

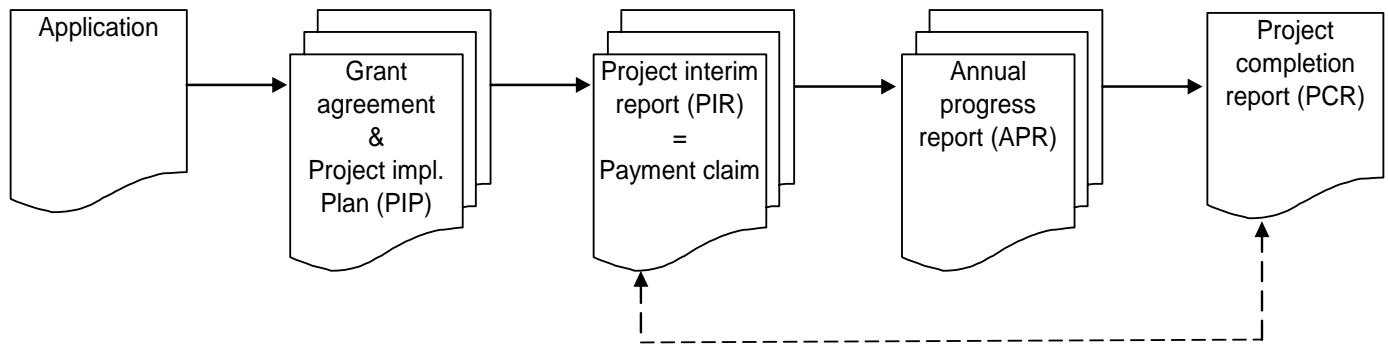
# Project Interim Report (PIR) User Guide

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# 1 Introduction

The Project Interim Report (PIR) is a structured reporting format provided by the Financial Mechanism Office (FMO) and completed by the project promoter. According to the Financial Mechanisms' legal framework, the PIR forms an integral part of the project planning and reporting structure, as the following diagram shows.



**Figure 1: project planning and reporting structure**

Regardless the type of project assistance (i.e. individual project, programme or block grant), the same PIR format is to be used. In addition, only one PIR should be completed even if the project is financed by both the EEA and Norwegian Financial Mechanism.

The completed PIR will serve as basis for the Paying Authorities' disbursement requests to the FMO and for monitoring the performance of a project in terms of its scope, schedule and actual expenses. It means that the submitted PIR (including individual payment claims) will be compared against the Project Implementation Plan (PIP).

Regarding the PIR completion procedure, the FMO will generate a tailor-made PIR template to each project and send it electronically to the project promoter through the Focal Point approximately 20 days before the last day of the planned reporting period end month (as defined in Part V of the PIP). The project promoter shall fill in the PIR and return it electronically along with a signed hard copy to the Focal Point. The Focal Point certifies the project progress and indicators and forwards the certified PIR, both the electronic and hard copy versions, to the Paying Authority. The Paying Authority certifies the payment claim and co-financing (Part III of the PIR) before it submits a request for disbursement to the FMO. Fully certified and signed PIRs must be attached to the request for disbursement (a cover letter) and sent by post to the FMO. An identical electronic version of the PIRs must be sent to a dedicated e-mail address provided by the FMO to the Paying Authority. Note that the Paying Authority will not normally forward any additional supporting documentation to the FMO.

The last PIR shall also be submitted to the FMO in the way described above. Within 10 working days of processing the last PIR, the FMO will generate a tailor-made Project Completion Report (PCR) template for the project and send it electronically to the project promoter through the Focal Point.

