

Supplement to the Programme Manuals related to suspension of the Financing Agreement

1. Introduction

Following the Russian military aggression against Ukraine, the European Commission has suspended cooperation with Russia within the European Neighbourhood Instrument cross-border cooperation programmes (ENI CBC). Consequently, the Agreement on financing and implementation of Cross Border Cooperation Programme “Poland – Russia” 2014-2020 signed between the Russian Federation, the Republic of Poland and the European Union and the payments to the Russian Beneficiaries have been suspended. This significantly affected the implementation of the projects under the Poland-Russia CBC Programme 2014-2020 and resulted in the need to apply new guidelines in response to the current situation.

2. Implementation of the projects with the Polish Lead Beneficiary

As a rule, the implementation of the project with the Polish Lead Beneficiary does not change in substance. The Polish Lead Beneficiaries and the Polish partners in those projects are advised to proceed with project implementation. At the same time, in case any beneficiary/partnership is unable to continue the implementation of the PLRU cross-border project in the current format, such information shall be immediately submitted to the JTS. The Russian Beneficiaries continue the projects under their own responsibility, bearing in mind that the European Commission has suspended payments to the Russian Beneficiaries. The program decided that any expenditure incurred and paid from 24.02.2022 is ineligible.

The general principles are formulated below:

- a. Each Beneficiary carries out its part of the project according to the description of activities in the Application Form and the breakdown of indicators in the Partnership Agreement.
- b. If an activity/event on the Polish side is planned in the project, which does not strictly promote Polish-Russian cross-border cooperation (e.g. a scientific conference, thematic training, a conference summarizing the activities on the Polish side), the Beneficiaries may implement it unilaterally, following the new visibility guidelines (described in point 8 of this Supplement). It is recommended to modify the activities and the indicators in this respect, but taking into account the special circumstances of a possible failure to achieve them, the MA/JTS may approve their lower values/deviations in their implementation in the interim/final report.
- c. In general, the Managing Authority (MA)/Joint Technical Secretariat (JTS) accepts requests for changes related to the part of the project implemented on the Polish side (including prolongation of the implementation period) as well as brief narrative reports, interim, additional interim and final reports (narrative and financial parts) and requests for payment regarding the Polish part of the project.
- d. Requests for substantial changes to the project concerning the Russian Beneficiaries will not be considered by the MA/JTS, regardless of the period they relate to.

- e. Requests for minor changes concerning the Russian Beneficiaries, which were notified to JTS before 24.02.2022, will be taken into account during the verification of the eligibility of expenditures included in the reports. Requests for minor changes concerning the Russian Beneficiaries notified from 24.02.2022 will not be proceeded. The above provisions do not concern the changes of FIF and LEF, which can be submitted on the current basis.
- f. All reports submitted by the Russian Beneficiaries cannot include expenses incurred and paid from 24.02.2022. If they do appear in the reports, they will be considered ineligible. The cost of the auditor verification of the report shall not be eligible starting from 24.02.2022.
- g. Polish Lead Beneficiaries are advised to include in interim, final and brief narrative reports the Russian part of the report.
- h. The verification of the Russian part of reports will be performed by the JTS. In some cases, the Lead Beneficiary may be asked to forward the JTS's comments to the Russian Beneficiary or to correct the report. If the corrected report is not submitted, the JTS will decide on the eligibility of costs based on the available data.
- i. If the Russian Beneficiary declines to report, the Lead Beneficiary may omit the individual report of the Russian Beneficiary on the basis of § 8 of the Partnership Agreement.
- j. If the durability of results on the Polish side be endangered by the lack of activities of the Russian Beneficiary, the Lead Beneficiary shall immediately inform the JTS and introduce necessary changes in the Polish part of the project.

The Grant Contract's recovery provisions remain in force. After verification by the JTS/MA of the costs incurred and paid by the Russian Beneficiaries before 24.02.2022, in case of the need to recover the prefinancing funds, the Lead Beneficiary will be obliged to issue a call for payment to the Russian Beneficiary (the Lead Beneficiary does not cover the Russian Beneficiary's obligation). If the call is ineffective, the case is taken over by the MA and the MA will call the Russian National Authority for payment or forward the case to the European Commission.

