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# Guidance on Joint Action Plans

Structural and Cohesion Funds 2014-20



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Structural and Cohesion Funds 2014-20

**European Commission**

Directorate-General for Employment, Social Affairs and Inclusion

Unit E1

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# GLOSSARY

<b>CPR</b>	Common Provisions Regulation; Regulation (EU) No 1303/2013
<b>ERDF</b>	European Regional Development Fund
<b>ESF</b>	European Social Fund
<b>ESF Regulation</b>	Regulation (EU) No 1304/2013
<b>ETC</b>	European Territorial Cooperation
<b>the Funds</b>	the ESF, the ERDF, and the Cohesion Fund
<b>IB</b>	intermediate body
<b>ICT</b>	information and communications technology
<b>IGJ</b>	Investment for Growth and Jobs
<b>ISCED</b>	International Standard Classification of Education
<b>JAP</b>	joint action plan
<b>JAP template</b>	Annex IV: Format of the model for the joint action plan (JAP) of Commission Implementing Regulation (EU) No 2015/207
<b>MA</b>	managing authority
<b>NEET</b>	a person not in employment, education, or training
<b>programme</b>	operational programme
<b>SC</b>	steering committee
<b>SCOs</b>	simplified cost options
<b>SCO guidance</b>	EGESIF_14-0017 Guidance on Simplified Cost Options (SCOs): Flat rate financing, Standard scales of unit costs, Lump sums
<b>SMEs</b>	small and medium-sized enterprises
<b>unit costs</b>	standard scales of unit costs
<b>YEI</b>	Youth Employment Initiative

# 1. INTRODUCTION

One of the main objectives of the legislative framework for the European Structural and Investment Funds for 2014-20 is to reinforce the focus on results. Within cohesion policy, one of the ways to do this is by using a JAP. A JAP enables Member States to implement parts of one or more programmes using a results-oriented approach towards a predefined goal. Its focus on results is ensured because it has coherent intervention logic and makes use of SCOs. Selected output and result indicators are linked with corresponding unit costs or lump sums, and this makes it possible to make payments based on achievement levels. To use a JAP, the Member State concerned must first agree it with the Commission.

This note was prepared by the Commission services responsible for the implementation of cohesion policy, in consultation with the members of the ESF Technical Working Group<sup>(1)</sup> and the Group of experts on European Structural and Investment Funds.<sup>(2)</sup> Its purpose is to provide Member States with guidance on the content, preparation and implementation of JAPs, as set out in Articles 104-109 of the CPR. As the use of JAPs concerns various aspects of implementing cohesion policy, this note should be used in conjunction with other relevant guidance documents on SCOs, intervention logic, and indicators.

The examples in this guidance note are given for illustrative purposes only and do not introduce any requirements or recommendations for JAPs implemented in the 2014-20 programming period.

## 1.1. Why use joint action plans?

JAPs are one way of promoting the Funds' focus on results and have several distinct advantages:

- they move the management's focus from inputs to outputs, results and the achievement of a pre-defined objective;
- the special emphasis on developing the JAP intervention logic is an additional guarantee that adequate measures are taken to tackle an existing problem;
- they can be a useful tool to promote partnership and an integrated approach, as they could be supported by various programmes and funds to achieve a pre-defined objective;
- the financial management of a JAP is based exclusively on the unit costs and lump sums defined in the Commission decision approving it, which simplifies the management and control arrangements and reduces the error rate;
- the decision approving a JAP provides the Member State concerned with additional legal certainty when compared to SCO schemes under Article 67 of the CPR, which are set-up and justified by Member States without prior approval by the Commission.

## 1.2. When to use joint action plans?

The Commission recommends the use of JAPs when:

- Member States are willing to test and apply a results-oriented approach to achieve some of the goals of their programme(s);
- a challenge identified in the programming documents needs to be addressed through a set of complementary actions;
- the expected outputs and results can be defined and, where necessary, reliable data exist to establish related unit costs or lump sums.

