



# Submit and Update Irregularities

## GrACE User Manual for Irregularity Authorities and Fund Operators

Version 2.0, April 2022

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## 1. Introduction

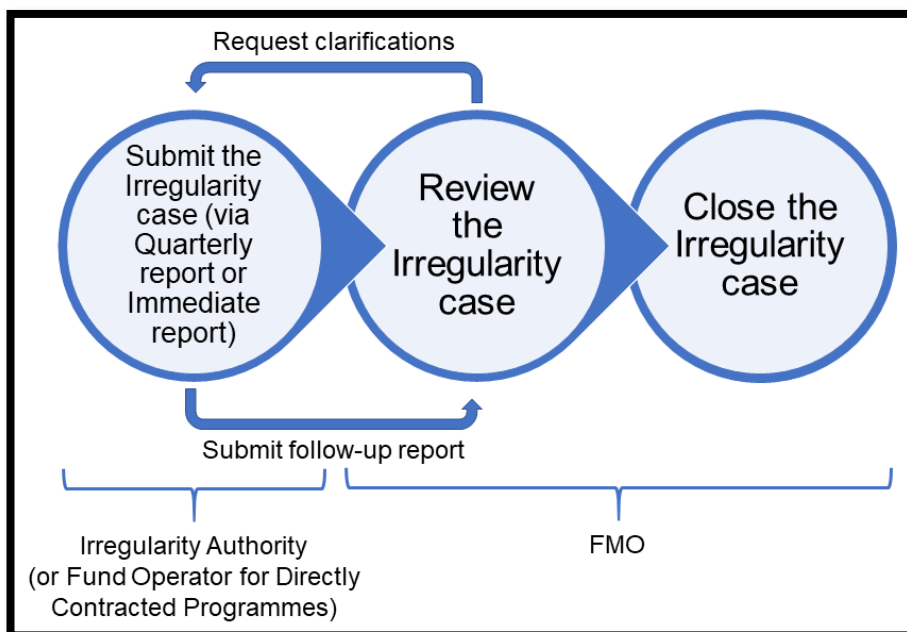
The below document is a user manual that shows how to navigate GrACE pages to report irregularities, including the submission of quarterly irregularity reports and reporting of immediate irregularities.

This user manual is intended for:

- Irregularity Authorities
- Fund Operators

*Important:* All references to Irregularity Authority from this manual also apply to the Fund Operators in their capacity to report on irregularities related to their Programme. Any references to Regulations shall be understood as the corresponding provisions in the respective Programme Implementation Agreements with Fund Operators.

The following workflow is established for submitting the quarterly reports on irregularities and when reporting an immediate irregularity:



The submission of quarterly reports, including follow-up reporting, is further explained in section 2 of this manual. The reporting of an immediate irregularity is further explained in section 3 of this manual.

The GrACE page for registering irregularities is based on the template provided as Annex 9 to Regulations<sup>1</sup> however there are minimal technical adjustments due to data collection via the information system. Reference to Annex 9 is made in this user manual as appropriate for guidance.

You are no longer required to fill in the templates provided as Annex 9 to the Regulations. The information on the irregularities (both initial and follow-up reports) is provided directly in GrACE. If you, for internal purposes, need a signed version of the reports prepared in GrACE, these can be downloaded and printed via the Preview tab, please see sections 2.6 and 3.4 in this user manual.

For further help and support, please contact [grace.support@efta.int](mailto:grace.support@efta.int). This user manual and other manuals can be found at our website <https://eeagrants.org/gracemanuals>, be sure to check in sometimes for updated versions.

<sup>1</sup> <https://eeagrants.org/resources/regulation-implementation-eea-grants-2014-2021-annex-9-template-irregularities-reports>

## 2. Quarterly Reports

### 2.1. Introduction

The Irregularity Authority will submit quarterly reports to FMO according to the following schedule:

Quarter	For the period	To be reported by (deadline)
Q1	January – March	31 May
Q2	April – June	31 August
Q3	July – September	30 November
Q4	October – December	28 February following year

The quarterly reports will contain:

- Irregularity cases occurring during this interval
- Follow-up on the previously reported irregularities
- (If the case) information that no cases occurred during this interval

### 2.2. The Quarterly Irregularity Report task

The tasks for the preparation of the Irregularity reports are created automatically for each quarter 2 months before the deadline (e.g., the task for Q1 will be created on the 1<sup>st</sup> of April). They are available under the **My tasks** section for the user with Irregularity Authority role, located on the top left side of the GrACE dashboard.

