

Comments received on the annotated template for reporting according to Article 46 CPR after the EGESIF meetings on 25 February and 27 April 2016

	Section / Field	MS	Comment	COM reply
1.	18 - 21	CZ	The template presented for the reporting under article 46 CPR will be attached to the AIR and the last AIR is to be submitted to the EC by 31 st May 2023. Concerning the FIR there are data fields in the template to be filled in only for the FIR – fields 18 to 21. We kindly ask the EC for confirmation that the final FIR will comprise the whole template including these four additional data fields.	Yes, data fields 18-21 will have to be filled in the final report.
2.		CZ	The article 45 of the CPR sets out rules for use of resources after the end of the eligibility period. How should we monitor and report compliance with this article when the last reporting obligation is related to the FIR as suggested above? Does the EC expect any kind of reporting throughout the additional 8 years period after the eligibility period? Could the EC kindly comment?	<p>CPR does not require MSs to report to the Commission after closure of the programmes on the resources paid back to financial instrument attributable to the support from the ESI Funds.</p> <p>However, resources paid back to financial instrument attributable to the support from the ESI Funds are national public funds. The Funding Agreements at all level have to include provisions on the use of resources paid back (i) within the eligibility period (Article 44 CPR) and (ii) during a period of at least 8 years after the end of the eligibility period (Article 45 CPR).</p>
3.	9.2 22.1	CZ	We kindly ask the EC for confirmation of our understanding of the template and the GN on combination. In case a FI is combined with grant in a single operation (e.g. loan FI providing also grant on technical preparation), the only requirement from the EC to report such combination would be by multiple selection in data field 9 triggering description of the combination in data field 9.2 and similar multiple selection in data field 22.1 and description of the combination in data field 22? We would appreciate clarification on how to report combination of FIs with grants in one operation.	<p>In this case in 9.2 MA should select loans and other support combined within financial instruments.</p> <p>In 22.1 two different financial products should be entered and section V filled out for both type of products: once for the loan part and once for the other support combined within the financial instrument.</p>

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4.	9 22.1	CZ	Both the data fields 9 and 22.1 describe type of financial product provided by the FI, yet the selection list includes different options. Is it necessary to provide the “wider selection” in data field 9? Shouldn’t fields 9 and 22.1 be consistent? We believe the issue is related to our previous comment.	Field 9 should provide more detailed information for information purposes. In order to minimise the workload for the MA we ask under section V only for information for the 4 main categories. The categories under 9 and 22.1 can be clearly associated to each other: Loans and micro-loans under 9 should be reported as a) in 22.1. Other support combined within the financial instrument should be reported as d) in 22.1. Equity and quasi-equity instruments products should be reported as c) in 22.1.
5.	41.2	CZ	Could the EC confirm that in case of combining FI with grant in two separate operations such a combination would be covered by the data field 41.2 only and no other requirements from the EC exist e.g. in terms of AIR?	In case of <u>combination of FI support and of grant in two separate operations</u> : a) In the specific reporting on FI (Article 46 CPR) fields 41.1 and 41.2 cover the reporting of indicators linked to the FI; b) The other reporting obligation is in the annual implementation report (AIR) (Article 50 CPR), where indicator values should be reported in Table 3A (ERDF, CF) by Investment priority for all forms of finance but without distinction of the specific form of finance (including values linked to FIs).
6.	22	CZ	Data field 22 – Could the EC provide instructions similar to the instructions for the template on reporting on FEIs in 2007-2013 period concerning definition of financial product here? If several types of loans with e.g. different interest rates are provided from a FI, should they be reported here separately?	Please see revised explanation in field 22.1.
7.	26	CZ	Data field 26 – “Total value of loans which were guaranteed with the operational programme resources and were actually disbursed to final recipients (paid into accounts of final recipients).” Should this underlying value of loans comprise only loans that were completely disbursed to the FRs or is it the value of only the part of loans that was effectively paid into the accounts of FRs? We believe the latter is correct and kindly ask for confirmation.	Yes, the latter is correct. The amount that is actually disbursed to final recipients should be reported. This is in line with the fact that only a part of the guarantee of the loan paid out constitutes eligible expenditure at closure.

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8.	33	CZ	Data field 33 – the definition of default is left solely upon internal procedures of the fund manager? We suggest expanding the instructions field accordingly.	<p>The managing authority and/or Fund of Funds may specify definition of default in the funding agreement with the body implementing the financial instrument.</p> <p>Otherwise it should be based on the internal procedures of the body implementing the financial instrument.</p>
9.	34 36	CZ	Data field 34 – could you confirm that this field doesn't include recovery process? Is the recovery process taken into consideration in the template in any other way than the resources returned – data field 36 and sub-fields?	<p>Recoveries of loans should not be reported in field 34. They will be covered by reflows and recorded in field 36.1.</p> <p>There is no need to correct the amounts of default in 33 in case amounts have been recovered.</p>
10.	39.3	CZ	Data field 39.3 - Should we report real costs of the completed project or the assumption of total costs from the application would be sufficient? If real costs should be reported the range of data collected from final recipient has to be extended.	<p>For reasons of simplification only the assumption provided in a business plan should be reported.</p> <p>The MA may update the information in subsequent reports if it considers necessary.</p>
11.	41	CZ	Data field 41 – the current instruction states “Common and programme specific output indicator (code number and name) to which the financial instrument contributes”, while previous explanation was that “only common output indicators are to be reported on”. We ask for clarification.	Both common and programme specific <u>output</u> indicators should be reported in fields 41, and 41.1 and 41.2 respectively.
12.	41.2	CZ	Data field 41.2 if it is achieved in combination with other form of support in two separate operations - the achieved value will be in both the attached template on FIs and AIR on the OP implementation. The value will be double the value it should be, is this duplication intentional/justified?	<p>Please see reply to question 5.</p> <p>Field 41.2 should cover the achieved values for the FI (i.e. if support to 100 enterprises is completed, 100 is reported (CO01/CO03).</p> <p>In the AIR programme level reporting by investment priority (Table 3A) the Commission encourages avoiding double counting in cases of combination of FI support and of grant in two separate operations.</p>
13.	6	CZ	What address of the FI should be provided if the FI is a separate block of finance within a local financial institution?	The address of the financial institution is to be provided in that case. It is sufficient to provide the name of the city.
14.	39.1	CZ	Leverage. The format of data “number (amount in EUR)” seems to be a mistake	The format is changed to 'number'.

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15.	39.3	CZ	<p>Investment mobilised through investments made by ESIF financial instruments for loan/guarantee/equity and quasi-equity investment by product (39.3) (optional). The total size of the project supported by the ESIF financial instrument should be reported.</p> <p>The Czech comment from the 02/2016 EGESIF hasn't been dealt with. Should the total size of the project as an ex-ante estimate be reported here or the real costs of the project ex-post? We would appreciate clarification.</p>	Please see reply to question 10.
16.		CZ	<p>We kindly ask the EC for confirmation of our understanding of the template and the GN on combination. In case a FI is combined with grant in a single operation (e.g. loan FI providing also grant on technical preparation), the only requirement from the EC to report such combination would be by multiple selection in data field 9 triggering description of the combination in data field 9.2 and similar multiple selection in data field 22.1 and description of the combination in data field 22? We would appreciate clarification on how to report combination of FIs with grants in one operation.</p>	Please see reply to question 4.
17.	9 22.1	CZ	<p>Both the data fields 9 and 22.1 describe type of financial product provided by the FI, yet the selection list includes different options. Is it necessary to provide the "wider selection" in data field 9? Shouldn't fields 9 and 22.1 be consistent? We believe the issue is related to our previous comment.</p>	Please see reply to question 4.
18.	41.2	CZ	<p>Could the EC confirm that in case of combining FI with grant in two separate operations such a combination would be covered by the data field 41.2 only and no other requirements from the EC exist e.g. in terms of AIR?</p>	Please see reply to question 5.
19.	26	CZ	<p>Total value of loans which were guaranteed with the operational programme resources and were actually disbursed to final recipients (paid into accounts of final recipients)." Should this underlined value of loans comprise only loans that were completely disbursed to the FRs or is it the value of only the part of loans that was effectively paid into the accounts of FRs? We believe the latter is correct and kindly ask for confirmation.</p>	Please see reply to question 7.
20.	33	CZ	<p>The definition of default is left solely upon internal procedures of the fund manager? We suggest expanding the instructions field accordingly.</p>	Please see reply to question 8.
21.	34	CZ	<p>Could you confirm that this field doesn't include recovery process? Is the recovery process taken into consideration in the template in any other way than the resources returned – data field 36 and sub-fields?</p>	<p>Recoveries are only to be covered under repayments in field 36.1.</p> <p>There is no need to correct the amounts of default in 33 in case amounts have been recovered.</p>

