



PROJECT MANAGEMENT PLAN

HEKLA



CONTENT

1. Introduction	0
2. Project organisation and management	0
2.1. Role and responsibility of the Project Coordinator	0
2.2. Role and responsibilities of the Activity Leaders.....	1
2.3. Role and responsibility of the Coordination Group	1
2.4. Role and responsibility of the High Level Steering Group	1
3. Contract arrangements	0
4. Publicity and Visibility of Union funding	0
5. Reporting	0
5.1. Action Status Report.....	1
5.2. Quarterly Status Report.....	3
5.3. Final implementation report.....	3
5.4. Time table for financial and technical implementation reporting.....	5
6. Eligibility of costs	0
6.1. Direct costs	0
6.2. Exchange rates for the financial reporting.....	2
7. Public Procurement	0
8. Audit/certification	0
9. Payments.....	1
9.1. Pre-Financing	1
9.2. Final payment.....	2
10. Project control/audit from the European Commission	2
11. Contact information	0



1. INTRODUCTION

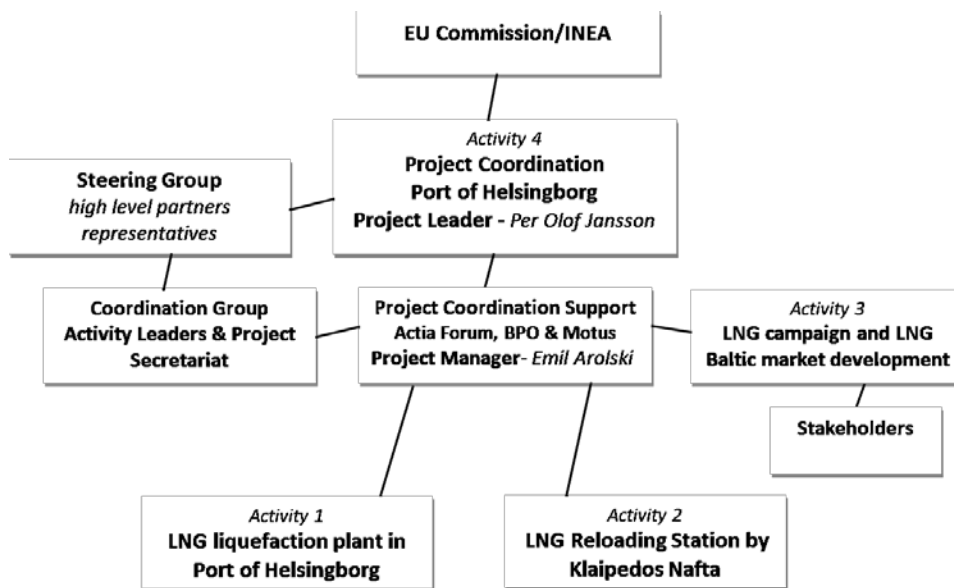
The Project Management Plan of the HEKLA project, constitutes a tool supporting the project implementation process as it contains crucial information on the partners' commitments and rules of the contract. The document is addressed for the project partners as it contains information on reporting, rules of incurring various costs related to the project implementation and reimbursement of costs, but also to other, especially local stakeholders involved into the project, as it aims to facilitate finding relevant contacts.

The Project Management Plan contains a brief description of the technical and financial reporting within the project. The formal requirements on reporting are laid down in the Final Grant Agreement.



2. PROJECT ORGANISATION AND MANAGEMENT

Organigram – HEKLA Project



2.1. Role and responsibility of the Project Coordinator

The Helsingborg Hamn AB as a Project Coordinator shall assume overall responsibility for the management and coordination of the Project and is the organisation responsible for reporting of the projects progress and finances to the European Commission, in accordance with the requirements from the European Commission. In this capacity, the Project Coordinator shall be the recipient of the TEN-T financial contribution and will distribute the funds to the project partners in accordance with the budget and actual, reported spending. The Project Coordinator shall be the contact point for all communication with the European Commission in the project and it will be assisted by the Actia Forum Ltd as a Project Coordination support body.

The Coordinator shall be responsible for supplying all documents and information to the Commission which may be required under the Decision's granting financial aid, in particular in relation to the requests for payment. Every Project Partner shall deliver their parts of documents and information according to time schedules and request from Innovation and Networking Executive Agency (INEA).