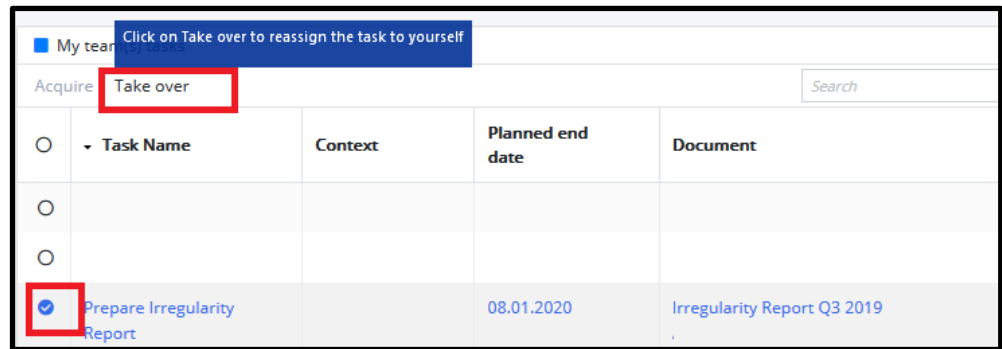
If there are multiple users in your organisation, the task will be in the **My tasks** section for the user registered as primary contact in GrACE for your organisation.

The screenshot shows the 'My tasks' section of the GrACE dashboard. At the top, there is a search bar and 'View Options' with a download icon. Below is a table with the following columns: Task Name, Context, Planned end date, and Document. One task is listed: 'Prepare Irregularity Report' with a document link 'Irregularity Report Q2 2019'. At the bottom, it says 'Showing 1 to 1 of 1 entries' and there is a 'My programmes' section with a plus icon.

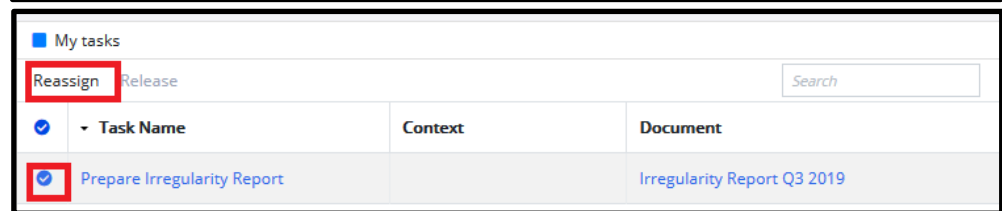
If there are multiple users in your organisation, the task will be in **My team(s) tasks** section for the registered users which are not the primary contact in GrACE for your organisation.

The screenshot shows the 'My team(s) tasks' section of the GrACE dashboard. It features a search bar and a table with columns: Task Name, Context, Planned end date, and Document. One task is listed: 'Prepare Irregularity Report' with a planned end date of '08.01.2020' and a document link 'Irregularity Report Q3 2019'.

You can take over the task from a colleague from the organisation registered as Irregularity Authority: select the task from **My team(s) tasks** and click **Take over**.

