



Guidelines on First Level Control

June 2009

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1. Introduction

The main objective of the First Level Control is to guarantee that the costs charged under the MED programme subsidy contracts are justified and that payments are claimed by the Lead partners in accordance with the legal and financial clauses of the Subsidy Contract, with the rules governing the MED programme and European Community regulations. This control will also provide a guarantee for beneficiaries (meaning Lead partners and project partners) that the operation accounts comply with the abovementioned obligations as well as with the legal and financial obligations of each contributing organisation financing the operation, in accordance with its own legal status and with the legislation in force in the Member State concerned.

This document provides information and guidelines for the First Level Controllers on the requirements of the control and on the scope of the controller's work. It also provides information concerning the rules applicable to the MED programme. Consequently, beneficiaries may also use this document as an information tool.

Finally, this document provides relevant information on who is entitled to carry out the control.

2. The framework of the MED programme

The MED programme is a transnational programme of European Territorial Cooperation co-financed by the European Regional Development Fund (ERDF). It aims to:

- Ensure development and employment for future generations by making the MED area more competitive and able to compete with its international rivals.
- To actively participate in the promotion of sustainable development
- To promote territorial cohesion

These different issues cannot be effectively dealt with on a regional or national scale and require a considerable dialogue and transnational coordination effort. The MED program encourages the development of **transnational partnerships** in the northern Mediterranean coastal regions by financing projects in fields identified as priorities for the area: innovation, environment, accessibility to transport and telecommunications services and sustainable urban development.

Because of the **transnational nature of operations**, the Lead partner has some particular obligations regarding the administrative and financial procedures of the operation. The underlying principle, called the Lead partner Principle, means that the Lead partner has a responsibility towards the Managing Authority; in turn responsible for the application of the Subsidy Contract conditions. All of the Lead partner's obligations are clarified in the Subsidy Contract. The Lead partner will sign it along with the Managing Authority and shall assume the financial and legal responsibility of the entire operation, including all of the community partners. The Lead partner is responsible for sharing out the tasks among partners and it is entirely their responsibility to ensure that these tasks are completed as stated in the partnership agreement.

The following regions are concerned by the MED programme:

- **Cyprus:** all national territory
- **Spain:** six independent regions and two independent towns - Andalusia, Aragon, Catalonia, the Balearic Islands, Murcia, Valencia, Ceuta and Melilla
- **France:** four regions - Corsica, Languedoc-Roussillon, Provence - Alpes - Côte d'Azur, Rhône-Alpes
- **Greece:** all national territory
- **Italy:** 18 regions: Abruzzo, Basilicata, Calabria, Campania, Emilia-Romagna, Friuli Venezia Giulia, Lazio, Liguria, Lombardy, Marche, Molise, Umbria, Piedmont, Puglia, Sardinia, Sicily, Tuscany, Veneto
- **Malta:** all national territory
- **Portugal:** two regions - Algarve, Alentejo
- **United Kingdom:** one region from the economic programme – Gibraltar
- **Slovenia:** all national territory

Moreover, other territories may take part,, though on a limited scale. As well as European Union partners outside of the MED area and regions with experience specific to this field, Mediterranean candidate countries and potential candidates to the EU are particularly invited to join the MED programme if these countries take part using their own funds coming from the IPA (Instrument for Pre-Accession Assistance). Potential partners from other non-European and non-IPA countries must take part according to the conditions defined by the MED Operational Programme and by the programme Monitoring Committee.(Cf. part I.1.c of the MED OP).

3. Control system and regulatory framework

During the programming period 2007-2013, the terms “control” and “audit” (and so, controller and auditor) are not interchangeable given that they designate different categories of verifications.

The word “control” describes the verifications carried out by the First Level Controller according to article 16 of the EC regulation 1080/2006 (ERDF regulation). The task of First Level Controller designated by Member States is to validate the expenses declared by each beneficiary taking part in operation.

The word “audit” describes the checks carried out by second level auditors according to article 62, (1), a and b of the Council Regulation I (CE) N° 1083/2006 (General Regulation). The task of second level auditors consists of carrying out audits of operations based on a sampling for verification of declared expenditure.

Therefore, First Level Control is understood to be the checks of project expenditure to be made during project implementation each time before submitting a progress report.

It entails the following checks:

- verification of the delivery of the products and services co-financed (as described in the approved Application Form);
- verification of the soundness of the expenditure declared;
- verification of the compliance of such expenditure with Programme, Community and national rules.

The First Level Control covers 100% of all declared project expenses. As mentioned above, this is very different to second level audit which is an additional check of expenditure organised by the Programme and carried out on a sample range of operations.

In the regulations establishing the new programming period (2007-2013) it is up to each Member State to set up a First Level Control system and to designate the controllers responsible for verifying the legality and regularity of the expenditure declared by each beneficiary established on its territory. Consequently, the procedure for the First Level Control of the MED Programme will vary from one Member State to another. Each partner should refer to the control system of the Member State where it is implemented, regardless of the Member State of the Lead Partner.

The Lead Partner is, however, accountable to the Joint Technical Secretariat, the Managing Authority (MA) and the Certifying Authority (CA) for all costs incurred by him and the other project partners. Therefore, they are responsible for having administration, management and the internal or external control systems of the project in place. These systems must be described and included in the annexes of the Subsidy Contract.

The Lead partner must verify all the documents of the project payment claim, ensure that the expenditure of each partner is directly linked to activities as agreed in the Application Form and verify that the expenditure of each partner has been validated by the controller.

Depending on the Member State, there are four possible systems:

- (1) Centralised control at national level through a public administrative body
- (2) Centralised control at national level through an audit firm
- (3) Decentralised control through an internal or external controller (a public accountant, auditor, etc) proposed by the project partner and approved at national level
- (4) Decentralised control through controllers chosen by the partner from a national/regional shortlist

In a **centralised system**, a national central public body will control all payment claims of all partners of the same nationality, regardless of the nationality of the Lead Partner. Partners from Member States with a centralised system will be required to have their payment claims controlled by their national public body before sending it to the Lead Partner for consolidation.

In this case, the costs of the control will normally be borne by the Member State. On the practical side, partners of approved projects established in a Member State with a centralised control system shall contact the central national control body who will inform them of their First Level Control procedures (name and contact details of the controller(s), timeframe and deadlines, necessary documents...)

In the case of a **decentralised system**, the controller is proposed by each partner to a regional/national central organisation who approves the choice. An internal or external controller may be used as long as he has the necessary professional qualifications and is from a functional unit that is independent of the operation activities and finances. When possible, the controller should have prior experience of monitoring projects co-financed by the European Union. Only when the choice of controller has been confirmed by the regional/national authority he can begin his work as the independent project controller.

In this case, the project bears the costs of the certification of expenses ; however this expenditure may be claimed in the framework of ordinary intermediary payment claims. In the case of internal control, each Member State must decide if the certification costs are eligible.

When a partner proposes a controller he shall respect the conditions defined by the programme requiring payment claims at specific times of the year. The qualified regional/national central approval body may carry out quality checks on sample ranges in order to verify the soundness of the system.

In general in this system the partner concerned must fill in a form - provided by a regional/national body - detailing the choice of the controller and his/her qualifications. Upon reception, the central regional/national approval body will assess the information provided and will send an approval certificate that confirms the controller to the project partner if all criteria have been fulfilled. It is only after receiving this certificate that the controller can start as a first level controller within the framework of the project, and the first expenditure can be reported and certified.

4. Description of the national control systems in the framework of the MED programme

This information is only a summary of the main characteristics of each national First Level Control system. Please refer to the information that will be provided by the national bodies for more details about the procedure.

