

Decommitment methodology (n+3) and process in 2014-2020

Q/A following EGESIF 13/07/2017

Version 04/09/2017

N°	MS	MS comment	COM reply
1.	GR	<p>According to articles 86-89 and 136 of Regulation (EU) No 1303/2013, all programs shall be submitted to a decommitment procedure.</p> <p>Based on the EGESIF Note concerning the “Decommitment methodology (n+3) and process in 2014-2020” (EGESIF_17_0012_00/ 28-06-2017), the decommitment procedure is established on the basis that “... amounts committed but not covered by pre-financing or by submitted interim payment applications ... during the budgetary years concerned are decommitted. ... The results of the examination and acceptance of accounts, including the recoveries will have no impact on the decommitment calculation. The offsetting of the recoveries against future payments, whatever pre-financing or interim payment, has no impact on the decommitment calculations”.</p> <p>Furthermore, in accordance with Article 134 (1a) of Regulation (EU) No 1303/2013, as amended by Regulation (EU) 2015/1839, “in addition to the instalments provided for in points (b) and (c) of paragraph 1, an additional initial pre-financing amount of 3,5% of the amount of support from the Funds and the EMFF for the entire programming period shall be paid to operational programs in Greece each year in 2015 and 2016. If, by 31 December 2016, the total amount of the additional initial pre-financing paid on the</p>	<p>As stated in the revised note <i>"The results of the examination and acceptance of accounts, <u>including the recoveries</u> will have no impact on the decommitment calculation. The offsetting of the recoveries against future payments, whatever pre-financing or interim payment, has no impact on the decommitment calculations.</i></p> <p><i>As a consequence, the full pre-financing due in accordance with Art. 134 of the CPR for each and every year concerned is taken into consideration, even if recovered later or if only a part of it has been transferred in cash due to the offsetting. Submitted interim payment applications are taken into consideration for the calculation of the automatic decommitments and not the amounts certified in the accounts. This remains true for later years after the submission of the accounts."</i></p> <p>The Commission confirms that the additional initial pre-financing for Greece will count for the de-commitment calculation, even if recovered subsequently.</p> <p>Thus, the calculation made by the Greek authorities is correct and in line with the Commission data.</p>

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		<p>basis of the above provision in 2015 and 2016 to an operational program by Fund, where applicable, is not covered by payment applications submitted by the certifying authority for that program, Greece shall repay to the Commission the total amount of the additional initial pre-financing for that Fund paid to that program. Those repayments shall not constitute a financial correction and shall not reduce support from the Funds or the EMFF to the operational programs”.</p> <p>In our case, based on the financial data of 31/12/2016, the additional initial pre-financing amount from ESF to the Operational Program “Competitiveness, Entrepreneurship & Innovation” (CCI 2014GR16M2OP001) was not covered in full by payment applications. As a result the Commission has already issued a debit note. The same applies for the Operational Program for Fisheries and Maritime (EMFF) for Greece.</p> <p>Taking into account the EGESIF note, repayments to the Commission have no impact on the decommitment calculations. Thus, we consider that this additional initial pre-financing will count for the decommitment calculation (n+3 rule). Please confirm.</p> <p>To illustrate the above case, please find attached an xls file in which the decommitment calculation takes into consideration the additional initial pre-financing of article 134 (1a) CPR as amended.</p>	
2.	ES	<p>I am writing to express the position of the Kingdom of Spain concerning point 10 of the agenda of the 25th EGESIF meeting about the procedure and methodology for the implementation of the n+3 rule.</p>	<p>The Commission confirms that the calculation of the de-commitment should be done at the level of categories of region defined in Article 2 point (21) CPR as less developed, transition and more developed regions.</p> <p>Art 86(1) CPR sets out that all programmes shall be submitted to a</p>