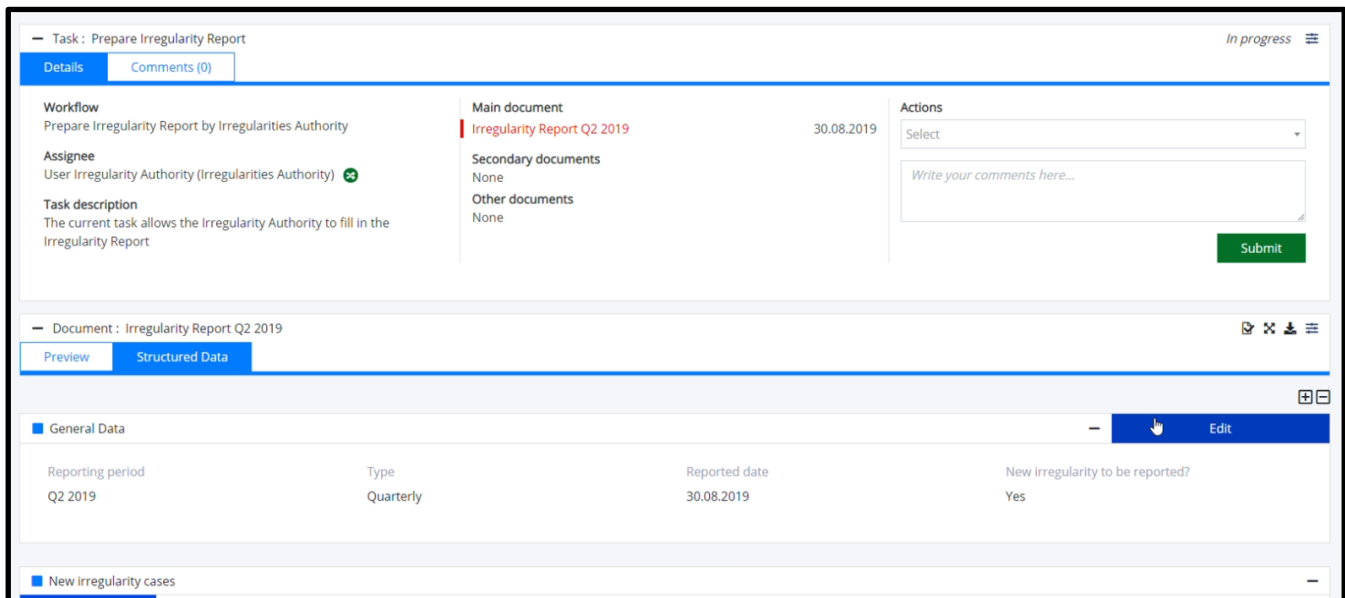


You can reassign the task to someone else from the organisation registered as Irregularity Authority: select the task from **My tasks** and click **Reassign**.



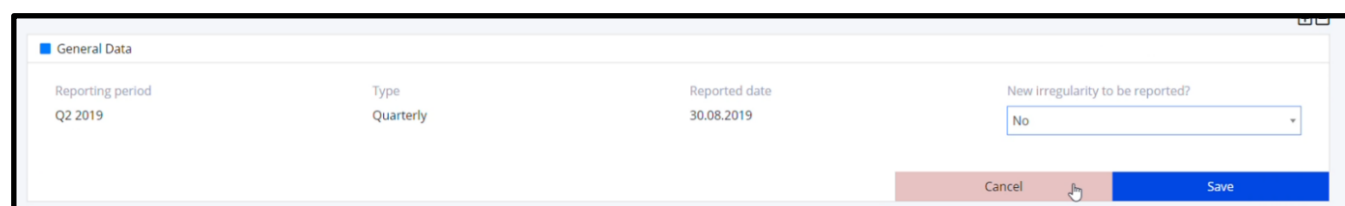
**Warning:** In case there are no users registered for your organisation, the task will not be assigned to anyone. Please contact [grace.support@efta.int](mailto:grace.support@efta.int) providing the contact details of the person which will submit the Irregularity reports.

Click on the task name **Prepare Irregularity Report** to open the task. After opening the task, you can view and edit the report. To fill-in the report, you will edit the **Structured Data** tab.



### 2.3. If there are no irregularities to be included in the report

By default, the answer to the question **New irregularities to be reported?** will appear as Yes. In case there are no new irregularity cases to be reported, click **Edit** in the **General data** section, and edit this field to **No**, then click **Save**. You can then proceed to section 2.5 of this guide.



## 2.4. Adding a new irregularity case to the report

In case there are new irregularity cases to be added to the current quarterly report, you will register them one by one by clicking on the **Add new irregularity** button:

The screenshot shows a table titled "New irregularity cases". The table has columns for "Case ID", "Reporting Level", "Reported for", and "Status". Below the table, it says "No entries found". A red box highlights the "Add new irregularity" button located above the table.

The following form will open:

The screenshot shows the "Add irregularity case" form. It contains the following fields and options:

- Country:** A dropdown menu.
- Reporting Period:** A dropdown menu with "Q3 2019" selected.
- \* Case type:** A dropdown menu with "Select" selected.
- \* Case opened:** A date picker with "28.01.2020" selected.
- \* Reporting Level:** A dropdown menu with "Country" selected.
- \* Programme:** A dropdown menu with "Select" selected.
- \* Project:** A dropdown menu with "Select" selected.
- \* Reported by:** A dropdown menu with "Select" selected.
- Budget heading:** A dropdown menu with "N/A" selected.
- \* Nature of irregularity:** A dropdown menu with "Select" selected.
- Description of irregularity, including legal provisions that have been infringed and manner in which the irregularity was detected:** A large text area.
- Audited by Beneficiary State Authority:**
- Audited by FMO:**
- \* Remedies:** A dropdown menu with "Not Required" selected.
- Media coverage:**
- Any complaints:**
- The irregular amount been recovered/deducted from a payment to the recipient of the funds:**

At the bottom right, there are "Cancel" and "Save" buttons.

