Interreg NEXT MED

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REGIONE AUTÒNOMA DE SARDIGNA
REGIONE AUTONOMA DELLA SARDEGNA

INTERREG NEXT MED PROGRAMME 2021/2027
DESCRIPTION OF MANAGEMENT AND CONTROL SYSTEMS (DMCS)

ANNEX V (b)

SPECIFIC PROCEDURES TO BE ENSURED AT NATIONAL LEVEL

CYPRUS



1. Description of the National Control System

The institution responsible for the control system is the Directorate of Financial Control of European Funds of the Treasury of the Republic.

Cyprus has a decentralised national control system.

Based on this system, the beneficiaries/partners of the Program's projects propose to the Competent Authority for Controllers Designation (Designation Authority) an independent controller, who must be registered in the Registry of statutory auditors in accordance to the Auditors Law of 2017 (No. 53(I)/2017). The Controller (FLC) is designated by the Designation Authority before the submission of the first expenditure declaration by the project partner.

The Treasury of the Republic, based on the aforementioned decision, has been designated as the Designation Authority through the Directorate of Financial Control of European Funds (DFC).

Additional information can be found in the circular "*Description of the First Level Control System for Interreg 2021-2027 (Territorial Cooperation Programs) for Cyprus*".

FRANCE



1. Description du système de Contrôle National

L'institution responsable du système de Contrôle National est la Région Provence-Alpes-Côte d'Azur. Le Système de Contrôle National est décentralisé.
Le porteur de projet sélectionne un contrôleur sur la base d'une liste préétablie au niveau national de contrôleurs agréés en conformité aux dispositions du règlement UE 2021/1059 et à l'Article 46.9.

Au titre de ses responsabilités d'autorité nationale, la Région Provence-Alpes-Côte d'Azur crée un groupement de commandes composé des bénéficiaires français des projets Interreg Next Med. Une procédure d'accord cadre multi-attributaires à marchés subséquents est ainsi mise en place par la Région, afin de confier la réalisation des vérifications de gestion à des contrôleurs qualifiés.

Une fois la procédure d'accord cadre clôturée, chaque bénéficiaire français, est tenu d'adhérer au groupement de commandes par le biais d'une convention d'adhésion signée avec l'Autorité nationale. Le bénéficiaire pourra ensuite sélectionner son contrôleur par le bais d'un marché subséquent permettant la remise en concurrence des contrôleurs agréés.

Les collectivités publiques ne sont pas soumises à l'obligation d'avoir recours à un contrôleur externe si elles sont dotées d'un contrôleur public interne, sachant que ce dernier doit être indépendant de l'unité en charge de la gestion technique et financière du projet. Si le choix se porte sur un contrôleur interne, celui-ci devra être agréé préalablement par l'autorité nationale.

Cette possibilité est ouverte uniquement aux structures publiques, dotées d'un comptable public.

Enfin, il est à noter que :

- la méthodologie basée sur les risques du programme Interreg Next MED devra être prise en compte ;
- les frais de contrôles sont pris en charge et payés par les bénéficiaires des projets auprès du contrôleur sélectionné ;
- ces frais sont éligibles et seront remboursés à hauteur de 89 % par le programme dès lors qu'ils sont déclarés et certifiés par le contrôleur national.

GREECE



1. Description of the National Control System

The Ministry of Economy and Finance is the institution responsible for the verification system.

It is a centralized verification system with a body appointed at central level to carry out the controls for all beneficiaries on the Greek territory.

Verifications are carried out by civil servants of only one body, the Management Verifications Unit for Interreg Programs of the Certifying and Verifying Authority of Greece within the Ministry of Economy and Finance.

In case of eventual needs, the support of the Unit by an external firm is foreseen by the Law 4914/2022 .

Instructions for Greek partners can be found at the follow link:

Hyperlink : https://interreg.gr/epalithefsi-dapanon-ellinon-dikaiouchon-programmaton-interreg-2021-2027-euro-med-ipa-adrion-next-med-next-black-sea-basin-interreg-europe/.