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		<p>During the meeting several Member States, in particular: Austria, France, Italy, Belgium, United, Kingdom and Slovenia, defended a less restrictive application of articles 86 and 136 of the Regulation (EU) No. 1303/2013 of the European Parliament and of the Council (CPR). According to their position, the operational programmes, as a whole, are submitted to the decommitment procedure, not considering the different categories of regions.</p> <p>Once analysed the content of both articles, indeed, it can be concluded that the CPR only establishes that the operational programmes shall be submitted to a decommitment procedure for the committed amounts. In no case it can be deduced the obligation to decommit these amounts by category of region.</p> <p>The Commission expressed that, during the previous period, the decommitment was implemented by objective. But it cannot be presumed that the same methodology for implementing the n+3 rule has to be used during the 2014-2020 period.</p> <p>Our position is therefore that the n+3 rule should be implemented at the program level, not by category of region. A more restrictive application of the Regulation could have negative consequences in the implementation of the programmes, their effectiveness and the expected results from the cohesion policy.</p> <p>If you consider it necessary, we would be pleased to discuss this issue in depth.</p>	<p>decommitment procedure established on the basis that amounts linked to a commitment which are not covered (...) shall be decommitted. Article 136 CPR establishes that the Commission shall decommit any part of an operational programme that has not been used for payment of the initial and annual pre-financing and interim payments (...).</p> <p>Commitments for a programme are made in accordance with the financial table of the OP (i.e. Article 96 CPR, Table 17 of Annex I of Commission Implementing Regulation (EU) No 288/2014), in which these commitments are broken down by Fund and by category of region.</p> <p>In line with this, Article 88 (4) CPR states that in case of de-commitment, Member States have to submit a revised financing plan reflecting (...) the reduced amount of support (...) taking into account the allocation by Fund and by category of region, where appropriate.</p> <p>Likewise, the model for the payment application (Annex VI of Commission Implementing Regulation (EU) No 1011/2014) envisages that the expenditure be broken down by priority and category of regions. Therefore, as a general rule, the amounts paid to the Member States are defined by category of region.</p> <p>Calculating de-commitment at the level of the category of region thus mirrors the underlying logic of the financing plan, the payment applications made by categories of regions and the Union's budget structure split by categories of regions for commitments and payments.</p> <p>Furthermore, such approach ensures continuity between the previous and the current programming periods. There is no difference in the drafting of the legal basis applicable to de-commitment between Article 136 CPR and Article 93 of Regulation 1083/2006. In the previous programming period, de-commitments were applied by objective for multi-objective programmes, as regions were</p>

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			<p>categorised by "convergence" or "competitiveness" objectives.</p> <p>The specific allocation for the outermost regions and northern sparsely populated regions can be treated in a different manner, since an outermost and northern sparsely populated region is <u>not</u> a category of region according to the definition provided in the CPR (cf. Article 2 point 21 CPR);</p> <p>For further information please refer to the revised note and the calculation example distributed to the EGESIF.</p>										
3.	LV	<p>Question 1:</p> <p>According to the information given on decommitment rule regarding YEI in the “Decommitment methodology (n+3) and process in 2014 – 2020” it is said that N+3 rule will be calculated together with the ESF matching support:</p> <p><i>"Since an outermost and northern sparsely populated region is not a category of region as defined by the CPR, the additional funding for outermost/northern sparsely populated regions shall be treated as an addition ("top up") to the category of region concerned. Consequently, this funding shall be calculated together with the allocation for the category of region concerned. The same principle applies for the YEI specific allocation and the ESF matching support".</i></p> <p>We would like the Commission to elaborate on this note particularly regarding prefinancing. In Latvia’s case the financial plans for YEI and ESF matching support are indicated separately in the OP, i.e., ESF matching support is included in the main ESF financial plan. Meaning that Latvia has four N+3 targets: ERDF, CF, ESF and YEI specific allocation (not including ESF matching</p>	<p>In accordance with the methodology presented in the EGESIF note Option two is the one to be applied to the calculation of the YEI N+3 risk of decommitment.</p> <p>For example, the 2017 N+3 target for the YEI is to be calculated in the following way:</p> <p>The YEI specific allocation 2014 (as indicated in table 17 of the Financial Plan of the OP in force on 31.12.2017)</p> <table><tr><td>+ (plus)</td><td>The matching ESF 2014 allocation</td></tr><tr><td>- (minus)</td><td>Initial pre-financing paid to the YEI in 2014, 2015 and 2016 (amounts from the YEI specific allocation and amounts from the matching ESF budget lines)</td></tr><tr><td>- (minus)</td><td>Additional YEI initial pre-financing paid in 2015 from the YEI specific allocation only</td></tr><tr><td>- (minus)</td><td>Annual pre-financing paid in 2016 and 2017 (amounts from the YEI specific allocation and amounts from the matching ESF budget lines)</td></tr><tr><td>- (minus)</td><td>YEI expenditure (Union part) declared in payment applications submitted to the Commission by</td></tr></table>	+ (plus)	The matching ESF 2014 allocation	- (minus)	Initial pre-financing paid to the YEI in 2014, 2015 and 2016 (amounts from the YEI specific allocation and amounts from the matching ESF budget lines)	- (minus)	Additional YEI initial pre-financing paid in 2015 from the YEI specific allocation only	- (minus)	Annual pre-financing paid in 2016 and 2017 (amounts from the YEI specific allocation and amounts from the matching ESF budget lines)	- (minus)	YEI expenditure (Union part) declared in payment applications submitted to the Commission by
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		<p>support).</p> <p>Therefore we would appreciate if the Commission could clarify, which from the provided scenarios is true for YEI decommitment rule:</p> <p>Scenario 1</p> <p>1. Financial plan of YEI specific allocation is combined with the main ESF financial plan, leaving only three N+3 targets – (1) ERDF, (2) CF and (3) ESF (incl. YEI).</p> <p>Scenario 2</p> <p>2. ESF matching support is deducted from main ESF financial plan and added to YEI specific allocation's financial plan, keeping four N+3 targets – (1) ERDF, (2) CF, (3) ESF main and (4) YEI, incl. ESF matching support. In this scenario, is it true that the prefinancing paid for ESF (proportional to ESF matching support) can be considered as part of a fulfillment of the N+3 rule for YEI.</p>	31.12.2017.
4.	LV	<p>Question 2:</p> <p>According to the “REGULATION (EU) 2015/779 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 May 2015 amending Regulation (EU) No 1304/2013, as regards an additional initial prefinancing amount paid to operational programmes supported by the Youth Employment Initiative” in addition to pre-financing defined in article 134 of the CPR, an additional pre-financing was</p>	<p>The additional initial pre-financing is also taken into account for the calculation of the N+3 target.</p> <p>See detailed target calculation in reply to LV Question 1 above.</p>

