



Project implementation: Management verifications

Interreg Finance Management Camp
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Management verifications

Legal basis

Regulation (EU) No. 1303/2013 (Common Provisions - CPR):

- Art. 125.4 (scope of verifications)
- Art. 125.5 (administrative and on-the-spot)
- Art. 125.6 (on-the-spot sampling)

Regulation (EU) No. 1299/2013 (ETC):

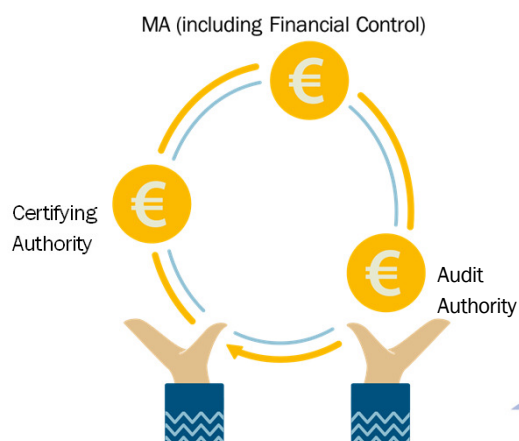
- Art. 23 (ETC-specific rules)
- Commission Delegated Regulation (EC) 481/2014 on eligibility of expenditure – specific rules for cooperation programmes

Guidance by the European Commission

EGESIF Guidance for Member States on Management verifications
(programming period 2014-2020)

The bodies responsible for control

- **MA** (when carried out under Article 125(4)(a) CPR and under Article 23(3) ETC.)
- **Possibility to delegate tasks to IBs**



The bodies responsible for control (2)

Additional possible controls

- Lead Beneficiary
- Monitoring visits by Joint Secretariat
- Other controls:
 - EU, national audits during or after project implementation



Financial management and control – obligations of the MA

- Verify that the co-financed products and services **have been delivered**
- Verify that expenditure declared by the beneficiaries has been **paid**
- Verify that the expenditure declared **complies** with applicable **law**, the operational **programme** and the conditions for support of the **operation**
- Ensure that the beneficiaries maintain a **separate accounting** system or an adequate accounting code
- Set up procedures to ensure an adequate **audit trail**
- Put in place effective and proportionate **anti-fraud measures**
- Draw up **management declaration**



Control systems

Centralised	Decentralised
Public central body	Private control body
Partner cannot choose the controller	Partner chooses the controller but needs approval
Control finances by national/regional funds or TA	Financed using the project budget
No cost	Quick, with good proximity to the beneficiary
Experienced staff	
Same interpretation of eligibility rules for all partners	



Types of control checks

Administrative verifications (desk-based)	On-the-spot verifications
Should be carried out before the related expenditure is declared to the next level above	Should be planned in advance to ensure effectiveness
Can be performed at the controller's own premises	Usually should be undertaken when operation is well under way
Sampling of items is possible	Performed at the premises of the partner or other project-related site
	On a sample basis
	Delivery of products/ services, physical progress, EU publicity rules
	For large infrastructure projects – a number of on-the-spot verifications advisable
	Driven by the nature of the project, amount of public support, and risk level

Scope of control

Each Member State shall ensure that the expenditure of a beneficiary can be verified within a period of **three months** (Art. 23, Reg. 1299/2013)



Control of simplified cost options

No need to check original invoices, documents of equivalent probative value, payment proofs

Control of flat rates:

Costs have been correctly **allocated** to a given category

There is **no double declaration** of the same cost item

The **flat rate** has been correctly **applied**

The **amount** charged based on flat rate has been proportionally adjusted if the value of the category of costs to which it was applied has been modified

If applicable, that **outsourcing** has been taken into account – *does not concern flat rates defined in Art. 19 Reg.1299/2013, and Art. 68.1 Reg. 1303/2013*



Documenting controls

- Must be documented in the project's file:
 - Work performed;
 - The date when work was carried out;
 - Details of the application for reimbursement reviewed;
 - Amount of expenditure verified;
 - Results
- Control certificate, report, checklist
- For Interreg: **HIT checklist developed by Interact is recommended**
- Photos of deliverables, copies of promotional material, etc. can be used for verifying publicity requirements
- Records should be kept in computerized monitoring information systems in MS.





Cooperation works

All materials will be available on:

www.interact-eu.net

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