Republic of Latvia

Cabinet

Regulation No. 77

Adopted 10 February 2015

**Procedures for Project Verifications of the European Union Structural Funds and Cohesion Fund Projects in the Programming Period 2014-2020**

*Issued pursuant to*

*Section 20, Clauses 3, 4, 7 and 8*

*of the Law On Management of the European Union Structural Funds*

*and Cohesion Fund for the Programming Period 2014-2020*

**I. General Provisions**

1. This Regulation prescribes the procedures by which:

1.1. the co-operation institution shall perform ex-ante control of project procurement documentation and procedure (hereinafter — ex-ante control) on the sample basis and the procedures and scope in which the Procurement Monitoring Bureau shall perform ex-ante control of public procurement of a project, as well as develop and update the methodology for the performance of ex-ante control of a public procurement (hereinafter — methodology of ex-ante control);

1.2. the co-operation institution, managing authority and certifying authority shall perform an on-the-spot verification;

1.3. the co-operation institution shall verify the payment request;

1.4. the beneficiary (hereinafter — beneficiary) of the European Union Structural Funds and Cohesion Fund (hereinafter — European Union funds) shall provide and the co-operation institution shall verify information regarding the application of value added tax to projects and send the information to the State Revenue Service for assessment, and make a decision to include value added tax in eligible expenses of the project.

2. The co-operation institution, managing authority and certifying authority shall perform an on-the-spot verification, including at the co-operation partner and beneficiary. The verification of financial instruments at the beneficiary shall be performed in the cases referred to in Article 40(3) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (hereinafter — Regulation No 1303/2013).

3. The co-operation institution and managing authority shall determine the content and scope of verification to obtain confidence as to the conformity of the project with the regulatory enactment regarding implementation of specific objective and the conditions of contract or agreement entered into with the beneficiary (hereinafter — contract) on project implementation. The Procurement Monitoring Bureau shall determine the content and scope of ex-ante control to obtain confidence as to the conformity of procurement documentation or process with the laws and regulations governing public procurement.

4. The co-operation institution, managing authority, certifying authority and the Procurement Monitoring Bureau shall ensure entering of data in the Cohesion Policy Funds Management Information System for 2014-2010 (hereinafter — Management Information System) on the verifications planned and referred to in Paragraph 1 of this Regulation.

5. Within one month after a contract or an agreement has been entered into with the beneficiary on project implementation, the co-operation institution shall determine the following:

5.1. the risk level of the respective project (high, medium, low) and at least once a year of project implementation, it shall perform the re-assessment of project risk level;

5.2. the high risk level for major projects during entire period of project implementation.

6. The co-operation institution, in determining the risk level, shall apply a single approach to determination of the risk criteria and the level of their significance to projects approved within the scope of one specific objective, its measure or project selection round.

7. The managing authority and certifying authority shall document the progress of the verifications referred to in Chapter IV of this Regulation, the co-operation institution shall document the verifications referred to in Chapters II, III, V and VI of this Regulation, the Procurement Monitoring Bureau shall document the verifications referred to in Chapter II of this Regulation, results and decisions made.

8. Chapter II of this Regulation shall not apply to the final beneficiaries referred to in Section 1, Clause 2, Sub-clause “d” of the Law On Management of the European Union Structural Funds and Cohesion Fund for the Programming Period 2014-2020.

9. To perform functions referred to in Chapter V of this Regulation, the co-operation institution has the right to receive information from the State Treasury regarding payments registered with the account opened with the State Treasury for implementation of the project of the beneficiary.

**II. Procedures for Ensuring Ex-ante Control of Project Procurements**

10. The co-operation institution and the Procurement Monitoring Bureau shall perform the following ex-ante controls:

10.1. verification of procurement documentation;

10.2. verification of procurement procedure.

11. The Procurement Monitoring Bureau shall develop and update the methodology of ex-ante controls, determining the procedures and scope of ex-ante control of project procurement.

12. The beneficiary shall, within 10 working days after a contract or agreement on project implementation has been entered into, submit a project procurement plan to the co-operation institution, including information regarding the subject-matter of the procurement contract, the planned contract price and planned procurements (Annex 1).

13. During project implementation, the beneficiary shall, if necessary, update the project procurement plan and submit it to the co-operation institution for verification.