For each case you will register:

- **Case type:** Suspected / Actual
- **Case opened:** By default, this is the date when the irregularity is registered in GrACE
- **Reporting Level:** Country / Programme / Project / Bilateral Fund

- **Programme:** Register the programme to which the Irregularity case refers to in case the level chosen before was Programme. If the reporting level is Country, the field will be prefilled with the Technical Assistance from GrACE. If the reporting level is Bilateral Fund, the field will be prefilled with the Bilateral Fund from GrACE. The Programme Grant, programme co-financing and programme eligible expenditure (Total) for the selected programme will appear on the screen.
- **Project:** Project to which the Irregularity refers to in case the level chosen before was Project. You will select a project from the list of projects previously submitted to GrACE.  
*Important:* To submit an Irregularity case related to a project, the Project Level Information for the respective project needs to be previously submitted in GrACE.
- **Reported by:** Register the entity/authority that detected the case from the drop-down list. In case you don't find the relevant entity/authority in the drop-down list, select Other and register the entity/authority in the text box that appeared below.
- **Nature of irregularity:** Choose one option from the drop-down list: Fraud/Corruption / Conflict of interest / Deviation from Programme Agreement / Deviation from project contract / Deviation from public procurement rules/principles / Error in financial report
- **Description of irregularity, including legal provisions that have been infringed and manner in which the irregularity was detected:** Please fill-in this textbox based on the template provided in the Annex 9 of the Regulations<sup>2</sup> (sections 6.1, 6.2, 6.4, 6.5 from Report on new irregularities), making sure the description contains the following:
  - (6.1) Description of the irregularity detected.
  - (6.2) Legal provisions that have been infringed.
  - (6.4) Period during which, or the moment at which, the irregularity was committed.
  - (6.5) Manner in which the irregularity was detected, including the date and source of the first information leading to suspicion that an irregularity was in evidence, and investigations made after the irregularity was detected.
- **Audited by Beneficiary State Authority/Fund Operator:** Checkmark if Yes
- **Audited by FMO:** Checkmark if Yes
- **Remedies:** Not required / Required / Decision pending

If you selected remedies **Required** and the **Reporting Level** is Programme / Country / Bilateral Fund, the following checkboxes will appear below. You can select only one type of remedy:

\* Remedies

Required x

Reduction of programme grant amount
  Cancellation of entire programme grant
  Other remedies

Amount of financial correction €

Norway Grants € 34,000.00

Programme co-financing € 6,000.00

Reallocation to other programme

- **Reduction of programme grant amount:** This option should only be chosen in case of a financial correction made for a systemic irregularity or an irregularity related to the management or control systems within a programme (Article 13.2.4 of the Regulation).
- **Cancellation of entire programme grant**
- **Other remedies:**
  - Please select **Other remedies** (and include the description) for other financial corrections at Programme Level / Country / Bilateral Fund not falling under Article 13.2.4 of the Regulation as these may be reused within the same budget heading for costs other than those that were subject of the correction (Art 13.2.3).
  - The textbox **Other remedies description** will appear below once **Other remedies** checkbox was selected. The textbox should include reference to the Interim Financial Report(s) in which the ineligible cost was reflected.

<sup>2</sup> <https://eeagrants.org/resources/regulation-implementation-eea-grants-2014-2021-annex-9-template-irregularities-reports>

If you selected remedies **Required** and the **Reporting Level** of the irregularity is Project, the following checkboxes will appear below. You can select only one type of remedy:

- **Reduction of project grant amount:** This option shall be chosen in case of financial corrections made to projects in line with Article 12.1 of the Regulation. The project grant amount must be reduced because irregular amounts can't be reused in the same project. The amount may be reused under the programme for other projects. If this is the case, please tick the box **Reallocation to other project(s) under the programme** below.
- **Cancellation of entire project grant:** As above in case an entire project is terminated due to the irregularity.
- **Other remedies:** To be used for remedies not mentioned above.

The next fields will appear on matter the reporting level selected before:

- **Amount of financial correction:** you are asked to register this amount only if you selected **Reduction of programme / project grant amount** or **Cancellation of entire programme/project grant** above.
  - For Country / Programme / Bilateral Fund level irregularities: Please provide the total amount of the financial correcting (total value of the irregularity). GrACE will calculate the proportion of this amount from programme grant and programme co-financing.
  - For Project level irregularities: Please provide the total amount of the financial correcting (total value of the irregularity). GrACE will calculate the EEA/Norway Grants and Programme level co-financing. You will be asked to register Project co-financing related to the financial correction. The system will reduce accordingly the part related to the programme.

- **Reallocation to other programme (if irregularity level is Country / Programme / Bilateral Fund) or to other project(s) under the programme (if irregularity level is Project):** This field will appear once you selected a remedy type, you will use the checkmark in case the amount is subject to reallocation to another programme/project.

*Important:* Reallocation to other Programmes is subject to approval by the Donors. Reallocations to other Projects do not need approval for the Donors provided that the reallocation is in line with the Programme Agreement.