Training of controllers takes place on regular basis through meetings and seminars organised throughout the programming period. A personalized training file is kept for each controller with details of training received (e.g. eligibility rules, procurement procedures etc.)

Projects partners should submit supporting documents 10 days after the end of the reporting period. All certifications must be issued within periods set up by the EU Regulation 2021/1059.

The control costs are covered by the Ministry of Economy and Finance.

ITALIA



1. Description of the National Control System

In Italy, a **decentralised system** is established for the 2021–2027 programming period, in continuity with the previous programming period.

The body responsible for the coordination of National Control System is the **Commissione Mista Stato, Regioni e Province Autonome**, a collegiate body chaired by the Head of Service XVIII – *"Coordination and Monitoring of ETC Programmes"* within the Department for Cohesion Policy, with coordination tasks concerning the overall functioning of the control system for Interreg Programmes.
The Commissione Mista also includes a representative of the Interreg Next MED Programme.

1.2. Designation of the controllers

The management verification is carried out by a qualified controller to verify that the expenditure incurred to implement the project complies with the programme's requirements and relevant Regulations — EU and national, and specific national legislation (i.e., public procurement rules).

Italian beneficiaries may choose among the following options:
1. external controllers (independent professionals),
2. auditing companies, and
3. internal controllers (in the case of beneficiaries that are Public Bodies).

In the first case, a national "Roster" (long list) has been established to identify first-level controllers (freelance professionals) who meet the necessary requirements set out in the Public Notice, which is published annually on the Department's website and on the InPA recruitment portal.

see
https://www.politichecoesione.governo.it/it/politica-di-coesione/la-programmazione-2021-2027/programmi-europei-2021-2027/cooperazione-territoriale-europea-2021-2027/roster-nazionale-controllori-di-primo-livello

Beneficiaries are required to independently and under their own responsibility assign the task to the selected controller (by signing the contract), in compliance with the provisions of the Public Procurement Code.

In cases where the beneficiary intends to engage an auditing company or an internal controller (in the case of Public bodies), the validation procedure of the Commissione mista remains in force.

see
https://www.politichecoesione.governo.it/it/politica-di-coesione/la-programmazione-2021-2027/programmi-europei-2021-2027/cooperazione-territoriale-europea-2021-2027/commissione-mista-stato-regioni-e-province-autonome/validazione-dei-controllori-di-i-livello/

The internal control bodies have to ensure separation of the functions of the control office from the unit/department in charge of project finances and activities.

1.2.1. Cost of the control activity

There is no national law governing minimum rates for this type of service provided by the external controllers. The indicative cost, considering the specificities of ETC programmes, should be defined on the basis of an overall assessment of the **complexity, value and duration** of the project (recommended threshold: **up to a maximum of 2% of the expenditure subject to certification**).

For more detailed information, please consult the Reporting and Controllers Manual for the Interreg 2021-2027 programmes drawn up at national level https://politichecoesione.governo.it/media/fkphz5ba/manuale-per-la-rendicontazione-e-controlli_cte21-27_03022025.pdf

2 Quality Check

Quality Checks, carried out by the Presidency Unit of the Commissione mista, are intended to verify that First Level Controllers have correctly performed all the verification activities required for the certification of expenditure.

These checks are carried out through a **desk-based procedure** for programmes that formally require them and involve the verification of financial reporting documents covering **at least 10% of the declared expenditure**, focusing on projects that require and receive reimbursement of national co-financing (**Fondo di Rotazione**).

MALTA



1. Description of the National Control System

The institution responsible for the National Control System is the Funds & Programmes Division. Malta has a decentralised national control system.

The project partner selects a Controller, which may be internal or external (selected following a procurement procedure) and is then approved by the National Authority (the Funds & Programmes Division).

Following the conclusion of the procurement procedure, the project partner provides the NA with a checklist confirming that the proposed Controller meets the criteria in terms of qualifications, independence, etc. The Controller will also be requested to sign a declaration of absence of Conflict of Interest. The NA shall issue a Controller certificate, and request the project partner to sign a Letter of Engagement with the Controller.
The controller can be internal (as long as it is independent from the unit in charge of the financial and quality management of the project) or external.