The JAP set-up implies that it should be possible to define and justify SCOs for selected JAP output and result indicators. Use of JAPs should be avoided if it is not possible to justify the costs associated with the SCOs proposed.

When an operation consists of a single project, particularly one which is fully outsourced via public procurement, using a JAP could create an administrative burden without providing added value. On the other hand, when two or more projects have a common objective, a JAP may be a suitable instrument for coordinating between them and would ensure a greater focus on results. For example, support for the implementation of the Youth Guarantee through the YEI is considered a good opportunity to test the JAP approach, given the need to integrate a set of actions to reach a clearly defined objective.

<sup>(1)</sup> The ESF Technical Working Group is a working group of the ESF Committee set up under Article 163 of the TFEU. It was set up to facilitate the exchange of information between the Commission and Member States' ESF MAs on technical operational matters related to the management of the ESF.

<sup>(2)</sup> An expert group on implementing programmes adopted and implemented in accordance with the legal framework for the European Structural and Investment Funds, set up by Commission decision C(2014)1875.

## 2. BASIC CHARACTERISTICS

### 2.1. The JAP as an operation

Article 104(1) of the CPR states that a JAP is an operation whose scope is defined and which is managed in relation to the outputs and results to be achieved. A JAP may:

- consist of a project or a group of projects, but is a single operation;
- receive support from one or more priority axes of one or more programmes;
- be implemented under the IGJ goal or the ETC goal;
- be supported by the ESF, the YEI, the ERDF and/or the Cohesion Fund;
- be supported by one or more of the Funds.

A JAP is subject to the same rules as other cohesion policy operations (for instance, funds not spent within a JAP are not automatically lost for the programme(s) in question and may be used in other operations), except where specific rules are defined in the legislative framework (i.e. Articles 104-109 of the CPR). This note focuses on the specific requirements related to the scope, beneficiaries, content, management, and approval of JAPs.

### 2.2. Threshold

Article 104(2) of the CPR sets a minimum threshold for the public contribution to a JAP: the public expenditure (defined as public contribution paid to or by the beneficiary according to

the JAP's financing plan) should be at least EUR 10 million or 20% of the public support of the programme(s), whichever is lower. While this is the general rule, there are two exceptions:

- For a pilot JAP, the public support allocated for each programme may be reduced to EUR 5 million. A Member State may submit one pilot JAP per programme. In principle, a pilot JAP should be the first one submitted for the programme(s). It should be submitted as soon as possible, though it may be proposed at any point during the period. A pilot JAP should envisage specific ways of disseminating information to share the experience gained from its implementation.
- There is no minimum threshold for JAPs supported by the YEI to promote the use of this tool in work on increasing youth employment.

### 2.3. Beneficiaries

Under Article 104(1) of the CPR, a JAP beneficiary must be a public law body (defined in Article 2(10) of the CPR). The beneficiary assumes overall responsibility for the JAP vis-à-vis the programme authorities. However, it is not obliged or expected to implement each project by itself. Other bodies (public or private) may be involved in the JAP's implementation as partners, suppliers, or granted entities (bodies that receive a grant from the beneficiary to implement a project, supported by the JAP). In this way, a JAP may bring together key players in a geographical area or sector, and they will implement various JAP activities under the beneficiary's responsibility.

#### Example

A JAP aims to tackle youth unemployment in a specific area through a group of projects, which form the basis for a strategic partnership. The JAP's beneficiary is the public employment service, but a partnership is formed to implement the JAP. It includes organisations interested in tackling the issues related to youth unemployment, for example training institutions, schools and employers' organisations. These bodies will directly implement some of the projects.



It is also possible for a MA or an IB to be a JAP's beneficiary, if the necessary arrangements to ensure the separation of functions have been put in place (in accordance with Article 125(7) of the CPR).

### Example

A multi-fund JAP aims to improve the productivity of SMEs in a Member State by increasing the use of ICT. The JAP helps SMEs to purchase e-business solutions (ERDF) and to train employees on using the new products (ESF).