- **Description of remedies taken, including justification and legal basis for any financial correction applied; any procedures initiated, and the stage reached in this procedure, including the stage of recovery:** This textbox will appear only if you select Remedies are Required. Please fill-in this textbox in line with the template provided as Annex 9 of the Regulations (sections 6.3, 6.7, 6.9, 6.10, 6.12 from Report on new irregularities), by making sure the description of the remedies contains the following:
  - (6.3) Amount of the expenditure wrongfully incurred due to the irregularity, or in cases where no payments have been made, the amounts which would have been wrongly paid had the irregularity not been discovered.
  - (6.7) Financial consequences of the irregularity including suspension of payments and the possibilities for recovery.
  - (6.9) Identity of the natural and/or legal persons involved (except in cases where such information is of no relevance in combating the irregularity on account of the character of the irregularity concerned).
  - (6.10) Any procedures, including criminal investigation initiated because of the irregularity and the stage reached in this procedure, including the stage of recovery.
  - (6.12) Measures taken to remedy the irregularity detected, and measures taken or envisaged to prevent the recurrence of the case of irregularity already detected.
- **Media coverage:** If you check this box, a textbox will appear where you will register the information related to the coverage of the irregularity in the media. This textbox corresponds to point section 6.11 from Annex 9 irregularity template, Report on new irregularities.



- **Any complaints:** If you check this box, a textbox will appear where you will register the information related to any complaints involving the suspected irregularity. This textbox corresponds to section 6.7 from Annex 9 irregularity template, Report on new irregularities.
- **The irregular amount been recovered/deducted from a payment to the recipient of the funds:** If you check this box, you will be asked to register below the Date of the recovery of funds.

## 2.5. Adding follow-up information to previously reported cases

If there are open cases at the time when the report is created, GrACE will list them under the section **Follow-up reports**. You are required to fill information for each of the open cases listed in this section. Select a case and click **Edit**.

The screenshot shows the 'Follow-up reports' section of the GrACE interface. It features a table with the following data:

View	Filled in?	Case ID	Reporting level	Reported for
<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	Programme	

The 'Edit' button in the 'View' column and the checked checkbox in the 'Filled in?' column are highlighted with red boxes.

For each open case, each the system will display three tabs:

- **Follow-up data:** This tab needs to be filled-in for the submission of the quarterly report.
- **Initial report case:** This tab displays the information submitted in the initial report.
- **Follow-up reports:** This tab displays any previously submitted follow-ups that were sent on this case.

*Important:* The information displayed in the Initial report and previously submitted Follow-up reports are read-only. Only the Follow-up data tab needs to be filled-in for the submission of the quarterly report.

When registering the **Follow-up data** tab for each case listed in the Follow-up reports section:

- In case there is no progress information to report to the FMO, please tick **There is no progress to be reported for the current Irregularity case** and click **Save**.

The screenshot shows the 'Follow-up report' form with the 'Follow-up data' tab selected. The text 'There is no progress to be reported for the current Irregularity case' is displayed above a checked checkbox. The 'Save' button is highlighted with a red box.

- In case there is information to be sent to the FMO in the current quarterly report, please untick the box **There is no progress to be reported for the current Irregularity case**. A series of textboxes will appear below.

Follow-up report

Follow-up data   Initial report case   Follow-up reports

There is no progress to be reported for the current Irregularity case

Description of irregularity, including legal provisions that have been infringed and manner in which the irregularity was detected - development since previous report

Description of remedies taken, including justification and legal basis for any financial correction applied; any procedures initiated and the stage reached in this procedure, including the stage of recovery. Explain and justify if no remedies are required - development since previous report

**Media coverage**

Information as to coverage on the irregularity in the media

**Any complaints**

Complaints involving suspected irregularities

**Warning:** Please do not repeat the initial information provided for the case in the textboxes Follow-up data tab. As shown above, the previously registered information can be consulted in the Initial report case tab, prepopulated from the initial registration.

- **Description of irregularity, including legal provisions that have been infringed and manner in which the irregularity was detected – development since previous report:** Please fill-in this textbox in line with the template provided as Annex 9 of the Regulations<sup>3</sup> (sections 6.1, 6.4, 6.6, 6.8 from Report on measures taken regarding already reported irregularities), making sure the description contains the following:
  - (6.1) Description of developments regarding the already reported irregularity.
  - (6.4) Judicial and administrative procedures initiated with a view to recover sums wrongly paid and to impose sanctions.
  - (6.6) Administrative or judicial decisions, or the main points thereof, concerning the termination of recovery procedures and/or procedures for imposing sanctions.
  - (6.8) Other information (including information that was not available when submitting earlier reports on the irregularity).
- **Description of remedies taken, including justification and legal basis for any financial correction applied; any procedures initiated, and the stage reached in this procedure, including the stage of recovery – development since previous report:** Please fill-in this textbox in line with the template provided as Annex 9 of the Regulations (sections 6.2, 6.3, 6.5, 6.7) from Report on measures taken regarding already reported irregularities, by making sure the description of the remedies contains the following:
  - (6.2) Amount of the expenditure wrongfully incurred due to the irregularity, or in cases where no payments have been made, the amounts which would have been wrongly paid had the irregularity not been discovered.
  - (6.3) Financial consequences of the irregularity including suspension of payments and the possibilities for recovery.
  - (6.5) Identity of the natural and/or legal persons involved (except in cases where such information is of no relevance in combating the irregularity on account of the character of the irregularity concerned).
  - (6.7) Any procedures, including criminal investigation initiated because of the irregularity and the stage reached in this procedure, including the stage of recovery.
- **Media coverage:** If you check this box, a textbox will appear where you will register the information related to the coverage of the irregularity in the media.
- **Any complaints:** If you check this box, a textbox will appear where you will register the information related to any complaints involving the suspected irregularity. This textbox corresponds to section 7 from Annex 9 irregularity template, Report on measures taken regarding already reported irregularities.