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		paid for implementation of YEI. Our question is as follows: is only the prefinancing defined in the CPR considered as fulfillment of N+3 target OR also the additional pre-financing can be considered as one	
5.	LV	<p>Question 3:</p> <p>Please clarify more detailed, whether the exception to the decommitment meant in the article 87 a) the operations are suspended by a legal proceeding or by an administrative appeal having suspensory effect includes also findings of ongoing audit missions? Whether the amount concerned by decommitment be reduced also by this amount?</p>	<p>In order to apply Article 87 (1)(a) CPR the Member State needs to demonstrate that the following cumulative conditions are fulfilled:</p> <ul style="list-style-type: none"> - There must be administrative appeals or judicial/legal proceedings with regard to an operation co-financed under implementation. - These appeals or proceedings have suspensory effect under the national law or the Member State's judicial system. <p>The suspensory effect of a legal proceeding or administrative appeal means that the implementation of an operation is suspended until a legal or administrative decision is taken following the introduction of an appeal.</p> <p>Suspensory effect may be granted not only by the court but on the basis of an administrative appeal. It is for the national administrative or judicial system of the Member State to determine if, and the conditions under which, the suspensory effect is granted by law or at administrative level.</p> <p>An ongoing audit mission may or may not have suspensory effect depending on the national rules in place. Therefore, the rules applicable in the respective Member State determine whether the proceedings mentioned qualify or not for applying Article 87(1)(a) CPR.</p>
6.	LV	<p>Question 4:</p> <p>Please clarify, what is the proof documentation for the exception</p>	Article 87(2) CPR requires MS to send to the Commission information on the exceptions by 31 January.

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		cases meant in the article 87 a) and b)?	<p>Programme authorities should be able to produce any appropriate documentation demonstrating that there are legal or administrative proceedings in respect of the operation at stake which have suspensory effect on the implementation of an operation at stake under the national law or the Member State's judicial system (Article 87 a CPR).</p> <p>As proof documentation will depend on the concrete case at stake. it is difficult to specify in advance, the exact documentation needed to justify the application of Article 87(1)(a) CPR. Depending on the specific case at hand the Commission may also request additional documentation which justifies the application of Article 87(1)(a) CPR.</p> <p>Also for the case of force majeure under Article 87 b) CPR, programme authorities should produce any appropriate documentation, depending on the concrete case at stake. In addition, for force majeure, programme authorities have to provide documentation demonstrating the direct consequences of the force majeure on the implementation of all of part of the programme.</p>
7.	AT	<p>In chapter 2 (page 3 – 4 paragraph) of the document it is explained that “... the thresholds to be reached for the years 2017, 2018, 2019, 2020, 2021 and 2022 are calculated by Fund and by category of region as follows .”</p> <p>We kindly ask the Commission to check the proposed calculation method by category of region and to amend the document. The respective Articles in the CPR (Reg. No. 1303/2013) - Art. 136 and Art. 86 - refer to the programmes as the level of any decommitment procedure. Austria does not see any legal basis for a de-commitment procedure on the level of category of regions.</p>	See reply to question 2

