the JMC.

Any content change considered as State Aid relevant within the project assessment procedure needs to be previously approved by the relevant programme bodies.

The Request for content change has to include an exhaustive justification and shall be submitted on time, accompanied by a document demonstrating that the whole partnership acknowledges the modification. (e.g. minutes of the project steering committee meeting, email confirmations by partners). A retroactive approval may be granted only in exceptional and duly justified cases. In case of project's activities, outputs and/or results leading to State Aid relevance of the project, additional information may be requested to the partnership.

## 1.5 eMS REQUEST PROCEDURE FOR MINOR/MAJOR CHANGES

As already explained in the previous paragraphs, Major changes are to be considered as exceptional and they may be approved only in duly justified cases. This means that a major project change could be approved only if duly justified.

The request of a major modification is a complex process. Partnerships should be aware that any major change procedure should be launched:

1. after the project mid-term review, with the exception of a request for partner change<sup>10</sup>;
2. before the project end date as indicated in the latest version of the approved AF. However, in order to ensure proper planning and implementation of activities in the final phase of the project, it is strongly recommended to submit any major change request at latest 60 days prior to the project ending date.

All changes in the table below are subject to a request for changes procedure. As a first step, the LP has to timely inform the JS via e-mail of the upcoming project change. This is checked by the JS and if the proposed changes are deemed acceptable in principle, the following steps are dealt through the programme electronic monitoring system (eMS). Through the eMS, the JS will open for the LP the possibility of describing the necessary changes and adapting the AF accordingly. Once completed, the LP will have to submit its request for changes (including the revised AF) through the eMS. The request is checked by the JS, in coordination with the NIPs where relevant (i.e. in case of integration of a new partner).

Type of change	Details	Programme Body in charge of approval
Administrative changes	//	Notification to JS/MA
Budget flexibility	Up to 15%	Notification to JS/MA
Partnership changes	//	JMC
Budget change of the	from 15% up to 25%	JS/MA

<sup>10</sup> Only for thematic projects, with express derogation and at any time, the JS/MA can authorize major modifications and changes for exceptional and well-justified cases.

partner's total budget	exceeding 25%	JMC
	Budget change between Partners	JMC
Changes in project duration	up to max. 6 months	MA
	above 6 months	JMC
Content changes	Workplan changes and targets for the output indicators <b>above 30%</b>	MA
	substantial content changes	JMC

All these changes require prior approval, and, once approved by the relevant Programme Body, they will become effective retrospectively starting from the date when the written request<sup>11\*</sup> was submitted to the JS.

### 1.5.1 Modification initiated by the JS\_eMS guidance

The JS can initiate a modification any time after the application has been submitted until the project is finalized. A modification initiated by the JS, automatically opens the AF for modification by the LP.

### 1.5.2 Modifications requested by the LP\_eMS guidance (also suitable for minor changes)

Modification requests can be proposed only after the LP has been approved by JS and the project has been contracted (see § 'Hand over' in Factsheet 3.2 – eMS User manual – Contracting procedure).

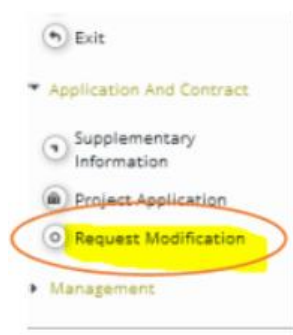
In the “Dashboard” section the LP can select the project for which the change is needed. Then, in the left-side menu he/she has to click on the “**project**” button in order to open the section concerning all the AF information.