The JAP's beneficiary is the MA of the ERDF-ESF programme that provides the financing. The MA prepares the JAP proposal and submits it to the Commission. Upon the Commission's approval, the MA implements the JAP by organising a call for SMEs. Although it is the SMEs that will implement the individual projects within the JAP, the MA remains the JAP's beneficiary and will assume overall responsibility for it.

In accordance with Article 106(8)(a) of the CPR, the beneficiary must show its competence in the area that is the subject of the JAP, and in administrative and financial management, including public procurement and the management of EU funds. To do this, Member States are asked to provide the following information in the JAP proposal:

- information about the beneficiary's expertise in the area that is the subject of the JAP,
- an overview of the beneficiary's experience in project management,
- information about any financial corrections imposed on the beneficiary.

## 2.4. Scope of support

A JAP can be used to finance projects that fall under the scope of the Funds, except for projects that consist of the provision of infrastructure (Article 104(1) of the CPR). Use of cross-financing as envisaged under Article 98(2) of the

CPR is possible, but must be monitored, as Member States must respect the 10% ceiling for each priority axis (by fund and category of region, where relevant). The cross-financed amount should be recorded and monitored based on the data used to define the unit cost/lump sum. In addition, the possibility of cross-financing cannot be used for the provision of infrastructure.

If some infrastructure is necessary to achieve the goals of the JAP, it is recommended to mention this in the JAP intervention logic (for instance as a pre-condition for certain projects). Depending on the scope of the programme(s), this infrastructure could be financed by the Funds as a separate operation, complementary to the JAP.

The purchase of equipment is eligible under a JAP. Management costs are also eligible, if they comply with the JAP's financial management provisions, and will be reimbursed on the basis of SCOs. If management costs do not comply with these provisions or would make implementation more complex, they could be financed as separate operations.

# 3. INTERVENTION LOGIC

The intervention logic is a key way of supporting JAPs' results-oriented approach, as it provides a logical link between the development needs and specific objectives set out in the contributing programmes and the JAP's content. Article 106 of the CPR states that a JAP should include an analysis of the development needs, objectives, outputs and results with milestones and targets, and (types of) projects envisaged. The intervention logic should ensure that all these elements consistently build upon each other.

The main elements of the intervention logic for the 2014-20 period will have already been set out in the programming documents. Member States will have produced an analysis of the development needs in their Partnership Agreements, identified their funding priorities and selected the thematic objectives appropriate for addressing the needs identified. Programmes will have demonstrated how the funding priorities would be implemented through the definition of specific objectives for each investment priority, types of actions to be supported, and indicators. As a JAP may be supported by one or more programmes, it is expected that its intervention logic will build on the logic of the programmes that will finance it. However, it should have a more focused scope and include a greater level of detail.

## 3.1. Analysis of the development needs

The analysis of the development needs should describe the overall problem or situation which the JAP will contribute to solving. This is why it is the starting point for formulating a JAP's intervention logic. It should relate to the analysis in the Partnership Agreement and programmes, but should include a more focused description and, where appropriate, should be substantiated with statistical or other types of data. A JAP can address the particular needs of a specific geographical area or one or several target group(s) and this should be reflected in the analysis and, where necessary, in the specific section of the JAP template. This section should clearly indicate to which programme objectives the JAP will contribute, including relevant country-specific recommendations.

The JAP analysis will be the basis for setting the JAP's general objective and any specific objectives.<sup>(3)</sup> Similar to the specific objectives of programmes, the underlying rationale of a JAP's objectives<sup>(4)</sup> is to describe the change, including the direction of change, sought to be achieved. As the JAP is a single operation though, its objectives should also be set at the level of an operation. The JAP general objective should relate to the entire JAP, while the JAP specific objectives should contribute to achieving the JAP general objective and relate to part of the JAP.

### Example

A YEI JAP, which aims to tackle youth unemployment in a Member State, has the following objectives:

#### General objective:

Provide 10 000 NEETs under 25 with an offer under the Youth Guarantee

#### Specific objectives:

1. Increase the skills of NEETs under 25 to meet the labour market demand, with a particular focus on the low-skilled
2. Increase the number of NEETs aged 20-24 who have had a first work experience
3. Increase the number of NEETs aged 20-24 who are self-employed

<sup>(3)</sup> Article 106(2) of the CPR provides for the general and specific objectives of a JAP. It states that a differentiation should be made between the specific objective of a JAP, referred to as 'JAP specific objective' in the JAP template and in this note, and the specific objective of an investment priority in a programme.