The Coordinator shall inform the Project Partners of events related to the administration of the project of which the coordinator is aware that is liable to substantially affect the implementation of the Action.

2.2. Role and responsibilities of the Activity Leaders

Every Project Partner shall appoint an Activity Leader. The Activity Leaders are responsible for the day-to-day management of the relevant Activity and reporting in accordance with the guidelines of this Project Management Plan and Grant Agreement.

2.3. Role and responsibility of the Coordination Group

The main task of the Coordination Group is: follow-up and coordination of the project implementation. The Coordination group consists of the Project Leader, Project Manager and the Activity Leaders. Other persons can be co-opted to the Coordination group as appropriate. For example, the Financial Officer and Steering Group Members can be co-opted within the Coordination Group.

2.4. Role and responsibility of the High Level Steering Group

The highest governing body of the Project is the High Level Steering Group, which has as its main task to decide the organisation and to monitor the implementation of the Project. The High Level Steering Group is chaired by the Project Coordinator.



3. CONTRACT ARRANGEMENTS

A Partnership Agreement is regulating the contractual framework of the project between the Project Partners. The scope of the Agreement is the projects of common interest 'HEKLA – Helsingborg and Klaipeda LNG Infrastructure Facility Deployment' Agreement No INEA/CEF/TRAN/M2014/1027296.

4. PUBLICITY AND VISIBILITY OF UNION FUNDING

Any notice or publication on the project (conference and seminars included) as well as the infrastructure funded under the programme must specify that the initiative has received funding from the European Union's Connecting Europe Facility. The following CEF logo should be used:



Co-financed by the European Union
Connecting Europe Facility

INEA – Publicity guidelines & logos:

<https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>

Any printed material disseminated as the part of the project activities must include a disclaimer that the content reflects the authors view and releases the European Union from any liability for any use that may be made of the information contained therein. The following disclaimer is recommended for use in any printed material of the HEKLA Project:

"The sole responsibility of this publication lies with the author. The European Union is not responsible for any use that may be made of the information contained therein."



5. REPORTING

The reporting of the project activities' implementation is to be carried out by the Coordinator.

All required documentation/ information, needed for the reporting, should be delivered to the Co-ordinator by each Project Partner. The Coordinator will be assisted in the work by the Project Coordination support- Actia Forum Ltd.

Please refer to the general information flow chart applicable to all reports:



Entire project period has been divided into following reporting periods:

Period 1: from 1 January 2015 (official project starting date) to 31 December 2015

Period 2: from 1 January 2016 to 31 December 2016

Last reporting period: from 1 January 2017 to the completion date.

The following reports are to be prepared and delivered to INEA:

- **Action Status Reports ("ASR")**
 - The annual Action Status Report (ASR) is the main tool for communication with the European Commission/ INEA of annual progress on a project. The ASR serves as a key method for reporting on the progress of the Activities and consists of a technical implementation report and financial statements. The Project Coordinator has the obligation to submit the ASR of the project to the INEA at the latest by 31st March of each calendar year. The reporting period is fixed and comprises January to December. The ASR is to be validated by each member state relevant ministry representative and is to be approved by the coordinator - Helsingborg Hamn AB.

- **Quarterly Status Report ("QSR")**
 - In order to monitor the progress of the HEKLA project, a system of brief internal Quarterly Status Report (QSR) forms have been introduced. As a result



Coordination Group will assure that the project is progressing according to the plan, and, if not, actions can be taken.

– **Final report and financial statement**

- Final report, consisting of its technical part and financial statement constitutes a basis for transferring the final payment to the Beneficiary. According to Annex V of the Grant Agreement the Final report, including the financial statement, shall be prepared using template available at the INEA's website. Annex V specifies the direct link facilitating download of the templates. Costs reported within the Final report shall undergo certification by the Member State, confirming that they are full, reliable and true as well as eligible in accordance with the Grant Agreement. The Beneficiary shall submit the final report within 12 months of the completion date of the Action.