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		<p>We therefore propose to skip the wording “and by category of regions”. Our proposal for the new wording: “... the thresholds to be reached for the years 2017, 2018, 2019, 2020, 2021 and 2022 are calculated by Fund and by category of region as follows .. “</p> <p>Furthermore the procedure to calculate the n+3 rule on programme level would give the programmes and the MS more flexibility to implement the programmes and to achieve the objectives. Since the implementation of ESI funds is seen as very complex from the outside, we should not impose red tapes. In any case at the end of the programming period the indicative amounts per Fund and per category of regions must and will be respected.</p>	
8.	LT	<p>In 2016 LT reimbursed the additional initial pre-financing for YEI (as less than 50 of it were declared to EC). Should it be taken into account while calculating N+3 threshold? Could the Commission provide an example with real numbers?</p> <p>In our opinion, the statement that while calculating N+3, the ESF matching support should be calculating as an addition to the YEI specific allocation is in conflict with CPR. In CPR it is indicated that the EC shall decommit any part of the amount in an OP that has not been used for payment by 31 December of the third financial year following the year of budget commitment under the OP. In OP the YEI allocations are indicated separately from ESF allocations. Member states have planned their financial commitments for each year according to this financial plan of the OP and a new interpretation of CPR Art 136 (1) does not correspond to the legitimate expectations of Member States.</p>	<p>The additional initial pre-financing is also taken into account for the calculation of the N+3 target. See details on the YEI target calculation in reply to question 3.</p> <p>As set out in the note sent to the EGESIF the YEI specific allocation (YEI dedicated budget line) and the matching ESF support shall be considered <u>together</u> as one YEI amount for the automatic decommitment calculation purpose (Art. 86, Art. 136 CPR).</p> <p>In accordance with Article 22 of the ESF Regulation both the YEI specific allocation and the matching ESF funding are already presented as one YEI amount in table 18a of the financial plan of the programme. MS financial programming shall thus already follow the YEI amounts presented in table 18a.</p> <p>Also, in the <u>model for the payment application</u>, in respect of the YEI, the</p>

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		Moreover, this new interpretation was introduced just recently (in July, 2017) and there is no time for Member States to adjust their financial planning according to it.	Member State only declares one YEI amount and requests a single YEI payment regardless of the "source" of Union financing. Only then the Commission proceeds with the split between the YEI and ESF matching budget lines in accordance with Article 23 of the ESF Regulation (and subsequently with the split between the different categories of region for the ESF matching support).
9.	FR	<p>Je me permets de vous transmettre ci-dessous une contribution écrite des autorités françaises concernant le point 10 de l'ordre du jour de l'EGESIF du 13 juillet dernier, relatif à la procédure et à la méthodologie pour l'application de la règle de dégagement N+3 :</p> <p>Lors de cette réunion, les autorités françaises ont manifesté leur désaccord avec l'interprétation de la Commission des articles 86 et 136 du règlement (UE) n°1303/2013 selon laquelle le dégagement s'apprécierait par catégorie de régions (dans le même sens que l'Autriche, la Belgique, l'Italie, le Royaume-Uni et la Slovaquie).</p> <p>Outre notre regret que cette nouvelle appréciation du dégagement par la Commission européenne soit communiquée à six mois de la première mise en œuvre de cette procédure, nous nous étonnons que la Commission européenne ait retenu que l'appréciation du dégagement se réaliserait par catégorie de régions en plus d'une appréciation par programme et par fonds.</p> <p>Cette interprétation paraît très restrictive, en particulier compte tenu des termes de l'article 136 du règlement portant dispositions communes, lequel dispose que le dégagement sera effectué par programme. Nous considérons par ailleurs que cette interprétation du mode de calcul du dégagement par catégorie de régions, met en difficulté la politique interrégionale poursuivie par</p>	See reply question 2