<sup>(4)</sup> 'JAP objectives' includes a JAP's general objective and its specific objectives.

### 3.2. Projects envisaged

In addition to defining the JAP's objectives, Member States are asked to set out the (types of) projects that will be supported, and provide a justification as to how each project will contribute to achieving the JAP's objectives. The

Commission recommends that Member States present a set of underlying assumptions which they consider necessary and sufficient to reach the JAP's expected results as the basis for proposing projects under the JAP. This makes it easier to make amendments later on if the assumptions have proved to be wrong.

#### Example 1

Continuing the example JAP presented in the previous example, here are some of the Member State's assumptions about which projects the JAP should support and how they contribute to the JAP's objectives:

- Successfully integrating young NEETs under 25 into the labour market requires an individualised approach.
- Where appropriate, there should be a package of measures for the project participants and the JAP should allow participants to take part in one or more activities.
- Improving the skills of young people will improve their chances of entering the labour market.
- Fostering an entrepreneurial mind-set and providing start-up support services is one way of integrating young people into the labour market.

The Member State uses these assumptions to justify the following projects under the JAP:

- Provision of individualised pathways for participants
- Provision of basic skills training
- Support for entrepreneurship

### 3.3. Outputs and results

The projects to be implemented as part of a JAP should produce the necessary outputs and results to achieve the JAP's objectives. Outputs are directly produced or supplied through the implementation of JAP projects. They should be linked to the activities planned and should contribute to the results. The results should report the JAP's direct effects on participants or entities involved — for example, a change in employment status upon leaving the JAP. The results should be linked to the JAP's objectives.

A JAP's rationale requires that outputs and results are underpinned by a clear definition. Targets and, where appropriate, milestones should be quantified through the use of indicators. If it is not possible to identify direct and immediate

outputs and the measurable dimension of the expected results through result indicators, or to quantify targets, using a JAP is not recommended.

While some indicators will be used for the JAP's financial management (i.e. for payments made to the beneficiary), others will be developed for monitoring purposes only. The indicators used for monitoring purposes should correspond to the indicators defined for the investment priorities of the programmes that are part of the JAP, but they could also be more specific, depending on the JAP's scope. It may be best to make the indicators related to the JAP's financial management JAP-specific. No matter what their purpose, all indicators must be included in section D.1.3 of the JAP template. For further guidance on reporting requirements and indicators, see the relevant guidance papers on monitoring and evaluation.<sup>(5)</sup>

<sup>(5)</sup> Monitoring and Evaluation of European Cohesion Policy — ESF, guidance document. <http://ec.europa.eu/social/main.jsp?catId=325&langId=en&moreDocuments=yes>  
Guidance Document on Monitoring and Evaluation — ERDF/CF, concepts and recommendations [http://ec.europa.eu/regional\\_policy/sources/docoffic/2014/working/wd\\_2014\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docoffic/2014/working/wd_2014_en.pdf).

### Example

The Member State from the previous example defines the following outputs and results for the projects which will be implemented as part of the JAP:

- **Provision of individualised pathways for participants**

Output: NEETs under 25 in pathway activities

Result: NEETs under 25 in supported employment or education/training

- **Provision of basic skills training**

Output: NEETs under 25 with ISCED 0, 1 or 2 Result: NEETs under 25 who gain an ISCED qualification

- **Support for entrepreneurship**

Output: NEETs aged 20-24 in start-up counselling

Result (immediate): NEETs aged 20-24 establish a start-up

Result (long term): NEETs aged 20-24 sustain a start-up for X months

Where a minimum quality standard is required for a particular project or where a project's completion is necessary for other JAP activities to start, milestones can be set for indicators used for the project's financial management. Such milestones should relate to a specific value of one or several indicators, which is the minimum value to be able to consider the implementation of a certain JAP project or part of it as successful. The milestone must be reached in order for the expenditure incurred for this project to be considered eligible (i.e. this minimum necessary value must

be achieved by the end of the project's implementation). If, on the other hand, a project reaches the milestone agreed for a particular indicator but fails to deliver on the overall target, the beneficiary will be reimbursed up to the level of achievement for that indicator.