5.1. Action Status Report

The report shall be prepared in accordance with the template provided via TEN-Tec. Besides the technical and financial parts, specified below, it shall contain the following information:

- a) the Agreement number, the action number, the transport mode and the project of common interest it relates to;
- b) the name and contact details of the author of the ASR;
- c) information on the progress of the action,
- d) the first ASR shall contain information on implementation schedule (critical path, key performance rates, risk analysis), governance and monitoring of the action (organisational structure, internal coordination, communication and reporting, decision making process) and other relevant administrative provisions (quality controls and audits) – to be included only in the first ASR;
- e) ASRs summarizing subsequent reporting periods shall contain information on any modifications and progress of implementation of the arrangements specified in point c) (if applicable).

Specifically, the part of the Annual Action Status Report dedicated to technical implementation of the action, should cover Information on the progress of the Action;

- Overview of progress since start of the action.
- Description of the activities planned and carried out in the reporting period.
- Unforeseen or rescheduled activities carried out in the reporting period.



- Activities planned in the reporting period but not carried out.
- Description of the activities to be carried out in the next reporting period.
- Overview of the planned activities until the completion of the Action.
- Validity of the risk assessment of the Strategic Action Plan,
- Public procurement procedures applied to any amendments or new contracts that have been signed during the reporting period.
- Measures taken to publicise the Action.

Information flow:



The financial report is an integrated part of the annual ASR reporting to CEF on the progress of the project. The Action Status Report consist of a detailed statement of account, clearly showing the link between arisen expenditures and project activities like personnel, external and other eligible costs. The report should be signed by the project partner, audited by an external auditor and submitted to the Project Leader (Financial Officer) within eight weeks after the end of the reporting period.

Financial part of the report shall include the following information:

- the updated indicative breakdown by activity of the estimated eligible costs of the action, including:
 - the estimated eligible costs incurred for the implementation of the action during the previous reporting period
 - the updated estimated eligible costs to be incurred for the implementation of the action during the on-going reporting period and for each of the next reporting periods;
- the financing needs per reporting period calculated as the amount obtained by application of the reimbursement rates, set out in the Article 3 of the Grant Agreement, to the eligible costs referred in the previous point;
- the cumulated financing needs until the end of the on-going reporting period;
- information on the contracts awarded for the implementation of the action and on compliance with the requirements set out in Article II.9 and Article II.10 of the Grant Agreement.
- environmental information
- information about measures taken to publicise the action;



Information flow:



In case of late submission of a signed and/or audited financial report to the Project Coordinator, the defaulting Partner will not be included in the financial report and will bear the risk of not being reimbursed by the European Commission.

5.2. Quarterly Status Report

Technical Implementation and Financial Report

A brief internal technical and financial report (QSR) on the progress of the Activity should be prepared by the Activity Leaders within two weeks from the end of the reporting period. The technical report should encompass a description on activities carried out in the quarter, deviations from the plan, communication and dissemination issues etc.

The financial report should be a summary of personnel and other eligible costs distributed on respective activity for the implementation of the project. The report should be submitted to the Project Leader (Financial Officer) within two weeks from the end of the reporting period.

Information flow:



Notice – when the annual reporting occur the deadline for reporting is changed.

5.3. Final implementation report

The final implementation report, encompassing a technical and a financial report, includes the same kind of information as the Action Status Report and should be submitted to INEA within 12 months after completion of the Action.



- the decision number, the action number, the transport mode and the project of common interest it relates to;
- the name and contact details of the author of the report;
- the objectives of the action;
- technical information on how the action was implemented;
- financial information;
- information on how compliance with national public-procurement procedures applicable to contracts that are necessary for the implementation of the action in line with Article II.9 and II.10 is achieved;
- information on other sources of Union funds (ERDF, CF, H2020, TEN-T, etc.) that have been used for the global project (e.g. previous or subsequent phases not covered by this funding Decision);
- environmental information;
- information about measures taken to publicise the action;
- validation of the report by the Member State concerned (if mentioned in Article 4 of the Commission Decision granting financial aid);

Final Implementation report information flow:



The final report should be accompanied by an external audit report as well as a Validation Report.



5.3.1. Time table for financial and technical implementation reporting

All technical or financial reports should be signed by the activity leader respective project partner before the submission to the project manager and the project leader. In addition the ASR and Final Implementation reports should be validated by each member state relevant ministry representative. The deadline for the reporting is fixed to two respective eight weeks after the end of the report period.