1. CYPRUS

Chosen control system	Decentralised control system
System description	<p>The partners propose an internal or external independent controller and their choice must be ratified by the Member State before the first expenditure is reported.</p> <p>The Planning Bureau will provide a checklist on first level controls to every beneficiary. The beneficiary will select a controller through the public procurement procedure (if opting for an external controller). It is noted that according to national public procurement procedures, the tender documents for projects co-financed by Structural Funds are sent to the Public Procurement Authority of the Cyprus Treasury for check and notification of conformity to the rules. The beneficiary will then submit the details of the controller chosen together with the checklist document signed by both the beneficiary and the controller to the Planning Bureau which will authorise the controller by confirming that the controller meets the minimum criteria included in the checklist.</p>
Controller's qualifications	<ul style="list-style-type: none"> - The controller must belong to a relevant professional organisation - The controller must have a sufficient level of English and Greek to be able to read and understand the documentation - If the controller is from the partner structure, he must belong to a unit independent of the operation's activities and finances - The controller must be able to complete the certification within a month following the reception of the documents
Control costs	Control costs will be covered by the partner and will be considered part of the project budget as eligible expenditure.
Responsible body	Planning Bureau

	Directorate of Structural Funds and Cohesion Fund (Verifications Unit) Demetris Mavrommatis Accountant 29 Byron Avenue 1409, Nicosia Cyprus Tel.:+35722602858 Fax.:+35722666810 dmavrommatis@treasury.gov.cy
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2. SPAIN

Chosen control system	Decentralised control system
System description	<p>Should the partner belong to an administration with an independent control unit for European programmes, this service may check expenditure within the framework of the MED programme, however this system must be centrally approved before the first expenditures are certified.</p> <p>Other partners must propose an independent external controller registered in the Spanish official register of auditors (ROAC) and must validate their choice by the Member State before making the first payment claim.</p> <p>In both cases, the certifications must be validated by the Ministry of Economy and Finance.</p>
Controller's qualifications	<p>Concerning control units in public administrations, their control system must be approved by the control unit of the Ministry of Economy and Finance.</p> <p>External controllers must be registered in the Spanish official register of auditors (ROAC)</p> <p>In both cases, the certifications must be validated by the Ministry of Economy and Finance. Only certifications validated by the Ministry shall be considered.</p>
Control costs	Only if an external controller is used, the related costs will be paid by the partner and will be included in the project budget as an eligible expense.
Responsible body	Ministerio de Economía y Hacienda Dirección General de Fondos Comunitarios Paseo de la Castellana, 162 E-28046 Madrid Marian Uriarte +34 91 583 50 91 muriarte@sgpg.meh.es

3. FRANCE

Chosen control system	Decentralised control system
System description	<p>Each beneficiary will choose a controller according to a vade-mecum and specifications completed by the national authority.</p> <p>The Member State will not establish a shortlist of controllers.</p> <p>The selection of controllers will be done by the beneficiary using a call for tenders (within the framework of the procurement code for public beneficiaries) except in the case where the controller comes from the same structure in which case independence must be guaranteed between the beneficiary service and the service in charge of First Level Control.</p> <p>The beneficiary will propose its controller to the national authority for approval within three months following project approval.</p>
Controller's qualifications	<ul style="list-style-type: none"> - The controllers must be an accounting authority; public or private, external or internal. - The controller must be absolutely independent from the beneficiary. If the controller belongs to the same structure or organisation as the beneficiary then they must not belong to the same service (organisation chart to be provided). - The controller must be familiar with Community regulations and must have experience controlling European dossiers. - If possible, the controller must be familiar with national regulations in the fields concerned by the operation. - The controller must be bilingual in both English and French.
Control costs	<p>The control costs will be covered by the partner and integrated into the project budget as an eligible expense.</p> <p>The contract between the partner and the controller will give details of the costs linked to checking operations (whether the controller is public or private).</p>
Responsible body	<p>Conseil Régional PACA Direction Générale Adjointe des Relations Internationales et des Affaires Européennes Mission Europe / Autorité nationale 27 place Jules Guesde 13 481 Marseille Cedex 20</p>

4. GREECE

Chosen control system	Centralised control system
System description	<p>The responsible body (the First Level Control Unit of the Single Paying Authority) will be supported by controllers who will be recruited merely for this purpose. A Register of Controllers will be created.</p> <p>A controller is appointed to each project partner. Prior to the submission of their application, the project partner/Lead partner should request the First Level Control Unit of the Single Paying Authority to allocate them a controller. There is no need for the project partner to await the allocation of the controller in order to submit his proposal.</p> <p>When the controller is selected from the Register, a contract specifying the roles of the contracting parties will be signed.</p> <p>All verifications will be signed by the responsible body.</p>
Controller's qualifications	Controllers must be on the Register of Controllers.
Control costs	The control costs will be covered by the partner and integrated into the project budget as an eligible expense. The basis for the payment will be a service contract.
Responsible body	<p>Single Paying Authority, First Level Control Unit 11, Navarchou Nikodimou, 10561 Athens, Greece</p> <p>Dimitrios Sousounis, tel: +30 2131500400, fax: +30 2131500413, e-mail:spa@m nec.gr</p>

5. ITALY

Chosen control system	Decentralised control system
System description	<p>There are two models:</p> <p>1. Private partners, as well as public partners who opt out of model 2 below, will directly select the controller, respecting the procedures and criteria given by the <i>Ragioniere Generale dello Stato</i> (Accountant and Comptroller General of the Italian State)</p> <p>2. For partners with the legal status of public body, (<i>Ente pubblico</i>), control activities of the operations or parts of operations carried out by them can be entrusted to internal control offices, provided that the separation of functions with the offices responsible for implementing the operations is ensured.</p>
Controller's qualifications	In the case of the first model, controllers must have specific requirements of professionalism, honourability and independence and must be

	<p>registered since at least three years either in the <i>Albo dei Dottori Commercialisti e degli Esperti Contabili</i> or in the <i>Registro dei Revisori Contabili</i> according to the <i>Decreto legislativo 27 gennaio 1992, n. 88</i>.</p> <p>The possession of the above mentioned requirements by First Level Controllers must be verified by the partners themselves at the moment of the appointment with acquisition of the suitable documentation, that will be kept in case of possible further controls.</p> <p>Please refer to further Italian requirements for First Level Controllers</p>
Control costs	<p>Under option 1, the costs will be borne by the partner/lead partner and will be reported as eligible cost in the project</p> <p>Under option 2, the cost will be provided for free by the public body.</p>
Responsible body	<p>An ad-hoc Committee, that will be hosted by the Ministry of Economic Development and will be composed of representatives of the Ministry of Economy and Finance, the Ministry of Economic Development and the Regions, will have the responsibility of ensuring the national coordination and supervision of the functioning of the system, and will validate the choice of the independent controllers made by the partners.</p> <p>A contact person for the MED Programme will be appointed by this ad-hoc Committee.</p>

6. MALTA

Chosen control system	Centralised control system
System description	<p>Claims of expenditure submitted to the Territorial Cooperation Unit for validation at central level must be accompanied by a certificate issued by a controller that has initially checked this expenditure. Normally, this verification is carried out by an external controller, however this task may be carried out by an internal controller as long as he/she is properly qualified and declares himself/herself external to the project's management and implementation.</p>
Controller's qualifications	<p>The control at central level will be carried out by the employees of the Territorial Cooperation Unit.</p>
Control costs	<p>The central control service is free of charge for Maltese partners.</p> <p>Regarding the initial verifications before submission to the Territorial Cooperation Unit, the resulting costs will be covered by the partner and included in the project budget as an eligible expense (staff costs for internal controllers and external expertise for external controllers).</p>
Responsible body	Territorial Cooperation Unit

	Planning and Priorities Coordination Division Office of the Prime Minister Valletta VLT 1210 Tel: 00356 2200 1150 Fax: 00356 2200 1141
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7. PORTUGAL

Chosen control system	Decentralised control system
System description	<p>The selection of controllers will be done by the beneficiary using a call for tenders (within the framework of the procurement code for public beneficiaries) except in the case where the controller comes from the same structure in which case independence must be guaranteed between the beneficiary service and the service in charge of First Level Control.</p> <p>The beneficiary will propose its controller to the national authority for approval within three months following project approval.</p> <p>The validations issued by the controller cannot be considered finished without the confirmation by the Member state. The partner has to send the request with the report from controller to the Instituto Financeiro par o Desenvolvimento Regional (IFDR) and only after confirmation from IFDR should it be sent to the Lead partner and to the JTS</p>
Controller's qualifications	<ul style="list-style-type: none"> - The controllers must be an accounting authority; public or private, external or internal - The controller must be familiar with Community regulations and must have experience controlling European dossiers - The controller must have a sufficient level of English to be able to read and understand the documentation - If the controller is from the partner structure, he must belong to a unit independent of the operation's activities and finances (organisation chart to be provided) - The controller must be able to complete the certification within a month following the reception of the documents
Control costs	The control costs will be covered by the partner and included in the project budget as an eligible expense.
Responsible body	Financial Institute for Regional Development - Instituto Financeiro par o Desenvolvimento Regional (IFDR) Operational Management Unit Rua da Alfândega nº 170, 3º - 1100-016 Lisboa 00351 21 8807060 : 00351 21 08807079 interreg@interreg.gov.pt ; Francisca.cordovil@ifdr.pt M. Francisca Cordovil - Head of Unit

8. UNITED KINGDOM

Chosen control system	Centralised control system
System description	Centralised control system
Controller's qualifications	Centralised control will be carried out by the Office of the Principal Auditor
Control costs	The first level control costs will be covered by the Government of Gibraltar.
Responsible body	Office of the Principal Auditor 23, John Mackintosh Square, Gibraltar Mr. J. Posso (Principal Auditor) Tel: 00 350 51137

9. SLOVENIA

Chosen control system	Centralised control system.
System description	<p>Slovenia has established a centralised system with one unit on one location within the Ministry of the Environment and Spatial Planning.</p> <p>The first level control in Slovenia is carried out within one month after the presentation of complete and correct documentation, which includes: original invoices and documents of similar probative value, the activity report, the financial report, additional documents and materials.</p> <p>The controllers carry out their work in line with programme implementation documents and templates. Slovene guidelines will also be published, containing information on all programmes in which Slovenia is participating, as well as documents requested according to national rules.</p> <p>Slovenian project partners are requested to submit requests for verification at least twice a year.</p>
Controller's qualifications	The control is carried out by civil servants.
Control costs	The control is free of charge for Slovenian project partners and lead partners.
Responsible body	<p>Ministry of the Environment and Spatial Planning Financial Budgetary Service, Payment Control Division Tatjana Perko Dunajska 47, 1000 Ljubljana, Slovenia phone: +386 1 478 7190 fax: +386 1 478 7247 e-mail: tatjana.perko@gov.si</p>

5. The role and tasks of the controller

The controller, internal or external, shall ensure that all activities and expenses are completed according to the national and community eligibility regulations. Project partners should hence always refer to national guidelines to make sure that the respective expenses are eligible.