It shall be ensured that controller meets the following criteria :

- is independent of the controlled partner structure
- is registered in the Maltese Registered Auditors
- has sufficient knowledge of English
- has knowledge of EU regulations, the Programme and national rules

When a project is selected for funding under the Interreg NEXT MED Programme, the Maltese project partners shall be invited to participate in a bilateral meeting whereby details about the programme financial eligibility rules and national requirements are discussed and explained. Guidance will be offered to project partners and Controllers on the project implementation process and also on the preparation of claims for reimbursement. Furthermore, the NA shall organise regular training sessions (and as required) in which the financial eligbility rules are explained. Attendance shall be mandatory for all the selected Controllers.

The NA will make sure that any relevant documentation (e.g. guidance notes, circulars, programme manuals, procurement regulations etc.) are always made available to the project partners and the designated controllers.

The NA may also carry out quality checks on the performance of the Controller, with possible financial corrections.

PORTUGAL



1. Description of the National Control System

Agência para o Desenvolvimento e Coesão I.P. (Cohesion and Development Agency) **is the institution responsible for the control system.**

On 28 November a Protocol was signed between the AD&C and the OROC (mandatory professional accountancy organisation for statutory auditors). This document regulates the terms under which collaboration between the two entities will develop in the definition and application of standards and procedures, within the scope of service provision contracts signed between beneficiaries (operations approved in Interreg programmes in which Portugal participates) and statutory auditors (External Controllers).

OROC (the mandatory professional accountancy organisation for statutory auditors) undertakes to maintain and make available to AD&C an updated list of statutory auditors meeting the requirements for recognition as National Controllers for Interreg Programmes, ensuring adequate territorial coverage across the national territory and the technical competence to certify the legality and regularity of expenditure declared by Portuguese beneficiaries.

According to the protocol between the National Authority (AD&C) and OROC:

- The mandatory professional accountancy organisation for statutory auditors (OROC) **is responsible for publishing and keeping publicly available the list of statutory**

auditors eligible to act as external controllers for cooperation projects, ensuring it is kept up to date in close coordination with AD&C.

- **All beneficiaries must consult that list to launch their tender for the selection of the external controller**. The National Authority prepare the contents of the training, supervises and communicates to the Managing Authority and the Joint Secretariat that the designated controller complies with all requirements.

The shortlist can be accessed under the following weblink:

https://view.monday.com/5752064815-af19760a3f7122dfc1084c444eab85be?r=use1

The Statutory Auditors, who will be part of the pool, will be adequately qualified to carry out a set of actions necessary to carry out management verifications.

The inclusion of any auditor in the pool of certified statutory auditors depends on her/his participation in a training session organised by the AD&C in articulation with OROC. The main objective is to provide the National Controllers with legal documentation as well as all references regarding the specificities of eligibility of expenditures.

In addition to the above requirements, the National Authority will ensure that the controller has sound knowledge of the Rules of the Programme, National and European regulations applicable to cooperation projects, as well as a thorough knowledge of the rules of the Portuguese Public Procurement Procedure. Furthermore, **any controller selected by the beneficiary will only be able to start the verification of expenditure after the express confirmation by the National Authority** through the communication channels established in the Programme, as well as in the platforms of the Managing Authority.

The National Controller fees are set by market rules once the controller is hired following public procurement procedures. AD&C shall not indicate any amount.

The controllers will follow the programme methodology for risk-based management verifications.

On the basis of professional judgement and duly justified cases, the controller reserves the right to extend the universe of controlled expenditures, being able to vary between the sampling taken by the Programme and 100% verification of expenditures, as necessary to ensure compliance and eligibility of the expenditure submitted.

The AD&C is committed to:

- To carry out the training sessions, included in the OROC's training plan, namely to provide information and guidance;
- To prepare supporting documentation.
- To disseminate all the necessary information for the correct legal and regulatory framework of the obligations arising from the verification of expenses
- To produce harmonized instruments of analysis and guidelines with a clear definition of the respective procedures and working bases, always in strict compliance with programmes rules.