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		<p>la France, actée par l'Accord de partenariat et les programmes concernés qui ont été mis en place et validés par la Commission.</p> <p>Les autorités françaises, à l'instar de l'Irlande et de la Lettonie, saluent néanmoins l'annonce par la Commission de son intention de publier une note complémentaire sur la méthode de calcul du dégagement avec un exemple précis de ce calcul. Nous souhaiterions que cet exemple de calcul présente la méthode à appliquer pour les types de dégagement prévus (par programme, par fonds, et par catégorie de régions) et détaille les préfinancements à prendre en compte (par programme, par fonds et par catégorie de régions).</p> <p>La Commission pourrait par exemple présenter en détail le calcul à effectuer pour un programme opérationnel combinant du FSE et de l'IEJ pour chaque année de mise en œuvre de la procédure de dégagement, soit de 2017 à 2023 (avec le détail du calcul du dégagement FSE seul, et/ou du dégagement FSE-contrepartie de l'IEJ), et ce par catégorie de régions.</p>	
10.	UK	<p>We are submitting a number of questions further to the agenda item on the automatic decommitment (N+3) explanatory note and presentation at the expert meeting of Thursday 13 July. I would be grateful if the EGESIF Secretariat could forward this email to the relevant colleagues in DG REGIO.</p> <p>The explanatory note attached suggests that amounts to be decommitted will be calculated by Fund and by category of region. This was confirmed by the Commission in their presentation, on the basis that this was the practice for the 2007-2013 financial</p>	See reply question 2

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		<p>period, albeit by Fund and by objective.</p> <p>We had understood from contact with DG EMPL that the Commission was planning to calculate these amounts by fund and by operational programme. This would appear consistent with the Common Provisions Regulation. Article 86(1) refers to all programmes being subject to the decommitment procedure. Article 136(1) says that the Commission shall decommit any part of the amount in an operational programme.</p> <p>Both the ERDF and ESF programmes in England and Scotland, as is the case in many other Member States, include both transition and more developed regions in order to establish a shared approach and priorities, and to organise and target the way EU and national funds are spent accordingly.</p> <p>Because no detailed methodology is set out in the Regulations, the Commission has the opportunity to interpret and implement decommitment procedures in a way which reflects the organisation, plans and targets of Managing Authorities and their operational programmes.</p> <p>We would therefore strongly encourage the Commission to take forward their plans for decommitment in this financial period not by analogy with past arrangements, but with reference to those currently in place.</p> <p>Thank you very much for your attention, and we would be very pleased to discuss this further.</p>	

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11.	IT	<p>Italy thanks the Commission for providing the Member States with the opportunity to comment on the calculation of the automatic decommitment rule for program, fund and category of region.</p> <p>In that regard, Italy notes that the Commission's interpretation that the calculation of automatic decommitment - art. 136 Regulation (EU) No. 1303/2013 of the European Parliament and of the Council - carried out by fund and category of region, would create a further constraint for Member States not stated by the Regulation itself: the latter provides that the application of the rule is to be made in relation to the amount of financial resources allocated to the Operational Programme as a whole. In that sense, it is also the position taken by other Member States.</p> <p>On 26 May 2017, Italy sent a note to the Commission, nr.4949 annexed, signed by Agency for Territorial Cohesion and ANPAL (respectively ERDF and ESF responsible), remembering the wording of art. 136 Regulation (EU) No. 1303/2013 of the European Parliament and of the Council apply at Programme's level:</p> <p>"The Commission shall decommit any part of the amount in an operational programme that has not been used for payment of the initial and annual pre-financing and interim payments by 31 December of the third financial year following the year of budget commitment under the operational programme or for which a payment application drawn up in accordance with Article 131 has not been submitted in accordance with Article 135".</p> <p>Moreover, the adoption of the calculation method for automatic decommitment at level of fund and category of region could</p>	See reply question 2