First Level Controllers shall:

- validate the expenditure incurred by the controlled project partner;
- validate the content of both the activities and the finances of the partner report
- draft a report and a checklist on the control performed (an example of checklist has been included in Annex I)
- sign a declaration of the validation of expenditure

By signing the declaration of the validation of expenditure, the controller is verifying all requested items and declares the proper use of funds. This statement should be based on proper checks as well as on a control report.

The “Eligible expenditure” section and the Annex I (checklist example) contain a selection of possible verifications and references aiming to clarify the meaning of the paragraphs of the declaration of the validation of expenditure and to act as a guide for controllers.

The controller is responsible for the methods and techniques of his/her own control in accordance with national control regulations. However, the MED project must highlight the following points for controllers:

- Strict respect of the Subsidy Contract clauses and possible amendments and documents specified by these (particularly the Application Form, the approval decision from the Selection Committee and the Partnership Agreement)
- Strict fulfilment of the following community measures:
 - ◆ Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999
 - ◆ Council Regulation (EC) No 1341/2008 of 18 December 2008 amending Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund, in respect of certain revenue-generating projects
 - ◆ Council Regulation (EC) No 284/2009 of 7 April 2009 amending Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund concerning certain provisions relating to financial management
 - ◆ Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999
 - ◆ Regulation (EC) No 397/2009 of the European Parliament and of the Council of 6 May 2009 amending Regulation (EC) No 1080/2006 on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing
 - ◆ Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund

◆ Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts

- Compliance with national regulations on competition, State aid and public procurement
- Compliance with guidance of the MED Operational Programme and with the Implementation Guide of the Programme.

6. The expenditure reporting procedure

A progress report must be sent by the Lead partner to the JTS for each six-month period. This report must be sent to the JTS within two months after the end of the reporting period.

This report will include the activity report as well as the financial report:

- The activity report with the information on operation progress as well as a comparison between the initially planned objectives and the completed objectives. This shall also include any relevant documentation corresponding to technical outputs.
- The financial report includes a precise summary statement of all expenses incurred, paid and confirmed in the time between two successive reports.

The circuit is as follows:

All partners must use the PRESAGE CTE application to enter all activities completed and expenditure made in the reference period. This tool, developed by the DIACT for the French Managing Authorities on European Territorial Cooperation programmes, is the only MED programme management tool.

PRESAGE CTE connects all of the management organisations (the Managing Authority and the Joint Technical Secretary, the Certification Authority, the national authorities, the First Level Controllers – article 16, the beneficiaries) It is the operations management and monitoring tool, is used for the analysis and evaluation of community programmes and is, above all, a control tool. It is used to monitor all operations at all stages, from the proposition of a project until it ends.

Once the partner has entered all of the data concerning the activities and expenses of the reference period into PRESAGE CTE, it must notify it to its Lead partner for validation in PRESAGE CTE and to its First Level Controller after the end of the 6 month reporting period. All of the invoices, proofs of payment and any other justification document for declared expenditure must be made available for the First Level Controller.

Then, as stated, the controller should verify the soundness of the expenditure declared,, the delivery of products and services concerned according to the Application Form, the accounting precision of the declared expenses and their conformity with community and national regulations. The verification should equally include a procedure to avoid repeat financing of the same expenses.

The controller will have a login name and password in order to access the PRESAGE CTE application and thus all of the information given by the partner. The controller must confirm the eligible amounts and may include observations regarding amounts deemed ineligible. Finally, he/she shall use PRESAGE CTE to record the fact that he/she has carried out the First Level Control, then fill in and print the declaration of the validation of expenditure in order to date it, sign it and stamp it with the official stamp.

As soon as the control report and the declaration of the validation of expenditure are ready, they will be sent to the partner who will, in turn, send them to the Lead partner. A copy of these documents sent to the Lead Partner must also be kept on the premises of the partners.

In certain Member States, partners must send a copy of the validation issued by the controller as well as the control report to the national authority responsible for First Level Control in order to finalise the procedure of validation. This validation by the national authorities must be included within the period foreseen by the Article 16.2 of the Regulation 1080/2006. Only after the confirmation of the responsible national authority, the partner can send the validation to its Lead partner. The Member States concerned will provide additional information regarding this.

The Lead partner must wait until all of the data concerning partner activities and expenses has been entered as well as reception of the control reports and the declarations of the validation of expenditure before submitting the consolidated progress report for the reference period to the Joint Technical Secretary within two months after the end of the 6 month reporting period (activity report + financial report + all of the control reports and all of the declarations of the validation of expenditure for partners duly signed by the controllers +, if necessary, the attestations signed by the national authority.)

The precise deadlines for submitting the progress reports to the Joint Technical Secretary are defined by the Subsidy Contract. These deadlines also affect the control schedule so that verifications must be completed with sufficient time before submission of the progress reports.

The MED Joint Technical Secretary:

- receives the periodic progress reports compiled by the Lead partner
- verifies the relevance of the actions carried out
- checks the conformity against the Application Form including expenses and resources and the eligibility of expenses
- ensures that European policies are followed
- verifies all of the expenses of the project partners by the reception of the copies of the control certifications from each partner and by the list of payment documents used during the period (type of document and payment date) belonging to the financial report
- ensures physical completion using the elements of the Application Form (reports, studies, etc)
- verify the methods of fulfilling EU financing publicity obligations (photographs, communication tools, press articles, etc)

The programme Managing Authority:

- ensures the precision of the payment claims made and settles the amount of the subsidy to be paid according to the Subsidy Contract conditions (rate and the maximum subsidy amount) in accordance with the total validated and verified expenses
- following verification, communicates the payment claim to the Certifying Authority
- ensures the planned follow-up for these verifications in case of irregularity
- carries out on-the-spot checks, in collaboration if necessary, with the Joint Technical Secretary

All of these tasks are recorded in the PRESAGE CTE application.

The Certifying Authority draws up the payment order and the payment will be made by the deposit and consignment office to the Lead partners. The transmitting state and payments are entered into the PRESAGE CTE application by each authority concerned.

7. Eligible expenses

The relevant national rules agreed by the participating Member States in an operational programme under the European Territorial Cooperation objective apply to determine the eligibility of expenditure except where Community rules are laid down (article 13 of Regulation (EC) No 1080/2006).

Controllers must proceed with substantial verifications to confirm the eligibility of expenses put forward, particularly regarding the reality of payments, verifying that they have not already been reimbursed, that they are substantiated by the appropriate justifications, that the amount approved is precise and conforms to the project accounts and that this amount is completely attributable to the project (as part of the working plan).

In order to be eligible, all costs must therefore :

- be actually paid out
- have a connection with the objective of the action
- belong to the approved Application Form
- be committed and paid within the timeframes specified in the Subsidy Contract
- be reasonable, justified and coherent with the normal internal regulations of the partner
- be backed by receipts, bills or the equivalent accounting documents
- respect the public procurement rules

As well as these key principles, a certain number of in-depth eligibility regulations apply:

7.1 Budgetary lines

Staff costs

Staff costs are the costs of the actual time worked by the persons directly carrying out the work under the project and directly employed by the partners.

All staff costs must be based on real costs, supported by proper documentation and calculated on the following basis:

- Remuneration costs charged should be taken from payroll accounts and should be the total gross remuneration plus the employer's portion of social charges. Remuneration costs must be calculated individually for each employee and must be based on the monthly payslip.
- Working time must be recorded throughout the duration of the action. Estimates of hours/days worked are not acceptable.

The following information must appear on the time sheets :

- be filled in separately for each employee and worker involved in the project;
- contain information on a monthly basis about the hours worked for the project;
- state briefly the activities performed within the project;
- information about the total hours worked per month for the project;
- be signed by the employee and his/her supervisor.