2. Quality check

The National Authority may conduct occasional and extraordinary checks on the quality of work performed by the national controller whenever deemed necessary. Any non-conformities found will be reported to the Interreg NEXT MED Managing Authority. This authority will take all necessary steps to rectify the situation and keep the National Authority informed of the progress.

Considering the above-mentioned, it is important to emphasise that the task of expenditure management verification and payment claim validation is the responsibility of the National Controller. As the National Authority, the National Controller is only responsible for monitoring and following up on the work of national controllers.

SPAIN



1. Description of the National Control System

The institution responsible for the control system is Ministerio de Hacienda / Ministry of Finance, Dirección General de Fondos Europeos / Directorate General for European Funds.

Spain has a decentralised National Control system.

The competent entity shall appoint a qualified and independent Controller on the basis of a proposal for a controller (internal or external) from the project partner who is then approved at national level.

The procedure to designate the controllers works as follows:

– If the partner is an Institution with a separate control unit, this unit could also be responsible for controlling the Interreg NEXT MED projects. It must be authorised by the Control Unit of the Directorate General for European Funds before the first certificate of

expenditure is communicated. Control units have to prove their independence from the unit in charge of the management of the project before being authorised.

- The other partners must propose an independent controller registered in the Official Register of Auditors (ROAC) to be approved by the National Authority.

The approved controller will have to verify the expenditure in 20 working days since the submission by the beneficiary. Since the controllers have to be registered in ROAC, there are many possible auditors to be selected by the beneficiaries.

The expenditure certified by controllers must also be validated at national level. The Spanish National Authority validates these expenditures within 30 working days with a consistency and conformity check.

If required, the beneficiary shall submit the additional information requested within 10 working days.

A document called "national validation" is issued by the entity in charge of this validation and must be attached to the control certificate. The national validation accompanying each certificate will be uploaded on Jems. The Programme circuit and the Spanish one will run in parallel.

The designated controllers are provided with instructions to carry out their tasks but, as a general principle, they have to follow the methodology and templates established by the NEXT-MED Programme.

Controls will be paid by each partner. Control cost are determined by the public procurement made by the partner.

Only the cost of the contract with external controllers is eligible. Internal controllers (*Interventores* in Spanish) are not eligible.

TÜRKIYE



1. Description of the National Control System

The institution responsible for the control system is the Department for Monitoring and Evaluation, Directorate General for Financial Cooperation of the Directorate for EU Affairs in Republic of Türkiye.

Türkiye has chosen to implement a mixed control system, with external professionals carrying out the expenditure verification and the National Controller supervising their work.

The Department of Monitoring and Evaluation in the Directorate General for Financial Cooperation and Project Implementation of the Directorate for EU Affairs is responsible for overall coordination of the control system. The Department of Monitoring and Evaluation as the National Controller and the Department of Cross-border Cooperation as the National Authority have functions and tasks which are separate and independent from each other.

The National Controller is responsible for putting in place the necessary national procedures for the selection of the first level controllers. A database of eligible professionals as external

controllers shall be established at national level through an open procedure, in accordance with minimum selection requirements set at Programme level.

Once the list is established, the procedure for the appointment of controllers to projects is as follows:

Step 1: Request for nomination of controller

The Lead Beneficiaries/Beneficiaries are asked to address their request of designation of a controller to the National Controller as soon as grant contract is signed.

Step 2: Designating Controller

Following reception of the request, the National Controller appoints a controller from the list, to carry out the control of the project and informs the controller and the Turkish beneficiary.

Step 3: Signature of a contract

The project Lead Beneficiary/Beneficiary then contracts the appointed external controller. The cost is borne by the Lead Beneficiary/Beneficiary and thus can be reported as eligible external expertise cost within the project in compliance with the relevant EU-regulations and Programme rules. The National Controller stipulates a total recommended fee per year per project per Lead Beneficiary/Beneficiary.