The use and values of milestones will depend on the activities envisaged within a JAP. Given their impact on eligibility, such milestones, if any, must be included in the Commission's decision approving the JAP.

### Example 1

A project within a JAP envisages that 10 000 participants with secondary education obtain a qualification (final target). The agreed milestone specifies that at least 2 500 participants gain a qualification by the end of the JAP's implementation. This is the minimum indicator value that must be reached in order for this project to be considered successful, and the corresponding expenditure eligible.

If at the end of the project's implementation only 2 000 people have obtained a qualification, the beneficiary will not be reimbursed at all, as the milestone of 2 500 was not reached. If, for example, 3 200 people obtained a qualification, the beneficiary will be reimbursed based on the unit cost defined for this project (amount per person who obtains a qualification multiplied by 3 200), whether or not the JAP's general objective is achieved.

### Example 2

An ERDF JAP aims to set up a well-functioning research network over five years, which would improve cooperation among researchers from different institutions and the business community. A key step is the setting up of a dedicated electronic research platform to share results and draft papers, and to involve the business community. The goal is that at least X research fellows/business representatives visit the platform every week within six months of its creation. This requires certain conceptual preparation, including surveys, etc.

EUR 5 million cost is planned for creating an electronic platform and interface visited by at least X research fellows/business representatives, etc. weekly within 6 months after creation. This is a milestone of the JAP. Expenditure for this project and subsequent projects under this JAP will only become eligible once the number of visitors reaches X (based on detailed and agreed methodology).

A further EUR 3 million is envisaged for organising Y number of workshops originated in the research platform and involving researchers belonging to at least three different institutions. EUR 2 million is budgeted for the publication of Z number of articles signed jointly by researchers from at least two different institutions. Another EUR 2 million is planned for W number of higher education courses provided in order to disseminate research results. Once the milestone (creating the electronic platform visited by at least X research fellows/business representatives) is reached, the costs of workshops, publications and courses will become eligible for reimbursement based on the corresponding unit costs and/or lump sums agreed.

# 4. FINANCIAL MANAGEMENT, CONTROL, AND AUDIT

## 4.1. Use of simplified cost options<sup>(6)</sup>

Under Article 106(9) of the CPR, a JAP's financial management is exclusively linked to the level of achievement of the outputs and results. This is done by defining a unit cost or a lump sum for one or more indicators associated with each of the JAP's projects. In this way, it is possible to establish the costs necessary to achieve the milestones and targets related to the JAP's outputs and results, as set out in Article 106(9)(a) of the CPR. Progress achieved with each project will induce a change in the indicators, which will in turn be a basis for reimbursing the beneficiary. The total amount of payments under a JAP will correspond to the final level of achievement of the indicators used for its financial management.

A JAP's costs will be reimbursed based on a mix of output and result indicators, which will be different for every JAP and may vary for projects within a JAP. It is possible for some project costs to be reimbursed primarily based on outputs, and for others to be reimbursed primarily based on results, or on outputs *and* results.

Under Article 106(9)(a) of the CPR, each unit cost or lump sum used should be defined based on the methodologies set out in

Article 67(5) of the CPR and Article 14 of the ESF Regulation. However, compared to the SCOs specified in Article 67 of the CPR and Article 14(2)-(4) of the ESF Regulation, the proposed arrangements for JAPs are different in two respects:

- The JAP's financial management is exclusively based on the unit costs and lump sums set out in the decision approving the JAP. The decision is the basis for the financial flows between the Commission and the Member State in relation to the JAP. The JAP's financial management control and audit aims only to verify whether the conditions for payment set out in the decision have been fulfilled (Article 109(2) of the CPR). This makes it possible to differentiate between, on the one hand, the relationship between the Commission, the Member State and the beneficiary and, on the other hand, the relationship between the JAP's beneficiary and the bodies in charge of implementing the JAP projects under the beneficiary's responsibility. Consequently, it is possible to implement (part of) a JAP and to use SCOs even for projects that are exclusively procured.
- Lump sum payments are not capped, which implies that Member States can define lump sums that exceed EUR 100 000 in public contributions.