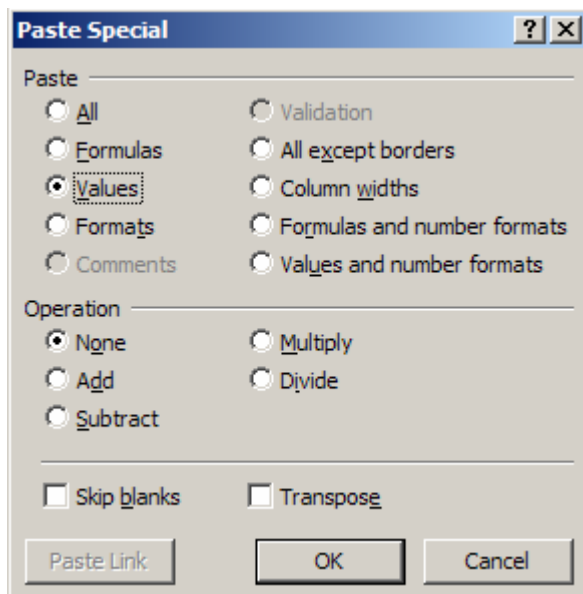
For further details regarding disbursements, reporting and monitoring please refer to the Disbursement guidelines and Reporting and monitoring guidelines made available on the web site, [www.eeagrants.org](http://www.eeagrants.org).

This user guide describes in detail how to complete the PIR and specifies the information required in particular fields.

## 2 General form usage points to complete the PIR

The following points need to be considered when completing the PIR:

- The PIR is a Microsoft Excel workbook. It is compatible with versions of this software from Excel 97 onwards, although the use of versions more recent than Excel 2000 is strongly recommended;
- The PIR contains no Excel macros;
- Editable cells are light blue in colour, all other cells are locked and not editable by the user.
- Do NOT use cut/paste to move data from one part of the form, as this disrupts the form's structure;
- Do NOT drag entire cells by selecting the periphery for the same reason;
- To copy data from another sheet / another place in the same sheet:
  - o copy the data from the source sheet (ctrl-C)
  - o select the destination cells, and use 'Paste Special' with the 'Values' checkbox selected. to paste the data:



Extending data from one cell to another by dragging the bottom right hand corner of the border is acceptable.

### 3 Detailed description of PIR fields

This section describes the data in the PIR. This data comes from three sources:

- entered by the project promoter
- gathered by the FMO from the Application Form and Project Implementation Plan (PIP)
- calculated to provide information to the project promoter

#### 3.0 Project Promoter

This section of the PIR is provided for reference, and requires no input from the project promoter. If any of the details in this section are incorrect, then the project promoter should inform the Focal Point without delay.

##### [0.1] Full Legal Name

Populated with the information supplied in the Application Form associated with this PIR

##### [0.2] Contact Person

The name of the primary contact for the project. Whilst the vast majority of correspondence between the promoter and the FMO will be via the Focal Point, any direct communication from the FMO to the project promoter will be addressed to this person.

##### [0.3] Job Title

The job title of the person named in [0.2]

##### [0.4] Organisation

The name of the organisation to which the person named in [0.2] belongs. In many cases this will be a department within the Promoter's organisation named in [0.1], but may be a separate entity if the contact person is not part of that organisation.

##### [0.5] Address

The correspondence address for the person named in [0.2].

##### [0.6] Telephone

The fixed line telephone number for the person named in [0.2].

##### [0.7] Mobile

The mobile telephone number for the person named in [0.2].

##### [0.8] Fax

The fax number for the person named in [0.2].

##### [0.9] Email

The email address of the person named in [0.2].

#### 3.1 Part I: Signature

This section of the PIR is only provided for signature by the project promoter. An authorised person for the project promoter must confirm the information provided.

#### 3.2 Part II: Project Summary

This section of the PIR summarises the status of the project as a whole.

##### [2.1] Project Title

The project title as defined in the Application Form.

##### [2.2] Project Number

The project number assigned by the FMO on registration of the Application Form. All correspondence relating to this project should make reference to this number.

**[2.3] Total Grant Rate Awarded**

The ratio of grant awarded by the Financial Mechanism Committee (FMC) and/or Norwegian Ministry of Foreign Affairs (NMFA) to the eligible cost of the project, as defined in the Grant Agreement (PIP field [1.14]).