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		<p>constitute an obstacle to the optimal use of resources, while respecting the overall allocation fund and category of region.</p> <p>It is therefore proposed to point n. 2, paragraph 4 of note EGESIF 17 - 0012 - 00 of 28.06.2017, to delete the expression "by Fund and by category of region".</p>	
12.	SI	<p>Slovenia believes that the decommitment methodology proposed by European Commission as stated in the document <i>"Decommitment methodology (n+3) and process in 2014-2020"</i> from June 28, 2017 doesn't comply with the rules set in CPR 1303/2013. More precisely, Slovenia believes that documents such as working papers, guidelines etc. issued by the Commission, shall not impose stricter rules as those set within the Regulation.</p> <p>Namely, the article 86 and 136 of the above mentioned Regulation simply refer to operational program (The Commission shall decommit any part of the OP that has not been used for payment of initial or annual pre-financing and intermediate payments). We would like to stress out that prepayments received so far, haven't been calculated per fund and per region but per fund only. Otherwise we should have received separate transactions of prepayments; one for less developed and the second one for more developed region.</p> <p>Respectively Slovenia would like to emphasize the importance of 1 joint OP for both NUTS II regions and for Investment in jobs and growth objective in order to achieve further synergies between regions, themes, funds etc. that enables higher value added (based on results). Therefore Slovenia strongly believes that OPs with incorporated complementarities shouldn't be discouraged</p>	<p>See reply question 2</p> <p>In addition, the Commission confirms that the initial and annual pre-financing is calculated by Fund and per Category of region. This is also the case for all the Interim Payment Applications.</p>

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		<p>through application of such rules on lower levels than program.</p> <p>Therefore we suggest the Commission to reconsider the wording of chapter 2 of the above mentioned document, in order not to impose stricter rules than those set in CPR 1303/2013.</p>	
13.	HU	<p>Question 1:</p> <p>- (slide 3) Steps and timing / Warning letter</p> <p>What are the criteria that will be taken into account for sending a warning letter to the MS, i.e. „there is a risk of application of the decommitment rule" ?</p>	<p>A Member State will only receive a warning letter for the Programmes where there is a risk of decommitment.</p> <p>The warning letter will contain an annex with detailed information on the situation for each OP concerned (by Fund and by categories of regions) showing the amount of commitments at risk for the end of the year (in other words the commitments not covered yet by interim payments and initial and annual pre-financing). It will be based on factual information at the date of sending the letter.</p>
14.	HU	<p>Question 2:</p> <p>- (slide 6) Submission of the revised financial plan – by 30 of June</p> <p>The slide is about the submission of the revised financial plan via programme amendment after launching the de-commitment procedure. As the procedure takes place in the year N+4, is it correct that the Commission shall adapt the programme amendment by 30 September of N+4, instead of N+3 as indicated on the slide?</p>	<p>The MS will submit to the Commission a revised plan financial Plan by 30 June. Furthermore the Commission will amend the decision adopting the programme by means of implementing acts, by 30 September.</p> <p>As mentioned orally during the presentation, these dates actually take place in the year N+4, which is the year 2018 for the first exercise. This is also indicated in the note explaining the decommitment methodology and process.</p>
15.	HU	<p>Question 3:</p>	<p>It is confirmed that the "Main Allocation" refers to the "Total Allocation" less the "Allocation to performance reserve".</p>

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		<p>- (slide 7) Decommitment (N+3) calculation/General rule: decommitment for 31/12/2017</p> <p>Please confirm that the phrase „main allocation” refers to the amount in the financing plan of the OPs in accordance with Table 17 of Commission Implementing Regulation (EU) No 288/2014, that is „Total allocation (Union support) less allocation to performance reserve”.</p>	
16.	HU	<p>Question 4:</p> <p>- (slide 8) Decommitment (N+3) calculation/Same logic applies for the following years, Decommitment for 31/12/2018</p> <p>Please confirm regarding the calculation formula of the decommitment for 2018, that the amount of the main allocations up to 2015 are to be reduced by the full amount of the annual pre-financings of 2016 and 2017 and 2018, irrespectively of the fact that the amount of the annual pre-financing of 2016 was transferred back to the Commission by the MS because a request for payment was not submitted.</p>	<p>This is confirmed and also indicated in the revised note:</p> <p>The results of the examination and acceptance of accounts, including the recoveries will have no impact on the decommitment calculation. The offsetting of the recoveries against future payments, whatever pre-financing or interim payment, has no impact on the decommitment calculations.</p> <p>As a consequence, the full pre-financing due in accordance with Art. 134 of the CPR for each and every year concerned is taken into consideration, even if recovered later or if only a part of it has been transferred in cash due to the offsetting.</p>

This is a working document prepared by the Commission services. On the basis of applicable EU law, it provides technical guidance for colleagues and bodies involved in the monitoring, control or implementation of the European Structural and Investment Funds on how to interpret and apply the EU rules in this area. The aim of this document is to provide Commission services' explanations and interpretations of the said rules in order to facilitate the programme implementation and to encourage good practice(s). This guidance is without prejudice to the interpretation of the Court of Justice and the General Court or decisions of the Commission.