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22.	41.2	CZ	If it is achieved in combination with other form of support in two separate operations - the achieved value will be in both the attached template on FIs and AIR on the OP implementation. The value will be double the value it should be, is this duplication intentional/justified?	Please see reply to question 12.
23.		DE	<p>Germany would like to draw your attention to the fact, that reporting on financial instruments is prepared on the basis of Article 46 para 3 Common Provision Regulation (CPR) together with the template provided by article 2 and annex I of the Implementing Regulation (IA) 821/2014.</p> <p>Offering a new or just amended template the Commission has to suggest the amendment of the IA at first.</p> <p>Against the background that different or additional data fields would cause a reprogramming of already existing computer programs and thus additional costs Germany objects to such amendment.</p>	<p>We take note of your comment. Please, also note that the additional fields are marked 'optional' in the annotated template, and have the following rationale:</p> <p>1) In order for the Commission to be able to report per thematic objective further data are needed, hence the additional field 3.1.</p> <p>2) Also in order for the Commission to be able to report on the amounts planned in financial instruments per fund, the fields 14.1.1 to 14.1.5 have been added.</p> <p>3) Field 39.3 has been added in view that the definition of leverage of the financial instrument does not capture the total amount of investment mobilised through ESIF financial instruments. In order to report on the wider impact of financial instrument it would be useful to have additional information. The total size of the project supported by the ESIF financial instrument should be reported.</p> <p>4) Fields 23 and 31.2 have been deleted, in view that the information can be derived from elsewhere in the report (field 13).</p> <p>The reporting systems set up by the managing authority should not be affected by the additional fields in the reporting module to the Commission. Information requested in the optional fields is available to the MA (except for field 39.3 to be provided by the financial intermediary).</p>
24.	31.1	EE	Section I, line no. 31.1 „Instructions“ field – it is unclear what is meant by „Only on level of beneficiary“ in brackets;	Only the selection of funds of fund manager or financial intermediary by managing authority should be indicated and not the selection of financial intermediary by funds of fund. This is in line with definition of 'beneficiary' in Article 2 CPR.
25.	5	EE	Section II, line no. 5 „Instructions“ field - The reference to Art 38(9) CPR seems to be out of place. Please check.	Corrected to Article 4(4) of the CIR 821/2014.

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26.	14.1.1 - 14.1.5	EE	Section IV, lines no.14.1.1- 14.1.5 "Instructions" fields – according to the general section 14 committed sums are to be reported, the instructions field by the subsections 14.1.1-14.1.5 refers to amounts paid. It seems there is an inconsistency, please verify.	Text in the instructions has been changed.
27.	15 15.2 15.2.1 15.2.2	EE	Section IV, lines no. 15, 15.2, 15.2.1 and 15.2.2 "Instructions" fields claim that total amount of programme contributions is the amount paid to the financial instrument. Article 38.9 of the CPR says that „National public and private contributions, including where relevant contributions in kind as referred to in Article 37(10), may be provided at the level of the fund of funds, at the level of the financial instrument or at the level of final recipients, in accordance with the Fund-specific rules.“ Our national private contribution will be provided at the level of final recipients or a sub-fund (in case of fund of funds) as one of the options stipulated at the CPR art 38 section 9. The instructions field seems to be in contradiction with the CPR as it only considers as programme contribution the contribution paid to the financial instrument, or at least leads to misinterpretation regarding the calculation of total programme contribution.	<p>The reading of Article 38.9 CPR is correct.</p> <p>It is also correct that field 15 and the respective subfields reflect the wording of Article 46(2)(d) which speaks about the total programme contributions by priority or measure paid to the financial instrument.</p> <p>However, where FI are implemented through a fund of funds, field 15 (including the relevant subfields) will be available to record information on the national private co-financing paid at the level of the sub-fund.</p> <p>The national private contribution paid at the level of the final recipients should be recorded in fields 25.3 'Total amount of programme contributions paid to final recipients through loans, micro-loans, equity and other products, or in the case of guarantees, committed for loans paid to final recipients, by product (in EUR) out of which total amount of national private co-financing (in EUR)'.</p>
28.	24 25 14	EE	Section IV, lines no. 24 and 25 (and also section IV line no 14 "Instructions" fields indicate to "other resources" e.g. commercial bank resources, which are not considered as part of programme (private) contributions. This is contradictory as commercial bank resources should be considered as private programme contributions according to Article 38.9 of the CPR at the level of final recipients. The line between "other contributions" and "programme contributions" is not clear.	Depending on the set up of the operational programme and the financial instrument, commercial bank resources may count as programme resources. This possibility (and not obligation) is indeed provided for in Article 38(9) CPR.
29.	28	EE	Section V, line no. 28 "Instructions" field - should loans which have been paid out partially (for ex. 50% of the loan has been paid out and other half will be paid (let's say) in 30 days) be counted for?	The number of loans/guarantees/equity or quasi equity/other financial instruments of should be counted as from when the first instalment has been actually paid.
30.	33	EE	Section VI, line no 33 – please define "default". At the moment it can be interpreted differently - it could be the amount of total default of company's loan or the actual loss paid out form financial instrument after the realization of company's collaterals. We kindly suggest to take account EIB/EIF's definitions because many of the implementing bodies also use COSME or INNOVFIN guarantee or counter-guarantee schemes combined with structural funds.	Please see reply to question 8.

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31.	35	EE	Section VII, line no. 35 "Instructions" field - It is referred to art 42 of the CPR "Eligible expenditure at closure". Please check the reference (whether it should be article 43).	The text has been corrected and refers to Article 43.
32.	38.2.2	EE	Section VIII, line no. 38.2.2 (Total amount of other contributions, outside the ESI Funds paid to the FI, out of which private contribution)- in case of guarantees should the amount exceeding the guaranteed part of the loan be indicated here? For example, if the loan provided by a bank is 1 MEUR and the guarantee from ESI Funds is given for 750 thousand EUR then should the private contribution taken into account be (1 MEUR-750 thousand EUR=) 250 thousand EUR?	<p>No. The amount in field 38.2.2 represents the amount of private contributions paid to FI, which includes private co-financing of the operational programme and non-programme private resources paid to FI which are associated and combined with ESI Funds.</p> <p>In case of the guarantee instrument it is unlikely that there will be private resources paid to the guarantee instruments to be set aside to cover expected and unexpected losses from loans issued by commercial banks.</p> <p>EUR 250 000 in the example provided is the fraction of loans for which the commercial bank will undertake the risk in case loans or part of it defaults and does not constitute the amount paid to FI.</p>
33.	38.3.2	EE	Section VIII, line no. 38.3.2 – should the entrepreneur's self-financing of the loan be indicated here? For ex. if the total investment is 5 MEUR from which the loan from ESI Funds is provided in the amount of 4 MEUR, then the entrepreneur's self-financing to be indicated in the line no 38.3.2 is 1 MEUR. In case of production risk insurance (insurance for an enterprise wishing to insure itself against possible insolvency of a buyer) where the insurance covers 85% of the underlying contract amount then should the 15% of the entrepreneur's self-financing be indicated here?	Final recipients own contributions neither count as programme resources nor are included in the calculation of leverage. Therefore, they should be reported only in field 39.3.
34.	38.2 38.3 39.2	EE	Section VIII, line no. 39.2 "Instructions" field – Amount given in 38.2 should also be taken into account in calculating the leverage effect.	The leverage is calculated based on payments made to final recipients. The amounts in 38.2 are not included in the calculation, because once these amounts are paid to final recipients this would result in double counting.
35.	39.1 39.2	EE	In the reporting template row no 39.1 (Expected leverage) and 39.2 (Achieved leverage) - please specify the required format. On one row it is "number (amount in EUR)" and on the other "number". We assume it's "number".	<p>In 39.1 the format is changed to number.</p> <p>In 39.2 SFC will calculate the leverage as a ratio according to the formula provided in the annotated reporting template.</p>
36.		EE	Within the leverage effect "Other" products provided to final recipients are not taken into account in the calculation - what is the reasoning behind this approach?	<p>Other products are "other support combined within the financial instruments" in line with Article 37(7) CPR.</p> <p>These instruments do not have a separate leverage to the FI they are combined with.</p>