The personnel costs for employees working part-time in the project have to be calculated based on an hourly rate and hours worked for the project. The calculation of this hourly rate must comply with the national rules, be based on the real yearly/monthly salary before tax, and be based on the total days and hours worked.

Example

Monthly Salary before tax: 2,000.00 EUR
Hours worked for the project: 116
Hours worked outside the project: 60
Hours worked in total: 176
Hourly rate: 2,000 EUR/176= 11.36 EUR
Project related personnel costs: 116 x 11.36 EUR=1,318.18 EUR
Eligible costs: 1,318.18 EUR

Considering that some States have fixed national limits to the percentage of the total budget allocated under the budgetary line “Staff costs” and that each State defines specific criteria to identify the expenditures that can be accounted as staff costs according to the relevant national legislation, project partners and first level controllers should always refer to relevant national rules on eligibility. The relevant national rules agreed by the participating Member States in an operational programme under the European territorial cooperation objective shall apply to determine the eligibility of expenditure except where Community rules are laid down.

The following documentation must be provided to the First Level Controller:

- payslips or other accounting documents where the personnel costs are clearly detectable;
- proofs of payments
- time sheets
- employment/labour contracts
- Any other document that the First Level Controller might require for checking compliance with national legislation.

Durable goods

Durable goods invoiced to the project must be essential for a project implementation and used only for this objective. According to article 53 – Depreciation – of the Regulation (EC) No 1828/2006 setting out rules for the implementation of Council Regulation (EC) No 1080/2006 and of Regulation (EC) No1083/2006, “the depreciation expenditure of depreciable assets directly used for an operation, and incurred during the period of its co financing, shall be eligible, provided that the acquisition of the assets is not declared as eligible expenditure.”

As already mentioned for the previous point related to the expenditures allocated under the budgetary line “Staff costs”, it is up to the States to clearly define the cases when the cost of durable goods can be charged on the project with their full cost and when, instead, the depreciation rule applies. If this second case applies the declaration of expenses for durable goods is subject to national accounting rules on depreciation.

As general rule the full cost of durable goods can be charged on the project only when it is clearly demonstrable and it is evident that durable goods are absolutely necessary to correctly carry out the activity foreseen by the project and that it would be impossible to reach the objectives of the project without the concerned durable goods.

In case **depreciation applies**, the following general rules should be considered:

If the depreciation plan is shorter than or equal to the project’s duration, the global cost of durable goods can be declared. If the depreciation plan is longer than the project’s duration, only the depreciation allowance corresponding to each progress report can be declared. For goods already in use in the organisation, only the depreciation allowance corresponding to each progress report can be declared.

If goods (either new or old) are not exclusively used for the project purposes, only a share of the depreciation allowance can be attributed to the project. This share has to be calculated according to a justified and equitable method.

Costs of durable goods are eligible under the following conditions:

- they must not be completely financed from any other financial instrument (for example European, international, national or regional)
- they must respect the relevant public procurement rules.

Every co-financed investment and good must comply with the information and publicity rules laid down in the Regulation of the Commission (EC) No 1828/2006 and by the Programme.

The following documentation must thus be provided to the First Level Controller:

- Evidence of compliance to public procurement rules at EU and national level in the case of purchase of durable goods.
- Invoices related to the purchase of durable goods with their full price.
- Evidence of the depreciation plan adopted for each element.
- the calculation method to attribute share of the depreciation allowance to the project, in case of goods only partially used by the project.;
- Proofs of payment
- Any other document that might be required by the First Level Controller for checking compliance with national legislation.

Consumable goods

Costs of consumable goods concern the purchase of all goods likely to wear in no more than one year time. Thus the cost of this equipment is not subject to depreciation (for example, a low value asset). These costs must be essential for the project's implementation.

The following documentation must be provided for the First Level Controller

- Invoices or other equivalent accounting documents that may be directly affected to the project
- Proofs of payment
- Any other document that might be required by the First Level Controller for checking compliance with national legislation.

Travel and accommodation

In this budget line, the following costs are eligible:

- Travel costs directly related to and essential for the effective delivery of the project and covering the economy class travel on public transport. As a general rule, the most economic way of transport must be used;
- Accommodation costs if the related costs are within the national limits.
- Subsistence allowances for project's staff occurring from project work related travel. The subsistence allowances must not exceed the usual subsistence allowances of the public authorities of the project partner's country and must comply with the rules applicable in that country. Despite of the project's partner legal status, the subsistence allowances rates of the public authorities have to be followed.

For travel costs, the following documentation must be provided for the First level controller:

- agenda /programme for the meeting/event
- the travel report or equivalent memo

- original tickets and all other original documentary evidence for the travel (i.e. boarding pass, invoices/other equivalent documents for accommodation, in the case of e-tickets without its standard flight ticket, an e-mail with the booking number serves as a proof etc.)
- proofs of payment
- Any other document that the First Level Controller might require for checking compliance with national legislation.

These costs must be included under the appropriate budget line (External expertise) if they involve individuals not directly employed by the project's partners.

Travel costs for trips out of the MED area are subject to previous approval by the Joint Technical Secretariat and the Managing Authority.

Services (other than external expertise)

This category concerns costs for suppliers of services and goods (translations, interpreting, meeting organisation, premises, catering for events, etc.)

When these services have a direct link to promotion costs, it is possible to choose between the "services" budget line and the "promotion" budget line depending on budgetary needs.

Public procurement rules shall be respected when selecting the company or the person supplying the related services.

The following documentation must be provided to the First Level Controller:

- Evidence of compliance to public procurement rules at EU and national level
- Contracts for external services together with the proper documentation attesting that the public procurement rules have been complied with
- invoices of the service /goods providers and proofs of payment
- Any other document that the First Level Controller might require for checking compliance with national legislation.

External expertise

Costs for work done by independent consultants or experts are only eligible if the work is essential to the project and the costs are reasonable and the specific work cannot be carried out internally.. Costs must be paid on the basis of contracts and against invoices to external service providers who are sub-contracted to carry out certain tasks of the project (e.g. studies and surveys, translation, management or control of the project if sub-contracted, etc.).

Travel and accommodation expenses for external experts should be recorded under the external experts budget line.

It is the Partner's responsibility to ensure that public procurement rules are respected in selecting a company or individual to provide external expertise and that contracts are awarded at normal market prices.

An external consultant is not part of the project partnership and costs must not be included in staff costs. On the other hand, partners cannot charge a consultant rate to other project partners for services or work carried out during project implementation. This should be recorded under the ' Staff costs' budget line of the relevant partner.

Expenditure related to the realisation of the First level control has to be included in this cost category when these verifications are carried out by external controllers. If these checks are

carried out by internal controllers, the expenses incurred must be entered under the "Staff cost" budget line if the partner's Member State considers that these expenses are eligible.

External expertise related to specific actions such as website development or communications should be recorded under the "Promotion, information and publications" budget line.

The following documentation must be provided to the First Level Controller:

- Evidence of compliance to public procurement rules at EU and national level
- Contracts for external services together with the proper documentation attesting that the public procurement rules have been complied with
- Invoices of the external consultants and proofs of payment
- Any other document that the First Level Controller might require for checking compliance with national legislation.

Promotion, information and publications

Costs directly linked to project promotion will be recorded under this budget line. It covers Internet sites, events organisation, promotional material and printed publications. The public procurement rules must be respected during the selection of the company or the person responsible for the task.

The following documentation must be provided to the First Level Controller if these activities are carried out by external services providers:

- Evidence of compliance to public procurement rules at EU and national level
- Contracts for external services together with the proper documentation attesting that the public procurement rules have been complied with
- Invoices of the services /goods providers and proofs of payment
- Any other document that the First Level Controller might require for checking compliance with national legislation.

Overheads

Within the framework of the MED Programme, overheads are limited to a maximum of 7% of the total eligible budget of the project.

Overheads are eligible as long as they are based on real costs – actually paid – with a direct link with the project's implementation. Lump sums, overall estimations or unjustified calculations are not eligible and not authorised.

According to Article 52 – Overheads - of the Regulation (EC) No 1828/2006 setting out rules for the implementation of Council Regulation (EC) No 1080/2006 and of Regulation (EC) No 1083/2006, "Overheads shall be eligible provided that they are based on real costs attributable to the implementation of the operation concerned or on the average real costs attributable to operations of the same type."

Thus overheads costs which are 100% directly chargeable on the project and overheads costs which are chargeable on the project only partially through a pro rata calculation method according to a fair, equitable and duly justified method (in accordance with generally accepted accounting principles) are both eligible.

According to article 13 of Regulation (EC) No 1080/2006 and with reference to Article 56 (4) of Regulation (EC) No 1083/2006 it is up to the States to decide if both 100% directly chargeable overheads costs and pro rata overheads costs, can be considered as eligible.

