



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
REGIONAL AND URBAN POLICY
The Director-General

Brussels,
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VIA SFC2007

**Subject: Closure of the Operational Programme Zachodniopomorskie 2007-2013,
CCI 2007PL161PO016 – Closure proposal**

Your Excellency,

With reference to the application for payment of the final balance concerning the Operational Programme Zachodniopomorskie (CCI 2007PL161PO016) sent by the Polish authorities through SFC FO 2007 on 30 March 2017 I write to inform you about the elements which, according to the information available to the Commission services, should form the basis for closure (see detailed calculation in the table attached):

1. On 30 October 2007, the Commission adopted Decision C(2007) 5084 on the adoption of Operational Programme Zachodniopomorskie which set the contribution from the ERDF at EUR 835 437 299. This Decision was last amended by Decision C(2015) 8898 of 4 December 2015 which raised the contribution from the ERDF to EUR 862 807 404.
2. The commitments made by the ERDF amount to EUR 862 807 404.00.
3. The payments made by the ERDF amount to EUR 819 667 033.80.
4. The balance of the ERDF commitment amounts to EUR 43 140 370.20 (2-3).
5. The declared expenditure amounts to EUR 1 373 970 071.11, of which EUR 16 397 177.42 is ineligible:
 - a) EUR 1 493 871.80 relates to financial corrections (see point a) below);
 - b) EUR 1 464 126.72 relates to recoveries made after the submission of the closure documents (see point b) below);
 - c) EUR 13 392 746.32 relates to pending recoveries (see point c) below);

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d) EUR 46 432.58 relates to on-going investigations (see point d) below);
leaving an amount of eligible expenditure of EUR 1 357 572 893.69.

6. The contribution due from the ERDF amounts to EUR 862 807 404.00.

Conclusion:

7. Balance of the ERDF to be paid: EUR 43 140 370.20 (6-3).

8. Balance of the ERDF assistance to be decommitted: EUR 0 (2-6).

With the present letter, the final implementation report sent on 30 March 2017 (and revised on 6 October 2017) and the closure declaration sent on 30 March 2017 **are accepted** in accordance with Articles 67(4) and 89(3) of Regulation (EC) No 1083/2006. Closure of the corresponding assistance is carried out taking into account the information provided in the above mentioned documents, in the letter received by email of 23 March 2018 Ares(2018)1689504 and in the email of 24 May 2018 Ares(2018)3016919.

a) Financial corrections

The identified financial corrections amount to EUR 1 493 871.80 and result from the recommendations made by the audit authority on the irregular expenditure which were not implemented by the managing authority.

It appears from the analysis of submitted documents, having regard to the amount of expenditure declared, that the above mentioned amount has no impact on the amount of assistance from the ERDF to be paid.

The Polish authorities agreed to deduct the affected amount from the declared expenditure (email of 24 May 2018 Ares(2018)3016919) and withdraw the objections raised in the letter of 6 December 2017 Ares(2017)6207780.

b) Recoveries made after the submission of the closure documents

According to the information received from the Polish authorities on 24 May 2018 Ares(2018)3016919, the recoveries made after the submission of the closure documents amount to EUR 1 464 126.72.

It appears from the analysis of submitted documents, having regard to the amount of expenditure declared, that the above mentioned amount has no impact on the amount of assistance from the ERDF to be paid.

The Polish authorities agreed to deduct the affected amount from the declared expenditure (email of 24 May 2018 Ares(2018)3016919).

c) Pending recoveries

The Commission services have received the Polish authorities' reporting on withdrawals, recoveries, pending recoveries and irrecoverable amounts, in accordance with Article 20(2) of Regulation (EC) No 1828/2006. Updated information on these amounts was received from the Polish authorities by email of 24 May 2018 Ares(2018)3016919).

The amount of expenditure affected by the irregularity cases (pending recoveries) according to the above information is EUR 13 392 746.32.

It appears from the analysis of submitted documents, having regard to the amount of expenditure declared, that the above mentioned amount has no impact on the amount of assistance from the ERDF to be paid.

The Polish authorities agreed to deduct the affected amount from the declared expenditure (email of 24 May 2018 Ares(2018)3016919)

d) On-going investigations

According to the information received from the Polish authorities on 24 May 2018 Ares(2018)3016919, the amount of expenditure affected by on-going investigations is EUR 46 432.58. This amount refers to the corrections stipulated by OLAF investigation which was concluded with the final report OF/2015/1036/B3.

It appears from the analysis of submitted documents, having regard to the amount of expenditure declared, that the above mentioned amount has no impact on the amount of assistance from the ERDF to be paid.

The Polish authorities agreed to deduct the affected amount from the declared expenditure (emails of 24 May 2018 Ares(2018)3016919 and 7 June 2018 Ares(2018)2995651).

Irrecoverable amounts

According to the reporting mentioned under point c), the amount of expenditure affected by the irregularity cases (irrecoverable amounts) for which the Polish authorities requested the Community share to be borne by the general budget of the European Union in accordance with Article 20(2a) of Regulation (EC) No 1828/2006 is EUR 1 883 837.16.

With regard to these amounts and based on the analysis of underlying documents (email of 23 March 2018 Ares(2018)1689504), the Commission confirms that the Community share will be borne by the general budget of the European Union.

Operations suspended due to judicial or administrative proceedings

The amount of suspended expenditure (expenditure that is not declared to the Commission) in respect of the operations that are subject of a legal proceedings or administrative appeal having suspensory effect as provided for in Article 95 of Regulation (EC) No 1083/2006 is EUR 5 376 264.87 as submitted in updated information on 24 May 2018 Ares(2018)3016919.

It appears from the analysis of the submitted documents, that the operations suspended due to judicial or administrative proceedings will have no impact on the amount of assistance from the ERDF to be paid. Therefore, the information provided on the above mentioned suspended expenditure has not been taken into account by the Commission services. Suspended expenditure related to these operations will not be accepted by the Commission services in the future. Any further action with regard to the suspended amounts affected by these operations would subsequently be a matter falling exclusively in Poland's competence.

Subject to available funding, Poland will receive payment of the amount indicated in point 7 above in the coming days.

I would like to kindly request the Polish authorities to inform the Commission services formally no later than within two months from the date of receipt of this letter whether the amounts proposed for closure are accepted.

I would like to recall that this letter is without prejudice to the Commission's right to apply financial corrections as provided for in Article 99 of Regulation (EC) No 1083/2006 as a result of detected irregularities or deficiencies the Commission was not aware of before closure of the corresponding assistance.

Finally, I would also like to remind you that under Article 90 of Regulation (EC) No 1083/2006, the responsible authorities are required to keep available for the Commission and the Court of Auditors, for a period of three years following the closure of the operational programme, all the supporting documents regarding expenditure and audits on the operational programme concerned. You will be informed in due time about the date of the closure, which determines the starting date of the three-years period referred to in Article 90(1) of Regulation (EC) No 1083/2006.

Yours faithfully

Marc Lemaître

Copy:

Mr Olgierd Geblewicz, Marshal of Zachodniopomorskie Voivodeship

Mr Piotr Zygadło, Director of the Department for Regional Operational Programmes, Ministry of Investment and Economic Development

Ms Beata Pałucka, Director, Department of Certification and Designation, Ministry of Investment and Economic Development

Mr Marian Banaś, Head of National Treasury Administration, Secretary of State, ministry of Finance

Mr Krzysztof Faryna, Director, Audit of Public Funds Department, Ministry of Finance

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