<sup>(6)</sup> The main reference document for defining unit costs and lump sums is the Commission's SCO guidance, in particular chapters 3-5.

The table below compares the different SCO systems in the legislative framework:

	<b>SCOs under Articles 67-68 CPR and Article 14(2)-(4) of the ESF Regulation</b>	<b>JAPs</b>	<b>Article 14(1) of the ESF Regulation<sup>(7)</sup></b> (if the SCO covers all the costs of the operation and is a set value)
<b>SCO type</b>	Flat rate financing, standard scales of unit costs and lump sums.	Standard scales of unit costs and lump sums; No threshold for lump sums.	Standard scales of unit costs and lump sums; No threshold for lump sums.
<b>Commission approval</b>	No formal approval.	Approved in the framework of the JAP decision.	The SCOs are adopted by the Commission by means of a delegated act.
<b>Calculation method</b>	Calculation based on a fair, equitable and verifiable method. Use of existing EU or national schemes for similar types of operation and beneficiary. Use of rates and methodologies set out in the regulations (Article 67(5), Article 68 of the CPR and Article 14(2) and (3) of the ESF Regulation).	Calculation based on a fair, equitable and verifiable method. Use of existing EU or national schemes for similar types of operation and beneficiary. Use of rates and methodologies set out in the regulations (Article 67(5), Article 68(2) of the CPR and Article 14(1)-(3) of the ESF Regulation).	The regulations do not set a specific methodology for the definition of SCO under Article 14(1) of the ESF Regulation. The Commission, however, intends to use following methodologies: Calculation based on a fair, equitable and verifiable method; Use of existing EU or national schemes for similar types of operation and beneficiary; Use of rates and methodologies set out in the regulations.
<b>Reimbursement</b>	Reimbursement between the Commission and the MA and between the MA and the beneficiary is based on the same SCO system.	Reimbursement between the Commission and the Member State and between the Member State and the beneficiary is based on the same SCO system. The beneficiary may apply a different form of financial arrangements (for example in the case of public procurement), but will be reimbursed based on agreed unit costs/lump sums.	Reimbursements between the Commission and the Member State and between the Member State and the beneficiary may have a different basis.
<b>Public procurement</b>	Not applicable to exclusively procured projects.	Also applicable to exclusively procured projects.	Also applicable to exclusively procured projects.

<sup>(7)</sup> More detailed information can be found in the [Guidance on standard scales of unit costs and lump sums adopted in the framework of Article 14\(1\) ESF Regulation](#)

#### 4.1.1. Calculation of costs

Member States should include all indicators which will be used for a JAP's financial management in Tables I.1.1 and I.1.2 of the JAP template. More detailed information, including justification of each unit cost and/or lump sum, must be provided in the annex (the annex must be completed for each SCO used). The level of detail to be provided to the Commission will depend on the legal basis used to calculate the amount of the unit cost/lump sum. For instance, if the calculation is based on a fair, equitable and verifiable method via historical data, including statistics, information about the calculation or methodology used to establish targets and, where appropriate, milestones should be included in the annex and the data should be sent to the Commission. There is no need to send the micro-data, but these should be available on demand.

If unit costs or lump sums are based on Article 67(5)(b) and (c) of the CPR or Article 14(1) of the ESF Regulation, the information in the annex should include references to the system used and should justify that it is applicable to the JAP projects. If a national system for standard scales of unit costs is re-used for the JAP, the data sent should enable the Commission to verify that it had been applied to similar operations and beneficiaries, and that the system applied to the JAP is the same. All the provisions related to payments should be clearly specified in the JAP proposal.