14. The duty to submit the project procurement plan to the co-operation institution shall not restrict the right of the beneficiary to commence a procurement procedure, if the respective procurement has been included in the project procurement plan or in the project procurement plan updated in accordance with Paragraph 13 of this Regulation.

15. The co-operation institution shall verify the project procurement plan submitted in accordance with the procedures laid down in Paragraph 12 or 13 of this Regulation, and:

15.1. within 10 working days after receiving it, shall verify whether:

15.1.1. the project procurement plan has been filled in accordance with Annex 1 to this Regulation;

15.1.2. the subject-matter of the contract conforms to the planned activities of the project approved by the beneficiary;

15.1.3. the information included therein does not suggest possible violations of laws and regulations in fields related to public procurement, the needs of providers of public utility services or the procurement procedure and its application procedures for projects financed by the customer;

15.2. after the verification referred to in Sub-paragraph 15.1 of this Regulation, if necessary, the beneficiary, within five working days after receipt of the opinion of the co-operation institution, is requested to adjust and submit the project procurement plan for a repeat verification. If the co-operation institution, within the period referred to in Sub-paragraph 15.1 of this Regulation, has not requested the beneficiary to adjust the project procurement plan, it shall be deemed that the project procurement plan has been approved.

16. The co-operation institution shall, within five working days after approval of the project procurement plan or updated project procurement plan submitted by the beneficiary, submit it to the Procurement Monitoring Bureau, if procurements conform to any of the following conditions:

16.1. the amount of the public contract for construction works provided for in the procurement exceeds 1 500 000 euros;

16.2. the procurement is carried out within the scope of a major project;

16.3. the initial notification on procurement is published in the Official Journal of the European Union.

17. The Procurement Monitoring Bureau shall develop a plan of ex-ante controls based on the project procurement plans submitted by the co-operation institution and:

17.1. carry out ex-ante controls of the procurements referred to in Sub-paragraphs 16.1 and 16.3 of this Regulation on the sample basis;

17.2. carry out ex-ante controls of the procurements referred to in Sub-paragraph 16.2 of this Regulation, except cases when an application has been submitted for the respective procurement in accordance with the procedures laid down in Section 83 of the Public Procurement Law or Section 77 of the Law On the Procurement of Public Service Providers.

18. The Procurement Monitoring Bureau shall inform the co-operation institution regarding the planned ex-ante control of procurements, which shall be performed thereby in accordance with Paragraph 17 of this Regulation no later than within two working days before commencement of ex-ante control.

19. The Procurement Monitoring Bureau shall:

19.1. ascertain that the co-operation institution, in performing the ex-ante controls referred to in Paragraph 10 of this Regulation, applies the methodology of ex-ante controls;

19.2. organise a meeting once in a quarter, inviting the co-operation institution, managing authority and responsible institution to discuss the problems detected in the performance of ex-ante controls of procurements, as well as to assess the necessity to update the methodology of ex-ante controls;

19.3. if necessary or according to the agreement reached during the meeting referred to in Sub-paragraph 19.2 of this Regulation, update the methodology of ex-ante controls within 10 working days and send the updated methodology of ex-ante controls to the managing authority and co-operation institution for approval within three working days. After the co-operation institution and managing authority have co-ordinated the updated methodology of ex-ante controls, the Procurement Monitoring Bureau shall approve it and send it to the managing authority and co-operation institution.

20. The co-operation institution shall perform ex-ante controls of procurements included in the project procurement plan referred to in Paragraph 10 of this Regulation, except ex-ante controls of the procurements referred to in Paragraph 16 of this Regulation.

21. The co-operation institution and the Procurement Monitoring Bureau shall, within 20 working days after receipt of the documents or information necessary for ex-ante control of procurement or determination of the results of ex-ante control, provide one of the following opinions to the beneficiary:

21.1. a positive opinion — if no violations have been detected in the project procurement or the violations detected are not crucial and cannot affect the decision to grant procurement rights;

21.2. an opinion with objections — if violations have been detected in the project procurement, but it is possible to prevent them during the procurement procedure;

21.3. a negative opinion — if violations, which cannot be prevented during the commenced procurement procedure and which might affect the decision to grant procurement rights, have been detected in the project procurement.