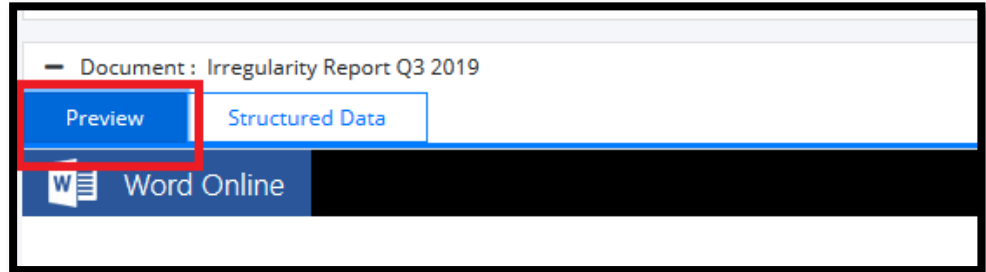
After registering the fields above, you click **Save** to save the follow-up report for this Irregularity case.


<sup>3</sup> <https://eeagrants.org/resources/regulation-implementation-eea-grants-2014-2021-annex-9-template-irregularities-reports>

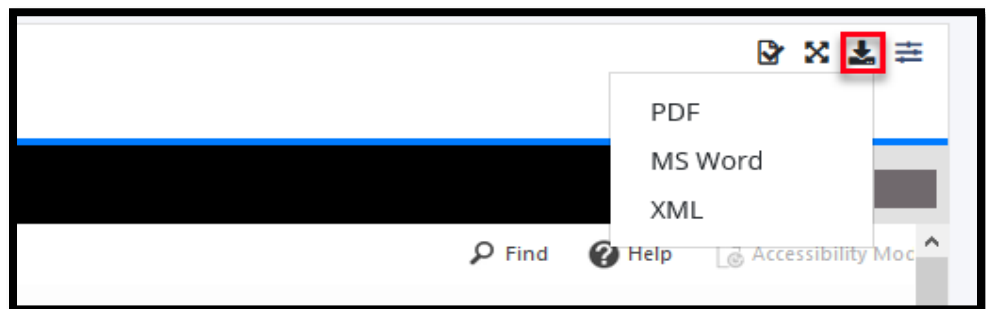
## 2.6. Preview and download the Quarterly Irregularity report

Before submitting the report, you can check the preview of the document created using the information you previously registered in the Structured data tab.

You can do that by clicking the **Preview** tab.



Here you can also download a hard copy for signature, if required by your organisation. You can download the document created by selecting the download symbol .

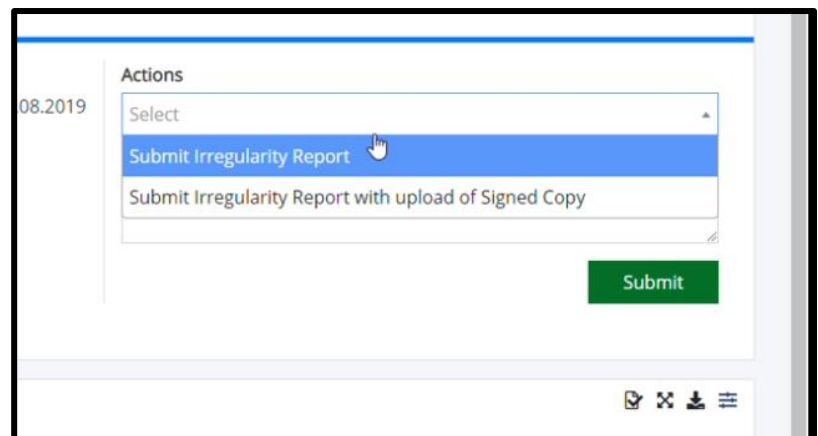


## 2.7. Submit the Quarterly Irregularity report

To Submit the Report, please use the Actions section on the top right of the Task screen.

