

Completing the forecast of likely payment applications

GrACE User Manual for Certifying Authority and Fund Operators

Version 1.0, August 2023

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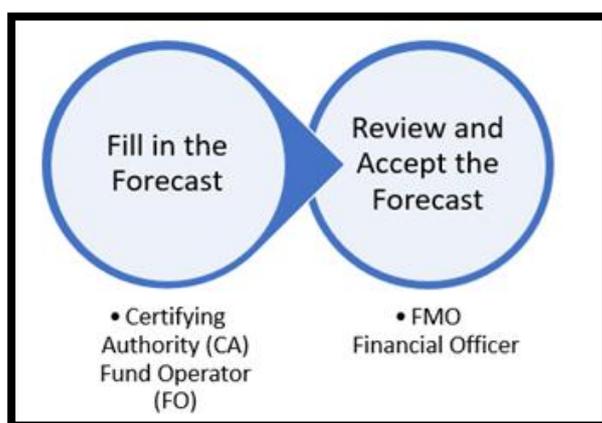
1. Introduction to the forecast

GrACE stands for Grants Administration and Collaboration Environment. The system supports the management of the EEA and Norwegian Financial Mechanisms 2014-2021 and is used by Donor and Beneficiary State entities and the Financial Mechanism Office (FMO). Users access GrACE through the website <https://grace.eeagrants.org/>.

For further help and support regarding what and how to fill in the forecast, please contact your contact person(s) at FMO. For technical help with GrACE, please contact grace.support@efta.int. You can find this user manual and other manuals on our website <https://eeagrants.org/gracemanuals>. Be sure to regularly check for updated versions.

2. Regarding the forecast

The forecast shall be submitted to the FMO via the Certifying Authority (CA) four times a year as indicated in article 9.5 of the Regulation (20 February, 20 April, 20 September, 20 November), and the PIA where Fund Operators are concerned. The FMO reviews and accepts the document or sends it back in case of issues.



The forecast of likely payments represents the amounts to be paid by the FMO each calendar year

- **The CA** prepares and signs the consolidated forecast using the "Forecast for beneficiary state workflow" which is started automatically by GrACE one month before the deadline.
- **The FO** prepares and signs the consolidated forecast using the "Forecast for directly contracted programmes workflow" which is started automatically by GrACE one month before the deadline.

Why is it important to provide an accurate forecast?

The forecast submitted to the FMO allows both the FMO and the Donor States to plan for their annual budget and cash flow needs. Each Donor State includes the needs in their national budget. Any major variation must be justified towards National Finance Ministries and/or Parliaments.

The forecast should be accurate as this input is essential for the financial management of the Financial Mechanisms.

Forecasted amounts

The forecast represents the estimated amounts to be requested from the FMO in the Interim Financial Reports and advance payments. These are the amounts to be paid by the FMO (Programme Grant amount), thus it excludes the national co financing.

Particular attention should be paid to the current and following year as this information will be used by the Donor States and the FMO for budgetary and cashflow planning.

Beneficiary States and Programmes should prepare a detailed forecast at the beginning of the implementation and update it regularly according to the progress of the programmes. The forecast should be prepared well ahead of the deadline and relevant stakeholders should be consulted. The following elements should be considered:

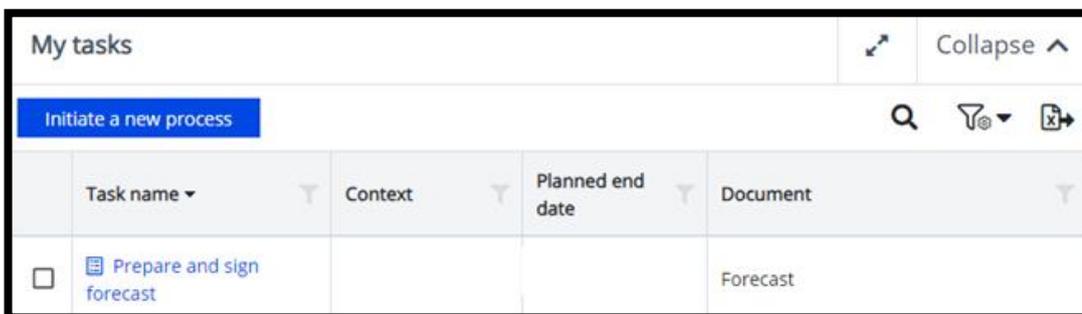
- **Timing of the calls:** Payments to projects are linked to the timing of the calls. The timing of the calls will impact the contracting phase and the timing of the first advance payments to projects.
- **Call size and maximum grant:** The amount needed to make payments to projects will vary depending on the size of the call and the contracted projects. Level of advance: The maximum advance payment to projects is normally set in the Programme Agreement. The level of the advance payment impacts the cash-flow needs of the programme when releasing the first payments.
- **Planned payments:** The amount of the advance and interim payments varies depending on the frequency of the payments and the pace of the implementation. Both aspects should be considered in the forecast.
- **Interim Financial Report:** The payments from the FMO to the Programmes are normally made twice a year, by 15 April and 15 October. The timing of these payments influences the forecasted amounts. For example, the forecast to be submitted in November should match the amounts paid in April and October of the same year.
- **Unspent funds from previous year:** The unspent funds should be considered in the forecast since they are deducted from the requested amounts in the IFRs. There are only two IFRs per year and it is essential that the amounts paid through the IFRs are in line with the annual forecast.
- **Delays during the implementation:** Delays at programme or project level may influence the amount requested from the FMO. Delays in public procurement, launching calls or contracting projects will influence the amounts requested from the FMO in a particular year.

Be realistic! There is no need to include a reserve in your forecast. The forecasted amounts will not limit the amount to be paid by the FMO, should the needs slightly exceed the forecast.

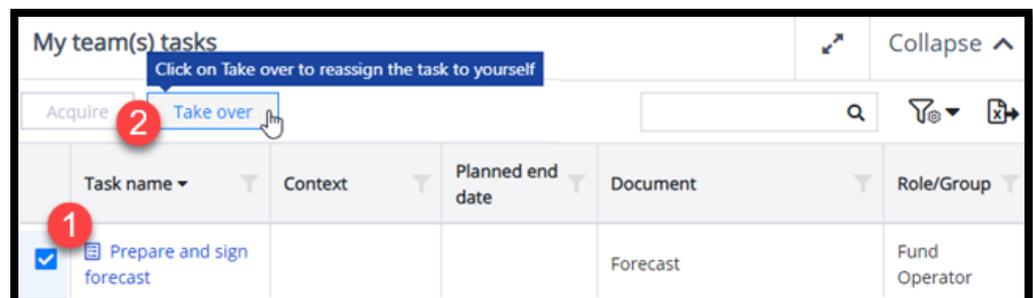
3. Prepare and sign the forecast

The task for the preparation of the forecast is available under the **My tasks** section, located on the top left side of your GrACE dashboard. If there are multiple users in your organisation, the task will be in **My tasks** section for the user registered as primary contact in GrACE.

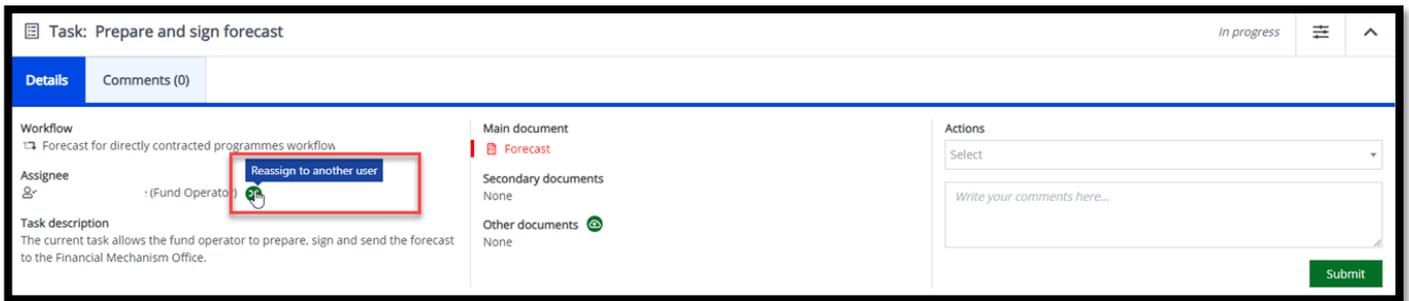
Click on the name of the task to open it. Always access the task by clicking on the task name and not on the document name.