Overheads include cost items such as:

- Renting of the premises
- Electricity, heating
- Photocopies
- Postage
- Phone, fax and internet costs
- Office supplies
- Additional costs directly linked to the project implementation

Partners might use the total overheads' calculation of their organisation as well as a distribution scale linked to the partner's staff involved in the project. This ratio should be properly documented and periodically reviewed.

The following documentation must be provided to the First Level Controller:

- Invoices
- Explanation of pro rata calculation method for the overheads
- List of the costs items that have been included in the calculation of the overheads
- Proofs of payment
- Any other document that the First Level Controller might require for checking compliance with national legislation.

Other

Expenses other than those above-mentioned,, inherent to the project, indicated in a detailed way in the budget. These costs will be taken into account if they are coherent with the approved budget and if they are documented in an analytic way and comply with EU and national rules.

This category also includes in kind contributions (unpaid voluntary work). Unpaid voluntary work is eligible as an in kind contribution as long as the equivalent value may be calculated according to indicative hourly/daily rates of remuneration for equivalent work.. This can only be claimed if it has been included in the approved Application Form.

7.2 Other eligibility considerations

Co-financing rate

The maximum rate for ERDF subsidies for each Member State varies from 75% (partners in Spain, France, Great Britain, Greece, Italy, Portugal) to 85% (partners in Cyprus, Malta and Slovenia) of the eligible costs of the project.

The rate may be amended in case of State aid relevance of the project partner.

The maximum ERDF contribution awarded for an approved project is decided by the Selection Committee and specified in the Subsidy Contract. This amount will not be modified except in the case of a new decision by the Selection Committee. Each progress report must respect the ERDF co financing rates per partner.

Preparation costs

Costs linked to the elaboration of the project's content and of the Application Form are eligible for projects definitively approved by the Selection Committee. The activities financed

must have a direct and demonstrable link with the project development. These costs may include: staff, external expertise, travel expenses and allowances, meetings, participation in MED partners search forum, consultation with members of the JTS or with the National Contact Points, etc.

Preparation costs are not a particular budget line (this was the case for the previous period) but they are included in a specific Component (Component 0, not compulsory). Preparation costs must be detailed in the Application Form and broken down into the same budget categories as the other components of the project.

Preparation costs must be engaged and invoiced between 1st January 2007 and the date of the submission of the final Application Form. Related payments must be incurred within one month after the date of submission of the final Application Form. Payments made after this date cannot be considered as preparation costs.

The eligible preparation costs are subject to a ceiling of EUR 30,000. Preparation costs can be claimed only through a specific report. This report shall be compulsorily submitted to the Joint Technical Secretariat together with the first progress report.

Period of eligibility of the expenses

The eligibility of the implementation expenses of the project starts from the submission date of the complete Application Form. (article 1.13 of the Subsidy Contract).

The date of the end of the project is stated in the Application Form. All operational expenditure must be engaged and paid out before the date of the end of the project. In case these costs cannot be paid out within the delay, they may be paid out within two months after this date. Closure administrative expenditure (First Level Control and staff costs) may be engaged and paid out within two months after the date of project closure.

Please note that this additional delay of two months does not apply for operations which finish on the 30th June 2015. In this case, all administrative expenditure (including expenses related to the closure of the project) engaged, invoiced or paid out after the official ending date of the project is not eligible.

Changes

The Lead partner must communicate to the MA/JTS any request for redistribution between budgetary lines from the same partner, as well as between components, of a maximum amount less than or equal to 10% of the total eligible budget for the project duration. Any request for the redistribution of funds must be duly justified and transmitted to the MA/JTS before effective implementation.

However, as soon as the cumulated considered amount exceeds 10% of the total eligible budget for the project life (to a maximum of 30%), changes must be justified and submitted to the MA/JTS before modifications for approval by the Selection Committee.

Changes including:

- a. redistribution of the ERDF amount among partners
- b. changes in the nature of the project, particularly the aims and expected results
- c. a prorogation of the planned deadline for the closure of activities
- d. a modification of partnership

are subject to approval by the Selection Committee (if necessary, by written procedure) and an amendment to the Subsidy Contract will have to be made.

The First Level Controller must confirm that changes in the working plan, in the budget or in the partnership have been recorded by the MA/JTS and approved according to the conditions above.

Expenses incurred outside the MED area by partners of the MED area

For partners from the MED area, all expenses incurred outside of the eligible area (for example, the costs of a meeting or conference held outside of the MED area) must be completely justified and the need for the expense committed outside of the area must be shown.

Information about European Union partners located outside of the MED area

Partners from the European Union located outside of the MED area may be included in the projects, however it must be shown that, without their participation, the existing project partnership would not be able to achieve its objectives. Including a partner from outside the MED area must constitute a clear advantage for the project.

Regarding these partners, the MED OP restricts the application of article 21 of EU regulation 1080/2006. It stipulates that the European Union partners located outside of the MED area may benefit from up to 20% of ERDF financing required by all of the European Union partners of the project. These cases must be justified in due form and the expenditure must be made principally for the benefit of regions located within the MED area.

Participation of economic operators as beneficiaries

The MED Programme has decided to use the *de minimis* regime - as laid down by the Commission Regulation (EC) No 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid – for the participation of economic operators in the projects approved by the Programme.

According to Article 2.2 of the abovementioned Regulation, the total *de minimis* aid granted to any one undertaking shall not exceed EUR 200 000 over the period of three fiscal years. The total *de minimis* aid granted to any one undertaking active in the road transport sector shall not exceed EUR 100 000 over the period of three fiscal years. These ceilings shall apply irrespective of the form of the *de minimis* aid or the objective pursued and regardless of whether the aid granted by the Member State is financed entirely or partly by resources of Community origin. (National public co-financing plus ERDF). The period shall be determined by reference to the fiscal years used by the undertaking in the Member State concerned.

When an overall aid amount provided under an aid measure exceeds this ceiling, that aid amount cannot benefit from the abovementioned Regulation, even for a fraction not exceeding that ceiling. In such a case, the benefit of the abovementioned Regulation cannot be claimed for this aid measure either at the time the aid is granted or at any subsequent time.

In this way, all partners defined as economic operators shall sign a declaration on the *de minimis* aids when submitting the application indicating the total amounts of aid received during the reference period.

Non State Aid relevant partners (non economic operators) shall sign a declaration indicating that the activities and the outputs in the framework of the project are not market oriented.

These two models of declaration to be signed by the partners are included in the Application Pack.

Moreover, each project which includes the participation of an economic operator as a beneficiary will have to guarantee the respect of competition rules.

Value Added Tax (VAT)

VAT does not constitute eligible expenditure unless it is genuinely and definitely borne by the partner and thus cannot be recovered. VAT which is recoverable by whatever means cannot be considered as eligible.

In the Application Form, partners are asked to provide a confirmation about their VAT status: if they are VAT payers (and cannot thus recover VAT by any means) or they are not VAT payers (and thus they can recover VAT). In reporting, First Level Controllers will have to confirm if the VAT has been really borne by the controlled project partner.

Financial charges

Financial charges for transnational financial transactions are eligible. Bank charges for opening and administering the project account are eligible. The costs mentioned above may be reported under the "overheads" or "other" budget line.

Shared costs

The practice of sharing common costs should be avoided. However, in the event of common costs cannot be avoided, partners are invited to receive from their First Level Controllers and national bodies in charge of the Programme the acceptance of the principle of sharing costs among them before submitting the project proposal.

In any case, it is recommended to limit the shared costs to the costs falling within the scope of the budget lines of external expertise and services.

The Partnership Agreement (or its annex) must specify the type of costs concerned, the partners responsible and the procedures for payment and accounting agreed upon by partners. Please note that the procedure to report and validate this kind of costs should also be agreed with the First Level Controllers and the national bodies.

Exchange rate

The issue of currency for European Union partners located outside of the Euro zone and for the conversion of expenditure incurred outside of the Euro zone must be settled before the beginning of the project.

Concerning the different exchange rates, one of these options must be chosen:

- Partners convert their expenses from their national currency into Euros and these converted figures are used by the Lead Partner to fill in the Financial Report. In this case, partners again have several options for converting their expenses to Euros:
 - they can use the average monthly exchange rate set by the Commission of either the month the invoice was paid or the month the costs were re-reported to the Lead Partner,
 - they can use the 6-months average rate of the average monthly exchange rate,
 - they can use the market exchange rate of the day the invoice was paid,
 - They can use the market exchange rate of the last day of the reporting period.
- Partners send their figures to the Lead Partner in their national currency and the Lead Partner converts these figures into Euros to complete the Financial Report (to be

specified in the Partnership Agreement). In this case, the Lead Partner must use the average monthly exchange rate set by the Commission of the last month of the reporting period or the market exchange rate of the last day of the reporting period.