3. Implementation of the projects with the Russian Lead Beneficiary

Due to the suspension of the Financing Agreement, the MA may conclude Subsidiary Contracts with the Polish project Beneficiaries, which shall enable carrying out activities by the Polish project partner bypassing the Lead Beneficiary. This includes, in particular: requests for changes in their part of the project (including prolongation of the implementation period), submission of brief narrative reports, interim, additional interim and final reports (narrative and financial parts) and requests for payment regarding their part of the project. The Subsidiary Contract will also enable the transfer of payments to the Polish project Beneficiaries, bypassing the Lead Beneficiary.

The procedure for signing the Subsidiary Contract will be corresponding to the procedure of signing the Grant Contract described in the Programme Manual Part II. The following documents constitute Beneficiary's annexes to the Subsidiary Contract:

- Authorisation for the Beneficiary's representative,
- the Financial Identification Form,

- Description of the part of the Project assigned to the Beneficiary,
- Budget of the Beneficiary.

Templates of the necessary documents/annexes to the Subsidiary Contract are provided at the Programme website. The JTS will inform the Beneficiary in a letter on the number of originals/copies of the above listed documents to be submitted. After receiving the properly prepared and filled in documents, the Subsidiary Contract will be prepared by the JTS.

After the Subsidiary Contract is signed by the legal representative of the MA, it will be sent by the JTS on behalf of the MA to the Beneficiary. From the date of sending the Subsidiary Contract by the JTS, the Beneficiary will have 30 days for signing the contract and sending back its two original copies that are dated, stamped and signed by the authorized representative of the Beneficiary.

The general principles are formulated below:

- a. Each Beneficiary carries out its part of the project according to of the part of the Project assigned to the Beneficiary.
- b. If an activity/event on the Polish side is planned in the project, which does not strictly promote Polish-Russian cooperation (e.g. a scientific conference, thematic training, a conference summarizing the activities on the Polish side), the Beneficiaries may implement it unilaterally, following the guidelines in point 8 of this Supplement. It is recommended to modify the activities and the indicators in this respect, but taking into account the special circumstances of a possible failure to achieve them, the MA/JTS may approve their lower values/deviations in their implementation in the interim/final report.
- c. Changes to the project will be introduced by the Polish Beneficiaries individually on the basis of the above-mentioned Subsidiary Contract to the Grant Contract.
- d. Requests for major changes to the project concerning the Russian Beneficiaries will not be considered by the MA/JTS, regardless of the period they relate to.
- e. Requests for minor changes from the Russian Beneficiaries, which were notified to JTS before 24.02.2022, will be taken into account during the verification of the eligibility of expenditures included in the reports. Requests for minor changes concerning the Russian Beneficiaries notified from 24.02.2022 will not be proceeded. The above provisions do not concern the changes of FIF and LEF, which can be submitted on the current basis.
- f. All reports submitted by the Russian Beneficiaries cannot include expenses incurred and paid from 24.02.2022. If they do appear in the reports, they will be considered ineligible. The cost of the auditor verification of the report shall not be eligible starting from 24.02.2022.
- g. Verification of the individual interim, additional and final reports of the Russian Beneficiaries will be performed by the JTS. In some cases, the Russian Beneficiary may be asked to correct the report. If the revised report is not submitted, the JTS will decide on the eligibility of costs based on the available data.
- h. Interim, final and brief narrative reports of the Russian Beneficiaries should be submitted within the set deadlines and should relate only to the activities on the Russian side.

- i. The Russian Lead Beneficiary should consolidate the reports of all Russian Beneficiaries in the project.
- j. Interim, final and brief narrative reports of the Polish Beneficiaries should be submitted within the set deadlines and should relate only to the activities performed by the particular Beneficiary.