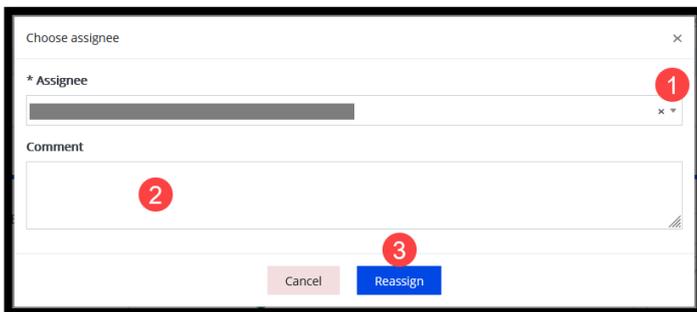
The task can be acquired by other users from the same organisation under **My team(s) tasks** in the Dashboard, by clicking the checkbox in front of the task (1) and then **Take over** (2).



Reassigning the IFR task to another person within the organisation can be achieved by opened task screen as shown in the image below:

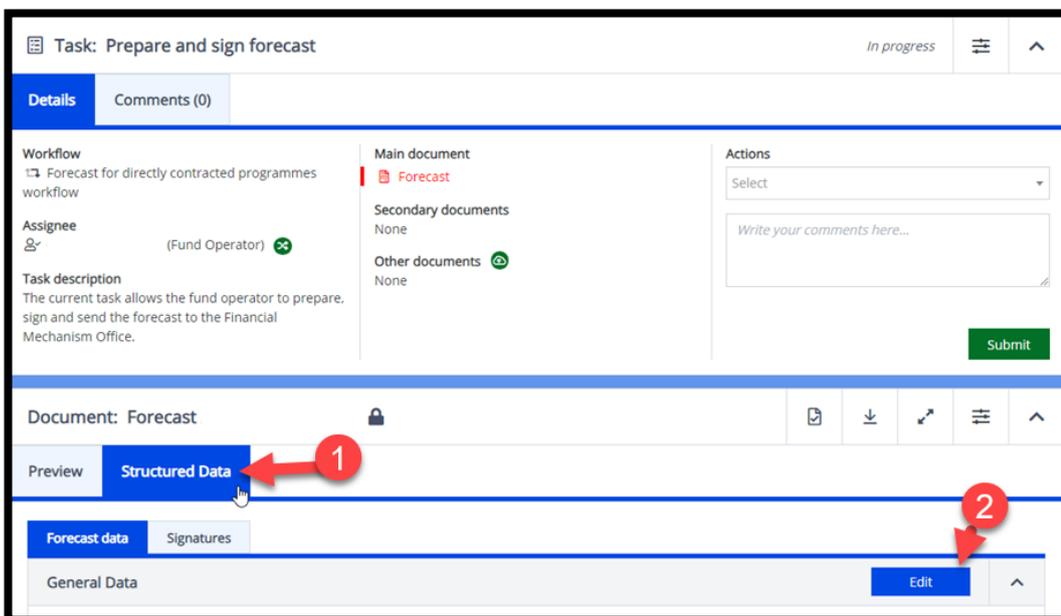


A new window will then open where you can choose which colleague to reassign the task (1). A message can be relayed if you prefer (2) before reassigning (3).

