



PIISA

Piloting Innovative Insurance
Solutions for Adaptation

D5.4 Project Administration Guide (PAG) Version 1

Authors: PIISA Management Team



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Summary

Task 5.2 Administrative management (Lead FMI; Contributors: All) (D5.4, D5.5, D5.6) (M1–M36)

The Administration Manager is responsible for making the Project Administration Guide (PAG). Project administrative and financial management is dedicated to managing administrative aspects of the project: a) Manage legal and contractual issues, including implementation and maintenance of the Grant Agreement and b) Consortium Agreement, incl. possible amendments, c) Managing financial issues of the project, e.g., the transfer of the EC contribution to the beneficiaries and monitoring of the financial situation, d) Conducting accurate and timely financial reporting to EC. Also, supporting partners on economic management and reporting.

Keywords

Administration, guide, project financial issues

Abbreviations and acronyms

Acronym	Description
D	Deliverable
PAG	Project Administration Guide
CINEA	European Climate, Infrastructure and Environment Executive Agency
FMI	ILMATIETEEN LAITOS
AMIGO SRL	AMIGO SRL
BSC CNS	BARCELONA SUPERCOMPUTING CENTER CENTRO NACIONAL DE SUPERCOMPUTACION
2DII	ASSO 2 INVESTING INITIATIVE
EC	European Commission
CA	Consortium Agreement
GA	General Assembly
EU	European Union
M	Month
CFS	Certificate on the financial statements

Introduction

The Administration Manager is responsible for making the Project Administration Guide (PAG). Project administrative and financial management is dedicated to managing administrative aspects of the project: a) Manage legal and contractual issues, including implementation and maintenance of the Grant Agreement and b) Consortium Agreement, incl. possible amendments, c) Managing financial issues of the project, e.g., the transfer of the EC contribution to the beneficiaries and monitoring of the financial situation, d) Conducting accurate and timely financial reporting to EC. Also, supporting partners on economic management and reporting.

1 PIISA Grant Agreement

Grant Agreement has been signed by Ilmatieteen laitos (FMI, Finnish Meteorological Institute) on 19 May 2023 and by the European Commission on 21 May 2023. Other Beneficiaries have signed Accession to Grant Agreement between 21 and 31 May 2023. Grant Agreement is managed on the Funding & Tender Opportunities Portal. Any possible amendments will be negotiated between FMI as the Coordinator and the European Commission. Other Partners should contact the Coordinator, if they would like to propose an amendment.

2 PIISA Consortium Agreement

Consortium Agreement (CA) has been finalized, other than the last details related to the role of the Associated Partner. It will be sent to all Parties to be signed in the near future.

2.1 General Assembly

General Assembly (GA) is the decision-making body of the consortium. It consists of one representative of each Party (“Member”), who

- should be present or represented at any meeting;
- may appoint a substitute or a proxy to attend and vote at any meeting;
- shall participate in a cooperative manner in the meetings.

The Coordinator shall chair all meetings (unless decided otherwise). The Parties agree to abide by all decisions of the General Assembly.

The chairperson shall

- convene ordinary meetings at least once every six months
 - give written notice of a meeting to each Member as soon as possible and no later than 14 calendar days preceding an ordinary meeting
 - prepare and send each Member an agenda no later than 14 calendar days preceding the meeting
- convene extraordinary meetings at any time upon written request of any Member
 - give written notice of a meeting to each Member no later than 7 calendar days preceding an extraordinary meeting
 - prepare and send each Member an agenda no later than 7 calendar days preceding the meeting

GA meeting agenda item requiring a decision must be identified. Any Member may add an item to the agenda (see CA). Meetings may also be held by tele- or videoconference or other telecommunication means.

GA meeting decisions will only be binding once the relevant part of the minutes has been accepted. They are not valid unless two-thirds (2/3) of Members are present or represented. Decisions shall be taken by a majority of two-thirds (2/3) of the votes cast. Decisions may also be taken without a meeting, if

- the Coordinator circulates to all Members of the General Assembly a suggested decision with a deadline for responses of at least 10 calendar days after receipt by a Party and
- the decision is agreed by 51 % of all Parties.

For veto rights, see CA 6.3.5.

2.1.1 Decisions that shall be taken by the General Assembly

- Content, finances and intellectual property rights
 - Proposals for changes to Annexes 1 and 2 of the Grant Agreement to be agreed by the Granting Authority
 - Changes to the Consortium Plan
 - Modifications or withdrawal of Background in Attachment 1 (Background Included)
 - Additions to Attachment 3 (List of Third Parties for simplified transfer according to Section 8.3.2)
- Evolution of the consortium
- Appointments
- Appointment of External Advisory Board members.

3 Financial Issues

FMI received the prefinancing payment [2,189,226.56 € (80 % of maximum grant amount, & 5 % retained for the Mutual Insurance Mechanism, as per the Grant Agreement)] from the Commission in June 2023. It was distributed to other beneficiaries without unjustified delay in June 2023. As mentioned in Grant Agreement Article 22.3.1, “The aim of the prefinancing is to provide the beneficiaries with a float. It remains the property of the EU until the final payment.” The next payments are after the first reporting period ends after M18, and after the final report after the project ends after M36.