The Grant Contract's recovery provisions remain in force. However, in accordance with the provisions in the Subsidiary Contract, after verification by the JTS/MA of the costs incurred by the Polish Beneficiaries, in case of the need to recover the prefinancing funds, amounts unduly paid to the Beneficiary could be repaid directly to the Programme bank account.

4. Changes in the projects

The procedures for changes to the Grant Contract described in chapter 7 of the Programme Manual Part II are modified by the below-described provisions to be applicable for the projects, which submit requests for changes after suspension of the Financing Agreement.

1) Minor changes

a. In the projects with the Polish Lead Beneficiary

Beneficiaries submit their requests for changes to the Lead Beneficiary, who consolidates them and submits a request for changes to the JTS. The documents to be submitted by the Lead Beneficiary to the JTS should be provided both in a paper version (via post) and in e-version (scan) to the email address plru@plru.eu. JTS will start the verification procedure of the request for changes after receiving e-version of the documents.

Requests for minor changes from the Russian Beneficiaries, which were notified to JTS before 24.02.2022, will be taken into account during the verification of the eligibility of expenditures included in the reports. Requests for minor changes concerning the Russian Beneficiaries notified from 24.02.2022 will not be proceeded. The above provisions do not concern the changes of FIF and LEF, which can be submitted on the current basis.

b. In the projects with the Russian Lead Beneficiary

After signing the Subsidiary Contract with all Polish Beneficiaries in the project with the Russian Lead Beneficiary, requests for changes can be submitted by each Beneficiary directly to the JTS. The documents to be submitted by the Beneficiaries to the JTS should be provided both in a paper version (via post) and in e-version (scan) to the email address plru@plru.eu. JTS will start the verification procedure of the request for changes after receiving e-version of the documents.

Changes requested by the Russian Beneficiaries and concerning modification of the Grant Contract which were notified to JTS before 24.02.2022, will be taken into account during the verification of the eligibility of expenditures included in the reports. Requests for minor changes concerning the Russian Beneficiaries notified from 24.02.2022 will not be proceeded. The above provisions do not concern the changes of FIF and LEF, which can be submitted on the current basis.

c. Simplification of rules for minor changes - only for Polish Beneficiaries

Changes in the budget of the Beneficiary related to transfer of funds between the budget headings involving a variation of 15% or less of the amount originally entered (or as modified by addendum) in relation to each concerned main heading for eligible costs **including the infrastructure component (works)** shall be treated as minor changes (the provisions of the Programme Manual Part II for changing of staff costs, administrative costs and any costs presented as lump sums have not been changed).

When shifting funds from the direct costs to the infrastructure component, the amount of administrative costs remains unchanged, unless it exceeds 7% of the direct eligible costs. A decrease of the amount of administrative costs in consequence of the above-mentioned changes shall also be treated as a minor change.

In any case the total value of the infrastructure component in the regular projects cannot exceed 2,5 mln EUR as a consequence of the transfers in the project budget. The level of the infrastructure component will be monitored by the JTS.

2) Substantial changes

a. In the projects with the Polish Lead Beneficiary

For the project with the Polish Lead Beneficiary, the implementation of the project remains unchanged. It means that the Beneficiaries submit their requests for changes to the Lead Beneficiary, who consolidates them and submits a request for changes within the execution period to the JTS. The documents to be submitted by the Lead Beneficiary to the JTS should be provided both in a paper version (via post) and in e-version (scan) to the email address plru@plru.eu. JTS will start the verification procedure of the request for changes after receiving e-version of the documents.

Changes requested by the Russian Beneficiaries will not be considered by the MA/JTS.

b. In the projects with the Russian Lead Beneficiary

After signing the Subsidiary Contract with all Polish Beneficiaries in the project with the Russian Lead Beneficiary, requests for changes can be submitted within the execution period of the Grant Contract by each Beneficiary directly to the JTS.

The documents to be submitted by the Beneficiaries to the JTS should be provided both in a paper version (via post) and in e-version (scan) to the email address plru@plru.eu. JTS will start the verification procedure of the request for changes after receiving e-version of the documents.

Changes requested by the Russian Beneficiaries will not be considered by the MA/JTS.