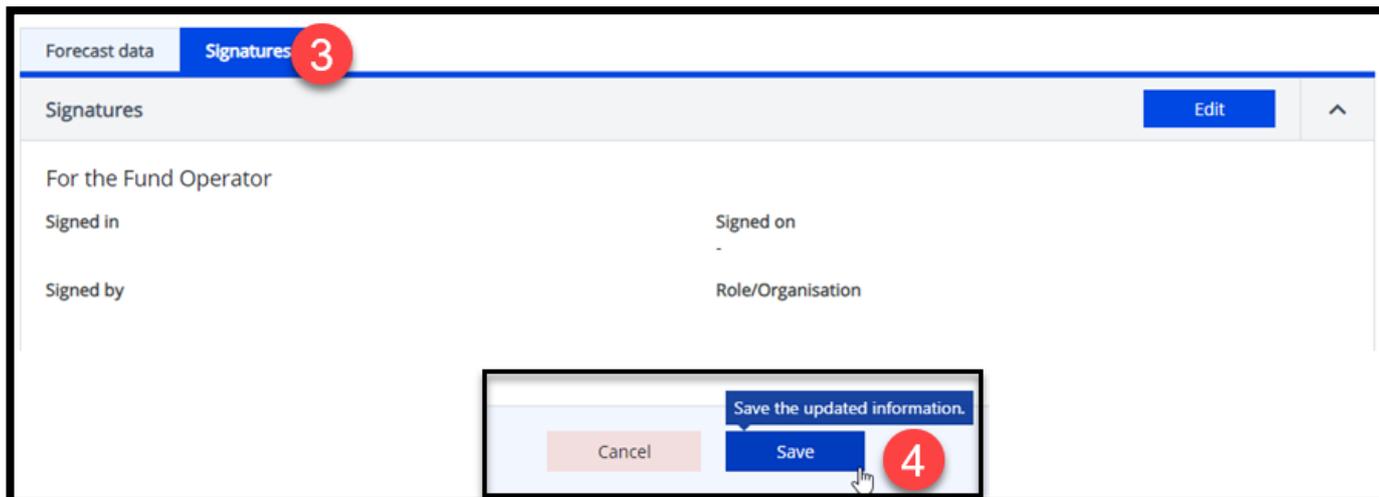


3.1. Navigate the sections and tabs

After opening the task, you can view and edit the report. In order to fill in the template, you will edit the Structured Data tab (1) and click Edit (2) on the tab you would like to edit.



To navigate between the tabs, click on the name of the tab (3). When you are finished editing, remember to click Save (4).



4. Information to be provided

The forecast of likely payments should cover the payments from the current year to 2025 in accordance with the eligibility periods. During the current year the forecast should include amounts already paid by the FMO within the year and the expected amounts until the end of the year.

The forecast should contain the amount to be paid by the FMO (disbursements) for each Financial Mechanism (in case the programme is financed by both Mechanisms) and a brief narrative explaining the main differences compared to the previous forecast submitted to the FMO.

This narrative is essential as it helps the FMO and the Donors to justify the differences.

Please see the examples below:

4.1. Example of a bad forecast

Disbursements are much lower than expected and there is no clear explanation of the deviations.

Programme X	2019	2020	2021	2022	2023	2024
EEA	€10.08	€5.91	€3.98	€3.74	€2.52	€1.77
Descriptions for 2019:	<ul style="list-style-type: none"> • Due to better knowledge of calls within a programme, higher amounts have been requested. • Projects will be implemented according to plan 					

→

	Disbursed amount at the end of 2019
Programme X	€ 0.54
What happened:	<ul style="list-style-type: none"> • Only requested programme management cost

✗

4.2. Example of a good forecast

The forecast is accurate and provides a precise justification of the deviation.

Programme Y	2019	2020	2021	2022	2023	2024
NOR	€ 1.20	€1.80	€1.75	€2.60	€4.59	€2.92
Description s for 2019:	<ul style="list-style-type: none"> • PO has included in the forecast all the management cost foreseen in 2019 (0.20 € mil) and the first advance payment (1 mil) to projects under the small grant scheme call (Foreseen in November). The amount will be requested in the September IFR. • For 2020 the forecasted amounts correspond to the interim payments under call #1 (1 mil. Will be expected in the March 2020 IFR and 0.8 in the September 2020 IFR) • The call #2 has been postponed to the end of 2020 therefore the amounts are now forecasted in 2021. 					