The partners must agree on a conversion system at project level prior to submitting the first progress report. This system will remain in place until the end of the project and will apply to all partners. The Lead Partner must inform the JTS of the chosen option.

The monthly exchange rate to be used is the one published every month by the European Commission on the InforEuro website: <http://ec.europa.eu/budget/inforeuro/index.cfm>.

The exchange rate to be used must have 4 decimal points. Numbers rounded to two decimal points should be used. Any exchange loss is not an eligible expenditure.

Public procurement

Whenever purchases are made, contracts are awarded and external suppliers are involved in a project, public tendering rules must be observed, including EC Public Procurement laws and relevant national regulations. These rules are intended to ensure transparent and fair competition within the common market.

The Lead Partner is responsible for compliance with the public procurement procedures for the entire partnership. As procurement rules also apply to the private sector, Lead Partners must also be aware of any rules which could apply to some of their private partners.

It is, therefore, strongly advised to carefully save all documentation regarding any procurement procedures as they constitute part of the audit trail and have to be included in the checks.

European Community rules on procurement apply to contracts that are financed or partly financed by Structural Funds grants. Bids for contracts must be assessed on an objective basis and, when needed, contract awards should be published in the Official Journal of the European Communities (OJEC). Structural Funds grants will be reclaimed if it is subsequently found that procurement rules have not been observed.

National rules on public procurement have established financial limits on the value of contracts:

- According to the Directive 2004/18/EC (and related amendments), a full call for tender must be held for contracts valued at more than €206,000 (awarded by not central government authorities) and €133,000 (awarded by central government authorities). (cf. http://ec.europa.eu/internal_market/publicprocurement/legislation_en.htm)

- For contracts valued less than €206,000 and €133,000 other procedures may apply according to national legislation. It has to be decided on a case-by-case basis on the correct procedure in each country. Therefore, national rules have to be closely consulted as they may vary from country to country.

Please be aware that legal standards applied at national level may be more demanding than the requirements defined by the EU Directives. Procurement rules are complex; if there are any doubts about the application of procurement rules, project promoters should seek advice from a legal advisor.

Do not forget that the fundamental principles in public tendering (non-discrimination, transparency, etc.) also apply to purchases and subcontracted activities below the threshold values.

Relevant EU regulations

- Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors
- Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts
- Commission Directive 2005/51/EC of 7 September 2005 amending Annex XX to Directive 2004/17/EC and Annex VIII to Directive 2004/18/EC of the European Parliament and the Council on public procurement (Text with EEA relevance)
- Directive 2005/75/EC of the European Parliament and of the Council of 16 November 2005 correcting Directive 2004/18/EC on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts
- Commission Regulation (EC) No 1564/2005 of 7 September 2005 establishing standard forms for the publication of notices in the framework of public procurement procedures pursuant to Directives 2004/17/EC and 2004/18/EC of the European Parliament and of the Council
- New thresholds entered into force from 1st January 2008. These thresholds are laid down in Regulation (EC) 1422/2007 of 4 December 2007.
- Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation)

Revenues

If a project generates revenue for example through services, conference participation fees, sales of brochures or books, the generated net revenue must be deducted from the eligible expenditure if the total cost of the operation exceeds EUR 1 000 000. The revenue must be deducted in full or pro-rata depending on whether it was generated entirely or only partly by the co-financed operation. The ERDF funding will be calculated on the basis of the total cost after deduction of the revenue.

Publicity and information regulations

All projects must comply with the publicity and information requirements laid down in the Commission Regulation (EC) No 1828/2006 (Articles 8 and 9) and its Annex I.

All promotional materials produced in the framework of the projects must include the following elements:

1. Emblem of the EU (the flag) and
2. Reference to the European Union and
3. Reference to the contribution of the European Regional Development Fund and
4. The logo of the MED Programme and the phrase "Europe in the Mediterranean".

The principle of additionality

The costs relating to the preparation and implementation of an operation incurred by a public authority, which is itself beneficiary and which is executing an operation for its own account,

shall be eligible if they are additional costs regarding the current costs of the organisation, if they are related to the project and if they are necessary for the implementation of the co-financed operation.

Equal opportunities

Legislation in the field of equal opportunities refers to all legal provisions related to the implementation of the principle of equal treatment between persons, regardless of religion, personal beliefs, disabilities, age and sexual orientation, concerning employment and work conditions. It stipulates all necessary measures in order to avoid any kind of discrimination on the grounds of these factors, based on an approach which takes also into account the different impact that the same kinds of discrimination may cause on women and men.

Directive 2000/78/EC of the European Council of 27th November 2000 lays down a general framework for equal treatment in the field of employment and work conditions.

Extract :

Art. 1) The purpose of this Directive is to lay down a general framework for combating discrimination on the grounds of religion or belief, disability, age or sexual orientation as regards employment and occupation, with a view to putting into effect in the Member States the principle of equal treatment.

Art. 3) Within the limits of the areas of competence conferred on the Community, this Directive shall apply to all persons, as regards both the public and private sectors, including public bodies, in relation to:

(a) conditions for access to employment, to self-employment or to occupation, including selection criteria and recruitment conditions, whatever the branch of activity and at all levels of the professional hierarchy, including promotion;

(b) access to all types and to all levels of vocational guidance, vocational training, advanced vocational training and retraining, including practical work experience;

(c) employment and working conditions, including dismissals and pay;

(d) membership of, and involvement in, an organisation of workers or employers, or any organisation whose members carry on a particular profession, including the benefits provided for by such organisations.

Art. 9) 2. Member States shall ensure that associations, organisations or other legal entities which have, in accordance with the criteria laid down by their national law, a legitimate interest in ensuring that the provisions of this Directive are complied with, may engage, either on behalf or in support of the complainant, with his or her approval, in any judicial and/or administrative procedure provided for the enforcement of obligations under this Directive.

Environment

European Law includes all legal acts concerning environment, either related to a particular sector (water, air, nature, waste, chemicals), or to cross-cutting sectors stipulating access to environmental information and public participation to the decision-making process in the field of environment.

Verifications of management in the sector of environment should, if necessary, not only verify the respect of the Directives by the beneficiary but also check that all authorizations were delivered by the competent national authorities, in compliance with the procedures to be applied.

The competent national authorities shall ensure that the European environmental legislation is properly applied and whenever such rules are not respected, the same authorities shall guarantee the adoption of the most convenient measures.

The Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment amended by the Directive No 97/11/EC and the Directive 2003/35/EC.

Here below you will find an extract of the above-mentioned Directive:

Art. 1) This Directive shall apply to the assessment of the environmental effects of those public and private projects which are likely to have significant effects on the environment.

Art 2) For the purposes of this Directive, 'project' means:

- the execution of construction works or of other installations or schemes,
- other interventions in the natural surroundings and landscape including those involving the extraction of mineral resources;

Art. 3) The environmental impact assessment will identify, describe and assess in an appropriate manner, in the light of each individual case and in accordance with the Articles 4 to 11, the direct and indirect effects of a project on the following factors:

- human beings, fauna and flora,
- soil, water, air, climate and the landscape,
- the inter-action between the factors mentioned in the first and second indents,
- material assets and the cultural heritage.

8. Accounting and filing reporting documents

Partners must ensure that all accounting documents linked to the project are available and that they are filed separately. It is the Lead Partner's responsibility to ensure an adequate audit trail which implies that the Lead Partner has an overview of:

- Who paid
- What was paid
- The date on which payment was made
- The person who carried out the verifications
- The location where the relevant documents are stored.

The Lead partner must ensure that all partners keep the documents linked to the project in an ordered and safe way until 31st December 2020, if not longer, in case national regulations require a longer period for filing. The filed documents can be either the originals or the certified as original copies on commonly used data media, (in accordance with national legislations).

The following list gives an overview of the documents that should be available for financial control and audit purposes and that must be kept at least until 31st December 2020:

- Approved Application Form;
- Subsidy Contract;
- Partnership Agreement;
- Relevant project correspondence (financial and contractual) ;
- Progress Reports;
- Documents attesting the first level controllers' validations on partners' expenditure;
- List of declared expenditure;
- Bank account statements proving the reception and the transfer of Programme funds;
- Invoices/receipts;
- Bank account statements/proof of payment for each invoice;
- Staff costs: calculation of hourly rates, information on actual annual working hours, labour contracts, payroll documents and time sheets of personnel working for the project;
- List of subcontracts and copies of all contracts with external experts and/or service providers;

- Calculation of administrative costs, proof and records of costs included in overheads;
- Documents relating to public procurement, information and publicity;
- Note on the public procurement procedures, terms of reference, offers/quotes order form, contract;
- Proof for delivery of services and goods: studies, brochures, newsletters, minutes of meetings, translated letters, participants' lists, travel tickets, etc.;
- Records of assets, physical availability of equipment purchased in the context of the project;
- For travel: boarding cards, travel tickets and all documents reported in the description of the budget line Travel and accommodation.