The estimated budget of the action is calculated on the basis of the estimated eligible costs submitted by the consortium and is annexed to the Grant Agreement (Annex 2). These estimated eligible costs are used to determine the ‘maximum grant amount’ of the action. Maximum European Commission funding for PIISA is 2,918,968.75 €. It includes 100% reimbursement for all eligible direct project costs. The cost categories are Direct Personnel costs, Other Direct costs (travel, equipment, goods and services), and Indirect Costs (25 % flat rate of the eligible direct costs, excluding subcontracting and internally invoiced goods and services). Direct Costs are directly linked to the action implementation and attributed to it directly. The Beneficiaries must be able to show (with records and supporting evidence) the link to the action. Indirect Costs cannot be identified as specific costs directly linked to the performance of the action - i.e. they are costs that are only indirectly linked to the action, e.g. via cost drivers.

Eligible costs are:

- actually incurred by the beneficiary during the lifetime of the project (exception: final periodic report)
- indicated in the budget
- incurred in connection with the action and necessary for its implementation
- Identifiable, verifiable and recorded in the Beneficiary’s accounts in accordance with usual cost accounting practices and accounting standards
- complying with the applicable national law on taxes, labor and social security
- reasonable and justified.

Purchases of equipment, infrastructure or other assets used for the action must be declared as depreciation costs, calculated on the basis of the costs actually incurred and written off in accordance with international accounting standards and the beneficiary's usual accounting practices. Only the portion of the costs that corresponds to the rate of actual use for the action during the action duration can be taken into account.

Beneficiaries may transfer budget among themselves and between budget categories and declare costs that are different from the estimated budget. If the incurred eligible costs are lower than the estimated eligible costs, the difference can be allocated to another beneficiary or another budget category. The Grant Agreement allows transfers of budget, NOT of tasks. Moreover, a beneficiary can NOT transfer budget to a form of costs that it did not set out in its estimated budget. If the budget transfer is due to a significant change in Annex 1, an amendment to the Grant Agreement is needed. A significant change is a change that affects the technical work ('action tasks') of Annex 1. Concerning unit costs: cost of a unit can not be changed but amount of units can.

Beneficiaries should keep records and other supporting documents to prove the proper implementation of the action for a period of five years after the final payment. For actual costs: adequate records and supporting documents to prove the costs declared (such as contracts, subcontracts, invoices and accounting records); in addition, the Beneficiaries' usual accounting and internal control procedures must enable direct reconciliation between the amounts declared, the amounts recorded in their accounts and the amounts stated in the supporting documents.

The beneficiaries must keep the original documents. Digital and digitalised documents are considered originals if they are authorised by the applicable national law.

The granting authority may check / carry out reviews / carry out audits on the proper implementation of the action and compliance with the obligations under the Grant Agreement. They may be started during the implementation of the action and up to two years after it.

Parties should always refer to the Grant Agreement for the latest official rules concerning financial and other issues.

4 Financial Reporting

Periodic report 1: month 1 to 18

Periodic report 2: month 19 to 36

Final report: at the end of the project.

The Beneficiaries must continuously report on the progress of the action (e.g. deliverables, milestones, outputs/outcomes, critical risks, indicators, etc; if any), in the Portal Continuous Reporting tool. The coordinator must submit a periodic report after the end of each reporting period:

- technical part: includes an overview of the action implementation
- financial part: the financial statements (individual and consolidated; for all beneficiaries/affiliated entities) & the explanation on the use of resources.

The final technical report is a publishable summary of the entire action (describing the overview of the results and their exploitation and dissemination, the conclusions on the action and its socio-economic impact).

The final financial report consists of the final summary financial statement that is automatically generated by the IT system.

A certificate on the financial statements (CFS) is required if costs are 430 000 euros or more.

For more on reporting, see Grant Agreement article 21.

Coordinator's role:

- monitoring compliance by the Parties with their obligations under the Consortium Agreement and the Grant Agreement
- collecting, reviewing to verify consistency and submitting reports, other deliverables (including financial statements and related certification) and specific requested documents to the Granting Authority
- act as the intermediary between the Parties and the Granting Authority
- distribute the project finances, keep financial records and provide information to the Commission upon request.

Coordination team must be informed immediately about any legal, technical, financial etc. changes affecting PIISA.

Time declaration:

- The number of day-equivalents declared for a person must be identifiable and verifiable
- time worked for the beneficiary under the action must be supported by declarations signed monthly by the person and their supervisor, unless another reliable time-record system is in place; the granting authority may accept alternative evidence supporting the time worked for the action declared, if it considers that it offers an adequate level of assurance
- Time declaration template can be found on the Funding & Tender Opportunities Portal, at https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/temp-form/report/time-declaration_en.docx.

5 Supporting Partners

Partners are asked to contact PIISA Administration Manager Lauri Uusi-Hakala Lauri.Uusi-hakala@fmi.fi for any questions related to administration. For other contact information and support offered, Partners are asked to refer to PIISA Project Management Guide (Deliverable 5.1), section "Problem solving".