	Disbursed amount at the end of 2019
Programme Y	€ 1.1
What happened:	<ul style="list-style-type: none"> • The management cost was incurred as planned • The amount granted under the small grant scheme call was 90% of the total amount planned.



5. Submitting the forecast

When you are ready to submit the forecast, go to the Actions and select "Upload signed paper copy". A textbox will appear with instructions of how it will progress:

In order to complete this action, please:

1. Please make sure you have reviewed the document and you are ready for signing.
2. On the next step you will be instructed to download the document and sign it outside GrACE. There are three ways to sign:
 - sign electronically with a signer-held signature
 - sign electronically with a cloud-based (DocuSign or similar) signature
 - print, sign by hand and scan signed document
3. Click "Submit" to proceed with the download and signing.

Actions

Upload signed paper copy

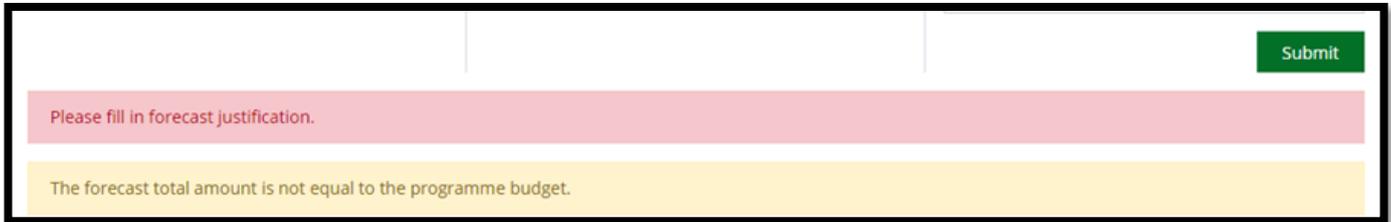
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Write your comments here...



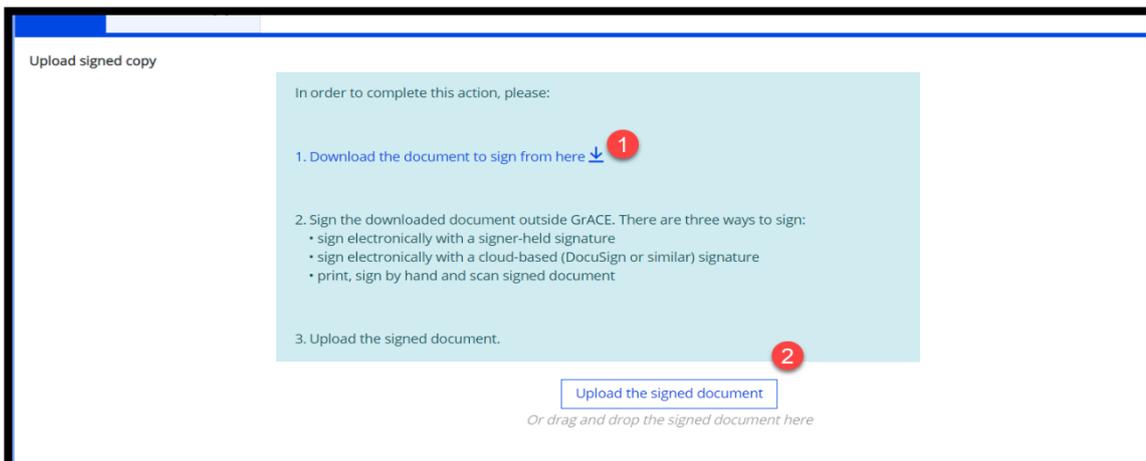
When you click the green Submit button, GrACE will check that everything is filled in. You might receive an error (red) or perhaps a warning (yellow). The red errors will need to be fixed while the yellow is only a warning and can be ignored if you are confident everything is correct.