There are two alternative actions available:

1. **Submit Irregularity Report:** When selecting this action, the report is directly submitted to FMO
2. **Submit Irregularity Report with upload of Signed Copy:** When selecting this action, you will have the possibility to upload a signed copy of the Report (e.g., a pdf scan of the signed document) and then finalise the submission. Please note that the FMO does not require a signed copy of the report.



After selecting the desired action, please click on the **Submit** button.

### 3. Immediate submission of an Irregularity Case

#### 3.1. Introduction

The Irregularity Authority and the Fund Operator can submit information about an immediate regularity case at any point.

#### 3.2. Create Immediate Irregularity task

Under the menu Irregularities/Cases, you will find a list of previously reported cases (if any). On top of the list, you will notice the button **Submit immediate irregularity**. To start the submission of an immediate irregularity, you will click on it.

The screenshot shows a dashboard with a left-hand navigation menu containing 'User Irregularity Authority', 'Dashboards', 'Grants', 'Irregularities', 'Reports', and 'Cases'. The main area features a search bar for 'Irregularity Cases' and a table with columns: Case id, Reporting level, Reported for, Irregularity type, Case type, Period, Status, Submission date, and Last updated date. A 'Submit immediate irregularity' button is located above the table. Below the table, it indicates 'Showing 1 to 1 of 1 entries'.

The following form will open, where you will select your country and click **Submit**.

The form is titled 'Submit immediate irregularity'. It includes a 'Type' dropdown set to 'Immediate', a '\* Country' dropdown, and a '\* Workflow' dropdown set to 'Prepare Irregularity Report by Irregularities Authority'. At the bottom right, there are 'Cancel' and 'Submit' buttons.

For the Fund Operators only, in the same form you will also select the programme:

This form is similar to the previous one but includes an additional '\* Programme' dropdown field. The '\* Workflow' dropdown is set to 'Prepare Immediate Irregularity by Fund Operator'. It also features 'Cancel' and 'Submit' buttons at the bottom right.

Now the task **Prepare Immediate Irregularity** will be created which you can start to fill-in.

### 3.3. Fill-in the Immediate Irregularity task

In the **Prepare Immediate Irregularity** task, you click on **Add new irregularity** from Structured data tab to start filling in the information about the immediate irregularity case.

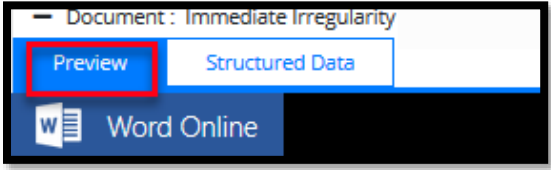
Adding a new irregularity will open the Irregularity case form, previously described in the section **2.4 Adding a new irregularity case to the report** in this user manual.

Please consult section **2.4** for detailed information on how to fill-in the Irregularity case form.

After filling in the information about the irregularity case, click **Save** to save the information.

### 3.4. Preview and download the Immediate Irregularity document

Similar to the section 2.6 Preview and download the Quarterly Irregularity report from this user manual, you can click the Preview tab in order to see the document created using the information registered in the Structured data tab.



Here you can download a hard copy of the report created. Please consult section 2.6 for more details.

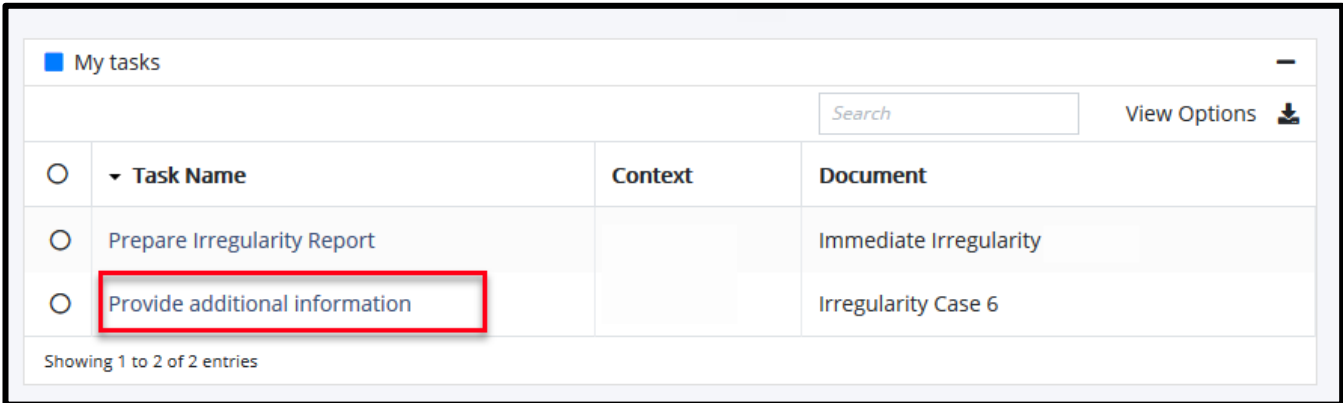
### 3.5. Submit the Immediate Irregularity task

Similar to section 2.7 Submit the Quarterly Irregularity report, in order to submit the immediate irregularity task, you will use the Actions section on the top right of the Task screen.