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37.	24 25	EE	In the reporting template a term „programme contribution“ is defined as ESIF + national public and private co-financing, which is paid to the financial instrument from MA to FoF/ from FoF to SF/from MA to SF in line with the legal agreements. How is the latter in line with the CPR Article 38 section 9 where it is stipulated that national public and private contributions may be provided at the level of final recipients? Moreover in row no 24 and 25 of the reporting template it is said „other resources (e.g. commercial bank resources or additional public contributions) which do not constitute part of the programme“ – what are these other resources?	<p>The programme contributions to be reported in 14 (and subsequent 14.x) or 15 (and subsequent 15.x) are those contributions to the financial instruments according to funding agreements with Fund of Fund managers or financial intermediaries.</p> <p>The programme contributions provided to final recipients to be reported in 24 and 25 consist of the programme resources provided via financial intermediaries and additional programme resources at the level of final recipients.</p> <p>Please see also answer to questions 27 and 28.</p>
38.	36 37	EE	Do we understand correctly that within the reporting template we are obliged to give information on the returns from ESIF investments into the final recipients, i.e not anymore on the reinvestments of the returns and the returns of the reinvestments?	<p>In field 36 MA should report the amounts repaid to the financial instrument attributable to ESI Funds.</p> <p>In field 37 the re-use of the repaid resources is to be reported. In 37 only the first reuse is to be reported. Subsequent cycles of resources paid back and re-use are not considered to be attributable to the support from the ESI Funds.</p>
39.	14	EL	Please consider the case where financial instruments are implemented through a Fund of Funds and there are "funding agreements" between the MA and the Fund of Funds as well as between the Fund of Funds and the Specific Fund (SF) that implements the financial instrument. Given that the amounts committed in the funding agreements between MA/FoF and FoF/SF may be different and there is only one cell in the table, please clarify which amount should be registered.	The SFC2014 tool is designed to take account of the implementation options where financial instruments are implemented with fund of funds, without fund of funds and where managing authority undertakes implementation tasks directly in the case of the financial instruments consisting solely of loans or guarantees.
40.	39.2	EL	In our opinion, the correct calculation of the ratio should be $(25+38.3+35)/(25.1+17-\text{national funding})$. This is proposed in order to take account of the national funding in both the numerator as well as the denominator (the 25.1 in the numerator does not include the national funding, while 17 in the denominator include the national funding).	The formula in field 39.2 has been changed to reflect the calculation methodology provided in the Guidance note on reporting and leverage. The denominator contains only the eligible ESIF support which reached final recipients and the ESI Fund share of the management costs and fees.
41.	40	EL	In order to be clearer, please add the word “national” in the second sentence of the instructions: “... The book value of the participation according to the applicable national accounting rules should be used. ...”	The body implementing the FIs may follow International Accounting Standards. Therefore, the wording 'applicable accounting rules' has been retained.

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42.	39.2	EL	<p>With regard to our previous email and more specifically to our second comment (Row No. 39.2), we would like to make clear that (to our view) in order to calculate correct the leverage effect we should include in the numerator the national counterpart of the programme contributions (thus putting the amount of 25 instead of 25.1), while we should not include in the denominator the national funding part of the management costs and fees paid out of programme contributions (17).</p>	<p>The formula in the annotated reporting template is changed. Please also see reply in question 40.</p>
43.		EL	<p>Regarding the reporting requirements under Art. 46 CPR, and especially point 26.1 of the presented table, we believe that as far as SMEi is concern, no reporting should be required from the MS.</p> <p>More specifically, we find it not operationally feasible, from the point of view of the monitoring of the new OP that will be drafted, to distinguish the different tools available under SMEi (guarantees, securitization) in terms of reporting.</p> <p>Point 26.1 refers only to guarantees and the presented table offers no provision for securitization.</p> <p>During the last EGESIF discussion, it was made clear that this new instrument presents several challenges; we would like to strongly support the proposal made by our Maltese colleagues during the informal discussion on this very issue, for a special technical meeting on SMEi.</p>	<p>Reporting requirements for the AIR are the same for all Operational Programmes, including for SME Initiative. FI under SME Initiative has to be reported on like any other ESI Fund financial instruments. Article 39(10) CPR make clear reference to the reporting according to Article 46(1).</p> <p>Article 16 of the SMEi Model Funding Agreement (COM Implementing Decision 2014/660/EU) sets out the rules for operational and financial reporting under the SMEi. The Model Funding Agreement sets out that further conditions shall be contractually specified, such as the requirement to fulfil the reporting requirements of Article 46. The existing reporting template of the EIF already differentiates between the guarantee and securitisation option and it is annexed to the Funding Agreement to be signed by both the MA and the EIF.</p> <p>Field 26.1 was introduced to reflect the requirements of Art. 39 (10) (b) on the progress of creating new debt financing, it is available for both options, guarantees and securitisation. Whereas point 26 is only applicable to guarantees, 26.1 refers to both. This numbering was chosen in order to keep in line with the original numbering of the reporting template.</p>
44.	40	FR	<p>The Commission should clarify in its guidance note the information from Article 46 § 2 (h) progress in the leverage effect... and i) the value of equity investments are mandatory only for the years 2017 and 2019 and in the final report.</p>	<p>The Guidance Note states that "... the reporting information required in paragraphs (h) and (j) of Article 46(2) CPR, should be provided only in the annual implementation reports submitted in 2017 and 2019, as well as in the final implementation report. The "lighter" annual implementation reports, including the financial instrument information required in Article 46(2) (a)-(g) and (i) CPR should be submitted in 2016, 2018, 2020, 2021 and 2022.</p> <p>Field 40 "value of investments and participations in equity" is mentioned under Article 46 (2) (i) CPR and therefore it is to be reported every year.</p>