5.1. Uploading the signed document

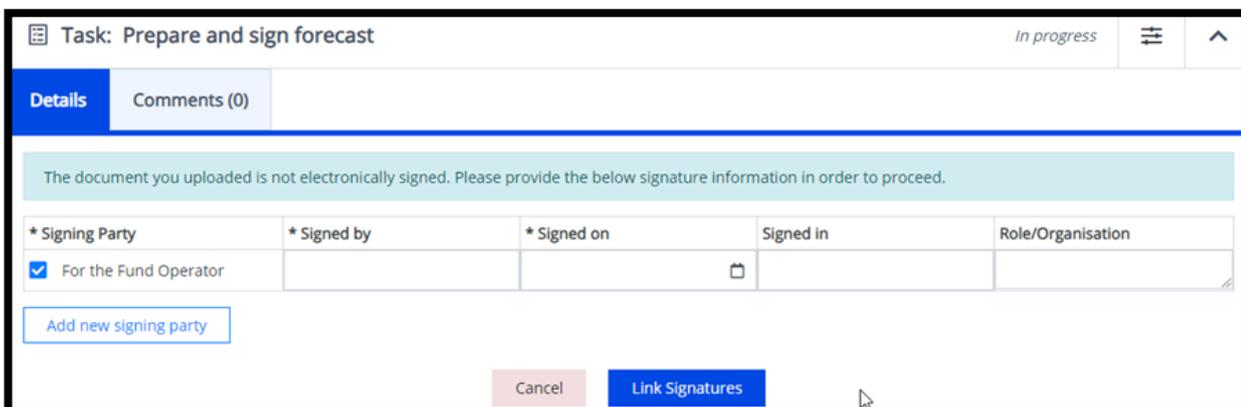
If everything is correct when selecting the **Action** “Upload signed paper copy” and click **Submit**, then a new screen appears.

The document is now finalised and you will be able to download the document for signing. Only a PDF version is allowed for upload. Click the **Download the document to sign from here (1)** button. When signed, click **Upload the signed document (2)**, choose the signed document and proceed to the signing part.



5.2. Signing

For scanned and non-electronically signed documents: Chose the Signing Party (3) and fill in the fields required. Click **Link Signatures (4)** to sign and submit the document.



For digital signatures: Choose the correct Signing Party and fill in the fields. Then click **Link Signature** to sign and submit the document.

Task: Prepare and sign forecast in progress

Details | Comments (0)

Document is signed electronically with cloud-based (DocuSign or similar) signature. Please provide additional signing information and link signature to document.

E signed on 16.02.2022 with DocuSigns, Inc., content not automatically validated

* Choose Signing Party	* Signed by	* Signed on	Signed in	Role/Organisation
<input checked="" type="radio"/> For the Programme Operator	GrACE Support	16.02.2022 with DocuSigns, Inc.	Brussels	FMO
<input type="radio"/> For the Certifying Authority		-		
<input type="radio"/> Signing party not on the list				

Once this is done, the forecast is submitted to the FMO. This step cannot be reversed. You can view a copy of the document you sent in, from your dashboard, under **My recent documents**:

My recent documents Collapse ^

Name	Date modified
Forecast 2022 20 November	03.08.2023 13:26:20

Showing 1 to 1 of 1 entries

6. View submitted forecasts

You can view submitted forecasts by going to the programme's main page and click **Forecasts** (1) under the **Finance** header. Click on the name to open it (2).

Programme: MT-ACTIVECITIZENS

Title: Fund for Non-Governmental Organisations

Beneficiary State: Malta

Events: Flexibility in IFRs allowed

Legal Framework & Contacts	Finance	Modalities	Results & Reports	Assessment	Documents
MoU Data Programme Implementation Agreement Agreement Modifications Irregularity Cases Contacts	Payments Forecasts (1) FMO Audits	Calls Project Level Information Bilateral Initiatives	Results Framework Annual Programme Reports Evaluations	Implementation Status	Documents

Forecast

Name	Period	Status	Year
Forecast 2020 20 November (2)	20 November	Accepted	2020

You can download a copy of the document by clicking on the name to open the document, see (2) above, then click on the download symbol in the corner and select your preferred file type:

Version 3.0 (latest final version)

Signed copy | Preview | Structured Data

PDF
MS Word
XML