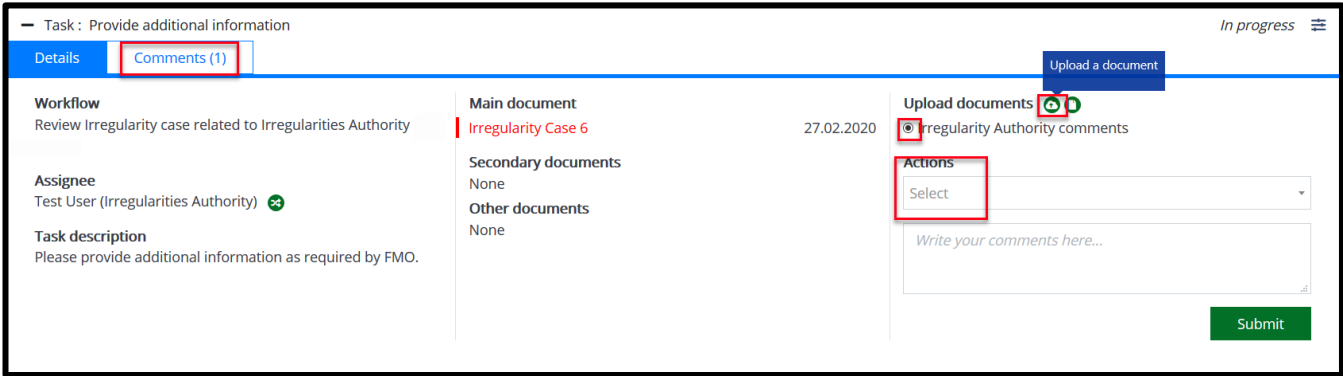
Please consult section 2.7 for more details about the possible actions. After selecting the desired action, please click on the Submit button.

## 4. Provide additional information to a previously reported case

When FMO will review the Irregularity case (submitted via Quarterly or Immediate Irregularity report), the FMO Legal Officer could decide to ask you for additional information in GrACE. In this case, you will receive the task Provide additional information under My tasks in the GrACE dashboard.



In this task you can check for any comments from FMO in the Comments tab. You can upload a document with Irregularity Authority comments. At the end you will go to Actions and select Send to FMO.





## 5. View the Irregularity Reports and Irregularity Cases in GrACE



The Irregularity Authority and Fund Operators can see the list of Irregularity reports and the list of Irregularity cases related to their Country / Programmes in the Irregularity menu located on the left side of the screen.


Click on **Reports** under Irregularities to visualise the quarterly irregularity reports created, together with further information about each report: Period, Type (Quarterly/Immediate), Status (Draft/Submitted), Reported cases (Yes/No).

If you click on the download symbol  you will be able to export the list of reports to Excel.

						View Options 
<input type="radio"/>	Country/Programme	▲ Period	Type	Status	Reported cases	
<input type="radio"/>		Q2 2020	Quarterly	Draft	No	
<input type="radio"/>		Q3 2019	Quarterly	Draft	No	
<input type="radio"/>		Q2 2019	Quarterly	Draft	No	
<input type="radio"/>		27.02.2020	Immediate	Draft	No	
<input type="radio"/>		11.02.2020	Immediate	Submitted	Yes	

Showing 1 to 5 of 5 entries

Click on **Cases** under Irregularities to visualise the list of cases previously submitted with some further information about each case. In a similar manner, you can export the list of cases to Excel.

Submit immediate irregularity										View Options 
<input type="radio"/>	▲ Case id	Reporting level	Reported for	Irregularity type	Case type	Period	Status	Submission date	Last updated date	
<input type="radio"/>	IR 5	Country		Immediate	Actual	20.02.2020	Ongoing	20.02.2020	20.02.2020	
<input type="radio"/>	IR 4	Country		Immediate	Suspected	20.02.2020	Ongoing	20.02.2020	20.02.2020	
<input type="radio"/>	IR 3	Project		Quarterly	Actual	Q2 2021	Ongoing	13.02.2020	13.02.2020	
<input type="radio"/>	IR 1	Programme		Immediate	Suspected	11.02.2020	Closed	11.02.2020	13.02.2020	

Showing 1 to 4 of 4 entries