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45.		HR	<p>What is the legal background of the model of reporting on FI in EGESIF 16-0003-00, since it is not in line with the stipulations in the Annex I of the Implementation regulation (EU) no. 821/2014?</p> <p>Examples:</p> <ul style="list-style-type: none"> - In the fields 39.1 and 39.2 the description of the information required has been partially revised, in the way that the text other financial product is omitted. Does this mean that the other financial instruments like subsidized interest rates for loans are reported together with the loans that is addressing or without it? - In the field 31.1 information description has changed from number of selection procedures already launched to 'Has selection of designation process already been launched?' and indicating that it refers to information only on level of beneficiary. - The fields 31.2 number of funding agreements already signed and the field 23 Date of signature of the funding agreement for the financial product are omitted. - New fields are introduced: 14.1.1 to 14.1.5. - The descriptions of the fields 25.1.1 to 25.1.5 refer to total numbers instead of total amounts. - The field 23 Date of signature of the funding agreement for the financial product is omitted 	<p>The draft template has been prepared according to the Annex I of the Implementing Regulation (EU) No 821/2014. A limited number of technical changes have been made which are explained further on and the additional fields have been marked as <i>optional</i>.</p> <p>Interest rate subsidy when combined with a loan or guarantee instrument in one operation belongs to other type of support and has to be reported in field 9.2 and subsequently in section V. The same applies to grants and guarantee fee subsidy pursuant to Article 37(7) CPR. Please see also reply to question 4.</p> <p>(31.1) has been moved to section I, in order to capture instruments where selection procedures have been launched, but no financial instrument has yet been set up. Furthermore, this eliminates the need to repeat this information for each financial instrument.</p> <p>31.2 and 23 The information on the number of funding agreements can be derived from the data in the field "Date of signature of the funding agreement with the body implementing the financial instrument (13)".</p> <p>In order for the Commission to be able to report on the amounts planned in financial instruments per fund the fields 14.1.1 to 14.1.5 have been added.</p> <p>The description in fields 25.1.1 – 25.1.5 has been corrected.</p> <p>For field 23 the information on the number of funding agreements can be derived from the data in the field "Date of signature of the funding agreement with the body implementing the financial instrument (13)".</p>
46.	22	HR	<p>Could you please ensure the consistent use of the terms in relation to the bodies implementing financial instruments? In the spreadsheet table the terms specific fund (SF) is introduced. Alongside the description of the field 22 the term financial intermediary coexists. In few other documents the term fund manager has been used, but without officially being introduced in the glossary.</p>	<p>Abbreviations SF (specific fund), FoF/SF (specific fund under fund of funds) are used in the annotated template for the purpose of distinguishing the different levels of reporting and also for the purpose of the programming in SFC2014.</p> <p>Abbreviation 'SF' stands for 'specific fund' and refers to the financial intermediary. For the meaning of abbreviations please also refer to answer in question 104.</p>

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47.	14.1.1 - 14.1.5	HR	Relative to the information in the fields 14 and 14.1 it can be concluded that newly introduced fields 14.1.1 to 14.1.5 refer to the ESIF amounts committed in the funding agreements. Is it correct to change the word paid with the word committed?	The text has been corrected.
48.	33 34	HR	In the field 33 and 34 the information is provided on <i>loans defaulted</i> . What is the definition for the <i>loan defaulted</i> ? Is it the loan with one payment delay of 90 days and more? How to interpret the loan with delay of 50 days on 31 December of the reporting year? The information on the loan is to be included in the field 33 and 34 or not? Additionally, does information in the field 34 mean the value of the original loan (i.e. the amount committed in the contract) or only the outstanding loan (i.e. the amount yet to be paid).	Please see replies to question 8 and 9. In field 34 MA should report the total amount of the programme contributions in <u>disbursed</u> loans defaulted including the amount written off of partially repaid loans.
49.	38.2	HR	The amounts in the field 38.2, i.e. 38.2.1 and 38.2.2, are the <i>amounts which constitute the other public / private contributions outside ESIF paid to the financial instruments</i> . Are these amounts exclusively the amounts actually paid to the financial instrument by the MA or FoF or FoF/SF or SF until certain date, meaning exclusion of the amounts to be the paid to the financial instrument before closing the OP in order to be compliant with <i>pari passu</i> principle?	Only payments made to the financial instruments by the end of the reporting year (and later at closure) have to be reported in 38.2. The amount reported in field 38.2 constitutes the programme (national public/private co-financing) and non-programme resources paid to financial instrument (in addition to ESIF). Whether public and private investors pay into FI on the same terms and conditions and simultaneously will be agreed in the funding agreement and will depend on the implementation structure of FI.
50.	38.3	HR	The amounts in the field 38.3, i.e. 38.3.1 and 38.3.1, are they correctly described as the <i>amounts which constitutes amount of other private / public contributions <u>excluding ESIF resources</u></i> ? Are these amounts relating to the total value of investment in the final recipient supported by the financial instrument minus ESIF resources (private plus public / private / public)?	Yes. More explanation is provided in the 'instructions' column.
51.		HR	The description of the information to be provided in the field 39.1 [expected leverage effect] states <i>The method of calculating leverage is described in detail in Guidance Note on reporting</i> . The text of the Guidance Note is not available.	As communicated in the EGESIF meeting of February, the draft guidance note was presented to the EGESIF meeting of April.
52.	40	HR	In the field 40 the description of information includes the sentence Changes in terms of value can be calculated in comparison to amounts reported in previous years and additional investment in final recipients. Does this mean that the analysis of change of monetary value of investment is to be discussed, in addition to provision of information on the value itself?	Only the value at the end of the reporting year is to be reported by MA. The year to year changes can be calculated on the base of data provided in reporting year and previous year.

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53.		HR	<p>Additionally, in relation to the Annex III (List of data to be recorded and stored in computerised form in the monitoring system (referred to in Art. 24)) of the Commission Delegated Regulation (EU) no. 480/2014, is the terminology in reporting according to the Commission Implementing Regulation (EU) no. 821/2014 identical when applied to financial instruments? We are not sure if the terms <i>operation</i> and <i>beneficiary</i> are being used in the consistent way across the regulations when in context of financial instruments. Specific questions follow:</p> <ul style="list-style-type: none"> a) Does the term operation mean the financial instrument on the level of FoF or SFs (implementation mechanism without FoF), being the beneficiaries? This would be in line with the specification of the data on payment applications to the Commission, i.e. fields 82 to 85. If the answer to the question is positive, the financial data on each operation, i.e. fields 41 to 43, requires the data on amounts committed in the relevant Financial Agreement? b) Should the interpretation provided on operation in the CDR no. 480/2014 be used in the context of financial instrument in the process of providing information on beneficiaries and operations to the public? If the answer is positive, once again, does this mean that the Managing Authority does not report on financial support provided the specific final recipients under the financial instrument? 	<p>The question is not clear in particular its part b).</p> <p>In relation to Financial instruments the definitions provided in Article 2 CPR should be respected. We do not see inconsistencies in the use of terminology in the CPR and the implementing and delegated acts referred to in the question.</p> <p>In case of FI the document setting out the conditions for support (referred to fields 41-43 of Annex III of CDR 480/2014) is the Funding Agreement.</p>
54.	9	HR	<p>The selection in 22.1 offers options: loan, guarantee, equity and other financial product or other support combined with the financial instrument, where the selection in 9 offers loans, microloans, equity, quasi-equity, other financial products, other support combined with a financial instrument. Moreover, the description for the field 22.1 would imply that the options in these fields are the same.</p>	<p>Answered in question 4.</p>
55.	34	HR	<p>Does the reporting primarily relate to the reporting period and describes the status of the repayment / defaults as of cut-off date, or is it based on the completeness of the whole cycle of re-payment of the loan, i. e. recognizing stages: loan defaults (as perceived in the national legislation, we presume), recovery procedure is started and completed, write-off performed, if needed?</p>	<p>The amounts to be reported in field 34 shall reflect the status of default at the end of the reporting period.</p> <p>Any subsequent recoveries should be reported under repayments 36.</p> <p>As for the definition of default see answer to question 8.</p> <p>The body implementing the FIs may follow International Accounting Standards. Therefore, the wording 'applicable accounting rules' has been retained.</p>