Technical implementation and financial reporting	Period	Deadline	Requires external audit
QSR 1	01.06.2015 – 31.12.2015	15.01.2016	
ASR	01.01.2015 – 31.12.2015	15.03.2016	
QSR 2	01.01.2016 – 31.03.2016	15.04.2016	
QSR 3	01.04.2016 – 30.06.2016	15.07.2016	
QSR 4	01.07.2016 – 31.09.2016	15.10.2016	
QSR 5	01.10.2016 – 31.12.2016	15.01.2017	
ASR	01.01.2016 – 31.12.2016	15.03.2017	
QSR 6	01.01.2017 – 31.03.2017	15.04.2017	
QSR 7	01.04.2017 – 30.06.2017	15.07.2017	
QSR 8	01.07.2017 – 31.09.2017	15.10.2017	
QSR 9	01.10.2017 – 31.12.2017	15.01.2018	
Final Report	01.01.2016 – 31.12.2017	30.06.2018	x



6. ELIGIBILITY OF COSTS

To be considered as eligible costs of the Action, costs must satisfy the following general criteria:

- (a) they are incurred during the duration of the Action as specified in the Grant Agreement, with the exception of costs relating to interim reports and final reports and audit certificates on the Action's financial statements and underlying accounts;
- (b) they are connected with the subject of the Action and they are indicated in the estimated overall budget of the Action;
- (c) they are necessary for the implementation of the Action which is the subject of the financial aid;
- (d) they are identifiable and verifiable, in particular being recorded in the accounting records of the Beneficiary and determined according to the applicable accounting standards of the country where the Beneficiary is established and according to the usual accounting practices of the Beneficiary;
- (e) they comply with the requirements of applicable tax and social legislations;
- (f) they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

The Beneficiary's accounting and internal auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the Action with the corresponding accounting statements and supporting documents.

For comprehensive information please refer to *Grant Agreement II.19 Eligible costs*

6.1. Direct costs

The eligible direct costs for the Action are specific costs directly linked to performance of the Action and which can therefore be booked to it directly. In particular, the following direct costs are eligible provided that they satisfy the criteria set out in the previous paragraph:



- a) the cost of staff assigned to the Action, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the Beneficiary's usual policy on remuneration;
- b) The costs of natural persons working under a contract with the beneficiary other than an employment contract, satisfying such conditions as working under instructions of the beneficiary and in the premises of the beneficiary (unless agreed otherwise with the beneficiary); the results of the work belong to the beneficiary; the costs are not significantly different from the costs of the beneficiary's permanent staff;
- c) travel and subsistence allowances for staff taking part in the Action, provided that they are in line with the Beneficiary's usual practices on travel costs,
- d) the purchase cost of equipment provided that it is treated as capital expenditure in accordance with the tax and accounting rules applicable to the Beneficiary and are recorded in the fixed assets. It must be purchased throughout the procurement procedure, according to the rules specified in the Article II.9.1 of the Grant Agreement.
- e) costs of consumables and supplies, purchased through the procurement procedure, ruled by the Article II.9.1 of the Grant Agreement;
- f) costs entailed by other contracts awarded by a Beneficiary for the purposes of carrying out the Action;
- g) costs arising directly from requirements imposed by the Grant Agreement (dissemination of information, specific evaluation of the Action, audits, translations, reproduction, etc.), including the costs of any financial services (especially the cost of financial guarantees).

6.2. Ineligible costs

Ineligible costs include:

- (a) return on capital;
- (b) debt and debt service charges;
- (c) provisions for losses or potential future liabilities;
- (d) interest owed;
- (e) doubtful debts;



- (f) exchange losses;
- (g) VAT, unless the Beneficiary can show that he is unable to recover it
- (h) costs declared by the Beneficiary and covered by another action or work programme receiving a Union financial aid;
- (i) excessive or reckless expenditure;
- (j) costs of land and building acquisition (including expropriation costs);
- (k) contributions in kind from third parties

6.3. Exchange rates for the financial reporting

In the specification of costs occurred, all costs should be reported in local currency. In the QSR and Action Status Reports, the costs in local currency should be converted to euro at the average of the daily exchange rates published in the C series of *Official Journal of the European Union*, determined over the corresponding reporting period. You will find the monthly accounting rate of the euro at Infor Euro: http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm In case where no daily exchange rate is published in the Journal for specific currencies, conversion shall be made at the average of the monthly accounting rates, determined over the corresponding reporting period.