3) Changes which do not call into question the grant award decision and shall be decided upon by the MA

An additional bullet point named “Introduction, cancelation or replacement of the output indicator from the list of the suggested indicators” is added to the list of non-budgetary changes to be decided upon by the MA presented in the Programme Manual Part II.

4) Changes that may potentially question the grant award decision, which require the JMC decision

A bullet point named “Introduction, cancelation, replacement of an indicator” presented in the Programme Manual Part II is replaced as follows: “Introduction, cancelation or replacement of the Programme output indicator or the result indicator”.

5. Reporting in the projects

The reporting procedures described in chapter 6 of the Programme Manual Part II are modified by the below-described provisions to be applicable for the projects, which submit their reports after suspension of the Financing Agreement.

1) The start-up reports – no new provisions are introduced.

2) The brief narrative reports

- a. In the projects with the Polish Lead Beneficiary – the document covering the information on the whole project needs to be submitted by the Lead Beneficiary to the JTS in e-version (scan) to the email address plru@plru.eu. In case the Polish Lead Beneficiary does not receive any contribution to the report from the Russian Beneficiary(s), the report can cover only the Polish part of the project. The deadline for submitting the above-mentioned report remains unchanged and it is considered correctly kept if the e-version of the relevant report reaches the JTS mailbox in due time.
- b. In the projects with the Russian Lead Beneficiary – the documents should be submitted to the JTS in the following way:
 - The Lead Beneficiary submits the e-version (scan) of the report covering the Russian part of the project to the email address plru@plru.eu. In case there are several Russian Beneficiaries in the project, the Lead Beneficiary consolidates the information from all the Russian Beneficiaries into one document. The deadline for submitting such a document remains unchanged and it is considered correctly kept if its e-version reaches the JTS mailbox in due time.
 - The Polish project Beneficiaries submit their individual reports directly to the JTS. The deadline for submitting the individual reports by the Polish Beneficiaries corresponds to the one for submitting the report for the Russian part by the Lead Beneficiary and it is considered correctly kept if the e-version of the relevant report reaches the JTS mailbox in due time.

3) The interim reports, additional interim reports and final reports

- a. In the projects with the Polish Lead Beneficiary – the document covering the information on the whole project and expenditure of all the Beneficiaries needs to be submitted by the Lead Beneficiary to the JTS both in a paper version (via post) and in e-version (scan and excel file, where applicable) to the email address plru@plru.eu. If any Russian Beneficiary declines to provide its individual report approved by the relevant auditor upon the Lead Beneficiary's request, the Lead Beneficiary may omit the information and expenditure from the individual report of that Beneficiary on the basis of § 8 of the Partnership Agreement. The JTS will start the verification procedure of the relevant report after receiving the e-version of the documents. The deadline for submitting the above-mentioned report remains unchanged and it is considered correctly kept if any of the required versions (paper or e-version) reaches the JTS in due time.

Obvious errors (arithmetical, typographical etc.) occurred in documents concerning Russian part can be corrected by the Joint Technical Secretariat or the Managing Authority without prior consultations with the Beneficiary.

- b. In the projects with the Russian Lead Beneficiaries – the documents should be submitted to the JTS in the following way:
- The Lead Beneficiary submits a paper version (via post) and in e-version (scan and excel file, where applicable) to the email address plru@plru.eu of the report covering the Russian part of the project (with all required annexes). In case there are several Russian Beneficiaries in the project, the Lead Beneficiary consolidates the information and expenditure from all individual reports of the Russian Beneficiaries into one document. The deadline for submitting such a document remains unchanged and it is considered correctly kept if any of the required versions (paper or e-version) reaches the JTS in due time.
 - The Polish project Beneficiaries submit a paper version (via post) and in e-version (scan and excel file, where applicable) to the email address plru@plru.eu of their individual reports (with all required annexes) approved by the relevant auditors directly to the JTS. The deadline for submitting the individual reports by the Polish Beneficiaries corresponds to the one for submitting the report for the Russian part by the Lead Beneficiary and it is considered correctly kept if the e-version of the relevant report reaches the JTS mailbox in due time.
 - The JTS will start the verification procedure of the relevant report for the given project after receiving the e-version of the last required document, i.e. the consolidated Russian part from the Lead Beneficiary or the last individual report from any of the Polish Beneficiaries.
 - The MA transfers the funds directly to the Polish project Beneficiaries based on the Subsidiary Contract signed with the relevant Polish Beneficiary. The financial charges concerning bank transfers performed by the MA are born by the MA.

- The provisions related to the financial guarantee, described in chapter 4.1 of the Programme Manual Part II, apply respectively to each Polish Beneficiary submitting the request for payment.
 - Following the EC decision, the MA has suspended transferring of the funds to the Russian Beneficiaries until further notice.
 - Obvious errors (arithmetical, typographical etc.) occurred in documents concerning Russian part can be corrected by the Joint Technical Secretariat or the Managing Authority without prior consultations with the Beneficiary.
- 4) The whole necessary correspondence related to the given report between the JTS and the Lead Beneficiary or between the JTS and the Polish project Beneficiary will be carried out in e-version via e-mail only (scans of signed letters).
 - 5) Verification of the Beneficiaries' reports by independent auditors can be performed either on the scans of the documents supporting the costs incurred by the Beneficiaries or on the original documents at the premises of the Beneficiary. The Beneficiaries are obliged to keep the original documents in the project's folder at their premises.
 - 6) Obligatory administrative verification in case of purchase of fixed assets by the Beneficiary for the unit value equal to or higher than 5 000 EUR gross can be carried out by an auditor either in the form of on-the-spot check (at the Beneficiary's office) or as a desk check (in such a case, full documentation regarding the fixed asset must be provided to the auditor, including photos of the item and its labelling).
 - 7) The auditor's certificate confirming the costs incurred by the Beneficiary and the checklists as required by the Guidelines on expenditure verification should be issued in the original version and delivered to the Beneficiary via e-mail (scan version) and via post (original paper version).
 - 8) The MA transfers the funds to the Polish Lead Beneficiaries and the Polish Beneficiaries based on the payment option chosen by the Lead Beneficiary and indicated in the Grant Contract. The financial charges concerning bank transfers performed by the MA are born by the MA.

6. Eligibility of expenditure related to the new activity- support for the Ukrainian refugees

The following expenditure incurred from 24.02.2022 to provide support and assistance to the Ukrainian refugees, who escaped to Poland due to the Russian military aggression against Ukraine, can be considered eligible under the project, if incurred and paid by the project Beneficiary, not directly by a physical person, who is considered a refugee. The expenditure shall be planned under the newly created budget category named "7. Support for the Ukrainian refugees", which includes four sub-categories with the examples of eligible costs within each sub-category:

- 1) 7.1 Adaptation of premises to accommodate the refugees and purchase of necessary equipment:

- a) construction works aiming at renovation/reconstruction of the existing premises to adapt them to the housing needs (including responding to the needs of persons with disabilities),
 - b) purchase of building materials for the renovation/reconstruction of the premises,
 - c) purchase of furniture, including furniture assembly (including responding to the needs of persons with disabilities),
 - d) purchase of household appliances, including their assembly,
 - e) supporting services (e.g. cleaning) in the facilities.
- 2) 7.2 Increasing capacity of the educational institutions, including nurseries and kindergartens:
- a) basic refurbishing at school classes (e.g. painting),
 - b) purchase of school furniture,
 - c) purchase of computer and TV equipment (e.g. PCs, laptops, tablets, printers, multimedia projectors, TV sets, etc.),
 - d) purchase of materials and devices that improve learning and communication,
 - e) purchase of school and teaching materials,
 - f) providing Polish-Ukrainian and Ukrainian-Polish interpretation, including the remuneration of teachers employed to provide the interpretation,
 - g) remedial classes (for children to get into inclusive education systems),
 - h) inclusive education, creation of additional school places,
 - i) training and hiring of additional teachers and staff,
 - j) assessment of children's educational needs,
 - k) construction works aiming at renovation/reconstruction of the existing premises to adapt them to the educational purposes.
- 3) 7.3 Organisation of integration meetings and Polish language courses:
- a) civic orientation and interaction with the host society,
 - b) assistance with finding employment, guidance, counselling,
 - c) remuneration for conducting integration meetings and language courses (under the employment contract as well as the civil law contract),
 - d) purchase of materials for the organization of meetings and courses, including:
 - teaching materials,
 - computer and TV equipment (e.g. PCs, laptops, tablets, printers, multimedia projectors, TV sets, etc.),
 - e) purchase of catering services,
 - f) purchase of products for coffee breaks.
- 4) 7.4 Ensuring the essential living needs:
- a) purchase of food,
 - b) purchase of hygienic materials,
 - c) purchase of basic medical supplies.

7. Project savings

Savings identified in the project can be used for the new activity related to provision of support and assistance for the Ukrainian refugees (as stipulated in point 6 of this Supplement). The use of savings should be requested from the MA/JTS and documented as the requests for relevant changes in line with the provisions described in point 4 of this Supplement.

8. Visibility guidelines

The project information and promotion activities obligations described in chapter 13 of the Programme Manual Part II are modified by the below-described provisions.

1) Visual elements

All promotional materials produced as part of the project and project documents should be marked with the following compulsory visual elements:

- a) the EU emblem;
- b) information about co-financing from the European Union.



**Co-funded by
the European Union**

The Programme logo is not binding anymore.

Compulsory visual elements can be found on the European Commission website, under the link: https://ec.europa.eu/regional_policy/en/information/logos_downloadcenter/

2) Name of the Programme

In project documents and texts/articles about the project, the name of the Programme or a link to the Programme's website should not be used. It is enough to include information that the project is implemented with the financial support of the European Union under the European Neighbourhood Instrument (e.g. 'The project is co-financed by the European Union, under the European Neighbourhood Instrument').

3) Project title

If the title of the project contains the name of a city or region in Russia, the Beneficiaries should use only the project number.

The names and logo/crest of the Russian Beneficiaries should not be mentioned in any promotional materials.

4) Disclaimer

The EU is not responsible for the contents of communication materials prepared by the Beneficiaries.

Promotional materials such as: publications, websites, social media accounts, movies and audio-visual materials must include a disclaimer (e.g. 'Its contents are the solely responsibility of <lead beneficiary's/beneficiary's name> and under no circumstances can be regarded as reflecting the position of the European Union, the Managing Authority or the Joint Technical Secretariat').

Apart from a disclaimer, all promotional materials should contain the information indicated below.

- a. For publications in print or electronic format

This document/publication was produced with the financial support of the European Union under the European Neighbourhood Instrument.

- b. For websites and social media accounts

This website/account was created and maintained with the financial support of the European Union under the European Neighbourhood Instrument.

- c. For videos and other audio-visual material

This video/film/programme/recording was produced with the financial support of the European Union under the European Neighbourhood Instrument.

5) Information board/commemorative plaque

In the case of the infrastructure and investment activities, the Beneficiary is obliged to produce relevant boards and plaques:

- information boards during construction;
- commemorative plaques after the end of the infrastructure activities or on equipment in case of the investment activities.

Obligatory elements to be put on the boards/plaques:

- the EU emblem;
- information about co-financing from the European Union;
- the title of the project or the project number;
- information on the co-financing, for example:

in case of an information board: This [type of structure] is being renovated/constructed/renewed with the financial support of the European Union under the European Neighbourhood Instrument.

in case of a commemorative plaque: This [type of structure] was renovated/built with the financial support of the European Union under the European Neighbourhood Instrument.

Information boards/commemorative plaques, which were already produced and installed, can be replaced with new ones. Before replacing a board/plaque with a new one, the Beneficiaries are obliged to take a photo of the initial board/plaque located in the place of the project's implementation. The cost of a new board/plaque can be covered from the own sources of the Beneficiaries or from the savings generated within the project.

IMPORTANT: All planned information and promotion activities should be agreed with the Communication Manager at the JTS.