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56.	41	HR	<p>We would like to know which funds regarding FIs are taken into account when measuring the achievement of the target value of the indicator:</p> <ol style="list-style-type: none"> 1) only when ESIF part active (first cycle of the usage of OP resources allocated to the FI), 2) only when resources used as a part of the FI (recycling included), 3) FI plus mobilised resources [field 39.3], or 4) FI plus mobilised resources plus re-used resource, or 5) all resources available to the final recipient (in/directly) through FI. Does this depend on the type of FI (loan vs. guarantee)? <p>Please do comment how to establish what is the contribution to the achievement of the target value of the indicator when not option under 5) (proportionate or other).</p>	<p>Under 41.2 the output indicators should be reported only for projects receiving ESIF FI support (meaning FI supported from ESI Fund programmes. ESIF programme resources mean ESIF + national public/private co-financing).</p> <p>This should not include projects financed from reused resources (i.e. indicators only from the first cycle of the investment should be collected).</p> <p>The output indicator value should represent the output of the investment supported by ESIF financial instruments (programme resources). This is independent from other sources of funding and financing, e.g. if financial instruments are combined with ESIF grants in two operations.</p> <p>Part 5) of the question is not clear. However, in relation to the different type of instruments supported the reporting should be as follows, for example:</p> <ul style="list-style-type: none"> - In case of an ESIF programme <u>loan</u> instrument a possible indicator could be "Number of SMEs receiving loans". - In case of a <u>guarantee</u> instrument a possible indicator could be "Number of SMEs receiving guaranteed loans". <p>Please see also replies to question 5 and 12.</p>
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57.	22.1 24	HU	<p>Definitions of categories used in the reporting template (such as financial instrument, financial product, specific fund) are proposed to be clarified in the forthcoming guidance note or in the glossary. The categories are to be applied in a concise manner in the template. In the draft template there is some inconsistency in this regard.</p> <p><i>E.g. in Row 24 in the column about instructions: „other financial instruments“ is to be corrected to „other financial products“ (as it is named in Row 22.1.).</i></p>	<p>The use of terminology has been aligned with the terminology of the CPR and Financial Regulation.</p> <p>Financial instrument is defined in the Financial Regulation. Such financial instruments may take the form of the following financial products: equity or quasi-equity investments, loans or guarantees, or other risk sharing instruments, and may where appropriate be combined with grants.</p> <p>The definitions of equity investment, loan and guarantee are included in the 'Guidance for Member States on Financial Instruments – Glossary'.</p> <p>The use of SF is explained in the answer to question 46.</p> <p>In line 24 instructions refer to 'other support combined within the financial instrument'. Other financial products should be reported under loan, equity or guarantee.</p>
58.	6	HU	What kind of address is to be provided? The intervention area? Other address?	The address where the financial instrument is registered.
59.	21	HU	How to treat in this row the loan not yet fully disbursed (disbursed in tranches)? Is it to be considered „disbursed“ or „not disbursed“?	We assume that the question refers to field 28. "Partially disbursed" is to be counted as disbursed regarding the number of loans/ guarantees/ equity participations investments/ other financial products made in final recipients.
60.	39	HU	According to the definition, the leverage effect is measured in percentage, therefore the unit of measurement is not an amount (as provided in the table), but a percentage.	Please see answer to question 35.
61.	25	LT	Please clarify which amount should be indicated in case of portfolio guarantees: reserved contributions for signed and paid loans to final recipients? Or only contracted loans?	In case of portfolio guarantees the amount reported in field 25 should be a proportion of the guarantees committed for loans paid to final recipients in line with the multiplier ratio in line with Article 8 CDR. The amounts of programme contributions reserved for a portfolio of loans with contracts signed between financial intermediary and final recipients should be reported in field 24.
62.	34	LT	Please clarify which amount should be indicated in case of guarantees: is it the total amount of guarantee payments already made in case of defaulted loans?	In field 34 MA should report the total amount of guarantees called due to the loan default.

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63.	25	LT	Please clarify which amount should be indicated in case of portfolio guarantees: reserved contributions for signed and paid loans to final recipients or only for contracted loans?	Answered in question 61.
64.	34	LT	Please clarify which amount should be indicated in case of guarantees. Do we understand correctly that here should be indicated the paid amount according to the called guarantees?	Answer in question 62.
65.	39.3	LT	Please provide an example.	<p>The project supported by an ESIF FI may consist of expenditure that is not eligible for ESIF financial instruments.</p> <p>For example: In the framework of an urban development project it is possible that a loan is given to refurbishment of part of an old industrial site for a purpose in line with the objectives of the OP. The project also enables the investment in a purely commercial project which is not eligible under ESIF. The combined volume of both investments can be reported here.</p> <p>Another example is own contributions from the final recipient, which are not part of the leverage.</p>
66.	35	LV	Interest and other gains generated by payments from ESI Funds to the financial instrument (in EUR) from chapter VII. Interest and other gains generated by support from the ESI Funds to the financial instrument, programme resources paid back to financial instrument from investments as referred to in Articles 43 and 44, and the value of equity investments with respect to previous years (Article 46(2)(g) and (i) of Regulation (EU) No 1303/2013). We would like to ensure that we understand correctly that interest and other gains are generated at the level of beneficiary under Article 43(1). Beneficiary in this case is Development Finance Institution Altum (ALTUM), which is the first level (The second level is financial intermediaries and third – final recipient..	<p>The provisions of Article 43 CPR are applicable to the ESIF contribution before it is invested in final recipients.</p> <p>Therefore, depending on the option chosen (with or without FoF), the treasury management operations are applicable to the entity which is 'in possession' of the ESIF resources before they are transferred to financial intermediary (in case of FoF) or used for investments in final recipients (in case of financial intermediary).</p> <p>The relevant provisions will need to be reflected in the Funding Agreements between the MA/ FoF (if any)/financial intermediaries.</p>
67.	40	LV	Value of investments and participations, with respect to previous years (in EUR) from chapter VIII. Progress in achieving the expected leverage effect of investments made by the financial instrument and value of investments and participations (Article 46(2) (h) of Regulation (EU) No 1303/2013)). At the moment, we are not sure what kind of information do we need to provide at this field – value of investments and participations, with respect to previous years (in EUR). We would be pleased if you could explain what exactly is meant by “participation”.	Answered in the instructions of the annotated reporting template.

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68.		PL	The template is based on the annex I to CIR 821/2014, however some data fields have been added or changed (added field 3.1, extended reporting obligations in field 14, change of scope of data in field 40 etc.). It is therefore justified to adjust annex I to CIR first, since the content of the guidance note cannot go beyond the provisions of the regulation.	Additional fields are marked optional. Please see answer to question 23. The scope of information requested in field 40 has not been changed.
69.	5	PL	Data field 5. – wrong reference – article 38.9 CPR does not refer to the name of financial instrument	The correct reference is Art 4(4) of the CIR 821/2014.
70.	3.1	PL	Confirmation is needed that the amounts committed to FI are broken down per thematic objective only in point 3.1.	Yes, the breaking down per thematic objective is only required in 3.1.
71.	11.1	PL	How to understand the term Body Implementing the financial instrument (Block III) in case of a FI project with FoF? Does it refer only to the FoF or to financial intermediaries as well? The block heading refers to both types of institutions ("Identification of the body Implementing the financial instrument as Referred to in (...), and the financial intermediaries Referred to ...) – so it demands data on FoF and the intermediaries, it also suggests that only FoF is a body implementing the financial instrument. Descriptions of items 11.1.1. and 11.1.2 refer only to the “body implementing the financial instrument” which suggests, that official names and addresses of financial intermediaries should not be resented in these points. However according to the guidance note on selection of bodies implementing FIs, both FoF and financial intermediaries are described as “bodies implementing the financial instrument”.	In case a financial instrument is implemented through a Fund of Funds structure the information in fields 11.1, 11.1.1 and 11.1.2 is to be provided at the level of the Fund of Funds and then again for the financial intermediaries further entrusted by the FoF. In bloc III of the Model for reporting on financial instruments it is clearly mentioned that information is to be provided also for financial intermediaries referred to in Article 38(5) of the CPR.
72.	14	PL	How to understand the description of the field 14 (Total amount of programme contributions committed in the funding agreement signed between a managing authority and a fund of funds or a managing authority and a financial intermediary or a fund of funds and a financial intermediary) in case of the FI projects implemented via FoF? Does it allow us to choose between different levels of implementation and focus for example only on the agreements between a managing authority and a FoF or we should present data on both types of agreements, i.e. on agreements signed between a managing authority and a FoF and agreements signed between a FoF and a financial intermediary (in the latter case the data will be duplicated)?	In case of implementation through a Fund of Funds the information on commitment is to be provided on both levels: a) the funding agreement between the Managing Authority and the Fund of Fund and b) the funding agreement between the Fund of Fund and the financial intermediary. This will not lead to a duplication of data provided as the numbers provided for the different levels will not be cumulated.