For Member States which have not adopted the euro as their currency, unit costs and lump sums may be expressed in their national currency (the Commission's decision will specify the amount of each unit cost and/or lump sum in the same currency). This will ensure that the amounts are independent of currency rate fluctuations (for instance, unit costs and lump sums may be calculated based on statistics expressed in national currencies and therefore cannot change every month

according to the currency rate). The Member State concerned will convert the JAP's overall budget into euros using the Commission's monthly accounting exchange rate (as envisaged in Article 133(1) of the CPR) in the month in which the JAP proposal is submitted. The resulting amount in euros will be considered the maximum amount that can be committed to the JAP and will be used to assess if the compulsory JAP thresholds have been reached. When declaring expenditure to the Commission, Article 133 of the CPR will apply similarly to other projects.

If the duration of a JAP is over one year, the Member State may include an automatic update method to calculate the lump sums or the unit costs. The update method may take into account inflation, evolution in wages, or other relevant factors (see SCO guidance chapter 5, section 5.5). If this happens, information about the additional costs resulting from the update should be provided and must be included in the Commission decision.

#### 4.1.2. Financial flexibility

If required by the Member State, the Commission's decision on the JAP could allow some form of limited financial flexibility within the JAP, up to a maximum of 10% of the overall allocation to outputs on the one hand, and/or to results on the other hand. This means that underachievement on an output indicator could be partly compensated by overachievement on another output indicator. By using this flexibility, it would be possible to reimburse an additional up to 10% of the allocation to each indicator. There may also be full flexibility between indicators, capturing different levels of achievement for the same output or result. However, there is no possibility to transfer between results and outputs or to modify the milestones or the amount of the unit cost/lump sum itself without modifying the Commission's decision.

#### Example

A JAP has the following costs associated with its outputs and results (among others):

- EUR 10 000 is allocated for 10 people in training (output 1),
- EUR 10 000 is allocated for 100 people followed up (output 2),
- EUR 10 000 is allocated for 10 people in employment after 3 months (result 1).

By making use of the flexibility arrangements, it is possible to shift up to 10% of the allocated amounts between outputs 1 and 2, but not to result 1. At closure, it would be possible to pay the following without amending the JAP, based on what was achieved:

- EUR 9 000 for 9 people in training,
- EUR 10 500 for 105 people followed up,
- EUR 10 000 (capped) for 11 people in employment after 3 months.

**It is important to note that amounts which have not been paid within the framework of the JAP due to failure to achieve (all) agreed milestones/targets are not automatically lost for the programmes concerned.**

**As for other cohesion policy operations, it is possible to commit the remaining funding to other operations under the programmes (subject to the automatic de-commitment rules or financial corrections).**

## 4.2. Control and audit arrangements

### 4.2.1. Monitoring and collection of data

As a consequence of the results-oriented financial management, the management and control of a JAP will be focused exclusively on data related to the achievement of outputs and results, which are the conditions for payment (Article 109(2) of the CPR). This is why the system a beneficiary puts in place to collect and store these data has to be robust and reliable. The audit trail will be based on this system, so any weakness, such as missing data necessary to justify the achievement of a specific output or result or divergent interpretations of an indicator, could lead to financial corrections. A reliable monitoring system at the level of the beneficiary is absolutely essential, since the management and control of the JAP moves away from control of what has been spent to what has been achieved. However, recording outputs and results may require data collection below beneficiary level.

To avoid all potential misunderstandings, all stakeholders must work closely together to adapt to this quite radical shift in focus. Therefore, for instance, it is crucial to come to a clear, unequivocal and undisputable common understanding of all aspects related to the output and result indicators used to reimburse costs incurred under the JAP. This will be easier if the definitions of each indicator are agreed as early in the process as possible. The JAP proposal should clearly specify what

must be delivered as a basis for payments for each indicator, and how the delivery of outputs or results will be proven and documented.

A JAP is not exempt from the general and fund-specific requirements. For example, JAPs supported by the ESF must collect data for the purposes of the ESF common indicators.