The screenshot shows the eMS interface for 'progetto TEST 3' (ITALME-1). The left sidebar contains a menu with 'Project Living Tables', 'Project', 'Supplementary Information', 'Exit', 'Help', 'Generated Files', 'Enable Final Report', and 'Contacts'. The 'Project' button is highlighted. The main area shows 'RP MED > MEI > MIN' and a 'Select Role' dropdown menu with 'Lp' selected. Below this is the 'Project Reports' table:

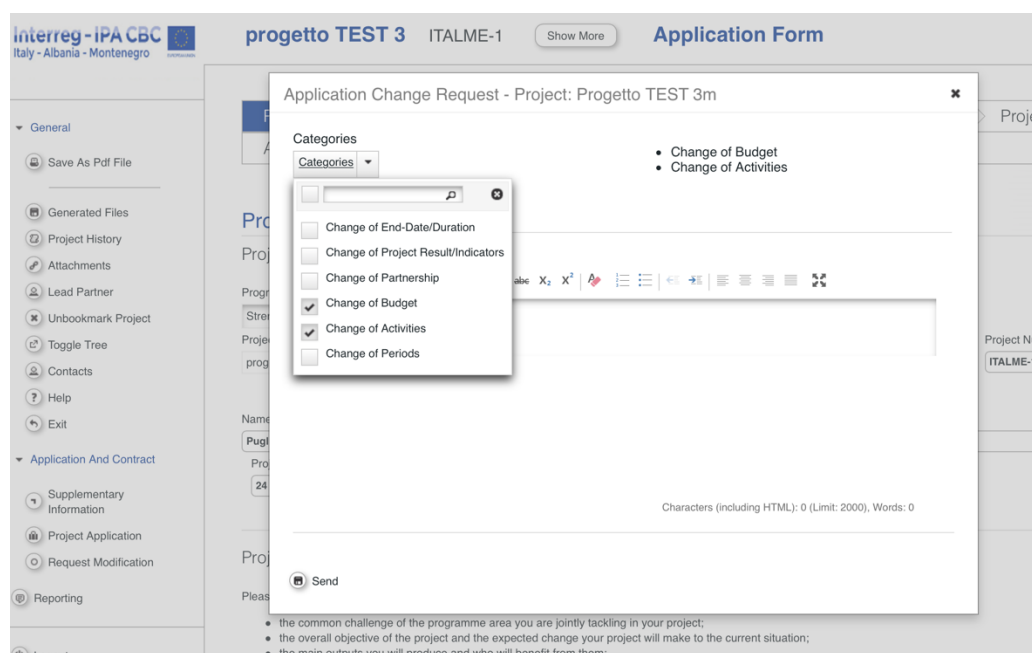
Report	Report Start	Report End	State	Date Of Project Report Submission	Total Expenditure Submi
Period 0	01.01.2018	10.01.2018			
Period 1	01.04.2018	30.09.2018			
Period 2	01.10.2018	31.03.2019			
Period 3	01.04.2019	30.09.2019			
Period 4	01.10.2019	31.03.2020			

(LP view) LP has to click on the “**project**” button

<sup>11</sup> As general rule, before the submission of all assessed documents through the eMS function, a formal request has to be submitted to the JS, including a written request signed by the legal representative (see annex TEMPLATE FOR PROJECT MAJOR CHANGES). Therefore, once approved by the relevant Programme Body, the changes are effective from the date of submission of the signed formal request. In exceptional, urgent und duly justified cases, other types of written informal communication may be admitted by the Managing Authority to start a decision of the relevant Programme Body, but in these cases, changes are effective only from the date of the decision



(LP view) Requesting the JS to open the AF for modifications



LP can choose different categories of changes, as indicated in the picture. Then he/she has to describe in detail the change request in text box. Then clicking on “send” button the request is submitted to JS. Then the LP has to inform the JS by email about the modification request submitted.

The LP then needs to wait for the approval by the JS. The JS has the following options:

- **‘Mr Refused’:** Modification request refused. The JS refuses the request to modify the AF. This closes the request and the AF remains locked. The LP can decide to open a new modification request.
- **‘Mr Accepted’:** Modification request accepted. The JS accepts the request for modification and the AF is unlocked for editing by the LP.

Once the JS approves the modification request, the AF will be unlocked for editing. LP will see in the section “Modification Request” the picture below:

Request Date	11.05.2018 11:32:52
Message	request for change in management
Decision Message	
Date Decision	11.05.2018 11:37:40
Approval Message	
Date Approval	
Decision State	Accepted (Modification request open for modifications)

The LP can now modify the AF. After all the changes have been entered, the partner can now check ("check modification" button) and submit ("submit modification" button) the modified AF to the JS for approval.

#### ▼ Application And Contract

- Supplementary Information
- ☒ Check Modification

#### ▼ Application And Contract

- Supplementary Information
- ☒ Submit Modification

LP view): LP has to click on the "check modification" button and then on "submit modification" button

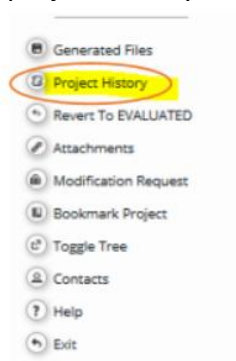
The JS can use the 'Compare modifications' function of the eMS to compare the old AF with the modifications proposed by the LP ('track changes') (see below).

Project Summary	Partner	Project Description	Work Plan	Project Budget	Project Budget Overview	Attachments	Attachments JS	Documents
Modification Request Details: Project TestAgain								
Request Date	Message	Decision Message	Date Decision	Approval Message	Date Approval	Decision State		
18.12.2015 00:00:00	Please extend the duration of your project to 12 months and modify the project budget accordingly. Please also make sure to secure to publish all project outputs on the project's website.		18.12.2015 14:13:08	We accept your modifications	18.12.2015 14:13:08	Accepted		

After the modifications has been approved, the "decision date" is added to the "modification request" interface







### 1.5.3 Keeping track of modifications, decisions and contract amendments

The eMS stores all versions of the Application Form in consecutive order under the menu item 'project history'.



To access the project history enter the project and press 'project history'

The Project History gives an overview of the different versions of application forms. Authorities can insert additional information about the different versions of the AF, when and who decided etc. Additionally, contract amendments or other relevant documents can be uploaded here. The date of signing the subsidy contract (or amendments to the contract) is also entered here. Different versions of application forms can always be compared via the comparison function.

Project Summary Partner Project Description Work Plan Project Budget Project Budget Overview Attachments Attachments JS Documents														
Mod Number	Status	Date Of Approval Rejection	Valid Af	Type Of Modification	Who Decided	Date Of Signature Of Subsidy Contract	Number Of Contract Amendment	Comment	Attachment	Attachment Description	Attachment Upload Date	Attachment Uploaded By	Compare	
0	CR_ACCEPTED	<input type="text"/>			<div>MC</div>	<input type="text" value="13.08.2015"/>	<input type="text" value="1"/>	<div></div>		<div></div>				
1	ACCEPTED	<input type="text"/>		Change of Budget, Change of Activities	JTS1			Budget & Activities Amend						
2	CR_DONE	<input type="text"/>			<div>-</div>	<input type="text"/>	<input type="text"/>	<div></div>		<div></div>				

The project history shows important events in the lifetime of a project

#### 1.5.4 Project status during modifications

Modifications lead to changes in the status of a project as can be seen in the various overview lists of projects and in the project history.

	Status in 'My Applications'	Status in 'Application Browser'	Status in 'Modification requests' overview	Versions shown in Project History
LP requested permission to modify	Cr	Cr	Cr	CR
JS granted permission to modify	Cr_in_processes	Cr_accepted (=old version) Cr_in_process (=version to be modified)	Cr_in_processes	CR_ACCEPTED CR_IN PROCESS
JS refused permission to modify	Contracted (=old version)	Contracted (=old version)	Contracted (=old version)	CONTRACTED
LP submitted modified AF	Cr_done	Cr_accepted (=old version) Cr_done (=modified version)	Cr_done	CR_ACCEPTED CR_DONE
JS approved modified AF	Contracted	Archived (=old version) Contracted (=modified version)	not shown	ARCHIVED CONTRACTED
JS rejected modified AF	Contracted (=old version)	Contracted (=old version) Archived_copy_cr (=archived version of the rejected modified AF)	not shown	CONTRACTED ARCHIVED_COPY_CR

As can be seen, once the JS permits the LP to modify the AF, the application browser shows the project twice. Cr\_accepted is the old AF, Cr\_in\_process is the one, which is undergoing the modification. Once the LP submitted the modified AF to the JS, there will also be two versions: Cr\_accepted is still the old AF, Cr\_done is waiting for approval by the JS. After the JS approved the modified AF, the old one will be archived and the new one will be shown as 'contracted'.

Application Browser

Project No. S	Subprogramme S	Priority Axis S	Name S	Acronym S	Start S	End S	Lead Partner S	LP Nationality S	Call S	Timeline S	Specific Objective S	Submission Date S	Project State S
IT906		Environmental Protection	TestAFChecker1	TestAFChecker	06.03.2015	06.03.2017	My LP 1 in english		MaxTestCall_5_11		Conservation and development of heritage		Cr_accepted
IT906		Environmental Protection	TestAFChecker1	TestAFChecker	06.03.2015	06.03.2017	My LP 1 in english		MaxTestCall_5_11		Conservation and development of heritage		Cr_done

Save Columns Columns Report As XLS

(JS view) After the LP submitted the modified AF, the application browser shows the project twice.

After the JS approves the Cr\_done version, a new AF is generated and the old one is archived.

Application Browser

Project No. S	Subprogramme S	Priority Axis S	Name S	Acronym S	Start S	End S	Lead Partner S	LP Nationality S	Call S	Timeline S	Specific Objective S	Submission Date S	Project State S
IT906		Environmental Protection	TestAFChecker1	TestAFChecker	06.03.2015	06.03.2017	My LP 1 in english		MaxTestCall_5_11		Conservation and development of heritage		Archived
IT906		Environmental Protection	TestAFChecker1	TestAFChecker	06.03.2015	06.03.2017	My LP 1 in english		MaxTestCall_5_11		Conservation and development of heritage		Contracted

Save Columns Columns Report As XLS

After the JS accepts the modification, the application browser archives the old AF and shows the new version in the status 'contracted'.

In the 'my applications' view only the latest version of the AF is shown.

My Applications

Project No. S	Subprogramme S	Name S	Acronym S	Start S	End S	Lead Partner S	LP Nationality S	Call S	Timeline S	Specific Objective S	Submission Date S	Project State S
IT906		TestAFChecker1	TestAFChecker	06.03.2015	06.03.2017	My LP 1 in english		MaxTestCall_5_11		Conservation and development of heritage		Contracted

Save Columns Columns Report As XLS

(JS, LP) In the 'my applications' view only one version of the AF is shown.

**TEMPLATE FOR PROJECT MAJOR CHANGES**

**Request for project changes**

**Version 1**

**PROJECT IDENTIFICATION**

<b>Project acronym</b>	
<b>Project title</b>	
<b>Project number</b>	
<b>Name of the lead partner organisation</b>	
<b>Type of change requested</b>	<input type="checkbox"/> Partnership change <input type="checkbox"/> Budget change <input type="checkbox"/> Extension of project duration <input type="checkbox"/> Content changes
<b>Subject of modification request</b>	
Max. 200 characters	
<b>Overall reasoning and justification</b>	
<p><i>Please describe the requested modifications and provide an explanation on the reason why such modifications are required. In addition, in case of budget modification, please include detailed information on the required changes (e.g. Increase BL4 by __%).</i></p> <p>Max. 2.000 characters</p>	
<b>List of annexes</b> (e.g. change log file, required supporting documents as specified in Programme Manual FS 4.7)	
<b>Date .....</b>  <b>Name and surname of Lead partner's legal representative .....</b>	<b>Stamp and signature of Lead partner's legal representative</b>

### **Programme reference documents**

- Subsidy contract
- Partnership agreement
- Programme Manual
  - Factsheet 1.1 Programme strategic framework
  - Factsheet 3.2 eMS User manual Contracting procedure
  - Factsheet 4.1 Reporting Procedure
  - Factsheet 4.6 State Aid
  - Factsheet 4.10 Eligibility rules
- Template Request for changes\_version 1 provided by the JS