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73.	17	PL	<p>The instruction for this point is not clear. According to it, the total amount of MCF paid out of programme contributions may differ from the sum of base remuneration (17.1) and performance-based remuneration (17.2). Base and performance-based remuneration are used to calculate the thresholds of MCF at closure.</p> <p>Point 17 raises the following doubts:</p> <p>a) In what cases the total amount of MCF paid out of programme contributions may differ from the sum of base remuneration (17.1) and performance-based remuneration (17.2)? An example would be helpful.</p> <p>b) We understand that we do not report on MCF which exceed the thresholds set out in CDR 480/2014 when they are covered by additional resources to FI (not by programme contributions i.e. ESI Funds and national co-financing)?</p> <p>c) If base and performance-based remuneration are used to calculate the thresholds of MCF at closure – as the instruction explains – then perhaps breaking down of MCF on base remuneration (17.1) and performance-based remuneration (17.2) should be done only in the final report? Can total amount of MCF paid out of programme contributions (17) differ from the sum of base remuneration (17.1) and performance-based remuneration (17.2) in final report? If yes, in what cases?</p> <p>d) How to report on MCF which are based on art. 13(5) or (6) of CDR 480/2014, for which the thresholds of art. 13(1)(2)(3) do not apply? Is it still necessary to break down MCF based on art. 13(5) or (6) of CDR 480/2014 on based remuneration (17.1) and performance-based remuneration (17.2)?</p>	<p>Please see revised instructions for fields 17, 17.1 and 17.2. In the annotated reporting template.</p>
74.	22.1	PL	<p>It is not clear whether data on different types of financial products offered by the financial instrument under the same funding agreement should be presented cumulatively or separately for each type of financial product. For example if FoF signed one funding agreement both for loans and guarantees then do we select:</p> <p>a) both loans and guarantees under the same funding agreement and then provide cumulative data for loans and guarantees under the same agreement (in such case we suggest adding (in bold): “Types of financial product offered by the financial instrument under funding agreement”), or</p> <p>b) we duplicate the field and provide data on loans in one row and on guarantees in the separate one?</p>	<p>In case a MA or FoF signs one funding agreement for two or more different products they are to be reported separately in Section V. In SFC2014, the MA should enter the information for each of the financial products. Section V has to be repeated accordingly for each financial product.</p> <p>Please see reply to question 4.</p>

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75.	39.2	PL	<p>According to the instruction the calculation of achieved leverage effect at the end of reporting year is to be calculated by the system $(25.1+38.3+35)/(25.1+17)$. Please check if the calculation is proper and with accordance to draft Guidance Note on reporting and leverage.</p> <p>According to the instruction the calculation would be as follows:</p> <p>Total amount of programme contribution paid to final recipients (25.1 - ok) + total amount of other contributions, outside the ESI Funds mobilised (38.3 – but these data do not contain information on amounts paid to final recipients) + interest and other gains generated by payments from ESI Funds to the FI (35 – but these data do not contain information on amounts paid to final recipients from resources mentioned in art. 43 CPR)</p> <p>/</p> <p>total amount of ESI Funds paid to final recipients or committed in guarantee contracts (25.1 – while it seems the reference should be to point 15.1 – total amount of ESI Funds paid to financial instrument) + total amount of MCF paid out of programme contribution (17 – but this amount is already in point 15.1).</p>	<p>In order to have a unified approach to the calculation of the achieved leverage the leverage should be calculated based on the numbers provided in SFC2014.</p> <p>Please see revised instructions in field 39.2.</p>
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76.	40	PL	Description of the field 40 still requires some clarification. Could the Commission provide more precise description, preferably with a simple numerical example?	<p>The value of equity participation, for example for a venture capital instrument, changes over time and this change of value should be reflected in the accounting of the equity fund and the reporting.</p> <p>There are two accounting methods: fair value accounting and impairment accounting. The accounting method agreed between financial intermediary and managing authority or fund of fund should be used. This may be according to international accounting standards or national standards.</p> <ul style="list-style-type: none"> In case of fair value accounting: <p>Book value = nominal value of participation (cost of asset) 100 + increase of fair value of participation 10 = 110 OR – decrease of fair value of participation -10 = 90</p> <ul style="list-style-type: none"> In case of impairment accounting: <p>Book value = nominal value of participation (cost of asset) 100 – impairment due to partial write off 25 = 75</p> <p>The monitoring of the value of equity participation over the lifetime of the investment is important otherwise losses or gains would only be visible in the reporting at the time of divestment which may occur only after the end of the eligibility period.</p>
77.	3.1 14.1.1 – 14.1.5	PT	The field 3.1 “ <i>Amount of ESI Fund(s) supporting the financial instrument under the priority axis or measure</i> ” is not possible to fulfil directly through the OP financial information in case of priority axis multi-objective (eg: a financial instrument in an Urban Development Priority Axis that includes Investment priorities from TO 4 and TO). In that cases how should the managing authorities do?	<p>The requirement to provide information on different forms of finance, including FI, by TO at the level of the priority axis is not new and is requested based on the available information at the level of the MA. MAs already report on this information under Article 112 CPR.</p> <p>Information by TO is requested only in field 3.1.</p>
78.	31 / 31.1	PT	since we are reporting instruments that have already been created (in the years 2014/2015) with funding agreements duly signed (although in the specific case that we are reporting, the funding agreement was signed already in 2016), we can't quite understand the intention regarding the information required: Selection of bodies implementing financial instruments / Has selection or designation process already been launched. For us it doesn't make much sense to report information concerning an instrument that has not yet been implemented.	<p>Field 31.1 is used to document progress regarding the implementation of financial instruments between the time an ex-ante assessment has been completed and a funding agreement has been signed.</p> <p>Experience from the past period shows that it may take several months from the beginning of selection until a funding agreement is signed.</p> <p>The information on the financial instrument provided in SFC2014 should reflect the state of play at the end of the reporting period.</p>

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79.	9 9.2	PT	<p>what can we include in the category other financial products? For the option 9.2 it is clear taking into account the provisions of the regulations and the document EGESIF-15-0012-02. Are the so called other financial products the several combinations possible with separate operations? Given that this is the first report on FI, can this information be completed in the annual report to be presented next year?</p>	<p>Under 8 two types of financial products are to be differentiated:</p> <ul style="list-style-type: none"> - 9.1 neither CPR nor Financial Regulation define 'other financial products'. Field 9.1 allows providing the description of such products. - 9.2 refers to grants, interest rate subsidy or guarantee subsidies combined with loans, guarantees or equity in one operation. Combination in one operation should be included in the funding agreement, thus if the funding agreement was signed in 2015 it has to be reported in the 2016 AIR.
80.	VIII IX	PT	<p>Sections VIII and IX – given the information provided in the document EGESIF_16-0008-00 CPR_46_Reporting, we suggest that a note be included to clarify that these sections are relevant for the reports to be presented in 2017, 2019 and in the final report (similar to the ones in the fields 18 to 21).</p>	<p>A note on the reporting in 2017, 2019 and the final report has been included in the headers of Sections VIII and IX.</p>
81.	23 31.2	PT	<p>The date of signature of the funding agreement for the financial product (23) – does not need to be provided. The data are already available on the level of financial instruments (13). However the data provided in the line 13 can be related to the Fund of Funds (funding agreement signed between the managing authority and the beneficiary of the FoF) or the instrument itself (funding agreement signed between the beneficiary of the FoF and the financial intermediaries that will be responsible for the implementation of the instruments under the FoF). How do we make the distinction between the fundings?</p> <p>c) Same question applies for the comments regarding the field 31.2.</p>	<p>Information for Section III, including field 13, has to be provided on the level of fund of funds (between MA and FoF) and on the level of financial intermediaries entrusted by fund of funds (between FoF and financial intermediary). Therefore the information on the date of signature of the funding agreement is available on both levels. The number of the Funding Agreement signed can be derived from the information provided in field 13.</p>