**[2.4] Total Grant Awarded**

The total grant awarded under one or both mechanisms, as defined in the Grant Agreement (PIP field [1.12]).

**Project progress summary****[2.5] Actual total expense this period (Euro)**

The actual total expenditure this reporting period summed across all the activities in Part IV of the PIR. This figure includes cash eligible expenses [4.16], government budget in-kind eligible expenses [4.17], non-public in-kind eligible expenses [4.18] and non-eligible expenses [4.19].

**[2.6] Planned total expense this period (Euro)**

The planned total expenditure this reporting period extracted from Part IV of the latest approved PIP for this project. Where the reporting period does not correspond exactly to a PIP budgeting period, a monthly average expenditure is calculated from the PIP.

**[2.7] Project actual start date**

The month in which work started on the project as defined by the PIP.

**[2.8] Project planned start date**

The month in which the project was planned to start (PIP field [1.6]).

**[2.9] Project estimated completion date**

The best estimate, on the day of submission of the PIR, of the month/year in which the project will finish.

**[2.10] Project planned completion date**

The month in which the project was planned to finish (PIP field [1.7]).

**[2.11] Project estimated percentage complete**

The best estimate, on the day of submission of the PIR, of the percentage of the project scope as defined in the indicators that have been completed.

This is a key parameter used by the FMO in comparing actual project progress to the plan, and it is thus very important that meaningful information is supplied in this field. The indicators constitute the formal definition of the project scope – however the percentage completion is not simply the numerical progress in achieving the target. In many cases there will be no simple linear relationship between the indicator status in numerical terms and the estimated percentage complete – what is expected is a judgement call by the project promoter. Please note that this parameter must NOT be calculated from the proportion of the actual total expenses to date to the planned overall total expenses.

If the project estimated percentage complete is indicated as 100% in a PIR, the FMO will consider it as the last PIR for the project. After processing the PIR, the FMO will generate a tailor-made Project Completion Template (PCR) for completion by the project promoter.

**[2.12] Brief description of actual project progress versus planned**

A description of the progress made in achieving the scope of the project, with comparison to that expected.

## Project expenses funding summary (Euro)

This table shows how the project expenditure and funding is evolving over time, and has three columns:

- Previous total
- This reporting period
- Total

The 'Previous total' column summarises the state of the project when the previous PIR was submitted. If this is the first PIR (#1) then information in this column can only refer to an advance payment, if one has been made on this project.

'This reporting period' summarises the change to the project parameters from this PIR.

'Total' is the sum of the first two columns. Note that the 'Total' column in PIR #n is brought forward to be the 'Previous total' column in PIR #n+1.

As non-eligible expenses are by definition not funded by the Financial Mechanisms, they are not considered in this table.

The descriptions below focus on the source of the data in the 'This reporting period' column.

### **[2.13] Cash eligible expenses**

The total cash eligible expenses reported under each activity in [4.16] summed across all activities.

### **[2.14] In-kind contribution**

The total in-kind eligible expenses reported under each activity in [4.17] and [4.18] summed across all activities.

### **[2.15] Total Eligible Expenses**

The total of [2.13] and [2.14].

### **[2.16] Advance offset**

The amount deducted from the cash eligible expenses [2.13], which would normally be reimbursed, to offset any advance payment. The advance offset is calculated according to the following rules:

- As much of the cash eligible expenses to be reimbursed up to the planned advance offset (PIP [5.11]) will be used to offset the advance.
- a shortfall in the advance offset from one reporting period (due to the cash eligible expenses in the period being less than the planned advance offset) is carried forward to the next reporting period, and so on until the shortfall is made up.

### **[2.17] Cash eligible expenses less advance offset**

The cash eligible expenses that will actually be reimbursed, excluding any retention for project completion. This is calculated from the total cash eligible expenses [2.13] less the advance offset [2.16].

This figure is included to clarify the calculation.

### **[2.18] Financial Mechanism disbursement prior to project completion retention**

The cash eligible expenses less advance offset [2.17] plus in-kind contribution [2.14], multiplied by the actual grant rate for this reporting period [2.23].