7. PUBLIC PROCUREMENT

When concluding contracts within the project, contracts are to be awarded to the tenderer offering best value for money or lowest price.

The project partners shall abide by the rules on procurement contained in the respective Union legislation on public procurement.

Specific rules of awarding contracts necessary for the implementation of the action can be found in the Article II.9.1. of the Grant Agreement.

8. AUDIT/CERTIFICATION

Each Project Partner is responsible for monitoring its expenditure in accordance with the Grant Agreement. According to point j) of the Article II.23.1.1, the beneficiary established in the European Union, requires certification by the Member State, that the information provided is full, reliable and true.

With regard to the financial statement of the final report, point c) of the Article II.23.2.2, the certification is required as in the case of the ASR, certification by the Member State in which the beneficiary is established, that the information provided is full, reliable and true. The certification shall also confirm that the declared costs are real and eligible in accordance with the Grant Agreement.

According to the latest article, the certificate shall be issued by approved auditor. In the case of public bodies, the certification shall be conducted by a competent and independent public officer, the certificate shall be drawn up in accordance with the Annex VII of the Grant Agreement.

The Coordinator shall assist the auditor, in the event of audits, checks or evaluations of all received documentation regarding Project Partner's work. The Coordinator shall keep all official documents required in the Commission's Decision and all documents and communication records with INEA in its archive.



9. PAYMENTS

The Coordinator shall be the recipient of the Community financial aid and shall distribute it to the project partners according to their budget and actual spending.

All requests for payments, reports and financial statements shall be submitted in English.

The Co-ordinator shall be the recipient of the Community financial aid and shall distribute it to the Beneficiary without unjustified delay according to their budget, actual spending or EU-Commissions order.

The Co-ordinator shall establish the payment requests on behalf of the Beneficiary, detailing the exact share and amount assigned to the Beneficiary, in accordance with the EC Grant Agreement financial aid, the estimated eligible costs as foreseen and the actual costs incurred.

The Co-ordinator shall ensure that all the appropriate payments are made to the Beneficiary within the following deadline: Within 45 calendar days of the day on which the bank account has been credited, the co-ordinator shall transfer to the Beneficiary the amounts corresponding to their participation in the Action in accordance with their pro rata share of the estimated costs and their share of validated costs actually incurred when other payments are made.

The Co-ordinator shall inform the Commission of the distribution of the Union financial contribution to the Beneficiary and of the date of transfer.

The Co-ordinator cannot be held responsible for late payment by the European Commission.

9.1. Pre-Financing

Upon entry of the Agreement into force or following a later date, within 30 calendar days the Agency shall transfer a pre-financing payment of 40 % of the first annual instalment of the maximum CEF contribution, as indicated in Annex III to the coordinator in accordance with Article II.24.1.2. of the Grant Agreement. The total



amount of pre-financing and interim payments shall not exceed 80% of the maximum grant amount set out in Article 3 of the Grant Agreement - Annex 4 of this Agreement.

The Coordinator shall ensure that all appropriate payments are made to the co-beneficiaries within the following deadline: Within 30 calendar days of the day on which the bank account has been credited, the coordinator shall transfer to each Project Partner the amounts corresponding to their participation in the Action in accordance with their pro rata share of the estimated costs and their share of validated costs actually incurred when other payments are made.

9.2. Final payment

Final payment should be authorised within 30 calendar days of receipt and approval by the Commission of the following documents:

- Final technical implementation report;
- The final statement of the eligible costs incurred, following the structure of the estimated budget, supported by detailed statements of the actual receipts and final expenditure for the implementation of the Action;
- Declaration by the beneficiary, dated and signed;
- The request for final payment;
- Validation of the Report by the Member States concerned;
- Financial Certificate by the Member States.

10. PROJECT CONTROL/AUDIT FROM THE EUROPEAN COMMISSION

The Grant Agreement, Article II.27 provides for the Commission to carry out audit of the project in relation to the use of the grant. The project partners should fully assist the Commission in its control and provide the documentation requested.

Monitoring and auditing by the European Commission or the European Anti-Fraud Office can be carried out in accordance with Article II.27 of the final version of the Grant Agreement.



This document might be subject to changes during the life of the project.

Comments and suggestions concerning this document are welcomed and should be sent to the:

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