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82.	8.2	RO	<p><i>Article 2(27) CPR, a fund of funds "means a fund set up with the objective of contributing support from a programme or programmes to several financial instruments"</i></p> <p>Considering the requirements on reporting (pct. 8.2 in annotated template) we are not clear on the type of financial instrument in the following case: <u>one</u> loan fund set-up under <u>one</u> ESI Fund with implementation tasks entrusted to EIF. In this case, please clarify whether EIF represents FoF or not. Furthermore, who should be considered beneficiary of the FI: EIF, financial intermediaries or both?</p> <p>In page 5 of Guidance on implementation options for FI is stated that <i>"in an implementation structure in which no fund of funds is foreseen, the MA will invest in a legal entity or entrust implementation to an entity which acts as a financial intermediary directly."</i></p> <p>Returning to the case of <u>one</u> loan fund financed from <u>one</u> ESI Fund managed by EIF that will further entrust implementation to selected banks, given the statement in the Guidance, please clarify the status of the EIF and of the intermediary banks.</p>	<p>In the case of the loan fund you describe, the EIF is the body implementing a Fund of Fund(s) and therefore the beneficiary.</p> <p>When the EIF further entrusts parts of the implementation to banks, these are financial intermediaries in the sense of the CPR Article 38(5) CPR.</p>
83.	8	RO	<p>In practice, a loan < EUR 25.000 could be requested by a company not falling under micro category. There is no option in the selection list for this situation;</p>	<p>The category micro-loans is reserved for an instrument that provides loans < EUR 25 000 and provided to micro-enterprises). In the case described "loan" should be chosen.</p> <p>The explanatory text in the template was amended accordingly.</p>
84.	15	RO	<p>the amount paid to FI from MA to FoF may be different from the amount paid from FoF to SF. To which of the amounts refers this section?</p>	<p>The information on amounts paid to the financial instruments in case of implementation through a fund of funds is to be provided twice. First the payment from the MA to the FoF, and secondly from the FoF to the financial intermediary.</p>

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85.	22	RO	please make a distinction between financial instrument and financial product;	<p>The definition of the Financial Instrument is provided in the Financial Regulation (Article 2(p)) which is defined as Union measures of financial support provided on a complementary basis from the budget to address one or more specific policy objectives of the Union. Such instruments may take the form of equity or quasi-equity investments, loans or guarantees or other risk-sharing instruments, and may, where appropriate, be combined with grants.</p> <p>A financial instrument may consist of more than one product, for example, a loan and an equity product. If a single funding agreement between the managing authority and a financial intermediary (or fund of funds and financial intermediary) is signed this is considered to be one financial instrument, which offers two different financial products.</p> <p>For the purpose of transparency and in order to be able to compare the performance of loan, guarantee or equity instruments across different OPs it is important that the information in section V is provided on the level of the different financial products.</p> <p>See also additional explanation for 22.1 in the annotated template.</p>
86.	38	RO	please provide details on the calculation of leverage effect at the level of final recipient;	Please see revised instructions in field 39.2.
87.	9	RO	<p>In the reporting template, the row 9, micro-loans are defined to be up to Euro 25,000. We have decided in the ex-ante assessment to provide, from the OP Human Capital, micro-credits for entrepreneurship up to Euro 50,000. What instrument should we select: <i>loans (≥ EUR 25,000)</i> or <i>other financial product</i>?</p> <p>For avoiding this misunderstanding we recommend to renounce Euro 25,000 threshold, taking into account that it is defined on the basis of the EC experiences transposed in the staff working paper (SEC/2011/1134 final) and it is not a standardized and largely accepted definition.</p>	<p>Under 9 is stated that at least one category should be chosen. In the case described both categories loans and micro-credit should be chosen.</p> <p>This separation is important to have specific information on micro-credit instruments as different thresholds for management cost and fees apply according to the Commission Delegated Regulation (EU) 480/2014 Article 13.</p> <p>The reference to the staff working paper is maintained in order to allow for a standardised approach across all financial instruments.</p>
88.	25	RO	In the case of a loan for a beneficiary, a special account is opened with the entire amount of money, but the drawdowns are made on the basis of invoices. The question is whether in the row 25 of the reporting template we should enter the value of loans or the value of drawdowns from these?	In 25 the amount paid to the final recipient is to be reported. In this case this means the value of drawdowns from the special account.

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89.		SI	Is it necessary to report only the only first “consumption” or also the revolving funds?	Interest and other gains generated by support from the ESI Funds to the financial instrument and programme resources paid back to financial instruments from investments as referred to in Article 43 and 44 have to be reported in Section VII of the report on the financial instruments.
90.	20	SI	Do we have to report the revolving under item IV / 20 or elsewhere?	Please see reply under question 38. The amounts in field 20 refer to follow on investments in final recipients in case of equity based instruments as mentioned in Article 42.3 of the CPR.
91.		SI	Do we report only EU part or also SI part (public and/or private)?	We assume the question refers to field 36; amounts repaid to the Financial instruments attributable to the ESI Funds by the end of the reporting year should be reported here. The revolving amount of co-financing is not to be reported.
92.	22 29	SI	Please, clarify the difference between the "financial product" and "financial instrument" in section V / 22; The same applies to V / 29 (the number of final recipients to financial product)	Please see answer to question 86. Field 29 requires information about the number of final recipients supported by the financial products. Article 2(12) of CPR defines final recipient as a legal or natural person receiving financial support from a financial instrument.
93.	32 33 34	SI	VI/32, VI/33, VI/34: clarify what does it mean that a financial instrument is "still operational". Does it mean that the public tender is still open and that the funds are still not transferred to final recipient (SMEs)? F.i. what does it mean that the guarantee is still operational.	Field 32 requires providing information on whether the financial instrument has been wound up in full respect of the exit policy as referred in the funding agreement or it continues its investment activity according to the investment strategy and the funding agreement. The financial instrument will become operational as of the signature of the funding agreement following which the financial contributions from a programme to the financial instrument can be transferred to the financial instrument and the subsequent financial support is provided to final recipients by the financial instrument.
94.		SK	We suggest that the changes in the reporting table are implemented via an amendment of Commission implementing regulation (EU) No 821/2014 in order to have a logical numbering of the respective lines in the reporting table.	We take note of your comment.

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95.	30	SK	In the line <i>30 Date of completion of ex ante assessment</i> , we understand that the instructions go beyond what is required information by the Commission implementing regulation (EU) No 821/2014. The date of completion of ex ante assessment may not necessarily be the same as the date of formal acceptance of the ex-ante assessment by managing authority. Furthermore, it is unclear, what should be the act of formal acceptance of the ex ante assessment by managing authority. Hence, for the sake of clarity, we suggest the mention on formal acceptance to be deleted	The text in field 30 has been revised and reference to formal acceptance removed.
96.	31.1	SK	In the line <i>31.1 Has the selection or designation process already been launched</i> , according to the instructions, there is a choice between YES or NO, covering only two options: if the process of selecting, designating or directly awarding has already started or not. However, an answer YES does not seem to be viable for situations where the selection, designation or direct award has already been finalised.	If it has been finalised, then the answer 'yes' should be sufficient. If it is completed then it would suggest that the selection process was launched at some point.
97.	11.1	SK	In the line <i>11.1 Type of implementing body pursuant to Article 38(4) of Regulation No 1303/2013</i> , instructions state in point (b4) Financial institutions aiming at the achievement of public interest under the control of public authority that these are so called promotional national banks. Some of such institutions might not necessarily be the national promotional banks, therefore, we suggest adding the word "usually" before the words "so called".	The wording has been revised by adding the word 'usually'.
98.	17	SK	In the line <i>17 Total amount of management costs and fees paid out of programme contributions (in EUR)</i> , does this include the management costs and fees incurred for preparatory work in relation to the financial instrument before the signature of the relevant funding agreement pursuant to the Article 42(5) third subparagraph of Regulation No 1303/2013?	The instructions in fields 17, 17.1 and 17.2 have been revised.
99.	9.1	SK	In the line 9.1 – Please specify the term „other financial product“, or unify the terminology if financial instruments are meant.	Neither the CPR nor the Financial Regulation defines 'other financial products'. "Financial products" supported by ESIF have to be compliant with the CPR, including title IV, and to be reported according to Article 46 CPR.