This figure is included to clarify the calculation.

### **[2.19] Retained for project completion**

The amount to be retained from the Financial Mechanism disbursement prior to project completion retention [2.18] that will be paid on project completion. This is calculated according to the following rules:

- If this PIR is not the last PIR (which must be the case if the project estimated percentage complete [2.11] is not equal to 100%) funds are not retained for project completion until the following total eligible expenses threshold has been reached:

$$\frac{\text{total grant awarded}([2.4]) - \text{planned amount retained for project completion (PIP [5.5] x PIP [2.6])}{\text{grant rate awarded}([2.3])}$$

- Once that threshold has been reached, as much of the Financial Mechanism disbursement prior to project completion retention [2.18] up to the planned amount retained for project completion (PIP [5.5] \* PIP [2.6]) is deducted from [2.18].
- if the amount to be retained for project completion cannot be retained from a single PIR, the outstanding amount is carried forward to the next PIR.
- if this PIR is the last PIR, then the maximum amount of cash available up to the outstanding planned amount retained for project completion is deducted from the disbursement to be made by the Financial Mechanism(s).

### **[2.20] Financial Mechanism Disbursement**

The amount that the Financial Mechanism(s) will disburse for the claim made in this PIR. This is calculated from the Financial Mechanism disbursement prior to project completion retention [2.18], less amount retained for project completion [2.19].

### **[2.21] Cash Co-financing**

The cash co-financing that has to be made available to the project this period. This is calculated from the total cash eligible expenses for the reporting period [2.13], less the advance offset [2.16], less the Financial Mechanisms disbursement prior to retention for project completion [2.18].

### **[2.22] Cash Eligible Expenses Funding.**

The total cash to be reimbursed for expenses reported in this period. The total of [2.20] and [2.21].

### **[2.23] Actual grant rate**

The ratio of the Financial Mechanisms disbursement prior to retention for project completion [2.18] to the sum of cash eligible expenses funding [2.22] and in-kind contribution [2.14].

The actual grant rate for a single reporting period is calculated according to the following rules:

1. The amount in the 'Total to date' column must never exceed the grant rate awarded by the Financial Mechanisms [2.3]. The calculation of the grant rate in a single reporting period aims to make the 'Total to date' grant rate as close as possible to [2.3], taking total eligible expenses to date into account.
2. The grant rate in a single reporting period can never be less than 0% and can never exceed 100%.
3. The total grant paid ([2.20], 'Total to date' column) must never exceed the total grant awarded by the Financial Mechanisms ([2.4]).

## **3.3 Part III: Payment claim and Cash Co-Financing**

This section summarises the payments to be made associated with this PIR, and provides a sign-off for them.

### **[3.1] Start date of reporting period**

The start date of the reporting period associated with this PIR, from PIP [5.8].

**[3.2] End date of reporting period**

The end date of the reporting period associated with this PIR, from PIP [5.9].

**[3.3] Payment claim number**

The number of this PIR, from PIP [5.7].

**[3.4] Percentage cash co-financing from non-public sources**

The percentage of the cash co-financing that is provided from non-public sources, from PIP [5.4].

**[3.5] Financial Mechanism Grant**

Same as [2.20].

**[3.6] Cash co-financing to be committed – this PIR: Government Budget**

Calculated:  $[2.21] \times (1 - [3.4])$ .

**[3.7] Cash co-financing to be committed – this PIR: Non-public**

Calculated:  $[2.21] - [3.6]$

**[3.8] Cash co-financing committed – previous PIR / advance payment: Government Budget**

Sourcing from [3.6] in previous PIR (if this is the first PIR then this value is taken from the proportion of the advance payment paid from the Government budget).

**[3.9] Cash co-financing committed – previous PIR / advance payment: Non-public**

Sourcing from [3.7] in previous PIR (if this is the first PIR then this value is taken from the proportion of the advance payment paid from non-public sources).

