



Seminar for First Level Controllers MED Programme

Generalities of the First Level Control

Thessaloniki, 24th September 2010



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1. First Level Control [1]

- Checks to be performed each time before submitting a payment claim in accordance with:
 - Article 16 of Regulation 1080/2006
 - Article 13 of Regulation 1828/2006
- The reality of the declared expenditure
- The delivery of the products and services co-financed (as described in the approved Application Form)
- The soundness of the declared expenditure
- The compliance of such expenditure with Programme, Community and national rules



1. First Level Control [2]

- Aims at checking the legality and the regularity of the expenditures declared by each partner
- Covers 100% of all declared expenses
- Administrative verifications
 - On-the-spot checks are recommended at least once during the project lifetime

2. Role and tasks of the controller [1]

- Shall ensure:
 - Activities and expenses are completed according to the national and Community eligibility regulations
- Shall check:
 - All of the invoices, proofs of payment and any other justification document for declared expenditure
 - The accounting precision of the declared expenses
 - The mechanisms in place to avoid double funding
- Shall fill in and sign the First Level Control certificate :
 - First Level Controller Commitment
 - Checklist
- Templates available on PRESAGE CTE

2. Role and tasks of the controller [2]

- Shall carry out checks **within the deadlines** set up in the Subsidy Contract
- Delays impede constant cash-flow and have a negative impact on financial performance of the projects and the programme
- Risk of decommitment



3. National control systems

Each Member State (MS):

- Has set up a First Level Control system
- Has determined the selection mode for controllers
- Each partner:
 - must refer to the control system of the Member State where it is located
 - must follow the information provided by the national bodies on the procedure

Cyprus

- Partners propose an independent controller (internal or external)
 - If external, selection through public procurement procedure
 - Tender documents must be sent to the Public Procurement Authority of the Cyprus Treasury for check and validation
- Costs paid by the partner and eligible
- Planning Bureau validates the selection of controller
 - Checks that the controller meets the minimum criteria included in the checklist
 - Relevant professional organisation
 - Greek and English
 - Complete certification of expenses within one month

Spain

1. Administration that has an independent control unit for European programmes
 - System must be authorized by the Ministry of Economy and Finance
 2. Partners must propose an independent external controller registered in the Spanish official register of auditors
 - Selection through public procurement
 - Ministry of Economy must validate the selection
- In both cases, certifications must be validated by the Ministry of Economy
 - Only costs related to external controllers are eligible

France

1. External controller
 - Selection through public procurement
 - Vade-mecum and template of terms of reference
2. Internal controller: independence must be guaranteed
 - Eligible costs
 - Choice to be validated 3 months after approval of the project
 - Accounting authority
 - Knowledge of Community and national regulations
 - French and English

A map of Europe with Greece highlighted in yellow. The word "Greece" is written in blue text above the map. The map shows the outlines of various European countries and regions, with Greece being the central focus.

Greece

- First Level Control Unit of the Single Paying Authority will be soon supported by controllers recruited for this purpose
- Controllers will be allocated to every partner
- All verifications to be signed by the responsible body
- Costs paid by the partner and eligible

Italy

1. Public bodies

- Internal control office
- Separation of functions provided and knowledge of English/French
- Cost supported by the public body

2. Private bodies (or public bodies not opting out for the internal control office)

- Selection through public procurement
- Controllers registered either in the "Albo dei Dottori Commercialisti e degli Esperti Contabili" or in the "Registro dei Revisori Contabili"
- Honorability, professionalism, independence and knowledge of English/French
- Costs paid by the partner and eligible

Choice of controller in both cases to be validated by the multilevel Commission State-Regions



Malta

- External controller (or internal if independent) issues 1st certification
 - Costs paid by the partner and eligible
- Declaration of expenditure + 1st certification to be submitted to the Territorial Cooperation Unit
 - Central control service free of charge for partners

Portugal

- External controller
 - Selection through public procurement
- Eligible costs
- Choice to be validated within 3 months after approval of the project
 - Accounting authority
 - Familiar with Community regulations
 - Portuguese and English
 - Complete certification within a month following the reception of documents
- Validations issued by the controller must be confirmed by the Instituto Financeiro par o Desenvolvimento Regional (IFDR)



Slovenia

- Controls centralised by the Ministry of the Environment and Spatial Planning
- Control free of charge for partners
- Documents requested according to national rules
- Validation of expenditures within one month



4. Expenditure reporting procedure [1]

Every 6 months a progress report + payment claim + certifications of expenditure must be submitted to the JTS

Reporting period 1st call projects	Date of submission to the JTS	Reporting period 2nd call projects	Date of submission to the JTS
1 st April – 30 th September	30 th November	1 st June – 31 st August	31 st October
1 st October – 31 st March	31 st May	1 st September – 28 th February	30 th April
		1 st March – 31 st August	31 st October



4. Expenditure reporting procedure [2]

- 1 – Each partner enters activities and expenditures on PRESAGE CTE
- 2 – Lead Partner validates the other partners' expenses
- 3 – Controller of each partner (centralised or decentralised system)
 - Validates the eligible expenditure
 - Generates a First Level Control Certificate in PRESAGE CTE



4. Expenditure reporting procedure [3]

- 4 – In Spain and Portugal: certificate has to be sent to the national authority in order to get the final validation
- 5 – The Lead Partner gathers all the certificates and produce a payment claim + progress report
- 6 – Submission to the JTS within the deadlines mentioned in the Subsidy Contract



4. Expenditure reporting procedure [4]

7 – The JTS verifies the report:

- Conformity against application form
- Conformity of validations by controllers against national systems
- Transfers to MA

8 – The MA ensures the precision of the payment claim and communicates it to the CA

9 – The CA draws up payment order to the Lead partner

10 – The Lead partner transfers funds to the partners



5. Audit trail [1]

- Partners must ensure that all accounting documents linked to the project are:
 - available
 - filed separately
- The lead partner is responsible for the implementation of suitable audit trail - overview



5. Audit trail [2]

- In order to ensure a clear identification of the expenditures:
 - Opening of a specific bank account for the project payments (or a separate project code);
 - Recording of the costs in expenditure lists by budget line, activity and reporting period;
 - Noting the allocation (project title and project number) directly on the invoices/equivalent documents.



5. Audit trail [3]

- Original copies of documents kept by each partner
- Copies of documents sent to Lead partner (e-version)
- Lead partner must ensure that all partners keep them
 - Until December 31st 2021
 - Later if requested at national level



6. Complementary information

Documents available on the website of the MED Programme

- First Level Control guidelines
- National specific requirements and documents to be downloaded
- Fact sheets



Thank you / Merci

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