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100.	12 e)	SK	In the line 12. e) – Please specify, what "other" forms of selection are possible under letter e). As this is not clear in the context of lately commented version of EC Guideline on selection of bodies implementing financial instruments.	<p>In field 12 e) the following other situations may be indicated under 'other forms of selection' where applicable:</p> <p>The option "others" could be used for cases of direct implementation under Article 38(4)(c) CPR and for cases below the thresholds of the Public Procurement Directive: selection in accordance with the principles of the Treaty.</p> <p>Where FI are organised through a fund of funds structure and where the contract has been awarded directly by the MA to EIB/EIF/IFI, in field 12 e) MA should indicate whether the selection of financial intermediaries to implement financial instruments takes place according to EIB/EIF Guide to Procurement or the rules of the international financial institution.</p>
101.	40	SK	In the line 40. – Please add the term "national" in to 2nd sentence of the explanation to be read as follows "The book value of the participation according to the applicable national accounting rules ..." as declared on the last EGESIF meeting.	The body implementing the FIs may follow International Accounting Standards. Therefore, the use of wording 'applicable accounting rules' has been retained.
102.	39	SK	In the line 39 (including 39.1, 39.2, 39.3) – Please specify, what should be the approach of the audit authority in relation to the sum of the leverage effect, e.g. if the sums declared as leverage effect should be subject of audit. If yes, what would be the consequences if any errors will be detected, or if there the sum mentioned under point 39.2 will be lower compared to sum under point 39.1. Please specify, if this field regarding leverage effect are compulsory, or not.	<p>The objective of Section VIII is to monitor progress in achieving the expected leverage effect of investments made by the financial instrument.</p> <p>Fields 39.1 and 39.2 presented in the model of Annex I of Implementing Regulation 821/2014 are mandatory.</p> <p>39.3 in the annotated template is marked optional.</p>
103.	12	SK	Template for reporting in FIs, row 12. – Please specify, what „other“ forms of selection are possible under letter e). as this is not clear in the context of lately commented version of EC Guideline on selection of bodies implementing financial instruments.	Please see answer to question 100.

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104.		UK	If using shorthand like FoF, SF, MA then it would be helpful if an associated glossary of terms could be provided to ensure consistency of meaning;	<p>The abbreviations in the last seven columns are explained in the headers of the columns of the reporting template:</p> <p>FoF: Fund of Funds</p> <p>FoF/SF: financial intermediary entrusted by a fund of funds</p> <p>SF: financial intermediary</p> <p>MA: direct implementation by a managing authority or through a intermediate body</p> <p>The reporting template has been amended to repeat the headers on all of the pages of the template.</p>
105.		UK	If the FI being reported on is not through a Fund of Funds or directly by Managing Authority but delivered solely through a Financial Intermediary then there should be a 'not applicable' option for each of the cells that refer to Fund of Funds and / or Managing Authority directly.	<p>The system in SFC2014 is set up in a way that information can only be entered in the fields relevant for each of the three implementation options.</p> <p>This is indicated in the last seven columns of the annotated reporting template.</p>
106.		UK	Will the final version have drop down boxes to show the appropriate options for relevant questions (i.e. Section 7.1.1 and 7.2).	Yes, in SFC there will be drop down boxes when the annotated template indicates "Selection" in the third column.

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107.		UK	Can the Commission clarify what exchange rate should be used for each particular entry? The only reference in the Common Provisions Regulation is the date in which expenditure is registered in the accounts of the Certifying Authority but that does not seem appropriate for the information here. The most precise calculation would be for the exchange rate at the date of each individual transaction (Management cost invoice/interest return etc.), but this could be very labour intensive due to the number of transactions involved.	<p>The exchange rate used for reporting should be the same used for the registration of expenditure by the certifying authority according to Art. 133 of the CPR.</p> <p>This means the exchange rate may change for each tranche paid to financial instrument or fund of funds. The reporting on payments by the fund of funds to financial intermediaries and by financial intermediaries to final recipients, as well as management cost and fees should be based on the exchange rate applicable to the specific tranche as described above. This should ensure to be in line with the calculation of eligible expenditure.</p> <p>For other amounts which cannot be easily traced to a specific payment tranches like reflows, defaults, non-ESIF resources attracted, interest and gains, for the purpose of simplification, a weighted average may be applied. This weighted average should be based on the exchange rate according to Art 133 for all tranches paid into the instrument. This exchange rate may change from reporting year to reporting year.</p> <p>It is important to ensure consistency of reporting over the life time of the financial instrument.</p>
108.	3.1	UK	By “committed” in this context is that assigned to the Fund (nominally), paid to the fund (actually), or investments made (actually) that they want here;	Committed in 3.1 means contractually committed in funding agreements.
109.	3.1	UK	Calculated pro rata of what?	<p>Only the commitment to the financial instruments needs to be broken down by thematic objective.</p> <p>In order to have information on payments to financial instruments or to final recipients by thematic objective the information provided in 3.1 will be used as a proxy for calculations.</p>
110.	5 6	UK	Is this the address of Managing Authority, Intermediary Body, or the individual Fund Manager? Is only the relevant city and country required, or the full business address?	<p>The address of the body implementing the financial instrument is to be reported here.</p> <p>This is either the address of the body implementing fund of funds, the financial intermediary or in case of direct implementation through the managing authority the address of the managing authority or the intermediate body.</p> <p>Provision of city and country is sufficient information.</p>

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111.	7.1	UK	If no is selected are cells C22 and c23 then blanked out so do not need a response?	If NO is chosen for 7.1, field 7.1.1 is not available in SFC2014. But the selection of an option under 7.2 is required.
112.	11.1.1	UK	Is this the name of the Managing Authority, or Intermediary Body, or Fund Manager?	This has to be filled out according to the chosen implementation option under Article 38(4) CPR: - if implementation takes place through a Fund of Funds: name of the Fund of Funds manager on the level of fund of funds and name of financial intermediary entrusted on the level of financial intermediary. - financial intermediary if implemented without a fund of funds; - name of the managing authority or intermediate body in case of implementation under 38(4)(c) CPR.
113.	11.1	UK	Is only country and town required, not full address? Use of term town or city should be consistent throughout the text as good practice.	Only country and city is required.
114.	13	UK	As funding agreement can be between the Managing Authority and Fund Manager or an Intermediary Body and Fund Manager, text needs to be clear that for managing authority it is also applicable to an Intermediary body.	It is correct that managing authority can entrust the management of part of a programme to an intermediate body according to Article 123 (6) & (7) CPR. In order to keep the instructions readable, "managing authority" should be understood as "managing authority" or "intermediate body entrusted by the managing authority". Therefore "intermediate body" has been added only once to the template in field 11.1.
115.	14	UK	Same comment on meaning of "committed" as for above at cell B11.	Committed means contractually committed in funding agreements.
116.	24	UK	"Committed" here seems to mean "contractual" based on description in cell D68. Is that correct?	Committed means contractually committed with final recipients.