## Signature

The Paying Authority must certify the payment claim and co-financing before submitting it to the FMO.

### **3.4 Part IV: Project Progress and indicators**

**[4.1] Activity Number**

Self-explanatory, based on the PIP [4.1].

**[4.2] Activity Title**

Self-explanatory, based on the PIP [4.2].

**[4.3] Actual total expense this period (Euro)**

The actual total expenditure for this reporting period for this activity. This figure includes cash eligible expenses [4.16], government budget in-kind eligible expenses [4.17], non-public in-kind eligible expenses [4.18] and non-eligible expenses [4.19].

**[4.4] Planned total expense this period (Euro)**

The planned total expenditure this reporting period extracted from the corresponding activity in Part IV of the latest approved PIP for this project. Where the reporting period does not correspond exactly to a PIP budgeting period, a monthly average expenditure is calculated from the PIP.

**[4.5] Estimated / actual start date**

If the activity has not yet started, the month in which work is likely to start. If the activity has started, the month in which it did so.

**[4.6] Planned start date**

The month in which work on the activity was planned to start (PIP field [4.4]).

**[4.7] Estimated /actual completion date**

If the activity has not yet started or is in progress, the month in which work is likely to be completed. If the activity has been completed, the month in which it did so.

**[4.8] *Planned completion date***

The month in which the work on the activity was planned to be completed (PIP field [4.5]).

**[4.9] *Estimated percentage complete***

The best estimate, on the day of submission of the PIR, of the percentage of the scope of the activity that has been completed.

This is a key parameter used by the FMO in comparing actual project progress to the plan, and it is thus very important that meaningful information is supplied in this field. Please note that this parameter must NOT be calculated from the proportion of the actual total expenses to date for the activity to the planned overall total expenses - what is expected is a judgement call by the project promoter.

**[4.10] *Brief description of actual activity progress versus planned***

A description of the progress made in achieving the scope of the activity, with comparison to that described in the latest approved PIP. This should focus on:

- progress towards measurable deliverables from the activity;
- status of risks recorded against the activity in the PIP;
- identified issues hindering progress.

You must never exceed the space provided in the text box.

**Activity expenditure**

For each month in the reporting period, record the local currency project expenses associated with each of the expense types. Expenses are deemed to be incurred within the reporting period if expenses are paid, invoiced, and the subject matter (goods, services or works) of the expense delivered, within the said dates.

**[4.11] *Cash eligible expenses – local currency***

The actual cash eligible expenses that are uniquely associated with this activity.

**[4.12] *Government budget in-kind eligible expenses – local currency***

The actual value of any eligible in-kind contribution from government sources that is uniquely associated with this activity.

**[4.13] *Non-public in-kind eligible expenses – local currency***

The actual value of any eligible in-kind contribution from non-public sources that is uniquely associated with this activity.

**[4.14] *Non-eligible expenses – local currency***

The actual cash non-eligible expenses associated with this activity.

**[4.15] *Exchange rate***

This data is provided by the FMO according to the rule described in Disbursement Guidelines, section 3.1.

**[4.16] *Cash eligible expenses – Euro***

The local currency value in [4.11] converted to Euros by the application of the exchange rate in [4.15]

**[4.17] *Government budget in-kind eligible expenses – Euro***

The local currency value in [4.12] converted to Euros by the application of the exchange rate in [4.15]

**[4.18] *Non-public in-kind eligible expenses – Euro***

The local currency value in [4.13] converted to Euros by the application of the exchange rate in [4.15]

**[4.19] *Non-eligible expenses – Euro***

The local currency value in [4.14] converted to Euros by the application of the exchange rate in [4.15]

## Project Indicators

The PIR requires a quantitative report in column [4.23] on the progress to date on achieving the project results as defined in the PIP. Columns [4.20], [4.21], [4.22] and [4.24] are from PIP columns [3.1], [3.2], [3.3] and [3.4] respectively.

## Project Progress signoff

This section of the PIR is only provided for signature by the Focal Point.