### 4.2.2. Audit

Detailed information about the audit and control of standard scales of unit costs and lump sums can be found in Chapter 6 of the SCO guidance document. For JAPs, it is important to underline that the Commission will verify the calculation method used for each of the simplified costs as part of its assessment before it makes its decision. The audit of a JAP will only aim to verify that the conditions for payment defined in the decision approving the JAP have been fulfilled; work carried out by the Commission during the JAP's approval process will not be carried out again.

Under Article 109(3) of the CPR, the JAP beneficiary may apply its own accounting practices, even if this would result in different amounts than those calculated for the lump sums and unit costs included in the Commission decision (Article 109(3) of the CPR). Regardless of any differences in the amounts, the beneficiary will be reimbursed based on the provisions of the Commission decision.



## 5. APPROVAL AND AMENDMENT

### 5.1. Submission and approval procedure

The use of JAPs is optional and there is no requirement in the programming documents to indicate the planned use of JAPs. This is why Member States can decide on the scope and the most convenient time to submit a JAP proposal. A JAP proposal could be submitted as early as the programme(s) or at a later stage during implementation. Although the CPR does not set a deadline for submitting a JAP proposal or include strict requirements on its duration, Member States should keep in mind the following:

- Article 105(2) of the CPR states that a JAP must cover part of the period between 1 January 2014 and 31 December 2023. It is therefore expected that a JAP has a shorter duration than the programme(s) which finance it, and that enough time is available to reach the expected results.
- Article 105(2) of the CPR also states that a JAP's outputs and results will lead to reimbursement only if attained after the date of the decision approving the JAP and before the implementation period defined in that decision ends. Therefore, the Commission can approve a JAP only if there is sufficient time for the implementation of all planned activities and for the results to be achieved. In this way, the requirement for reimbursing a JAP set out in Article 105(2) of the CPR can be fulfilled.

If a Member State wants to implement a JAP, it is recommended that it informs the Commission at least three months in advance to facilitate the subsequent assessment of the JAP.

A JAP proposal must be based on the JAP template and must be sent by the Member State using the SFC2014 system. The system contains a JAP-specific process that mirrors the JAP

template. Member States are asked to encode the main part of the JAP proposal in the SFC2014 system, except for detailed information about each unit cost/lump sum, which should be uploaded as attached files. If the JAP proposal is submitted by a body that is not a MA or if the JAP is supported by several programmes with different MAs, the approval of each MA concerned must be annexed to the JAP proposal.

The JAP assessment procedure is described in Article 107(1) and (2) of the CPR. If the JAP is approved, the Commission decision will include the elements specified in Article 107(3) of the CPR. Any changes in the elements covered by the decision require the Commission to take an amending decision following the procedure set out in Article 108 of the CPR.

### 5.2. Amendment

Under Article 108(2)(b) of the CPR, amending a JAP is possible 'to take account of any issues affecting its performance'. Any proposed amendment will be assessed by the Commission to verify that it would improve the JAP's performance. This could, for example, include improvement of the intervention logic leading to changes in indicators, modification of targets due to socio-economic changes, etc.

To request an amendment, the beneficiary must submit a substantiated proposal to the SC set up under Article 108 of the CPR. It must do so in agreement with the MA(s) of the programmes concerned. If the SC validates the proposal, the same authority that submitted the JAP proposal should submit the proposal of amendment to the Commission. The approval of the SC and the relevant MA(s) should be attached to the amendment proposal. The Commission will assess any amendment proposals in accordance with Article 108(2) of the CPR.



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## EGESIF\_14-0038-01 – GUIDANCE ON JOINT ACTION PLANS – STRUCTURAL AND COHESION FUNDS 2014-20

The Guidance on Joint Action Plans (JAPs) provides background information on why and when JAPs should be used, what their main features are and who can benefit from them. The document examines the intervention logic followed for JAPs, notably emphasising the importance of project outputs and results. The section on financial management, control and audits gives explanations on how to calculate costs and deal with data monitoring and collecting. The final section gives an overview of the submission and approval procedure.

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