The following compulsory requirements must be fulfilled in order to ensure a clear identification of the expenditures:

- The opening of a specific bank account for the project payments (or a separate project code);
- The introduction of project specific cost-accounting analytical codes in order to record project costs by budget line, activity and payment date/reporting period in the accounting system;
- The 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.

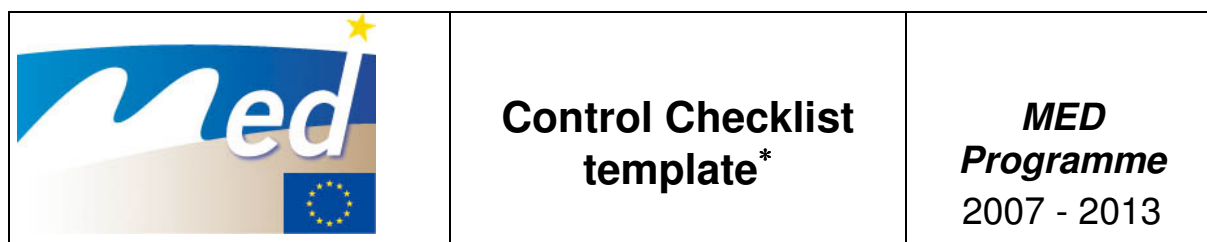
Expenditure can only be reported if the following principles are fulfilled:

- The calculation is based on actual costs;
- The costs are definitely borne by the partner and would not have arisen without the project;
- The expenditure has actually been paid out. Expenditure is considered to be paid when the amount is debited from a partner's bank account. The payment is usually proven by the bank statements. The date when the invoice was issued, recorded or booked in the accounting system does not count as payment date.
- The expenditure is directly linked to the project. Costs related to activities that are not described in the Application Form are generally ineligible.

Ineligible costs (non-exhaustive list)

- VAT which is recoverable by whatever means is not eligible
- Fines, financial penalties and expenditure on legal disputes
- Interests on debt
- Dismantling of nuclear power stations
- Housing

Please note that all this information must be provided using the PRESAGE application



INFORMATION ON THE PARTNER CHECKED

Acronym	
MED identification number	
Reference PRESAGE-CTE	
Name of the partner	
Function (Lead partner or partner)	
Name of the controller	
Institution of the controller	
Checklist attached to the certificate No.	
Expenditure included in the Progress Report No.	
Reporting period	dd/mm/yyyy to dd/mm/yyyy

A) ACCOUNTING SYSTEM

Check	Yes	No	N/A
Are specific accounts kept for the project or have other methods like specific cost centres in the accounting system been established which allow to identify the costs allocated to the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can a computerised list of project expenditure be obtained from the accounting system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has each reported expenditure been supported by an invoice or an accounting document of equivalent probative value?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the documents complete and accurate in content as well as in accounting terms?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has each reported expenditure been supported by a payment proof (usually bank statement/bank transfer confirmations/cash receipts)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the amount of the reported expenditure be entirely reconciled with the supporting documents provided?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payments made at the correct amount?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

* Compulsory for internal and external controllers directly selected by the partners (i.e., decentralised system). Controllers from Member States in which a centralised control system has been set can alternatively use ad-hoc checklists elaborated at national level if ensuring a comparable or higher level of control.

B) DOUBLE FUNDING

Check	Yes	No	N/A
Are there mechanisms in place to avoid double financing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
On the basis of it, can it be excluded that expenditure has already been supported by any other funding (EU, national, regional or other)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

C) COMPLIANCE WITH THE PROJECT BUDGET

Check	Yes	No	N/A
Have costs been correctly allocated to the relevant budget lines?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have costs been correctly allocated to the relevant components?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the Partner's budget by budget line and by component as fixed in the approved Application Form been respected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

D) ELIGIBILITY OF COSTS

1. STAFF COSTS

Check	Yes	No	N/A
Is there an available list of staff working in the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the expenditure only related to employees of the organisation ?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are employment contracts available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there service orders available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payrolls available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
For people working part-time, is there a method for calculating the daily/hourly cost available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the result of the calculation correct?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is this calculation based on real worked hours?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there monthly timesheets available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are they sufficiently detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are they signed both by the employee and the employer?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment (including social charges) available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

2. DURABLE GOODS

Check	Yes	No	N/A
Is the equipment purchased stated in the Application Form? Alternatively, has it been approved by the programme bodies prior to its purchase?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there evidence available that the most economic option for the services required has been selected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there an inventory of the equipment purchased?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has depreciation been applied?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If applied, has the depreciation for the related period been properly calculated, by applying national accounting regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the depreciation plan been kept for accounting, control and audit purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is it ensured that the items have not already been fully depreciated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the purchase been made well before the end of the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If not, is the late purchase still justified? Or have the costs been depreciated and only the share corresponding to the remaining project period been reported?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If the equipment is not exclusively used for project purposes, has only a share of the actual cost been allocated to the project? Is this share calculated according to a fair, justified and equitable method?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there evidence that the equipment has not already been financed by any other funding (EU, national, regional or other)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Was the equipment purchased in compliance with public procurement rules?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payments made against invoices?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are invoices sufficiently detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

3. CONSUMABLE GOODS

Check	Yes	No	N/A
Are costs project related?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payments made against invoices?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are invoices sufficiently detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is it ensured that the items have not already been included as indirect costs (overheads)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Results/Comments (if any)	
Ineligible amount (if any)	

4. TRAVEL AND ACCOMODATION

Check	Yes	No	N/A
Are costs project related? (Verify existence of invitation, agenda and list of participants)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were the trips that these costs refer to justified by the project's activities as foreseen in the Application Form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any authorisation of the mission available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there documents concerning travel and accommodation costs paid directly by the institution available? (Plane tickets, boarding cards, train tickets, hotel invoice, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is it ensured that the trip costs were chosen in respect of the most economic way of transport and accommodation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If paid directly by the person going on mission, is there a reimbursement request available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If per diem, is it based on national/institutional rules?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If real costs, are all supporting documents available? (Meals, transportation, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
For any of the expenses, is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of trips outside the territory of the MED Programme, were they explicitly mentioned and justified in the approved Application Form? Alternatively, have these trips been approved by the programme bodies prior to its purchase?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If applicable, are travel and subsistence expenses for third country partners or participants related to events taking place in the MED territory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

5. SERVICES

Check	Yes	No	N/A
Are costs project related?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any evidence that within the partner structure there are no necessary competences nor material means for the provision of the concerned services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If this is not case, is it proved that the externalisation was more appropriate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the European and national public procurement rules been respected in the selection process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Is the public procurement procedure well documented and documents such as procurement note, terms of reference, offers/quotes, order forms available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the principles of transparency, non-discrimination, equal treatment and effective competition been complied with (also for items below the EU-thresholds)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If the partner structure is not submitted to the public procurement rules, has a simplified procedure of effective competition been implemented? (Publication on the website of the terms of reference of the service including the weighted criteria of the selection, several enterprises invited, detailed report on the analysis of the offers, ...)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a contract laying down the services to be provided?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payments made against invoices?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are invoices sufficiently detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any evidence of the work carried out by the service provider (or, in general, of the activity carried out)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

6. EXTERNAL EXPERTISE

Check	Yes	No	N/A
Are the contracted services stated in the Application Form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any evidence that within the partner structure there are no necessary competences nor material means for the provision of the concerned services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If this is not case, is it proved that the externalisation was more appropriate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the European and national public procurement rules been respected in the selection process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the public procurement procedure well documented and documents such as procurement note, terms of reference, offers/quotes, order forms available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the principles of transparency, non-discrimination, equal treatment and effective competition been complied with (also for items below the EU-thresholds)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If the partner structure is not submitted to the public procurement rules, has a simplified procedure of effective competition been implemented? (Publication on the website of the terms of reference of the service including the weighted criteria of the selection, several enterprises invited, detailed report on the analysis of the offers, ...)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a contract laying down the services to be provided?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payments made against invoices?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are invoices sufficiently detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Is there any evidence of the work carried out by the service provider?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Where applicable, do the deliverables respect the necessary publicity requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

7. PROMOTION, INFORMATION AND PUBLICATIONS

Check	Yes	No	N/A
Are costs project related?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the European and national public procurement rules been respected in the selection process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the public procurement procedure well documented and documents such as procurement note, terms of reference, offers/quotes, order forms available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the principles of transparency, non-discrimination, equal treatment and effective competition been complied with (also for items below the EU-thresholds)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a contract laying down the services to be provided?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are payments made against invoices?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are invoices sufficiently detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any evidence of the work carried out by the service provider?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
According to this evidence, are publicity rules respected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the partner complied with all relevant rules on European visibility?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do all publications or documents produced by the partner comply with the requirements of Commission Regulation (EC) n° 1828/2006, Chapter II (inclusion of the EU emblem, a statement to the effect that the project was co-financed by the ERDF, the logo of the MED Programme, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