22. If ex-ante control of documentation is necessary for procurement, the time period for the submission of proposals or applications of which, in accordance with the laws and regulations in the field of procurements, is 20 working days or less, the Procurement Monitoring Bureau shall determine a shorter time period for providing the statement referred to in Paragraph 21 of this Regulation.

23. If the co-operation institution or the Procurement Monitoring Bureau has provided a statement on the violations detected in the project procurement, containing objections, the beneficiary shall prepare and submit to the institution which prepared the statement, written information regarding elimination of the violations detected in the project procurement within 20 working days after receipt of the statement.

24. The co-operation institution or the Procurement Monitoring Bureau shall verify whether the beneficiary has eliminated the violations referred to in the statement and submit one of the following statements within the time period referred to in Paragraph 21 of this Regulation:

24.1. a positive opinion, if the beneficiary has eliminated the violations referred to in the statement;

24.2. a negative opinion, if one of the following conditions is detected:

24.2.1. the beneficiary, according to the requirements referred to in Paragraph 23 of this Regulation, has failed to provide written information to the co-operation institution or the Procurement Monitoring Bureau regarding elimination of violations detected in the project procurement;

24.2.2. the co-operation institution or the Procurement Monitoring Bureau has detected that violations in the project procurement have not been eliminated.

25. If a negative opinion on the project procurement has been provided, the co-operation institution may decide that expenses related to the respective procurement are fully or partially (depending on materiality of the violation) ineligible.

26. The co-operation institution or the Procurement Monitoring Bureau shall, within five working days after preparation of the statement referred to in Paragraphs 21 and 24 of this Regulation, enter information regarding the performed ex-ante control and its results in the Management Information System.

**III.** **Procedures for Performing On-the-spot Verifications by the Co-operation Institution**

27. The co-operation institution shall verify whether the beneficiary is implementing a project according to the contract or agreement, performing an on-the-spot verification:

27.1. for high risk projects — at least once in the year of project implementation;

27.2. for medium risk projects — at least once during project implementation;

27.3. for low risk projects — for any randomly selected low risk projects.

28. The co-operation institution shall perform the following on-the-spot verifications:

28.1. planned verifications;

28.2. extraordinary verifications.

29. Within five working days before the on-the-spot verification (except the extraordinary verifications referred to in Paragraph 31 of this Regulation), the co-operation institution shall inform the beneficiary thereof according to the contract or agreement on project implementation.

30. The co-operation institution has the right to perform an on-the-spot verification before a contract or agreement on project implementation is entered into in order to ascertain the actual project implementation or the actual circumstances of project implementation. The co-operation institution shall inform the beneficiary regarding verification at least three working days before it.

31. The co-operation institution need not inform the beneficiary regarding an on-the-spot verification in the following cases:

31.1. the verification is performed during training (for example, seminars, training courses) in order to ascertain whether the persons included in the list of participants are at the place of training;

31.2. the verification is performed in order to ascertain whether the fixed assets created, purchased or leased within the project, partially or fully using the financing of the European Union funds, are located at the place provided for in the project and used for the objectives of the project;

31.3. the verification in order to ascertain whether fulfilment of the respective work is performed at the place of project implementation;

31.4. other cases when it would be impossible to determine the authenticity of the activity performed within the scope of the project after its completion.

32. After an on-the-spot verification the co-operation institution shall determine one of the following results:

32.1. positive — if no violations have been detected at the place of project implementation or the violations detected are not crucial and cannot affect the achievement of the project objective;

32.2. with objections — if violations have been detected at the place of project implementation, but it is possible to eliminate them;

32.3. negative — if violations, which cannot be eliminated and which can affect the achievement of the project objective, have been detected at the place of project implementation.

33. The co-operation institution shall, within 20 working days after performing an on-the-spot verification or after receipt of the documents or information necessary to determine the results of the verification, inform the beneficiary regarding results of the verification.

34. The co-operation institution shall perform a repeat on-the-spot verification, if deviations from the contract or agreement on project implementation were detected during the previous verification and a repeat verification is necessary in order to ascertain that the deficiencies have been eliminated.

35. Taking into account the conditions included in Article 71 of Regulation No 1303/2013 on retention and sustainability of project results, after the final payment to the beneficiary has been made, the co-operation institution shall perform an on-the-spot verification for the high risk projects at least once during the period of retaining the project results, for low and medium risk projects — according to the selective method.

36. The responsible institution is entitled to suggest the co-operation institution to perform an on-the-spot verification, as well as to participate in verifications performed by the co-operation institution, providing an opinion on the facts detected during the verification according to the interdepartmental agreement between the co-operation institution and the responsible institution.

37. The managing authority, certifying authority and audit authority have the right to participate in an on-the-spot verification performed by the co-operation institution.

38. The co-operation institution shall, within five working days after determining the results of the verification, enter information regarding the on-the-spot verification and its results in the Management Information System.

**IV. Procedures by Which the Managing Authority or Certifying Authority shall Perform On-the-spot Verifications**

39. The managing authority and certifying authority shall include the following information in the Management Information System regarding their on-the-spot verifications:

39.1. regarding each on-the-spot verification — the date and stage of project implementation (during project implementation or after making the final payment to the beneficiary), during which it is planned to perform an on-the-spot verification;

39.2. regarding each on-the-spot verification:

39.2.1. the date when the on-the-spot verification was performed;

39.2.2. the results of the verification (positive, with objections, negative).

40. The managing authority or certifying authority shall, within five working days prior to the planned on-the-spot verification, inform the beneficiary, co-operation institution and audit authority thereof.

41. The managing authority need not inform the beneficiary regarding the on-the-spot verification in the cases referred to in Paragraph 31 of this Regulation.

42. The managing authority may, within five years (or three years in relation to investments made or retention of working places created by small and medium-sized enterprises) after making the final payment to the beneficiary, perform an on-the-spot verification.

43. The managing authority and certifying authority shall, within 20 working days after on-the-spot verification or after receipt of the documents necessary to determine the results of the verification, inform the beneficiary regarding results of the verification and determine the institution responsible for the implementation of recommendations.

44. The managing authority and certifying authority shall, within five working days after determining the results of the verification, enter information regarding the on-the-spot verification and its results in the Management Information System.

45. The managing authority and audit authority have the right to participate in the on-the-spot verification performed by the certifying authority.

46. The certifying authority and audit authority have the right to participate in the on-the-spot verification performed by the managing authority.

**V. Procedures for Inspecting Payment Requests**

47. The beneficiary, according to the contract or agreement on project implementation, shall submit an advance payment request or a payment request to the co-operation institution, specifying information regarding project expenses and implementation progress, including announced procurements, signed contracts, achieved results and indices, and other information (Annex 2).

48. The beneficiary shall ascertain that the information provided by the co-operation partner and beneficiary for the payment request regarding project expenses and procurements (if applicable) is correct.

49. The co-operation institution shall, within 10 working days after receipt of an advance payment request, inspect the advance payment request submitted by the beneficiary, assess its conformity to the regulatory enactment regarding the implementation of specific objective and the conditions of the contract or agreement on project implementation, and prepare a payment order.

50. The co-operation institution shall verify the payment request submitted by the beneficiary and copies of the documents justifying expenses included therein on the sample basis, approve the amount of eligible expenses and, if applicable, prepare a payment order on repayment of eligible expenses according to the conditions regarding the financing of the European Union funds specified in the contract or agreement on project implementation and, if it is provided for in the project, the co-financing rate of the State budget indicating the classification code of budget revenues according to the economic categories within the following time periods:

50.1. an interim payment request — within 20 working days after receipt of the payment request;

50.2. the final payment request — within 60 working days after receipt of the payment request.

51. If the amount of eligible expenses in the payment request approved by the co-operation institution differs from the amount of eligible expenses requested by the beneficiary, the co-operation institution shall prepare a justifying document (calculation, decision or another document) and ensure its availability in the Management Information System.

52. The time period referred to in Paragraphs 49 and 50 of this Regulation may be extended by the time period necessary to verify the adjustments and requested additional information or expert-examinations and opinions of competent authorities, but no more than by 10 working days after the date of receiving adjustments, additional information or opinion.

53. The limitation of the time period specified in Paragraph 52 of this Regulation shall not apply to cases when the payment has been suspended in accordance with Article 132(2) of Regulation No 1303/2013. The co-operation institution shall inform the beneficiary, responsible institution and managing authority regarding the abovementioned action and its reason without delay.

**VI. Inclusion of Value Added Tax in Eligible Expenses of the Project**

54. The beneficiary shall submit a report to the co-operation institution on the amounts of value added tax, which the beneficiary and its co-operation partner are planning to include in eligible expenses of the project during the reporting period (hereinafter — report) (Annex 3). The documents of the beneficiary and its co-operation partner included in the report shall be indicated separately. This condition shall not apply to the costs covered according to the fixed rate of indirect costs.

55. The report shall be submitted within 10 working days after the end of the respective reporting period. The first reporting period shall be 12 months starting from the day when the beneficiary has entered into a contract or agreement on project implementation with the co-operation institution, however, if the period of project implementation is less than 12 months, the reporting period shall be the period of project implementation. If the costs of project preparation are eligible expenses and they have been made before a contract or agreement on project implementation has been entered into with the co-operation institution, the abovementioned costs shall be included in the report for the first reporting period. The report shall also include eligible expenses of value added tax, which are not the costs of project preparation, but have been made before the contract or agreement on project implementation was entered into with the co-operation institution (if these costs are eligible in accordance with the regulatory enactment regarding implementation of the specific objective). Each next reporting period shall be 12 months following the previous reporting period, however, if less than 12 months are left until the end of project implementation, the reporting period shall be the remaining period of project implementation.

56. The beneficiary need not submit a report, if:

56.1. it is not planned to include value added tax in eligible expenses of the project;

56.2. transactions taxable with value added tax are not performed within the scope of the project or transactions, to which the Law On Value Added Tax does not apply, are performed.

57. If inaccuracies are detected after assessing the report referred to in Paragraph 54 of this Regulation, the co-operation institution shall inform the beneficiary regarding the necessary adjustments and determine a time period for their elimination.

58. After receipt of the report, the co-operation institution shall examine it within five working days and send it to the State Revenue Service in the form of an electronic document to electronic mail address.

59. The State Revenue Service shall, within five working days after receipt of the report, assess the report and, if necessary, request the beneficiary and its co-operation partner to present or submit the original copies of the documents justifying transaction and payment or derivatives of original copies of the documents approved in accordance with the procedures laid down in the laws and regulations regarding preparation and execution of documents for the performance of verification.

60. The beneficiary and its co-operation partner shall, within three working days after receipt of the request referred to in Paragraph 59 of this Regulation, present or submit to the authorised officials of the State Revenue Service documents justifying transaction and payment (original copies or derivatives of original copies of the documents approved in accordance with the procedures laid down in the laws and regulations regarding preparation and execution of documents) for the performance of verification.

61. The State Revenue Service shall, within 15 working days after receipt of the report and, if necessary, after receipt of the documents referred to in Paragraph 60 of this Regulation, examine the documents submitted by the beneficiary and its co-operation partner, and prepare an opinion on the report (hereinafter — opinion) (Annex 4), indicating the amount of value added tax, which the beneficiary and its co-operation partner have the right or do not have the right to deduct from the amount payable into the State budget as input tax in accordance with the procedures laid down in Chapter XI of the Law On Value Added Tax. An opinion on the report shall be sent in the form of an electronic document to the co-operation institution, beneficiary and its co-operation partner accordingly.

62. The co-operation institution shall:

62.1. on the basis of the submitted interim payment request, take the decision referred to in Paragraph 50 of this Regulation and repay the amount of value added tax to be included in eligible expenses of the project;

62.2. by approving the next payment request submitted after receipt of the opinion referred to in Paragraph 61 of this Regulation, withhold the overpaid amount of value added tax to be included in eligible expenses, if such has incurred, from the next or final payment request according to the contract or agreement on project implementation.

63. If the beneficiary does not agree with the decision referred to in Paragraphs 61 and 62 of this Regulation, it may resolve the dispute in accordance the Law On Management of the European Union Structural Funds and Cohesion Fund in Programming Period 2014-2020 and the contract or agreement on project implementation.

64. If the beneficiary has contested the decision referred to in Paragraph 61 of this Regulation, the co-operation institution shall, within five working days after receipt of such information, request the State Revenue Service to assess the report repeatedly, taking into account the arguments indicated in the application of the beneficiary.

65. The State Revenue Service shall, within 15 working days after receipt of the report to be assessed repeatedly, prepare a new opinion and send it to the co-operation institution.

66. If after the decision referred to in Paragraph 62 of this Regulation is taken, a new opinion is received from the State Revenue Service in accordance with Paragraph 65 of this Regulation, the co-operation institution shall revoke the decision taken on the basis of the opinion referred to in Paragraph 61 of this Regulation and take a new decision on the basis of the opinion referred to in Paragraph 65 of this Regulation.

Prime Minister Laimdota Straujuma

Acting for the Minister for Finance —

Minister for the Interior Rihards Kozlovskis

**Annex 1**

Cabinet Regulation No. 77

10 February 2015

**Procurement Plan**

|  |  |  |
| --- | --- | --- |
| 1. | Project title |  |
| 2. | Project identification number |  |
| 3. | beneficiary |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Subject-matter of the procurement contract1 | Reference to the project activity number according to Table 1.5 of the project application | Code according to the project budget summary | Planned contract price2 | Legal framework3 | Planned procurement procedure / procurement4 | Procurement procedure announcement term |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Responsible official |  |  |  |
|  | (given name, surname) |  | (signature5) |

|  |  |  |  |
| --- | --- | --- | --- |
| Telephone number |  | E-mail |  |

|  |  |  |
| --- | --- | --- |
| Date |  |  |
|  | (dd/mm/yy) |  |

Notes.

1Goods, services and construction works to be performed, for which it is planned to enter into a procurement contract.

2The planned contract price excluding VAT, taking into account the entire period of validity of the procurement contract.

3Legal framework, on the basis of which procurement was performed: Public Procurement Law, Law On the Procurement of Public Service Providers, Cabinet Regulation No. 299 of 4 June 2013, Regulations Regarding Procurement Procedure and Procedures for Its Application to Projects Financed by a Customer, or procurement guidelines for public service providers*.*

4Including sub-threshold procurements, procurements in accordance with Section 8.2 of the Public Procurement Law, etc.

5 If the procurement plan is submitted in the Cohesion Policy Funds Management Information System 2014-2020 or with an electronic signature, the detail “signature” shall not be completed.

Acting for the Minister for Finance —

Minister for the Interior Rihards Kozlovskis

**Annex 2**

Cabinet Regulation No. 77

10 February 2015

**Payment Request**

**Annex 2 in EXCEL format**

**Annex 3**

Cabinet Regulation No. 77

10 February 2015

**Overview of Amounts of Value Added Tax, which the beneficiary Plans to Include in Eligible Expenses of the Project during the Programming Period 2014-2020**

Table 1

|  |  |  |
| --- | --- | --- |
| 1. | beneficiary |  |
| 2. | Taxpayer's registration code |  |
| 3. | Electronic mail address of the beneficiary |  |
| 4. | Co-operation partner of the beneficiary |  |
| 5. | Taxpayer's registration code of the co-operation partner |  |
| 6. | Project title |  |
| 7. | Project number |  |
| 8. | Start date of the reporting period |  |
| 9. | End date of the reporting period |  |

Table 2

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of goods or service | Registration code of the supplier of goods or service provider in the State Revenue Service Register of Value Added Tax Taxable Persons or a register of VAT taxable persons of another Member State of the European Union | VAT invoice number or customs declaration number | VAT invoice issuance date or customs declaration date | Payment document number | Payment document date | Amount of costs | | | | | | | Notes |
| total invoiced amount excluding VAT | total invoiced amount of VAT | total invoiced amount including VAT | proportion assigned to the respective taxation period or note on ensuring separate accounting\* | VAT amount which is not deductible as input tax in accordance with the procedures laid down in Chapter XI of the Law On Value Added Tax | | VAT amount as the amount of eligible expenses |
| according to the data of the beneficiary | according to the SRS data |
| 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. | 9. | 10. | 11. | 12. | 13. | 14. | 15. |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Total |  |  |  |  |  |  |  |  |  |  |  |  |  |

Notes.

1. \* The beneficiary shall indicate the specific proportion or note “separate accounting” for the respective taxation period (when transaction was performed), if separate accounting is provided for goods and services provided for ensuring such transactions, which are not subject to VAT or to which the norms of the Law On Value Added Tax do not apply.

2. If the indirect costs of the project are covered according to the fixed rate of indirect costs, information regarding only the direct costs of the project shall be included in Table 2 of Annex 2.

I hereby confirm that the information provided in the report is true and the VAT amount included in the report has not been deducted as input tax in accordance with the procedures laid down in Chapter XI of the Law On Value Added Tax.

I hereby confirm that according to the fixed rate of indirect costs, the value added tax included in the amount of costs to be covered has not been deducted as input tax in accordance with the procedures laid down in Chapter XI of the Law On Value Added Tax (mark as appropriate).

Not deducted http://www.vestnesis.lv/wwwraksti/BILDES/KVADRATS.GIF

Not applicable http://www.vestnesis.lv/wwwraksti/BILDES/KVADRATS.GIF

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| (given name and surname of the head of the institution of the beneficiary) |  | (signature\*\*) |  | (date\*\*) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| (given name and surname of the person responsible for preparation) |  | (signature\*\*) |  | (date\*\*) |  | (telephone number) |

Note. 3. \*\* The details of the document “signature” and “date” shall not be completed, if the electronic document has been drawn up in accordance with the laws and regulations regarding drawing up of electronic documents.

Acting for the Minister for Finance —

Minister for the Interior Rihards Kozlovskis

**Annex 4**

Cabinet Regulation No. 77

10 February 2015

**Opinion Example**

(supplemented lesser State coat of arms)

**REPUBLIC OF LATVIA**

**STATE REVENUE SERVICE**

|  |
| --- |
|  |
| (name of tax administration structural unit) |
|  |
| (address, telephone number, registration code) |

Opinion

|  |  |
| --- | --- |
|  |  |
| (place of preparation and singing of the opinion) |  |

|  |  |  |
| --- | --- | --- |
| \_\_ \_\_\_\_\_\_\_\_ 20\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  | No \_\_\_\_\_\_\_\_\_\_\_\_\_ |

|  |  |
| --- | --- |
|  | To the co-operation institution |
|  |  |
|  | (name) |
|  |  |
|  | (address) |
|  |  |

|  |  |
| --- | --- |
|  | For information |
|  |  |
|  | (name of the beneficiary and / or co-operation partner) |
|  |  |
|  | (address of the beneficiary and / or co-operation partner) |

In accordance with Cabinet Regulation No. 77 of 10 February 2015, Procedures for Project Verifications of the European Union Structural Funds and Cohesion Fund Projects in the Programming Period 2014-2020, and the report on the amounts of value added tax, which the beneficiary of the EU fund financing is planning to include in eligible expenses of the project in the reporting period from \_\_ \_\_\_\_\_\_\_ 20\_\_ to \_\_ \_\_\_\_\_\_\_ 20\_\_, the beneficiary / co-operation partner of structural fund

(delete as appropriate)

|  |
| --- |
|  |
| (name, taxpayer's registration code) |
|  |
| (project title) |
|  |
| (number of the contract entered into with the co-operation institution) |

from the amount of value added tax EUR \_\_\_\_\_ indicated in the report (in total)

has the right to deduct EUR \_\_\_\_\_\_\_\_\_\_ of the tax amount payable into the State budget as input tax in accordance with the procedures laid down on Chapter XI of the Law On Value Added Tax;



does not have the right to deduct EUR \_\_\_\_\_\_\_\_\_\_ of the tax amount payable into the State budget as input tax in accordance with the procedures laid down in Chapter XI of the Law On Value Added Tax.



|  |  |  |  |
| --- | --- | --- | --- |
| Head of the SRS tax administration structural unit or his or her authorised representative |  |  |  |
|  | (given name, surname) |  | (signature\*) |

|  |  |  |  |
| --- | --- | --- | --- |
| Executor |  |  |  |
|  | (given name, surname) |  | (telephone number) |

Note. \*\* The details of the document “signature” and “date” shall not be completed, if the electronic document has been drawn up in accordance with the laws and regulations regarding drawing up of electronic documents.

Acting for the Minister for Finance —

Minister for the Interior Rihards Kozlovskis