8. OVERHEADS

Check	Yes	No	N/A
Is there a proper method for allocating overheads to the operation available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Is this method duly justified, fair and equitable?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has it been properly applied?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all costs project-related and have not been included in other budget categories?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there supporting documents justifying all these costs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

9. OTHER COSTS

Check	Yes	No	N/A
Are these costs mentioned in the approved Application Form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are these costs supported by invoices or accounting documents of equivalent probative value?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there proof of payment available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of unpaid voluntary work, has the value of that work been determined taking into account the time spent and the hourly and daily rates of remuneration for equivalent work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

E) SPECIFIC CHECKS FOR PREPARATION COSTS (COMPONENT 0)

Check	Yes	No	N/A
Is expenditure time-wise related to preparation costs (i.e., has it been engaged and invoiced between 1 January 2007 and the date of submission of the final Application Form?)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have all preparation costs been paid within one month after the submission of the final Application Form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the partner foreseen preparation costs in the approved Application Form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the budget categories concerned the same as in Component 0 of the approved Application Form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
For the budget categories involved, have the related requirements been respected? (YES answer to questions in points related to the relevant budget lines)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			

Ineligible amount (if any)	

F) ADDITIONAL RESPECT OF COMMUNITY POLICIES (for those aspects not directly covered by eligibility checks of the different budget lines)

Check	Yes	No	N/A
Has the partner complied with all relevant Commission rules on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have the results of the environmental impact assessment been taken into consideration?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the partner complied with the EU objective of promotion of equality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have Community rules on State Aid been respected? Have contractual obligations related to the State Aid discipline been respected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of tender procedures, is the amount of the contract identical to the one stipulated in the offer submitted by the successful tenderer? Does the contract contain clauses conflicting with the terms of reference?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were the assessment criteria of the offers related to the object of the contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If there have been modifications to the contracts, were the additional tasks absolutely necessary to provide the main service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of modifications to the contracts, the amount of these contracts respect the national percentages regarding the amount of the original contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of modifications to the contracts due to unforeseen circumstances, did the invoked circumstances comply with the national legislation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

G) OTHER CHECKS

Check	Yes	No	N/A
Has all expenditure been incurred and paid within the eligibility period indicated in the Subsidy Contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the partner implemented appropriate eligibility rules governing the VAT?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has refundable VAT been deducted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case there are shared costs in the framework of the project, have they been declared in compliance with the procedure provided in chapter 7.2 of the MED First Level Control Guidelines and/or with the procedures provided by the Member States? (i.e. The Partnership Agreement, or its annex, must specify the type of costs concerned, the partners responsible and the procedures for payment and accounting agreed upon by partners)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the exchange rate for converting expenditure incurred in national currency into Euro been properly applied, according to one of the methods set in chapter 7.2 of the MED First Level Control Guidelines?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have any fines and financial penalties been excluded from the expenditure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If applicable, has any revenue been properly deducted from the expenditure declared if the total cost of the operation exceeds EUR 1 000 000 ?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of EU partner outside the MED area, does the ERDF related to the expenditure of this partner remain within the 20% threshold of the overall ERDF contribution to the project? (to be checked by the Lead partner at project level in case there are more than one EU partners outside the MED area, being aware that the 20% threshold remains identical with one or several EU partners outside the MED area)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In case of minor modifications, within the 10% flexibility rule, does the cumulative validated expenditure for all partners remain within this threshold? (to be checked by the Lead partner at project level)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has any major modification been formally requested and approved, according to the foreseen procedure, before the flexibility threshold has been exceeded?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the administrative check on files been sufficient to gain evidence that the reported activities have taken place, the delivery of services, goods and works are in progress or have been completed? (If the evidence was not obtained through an on-the-spot check, it is important to indicate in the comment section, how sufficient assurance was gained through the administrative check on files).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results/Comments (if any)			
Ineligible amount (if any)			

Place:

Date:

Name of controller:

Institution:

Signature of the Controller:

Official stamp:

Please note that all this information must be provided using the PRESAGE application



REPORTING PERIOD FOR WHICH THE CERTIFICATE IS ISSUED: dd/mm/yyyy to dd/mm/yyyy

Certificate No. _____

Expenditure included in the Progress Report No. _____

Name of the project	<i>Pre-filled by PRESAGE-CTE</i>
Acronym	<i>Pre-filled by PRESAGE-CTE</i>
Reference PRESAGE-CTE	<i>Pre-filled by PRESAGE-CTE</i>
MED identification number	
Partner	<i>Pre-filled by PRESAGE-CTE</i>
Function (Lead Partner or Project Partner)	<i>Pre-filled by PRESAGE-CTE</i>
Division/Unit/Department	<i>Pre-filled by PRESAGE-CTE</i>
Date of approval by the Selection Committee	<i>Pre-filled by PRESAGE-CTE</i>
Project starting date	<i>Pre-filled by PRESAGE-CTE</i>
Project ending date	<i>Pre-filled by PRESAGE-CTE</i>
Administrative closure date	<i>Pre-filled by PRESAGE-CTE</i>
Name of the First Level Controller	<i>Pre-filled by PRESAGE-CTE</i>
Institution + job title	<i>Pre-filled by PRESAGE-CTE</i>
Division/Unit/Department	<i>Pre-filled by PRESAGE-CTE</i>
Contact details	
Total partner's budget (in €)	<i>Pre-filled by PRESAGE-CTE</i>
Partner's ERDF funding (in €)	<i>Pre-filled by PRESAGE-CTE</i>
Partner's ERDF funding rate (in %)	<i>Pre-filled by PRESAGE-CTE</i>
Partner's total co-financing (in €)	<i>Pre-filled by PRESAGE-CTE</i>

I, the undersigned, (*name and surname of the First Level Controller – pre-filled by PRESAGE-CTE*) representing the First Level Controller designated by¹ (*to be filled in by the First Level Controller*), based on verification within the meaning of Article 16 paragraph 1 of Commission Regulation (EC) 1080/2006 performed on expenditure declared by the above-mentioned partner (or Lead partner), **hereby certify** the following:

1. For the attached statement that forms an integral part of this certificate, the total declared expenditure by the beneficiary amounts to EUR <0,00 to be filled in by the First Level Controller> of which the total confirmed eligible expenditure amounts to EUR <0,00 to be filled in by the First Level Controller>. This amount is free from any reservation casting doubts on its eligibility.

2. The rules listed in the Subsidy Contract have been fully observed, including, but not limited to rules governing the eligibility of expenditure (Article 56 of Regulation (EC) No 1083/2006, Article 7 of Regulation (EC) No 1080/2006, Article 48 to 53 of Regulation (EC) No 1828/2006, relevant national and internal regulations of the partner and rules laid down by the MED Programme.

3. The costs reported in the attached statement refer to expenditure paid within the eligibility period of the project, as described in the Subsidy Contract, and not previously reported.

4. Receipts and payments are accurately recorded in the project's accounting system, expenditure in another currency other than the Euro was correctly converted, assets are properly recorded and amounts are correctly reflected in the demands for payment. Any revenues generated were deducted from the eligible expenditure if the total cost of the operation exceeds EUR 1 000 000. The necessary audit trail exists for all activities, providing evidence in the form of contracts, invoices and payment records. In case of staff costs, administration costs, the necessary evidence exists in the form of timesheets, listings of costs or formula descriptions and cost calculations.

5. Services, supplies and works have been procured on the basis of transparent selection processes and in compliance with European, national and internal rules. Sound controls have been exerted over the opening of the tenders and all tenders have been fully evaluated before the final decision has been made on service provider, supplier or works contractor.

6. Progress made has been fully and fairly reflected in the report. There is evidence that the reported activities have taken place, delivery of services and goods, and works are in progress or have been completed. The expenditure exclusively refers to activities listed in the latest approved version of the Application Form and completed at the latest by the end of the approved finalisation month.

7. The partner has complied with Community rules and policies including publicity, information, equal opportunities, protection of environment, State Aid, competition and public procurement.

¹ Please make reference to the official document stating the approval of the First Level Controller by the competent national authority, according with Article 16 of Regulation (EC) 1080/2006.

8. The control work has been documented in a control checklist, which is based on the MED Programme template serving as minimum requirements.

9. After addition of this validation, the total amount of validated expenditure since the beginning of the project amounts to EUR <0,00 to be filled in by the First Level Controller >.

I hereby confirm that I / the company is independent from the project's activities and financial management and authorized and qualified to carry out the control in respect of the control requirements valid in the EU-Member State on whose territory the partner is located.

Place:

Date:

Name of controller:

Institution:

Signature of the Controller:

Official stamp: