REGIONE AUTÒNOMA DE SARDIGNA
REGIONE AUTONOMA DELLA SARDEGNA

Interreg NEXT MED

Co-funded by the European Union

INTERREG NEXT MEDITERRANEAN SEA BASIN 2021-2027

DESCRIPTION OF THE MANAGEMENT AND CONTROL SYSTEMS (DMCS)

VERSION 8 JULY 2026

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0. ACRONYMS

AA	Audit Authority
AB	Assessment Board
ASEZA	Aqaba Special Economic Zone Authority
BOs	Branch Offices
CBC	Cross-Border Cooperation
CCP	Control Contact Points
EC	European Commission
EU	European Union
EVR	Expenditures Verification Report
FA	Financing Agreement
GoA	Group of Auditors
JEMS	Joint Electronic Monitoring System
JS	Joint Secretariat
MA	Managing Authority
MC	Monitoring Committee
MIS	Management and Information System
MPCs	Mediterranean Partner Countries
Nas	National Authorities
NC	National Controllers
NCPs	National Contact Points
PD	Programme Document
RBM	Result Based Management
R947	NDICI Regulation (eu) 2021/947

R1059	INTERREG Regulation (eu) 2021/1059
R1060	Common Provisions Regulation (eu) 2021/1060
ROM	Result Oriented Monitoring

1. GENERAL INFORMATION

1.1 INFORMATION SUBMITTED BY:

	Italy
Title of the Programme	(Interreg VI-B) NEXT Mediterranean Sea Basin (NEXT MED)
CCI	2021TC16NXTN001
Member State	**Italy**
Body responsible and Contact Person	Managing Authority, Ms. Giovanna Medde
Email	gmedde@regione.sardegna.it; next.med@regione.sardegna.it

1.2 THE INFORMATION PROVIDED DESCRIBES THE SITUATION ON:

The information provided describes the situation on 30/06/2026

The information in this document describes, at the date indicated above, the Management System e Control pursuant to Annexes XI and XVI of Reg. (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 (from now on indicated as R1060).

In accordance with the provisions of the relevant Union standard, therefore, indications regarding the organization of the bodies involved in the following paragraphs are provided management and control of the financed activities and the allocation of specific functions is made explicit within the same organizations.

Any updates and/or additions to this document may be adopted and notifed to all concerned persons/bodies.

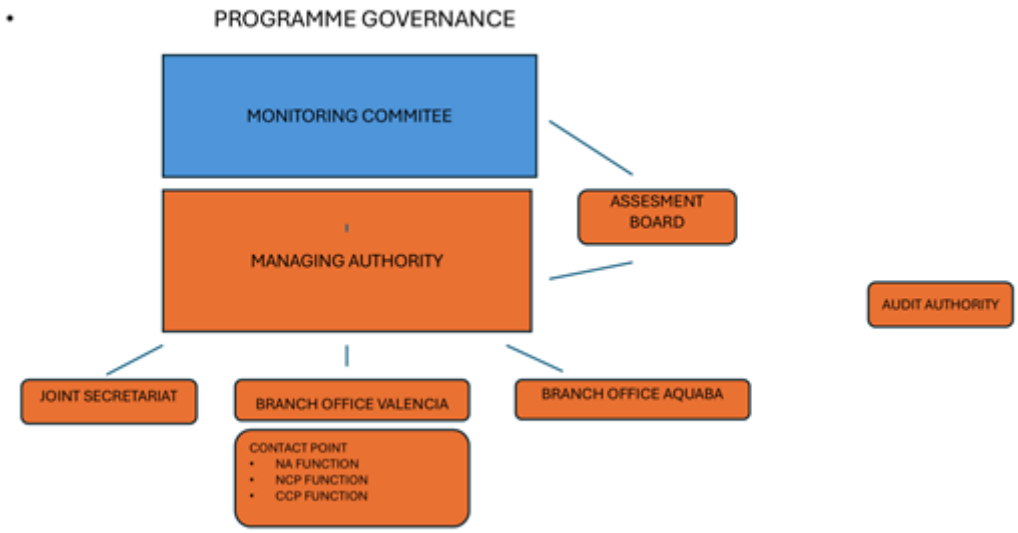
1.3 SYSTEM STRUCTURE

As foreseen by the INTERREG Regulation (EU) 2021/1059 (from now on mentioned as R1059), the Next Med Programme is managed through a separation of functions among the following compulsory bodies:

- **Managing Authority (MA);**
- **Joint Secretariat (JS)**
- **Monitoring Committee (MC);**
- **Contact Points (CP);**
- **Audit Authority (AA);**

Moreover, the Participating countries agreed on establishing the following programme bodies to carry out specific support functions:

- **Branch Offices (BO);**
- **Assessment Board (AB).**



1.3.1 MANAGING AUTHORITY

MA Director General:	Ms. Giovanna Medde
Email:	gmedde@regione.sardegna.it; next.med@regione.sardegna.it
Phone:	0039 070 6064290

1.3.2 INTERMEDIATE BODIES (NOT APPLICABLE)

1.3.3 THE BODY CARRYING OUT THE ACCOUNTING FUNCTION

Managing Authority Accounting Unit:	Ms. Simonetta Negrini
Email:	snegrini@regione.sardegna.it; next.med@regione.sardegna.it
Phone:	0039 070 6064290

1.3.4 SEPARATION OF FUNCTIONS: see par. 2.1.1

2. MANAGING AUTHORITY (MA)

By agreement of the Countries participating in the Programme, the MA is the Autonomous Region of Sardinia (Italy), which has its operational base in Cagliari (Italy) within the Presidency of the Sardinia Region. The MA set up a Joint Secretariat (JS), which assists the MA in the day-to-day management of the Programme. The JS reports directly to the MA.

2.1 DESCRIPTION OF THE ORGANIZATION

As defined in articles 72 to 75 of Common Provisions Regulation (EU) 2021/1060 (R1060), the MA shall be responsible for managing, control and accounting system of the Programme in accordance with the principle of sound financial management, and for ensuring that decisions of the Monitoring Committee (MC) comply with the law, regulations and provisions in force. In particular, it shall have the following functions:

a) select operations in accordance with Article 73, with the exception of operations referred to in point (d) of Article 33 (3);

b) carry out programme management tasks in accordance with Article 74;

c) support the work of the Monitoring Committee (MC) in accordance with Article 75;

d) record and store electronically the data on each operation necessary for monitoring, evaluation, financial management, verifications and audits in accordance with Annex XVII R1060, and ensure the security, integrity and confidentiality of data and the authentication of users

e) confirm the completeness, accuracy and veracity of the accounts (Annex XVI R1060).

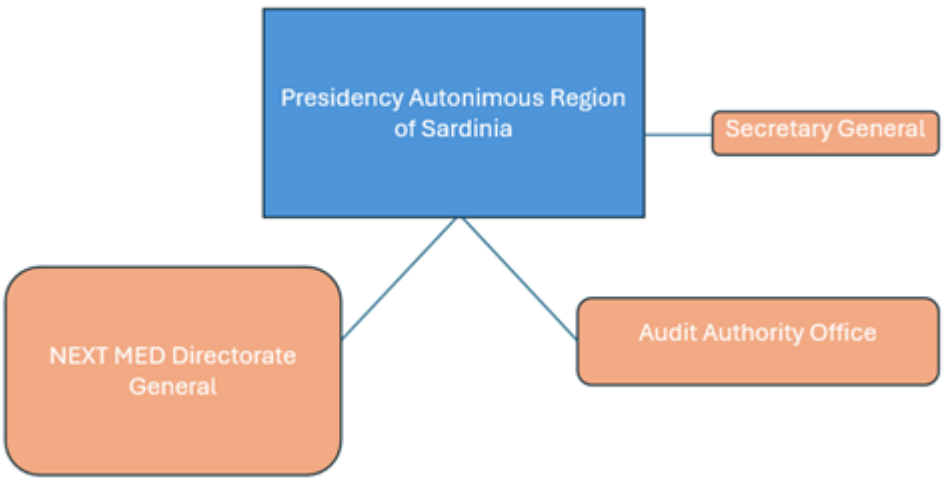
In addition, in accordance with article 32 of R1059, MA shall electronically transmit to the Commission cumulative data for the respective Interreg programme by 31 January, 30 April, 31 July and 31 October of each year in accordance with the template set out in Annex VII to R1060.

2.1.1 STATUS OF THE MA

The office of the MA is an independent Directorate General within the Presidency of the Autonomous Region of Sardinia.

The functional independence of the MA is guaranteed by Regional Law n. 31/1998 on the organisation of the Autonomous Region of Sardinia which states at art. 3 that "... *directors have their autonomous powers and are exclusively responsible of the activity, the administrative management and the results". Moreover art. 4 of the same law states that "directorates are responsible directly to the political authority"*. This makes the MA autonomous and independent from any other body.

The functional independence is also represented in the organizational chart reported below:



2.1.2 SPECIFICATIONS OF FUNCTIONS AND TASKS CARRIED OUT DIRECTLY BY THE MA

The MA has the following structure:

- Director's Office;
- Operational and Authorising Unit;
- Payment and Accounting Unit.

The MA personnel is subject to the code of conduct of the Autonomous Region of Sardinia (www.regionesardegna.it)[1].

The MA staff is continuously updated through the circulation of regional procedures concernign the conflict of interest, anticorruption mechanisms etc. The person in charge of the circulation of these documents and procedures is the Director of the MA.

In particular the Autonomous Region of Sardinia in line with National Law n. 190 dated 09 November 2012 on anti-corruption measures, adopted a plan for the prevention of corruption and transparency for the three-year period 2025-2027, which includes the report on the mapping of processes and related assessment of the corruption risk. Moreover, the Regional Government adopted the Deliberation n. 30/15 dated 16.06.2015 on the procedures to report illicit situations to the Anti-Corruption office set within the Autonomous Region of Sardinia (wistleblowing).

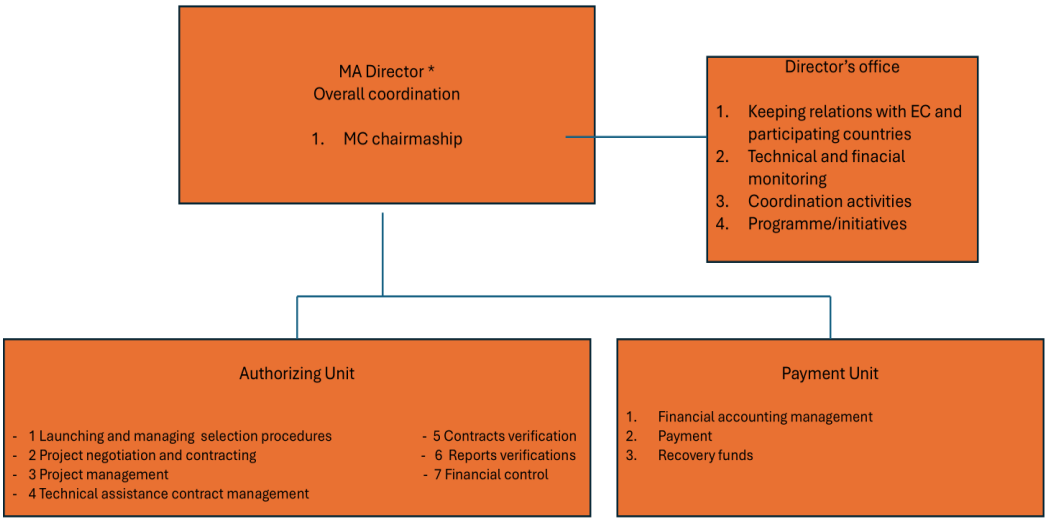
Finally, in accordance with national legislation (National Legislative Decree n. 39/2013) the MA Director and the Head of Units need to make a specific declaration on the absence of conflict of interests when they are appointed and on yearly basis. These declarations are also published in the website of the Autonomous Region of Sardinia.

The organisational structure of the MA has been established through the Regional Deliberation n. 14/1 adopted on 13/04/2023.

The main functions and its specifications according to artt. 72-75 of Reg. 1060 and each responsible unit of the MA are described below.

[1] Code of Conduct of the personnel of the Autonomous Region of Sardinia and of its entities, agencies and participated companies has approved with the Regional Goverment Decision n. 68/15 of 31.12.2025 "Nuovo Codice di comportamento del personale del Sistema Regione, degli Enti Pubblici vigilati e delle Società participate dalla Regione Autonoma della Sardegna".

ORGANISATIONAL AND FUNCTIONAL CHART OF THE MANAGING AUTHORITY



a) Functions of the Director's office of the MA

The MA Director shall be responsible for ensuring that the Programme is implemented, according to the principles of sound financial management and in accordance with the provisions set by the EU Next Med regulations, Italian national legislation and regional provisions. The MA Director shall have overall responsibility on the Programme implementation towards the Participating Countries and beneficiaries.

The MA Director chairs the Monitoring Committee without voting right.

The Director's office shall carry out the following main functions:

1. Provides the Monitoring Committee in a timely manner with all information necessary to carry out its tasks; ensures the follow-up of the decisions and recommendations of the Monitoring Committee (art.75 R1060);
2. Draws ups the management declaration (art.74 R1060) in accordance with the template set out in Annex XVIII;
3. Ensures the implementation of the Information and Communication plans;
4. Carries out risk analysis;
5. Ensures the functioning of the management and control systems;
6. Records and stores electronically the data on each operation necessary for monitoring, evaluation, financial management, verifications and audits in accordance with Annex XVII, and ensure the security, integrity and confidentiality of data and the authentication of users (art.72 R1060);

7. Ensures the coordination with other initiatives in the Programme area.

b) Operational and Authorising Unit: functions

The Head of Unit shall be responsible for the coordination of the whole Unit including the management and the supervision of the work carried out by the Unit staff.

The Operational and Authorising Unit will carry out the activities referred to the following functions:

1. Selection and contracting of projects
2. Management verifications
3. Management of technical assistance funds.

1. Selection and contracting of projects in accordance with art. 73 of R1060

The Operational and Authorising Unit in agreement with the MA Director's office shall establish and apply criteria and procedures which are non-discriminatory, transparent, ensure accessibility to persons with disabilities, ensure gender equality, and take account of the Charter of Fundamental Rights of the European Union, the principle of sustainable development and of the Union policy on the environment in accordance with Article 11 and Article 191(1) TFEU.

The criteria and procedures shall ensure that the operations to be selected are prioritised with a view to maximising the contribution of Union funding towards the achievement of the objectives of the programme.

In details the Operational and Authorising Unit:

- Launch the Calls for Proposals;
- Chair the Assessment Board (AB) and proposing to the MA Director the person to be appointed as AB secretary;
- Verify that the projects negotiation process has been properly carried out;
- Sign the Grant Contract with project Beneficiaries and, in case of major modification, the Addendum to the Grant Contract.

2. Management of technical assistance funds

- Draft call for tender;
- Sign contract with contractor;
- Manage contract.

3. Management verifications according to art. 74 of R1060

The organization of the MA foresees that the verification and control activity on the projets is coordinated at central level by the Operational and Authorising Unit which functionally independent from the other MA Units. The frequency, scope and coverage of management verifications should be based on a risk assessment that takes into account factors such as the number, type, size and content of operations implemented, the beneficiaries as well as the level of the risk identified by previous management verifications and audits. Management verifications should be proportionate to the risks resulting from that risk assessment and audits should be proportionate to the level of risk to the budget of the Union.

The Programme methodology is described in Annex II to the present document “Interreg Next Med Programme 2021- 2027 - Risk Based Management Verifications”.

In accordance with Article 46(3) of R1059, Türkiye and the EU Member States participating in Interreg NEXT MED programme have taken over the responsibility for management verifications referred to in article 74(1)(a) of R1060. Consequently, for beneficiaries established in EU Member States and Türkiye management verifications will be carried out by first level controllers (project controllers) and National Controllers.

In Mediterranean Partners Countries, in accordance with Financing Agreements, the Managing Authority shall carry out management verifications to verify that the operations comply with article 74 (1)(a) of R1060. In details, for beneficiaries established in Mediterranean Partner Countries (Algeria, Tunisia, Egypt, Palestine, Israel, Lebanon, Jordan), which do not use a national control system, management verifications will be carried out by first level controllers (project controllers), the JS and the Authorising Unit of the MA, with the collaboration of the CCPs.

For the Mediterranean Partner Countries the Operational and Authorising Unit will:

- ensure that the management verifications are carried out properly by first level controllers (project controllers) in collaboration with the JS and the Control Contact Points;
- analyze the conclusions of the first level controllers (project controllers) and of the JS on the interim and final reports submitted by the projects, confirm ineligible expenditures, and carry out additional verifications as the case may be;
- consult the Control Contact Points in case of doubts on the application of the National law and take into account their feedback;
- verify the amount of eligible expenditures and establish the amount to be paid to the projects define the on-the-spot verification methodology, select the sample to be controlled, carry out on the spot missions as the case may be.

According to art. 74 par. 1 of R1060, for all benefeficiaries the MA Operational and Authorising Unit will:

- ensure subject to the availability of funding and together with the Accounting and Payment Unit, that a beneficiary receives the amount due in full and no later than 80 days from the date of submission of the payment claim by the beneficiary; the deadline may be interrupted if information submitted by the beneficiary does not allow the managing authority to establish whether the amount is due;
- apply effective and proportionate anti-fraud measures (see Anti - Fraud Strategy approved by the Monitoring Committee, Annex to the DMCS);
- correct irregularities establishing the debit notes to be sent to project beneficiaries;
- follow - up on the Audit Authority recommendations on projects.

c) Accounting and Payment Unit: main functions

This unit is independent from the Operational and Authorising Unit as it is a separate Unit within the Managing Authority.

The Accounting and Payment Unit shall carry out its activities on the basis of art. 76 of R1060 and in particular it shall be responsible for:

- drawing up and submitting payment applications to the Commission in accordance with Articles 91 and 92 of R1060;
- drawing up and submitting the accounts confirming completeness, accuracy and veracity of the accounts in accordance with Article 98 of R1060 and keeping electronic records of all the elements of the accounts, including payment applications.

Moreover, the Accounting and Payment Unit, according to article 77 of *Regulation (Eu, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the **financial rules** applicable to the general budget of the Union*, will be responsible for:

- collecting revenue and recovering amounts as being receivable;
- keeping the accounts and preparing and presenting the accounts in line with the provisions of the Financial Regulations;
- Laying down the accounting procedures and the chart of accounts;
- Laying down and validating the accounting systems;
- Guaranteeing the treasury management.

2.1.3 SPECIFICATIONS OF FUNCTIONS AND TASKS CARRIED OUT BY INTERMEDIATE BODIES

No intermediate bodies are foreseen. Therefore, this is not applicable.

2.1.4 PROCEDURES FOR THE SUPERVISION OF THE FUNCTIONS AND TASK DELEGATED BY THE MANAGING AUTHORITY

No delegated functions are foreseen. Therefore, this is not applicable.

2.1.4.1 JOINT SECRETARIAT (JS)

The Joint Secretariat is composed of 14 officers that are employed by a single company which has been selected through a tendering process handled by the MA.

1 Coordinator,1 Assistant, 4 Project Management and Monitoring Experts, 3 Financial Experts, 1 ICT Expert, 1Technical Management and Monitoring Expert, 1 Financial Management Expert, 1 Knowledge Management and Capitalisation Expert, 1 Communication Expert.

The 14 JS officers come from the different Participating Countries.

FUNCTIONS OF THE JS

According to point 2 second paragraph of Article 46 of R1059 the functions of the JS will be structured under two main core areas:

"The Joint Secretariat shall assist the Managing Authority and the Monitoring Committee in carrying out their respective functions".

Under this area, a general support to the MA and the MC in the Programme implementation shall be provided by the JS that will perform the following tasks:

- participation in the assessment process of the proposals submitted;
- drawing up documents to support the MC in the evaluation of the proposals and presenting the results of the assessment process to the MC;
- examination of interim and final reports and implementation of the management verifications on projects;
- drawing up reports and statistics on the projects' achievements and financial progress of the Programme;
- support in the implementation of the communication strategy;
- secretary services, organization of the Programme meetings.

"The Joint Secretariat shall also provide information to potential beneficiaries about funding opportunities under Interreg programmes and shall assist Lead partners and partners in the implementation of operations".

- help desk office, as first contact point for information about the Programme to potential beneficiaries and then to partners during the implementation of the projects;
- support the applicants for the submission of the project proposals providing them clarifications regarding the calls, instructions for the correct compilation of the applications and the use of the online platform, as well as the organization of communication and information activities (meetings, workshops etc).

2.1.4.2 MONITORING COMMITTEE (MC)

The Monitoring Committee (MC) is the decision-making body of the Programme and it has the main responsibility to follow the overall implementation of the Programme and of its strategy.

COMPOSITION

According to art. 38 of the of R1060, the MC has been officially set up by the Participating Countries within three months from the date of adoption of the Programme by the EC through a formal meeting. During its first meeting the MC adopted its rules of procedures[2].

The MC is composed of the following members:

Full members (with voting rights):

- A Delegation for each country participating in the Programme, with one voting right per delegation expressed by the Head of Delegation.

Full members of the Committee may be replaced by the person designated as a substitute member or, if necessary, by a person officially delegated by the full member. In the latter case, the Chairperson and the Monitoring Committee members are informed at least 2 working days before the meeting.

Members without voting rights:

- The Director of the MA, appointed by the Autonomous Region of Sardinia, acting as Chairperson;
- A member of the MA staff, acting as Secretary;
- A representative of the JS;
- A representative of each organisation hosting the BOs;

[2] See annex 1.

- A representative of the European Commission in an advisory capacity;
- If necessary, a representative of any working group that the MC has decided to establish according to article 4 letter e).

The composition of the national delegations is decided by each country in accordance with the Rules of Procedure (RoP) of the MC and it is notified to the Secretary.

The MC shall meet at least once a year and shall review all issues that affect the programme's progress towards achieving its objectives.

FUNCTIONS OF THE MC

In accordance with article 40 of R1060, the main functions of the MC are:

a) Examine the progress in programme implementation and in achieving the milestones and targets of the Interreg Programme;

b) Examine any issues that affect the performance of the Interreg programme and the measures taken to address those issues;

c) Examine the elements of the ex ante assessment listed in Article 58(3) of R1060and the strategy document referred to in Article 59(1) of that Regulation;

d) Examine the progress made in carrying out evaluations, syntheses of evaluations and any follow-up given to findings;

e) Examine the implementation of communication and visibility actions;

f) Examine the progress in implementing Interreg operations of strategic importance and, where applicable, of large infrastructure projects; and

g) Examine the progress in administrative capacity building for public institutions and beneficiaries, where relevant.

h) Approve - in addition to its tasks concerning the selection of operations listed in Article 22 - the methodology and criteria used for the selection of operations, including any changes thereto, after notifying the Commission, where requested, pursuant to Article 22(2) of R1060, without prejudice to points (b), (c) and (d) of Article 33(3) of R1060;

i) Approve the evaluation plan and any amendment thereto;

j) Approve any proposal by the Managing Authority for the amendment of the Interreg programme including for a transfer in accordance with Article 19(5) and the final performance report.

The description of the functioning of the MC is contained in the Rules of Procedure (RoP) that have been adopted unanimously at its first meeting. The RoP ensure the proper functioning of the MC in accordance with the principles of confidentiality, equal treatment, impartiality and respect of the Programme rules as well as the prevention of any situation of conflict of interest.

2.1.4.3 CONTACT POINTS (CPs)

Article 54 of R1059 foresees, as mandatory body, a **"Contact Point"** (CP) to be set up in partner countries, to operate at national level.

The Participating Countries agreed with the MA proposal to have a Contact Point body set up in each Participating Country and not only in Partner Countries.

FUNCTIONS OF THE CPSs

Each CP body should perform the two following functions in all Participating Countries:

a) act as liaison with the Managing Authority;

b) carry out communication and promotion tasks, including those mentioned in art. 36 of R1060.

In Mediterranean Partners Countries which do not have a National Controller, the Contact Point shall support the MA in control functions. More details are available in the relevant Financing Agreements.

2.1.4.4 BRANCH OFFICES (Bos)

The Participating Countries of the Interreg NEXT MED Programme agreed to include, in the Programme Document, 2 Branch Offices (BOs): one to cover the Eastern Mediterranean basin based in Aqaba (Jordan) and one to cover the Western Mediterranean basin based in Valencia (Spain).

The two Interreg NEXT MED Branch Offices are hosted by the same structures that already hosted the same Branch Offices during the two previous programming periods (ENPI and ENI), respectively by the Aqaba Special Economic Zone Authority (ASEZA) and the Generalitat Valenciana (regional government of Valencia).

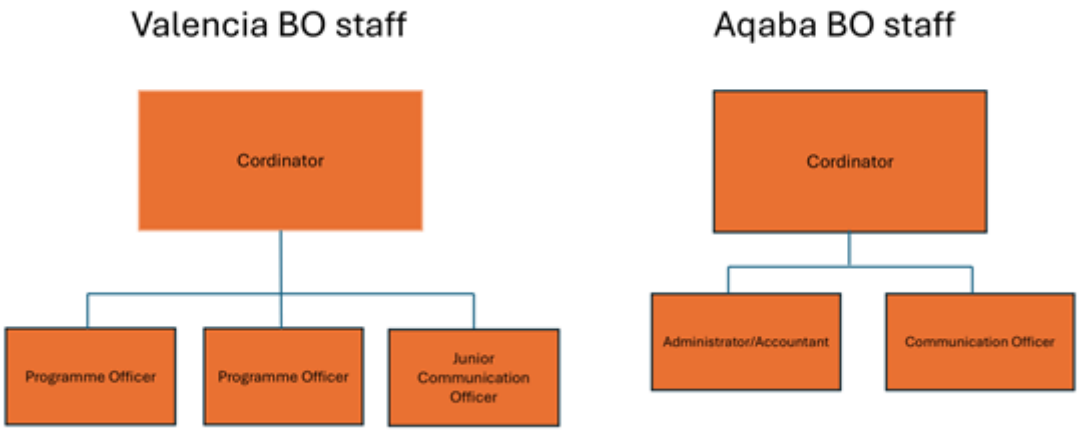
The Branch Offices will continue to provide their support and services on a geographical basis, integrating the 2 new Participating countries – Algeria and Türkiye – according to the following distribution:

- Branch Office for the Eastern Mediterranean (Aqaba) covering Cyprus, Egypt, Greece, Israel, Lebanon, Jordan, Palestine, Türkiye;
- Branch Office for the Western Mediterranean (Valencia) covering Algeria, France, Italy, Malta, Portugal, Spain, Tunisia.

FUNCTIONS OF THE BOs

The MC, during its first meeting held in Cagliari in March 2023, approved the structure and the functions of the two Branch Offices.

In particular, both offices will have a total of 7 staff according to the following profiles:



The main functions of the Branch Offices are:

- **Overall support to the Programme Managing Authority**

The BOs will support the Managing Authority and the Joint Secretariat in the day-to-day management of the Programme, including also the organization and preparation of the Monitoring Committee (MC) meetings and Programme events;

- **Support to Programme communication activities**

The BOs will support the MA and the JS in carrying out information and communication activities. In addition the BOs officers will act as Communication Officers, helping the Interreg NEXT MED projects develop their communication activities;

- **Support to the Programme Contact Points**

Each BO will provide support and assistance to the participating countries falling under its geographical coverage;

- **Contribution to the development of synergies and complementarities**

Another important task to be contributed by the Bos, in close coordination with the MA, is to support the Programme strategy in the development of synergies and complementarities with other programmes and initiatives implemented by the EU or other donors in the Mediterranean area;

- **Support to potential applicants and partners during calls for proposals**

This is a core responsibility of the Branch Offices due to the greater proximity to the territories;

- **Support the assessment of project proposals**

BOs will help the MA and JS in the following assessment phases: a) administrative check of the proposals; b) verification of eligibility of the pre-selected proposals;

- **Support to projects beneficiaries during the implementation phase**

The BOs may participate in project events, assist, and orientate partners in specific issues, organize specific trainings, liaise with the JS and/or the Contact Points.

- **Contribution to knowledge management and capitalization activities**

2.1.4.5 AUDIT AUTHORITY (AA)

According to Art. 71 of the R1060, the Programme Document has indicated that the Audit Authority (AA) of the Interreg NEXT MED Programme is the Autonomous Region of Sardinia (RAS).

In this respect, by its decision n. 29/3 del 22.09.2022, the Sardinian Regional Council renamed the office as “Ufficio della Autorità di Audit” (Audit Authority Office) within the Presidency of the Region.

The Audit Authority is independent from the Programme managing structures as shown in par. 2.1.1. It manages its own budget and it will receive part of the flat rate of Technical Assistance funds.

FUNCTIONS OF THE AA

According to art. 77 of R1060 The Audit Authority shall be responsible for:

1.carrying out system audits, audits on operations and audits of accounts in order to provide independent assurance to the Commission regarding the effective functioning of the management and control systems and the legality and regularity of the expenditure included in the accounts submitted to the Commission.

It will work in accordance with internationally accepted audit standards.

The AA shall draw up and submit to the Commission:

(a) an annual audit opinion in accordance with Article 63(7) of the Financial Regulation and with the template set out in Annex XIX to R1060

(b) an annual control report fulfilling the requirements of point (b) of Article 63(5) of the Financial Regulation, in accordance with the template set out in Annex XX to R1060.

2. According to art. 78 of R1060, the AA shall, prepare an audit strategy based on a risk assessment, taking account of the management and control system description provided for in Article 69(11), covering system audits and audits of operations. The audit strategy shall include system audits of MA to be carried out within 21 months of the decision approving the programme or the amendment of the programme identifying such an authority. The audit strategy shall be prepared in accordance with the template set out in Annex XXII and shall be updated annually following the first annual control report and audit opinion provided to the Commission.

3. Carrying out audit on operations on a sample based methodology (art. 79 of R1060).

4. Submitting to the Commission, each year by 15 February following the end of the accounting year, an annual control report in accordance with point (b) of Article 63(5) of the Financial Regulation using the template set out in Annex XX of R1060.

2.1.4.6 ASSESSMENT BOARD (AB)

The AB is composed of 15 voting members appointed by the MC, representing all Participating Countries.

The Chairperson represents the MA and has no voting right.

The Secretary, member of the MA/JS, has no voting right.

The AB is officially appointed by the MC which approves the designations submitted to the MA by national authorities (one representatives for each Participating Country)

The AB has the responsibility to carry out and supervise the entire evaluation process, as described in the Guidelines for evaluation and strategic evaluation of project proposals, in line with the evaluation criteria set up in the Guidelines for Applicants. The AB will be supported by internal assessors and external evaluators as well as by external experts in State aids and environmental issues.

At the end of the evaluation and selection process the AB recommends to the MC the list of project proposals for the final award decision.

The AB performs its duties during the period of execution of the evaluation process and it will end its mandate at its closure.

2.1.5 FRAMEWORK TO ENSURE AN APPROPRIATE RISK MANAGEMENT

Risk management is the process aimed at identifying potential risks before they occur so that risk- handling activities may be planned and invoked as needed across the programme life span to prevent or mitigate adverse impacts on Programme activities.

Each programme has its specific risks.

Risk identification and evaluation is about developing an extensive understanding of which potential risks, specific to the Programme, have the highest possibility of occurring and can have the greatest negative impact.

The main risk categories are strategic, operational and compliance risks. Some risks are more likely to happen than others, and the impact of a risk can vary greatly.

Strategic risks are related to the functions of the MA set by legislation that the MA have little or no control over. These risks include political, economic and environmental risks.

Operational risks are risks related to the processes that work incorrectly or do not function at all resulting in serious disruptions to the implementation of the Programme. This risk category comprises financial risks, which are related to the provision of sound financial management, and information system risks which are related to the operational errors, failures or shortcomings of the Programme's electronic data exchange system.

Compliance risks are related to non-compliance with the legislation requirements that are in force in the European Union and in the Participating countries. This category of risk comprises fraud risks.

By Resolution no.119, prot. usc. n.1486, dated 22/06/2026, the MA approved the Risk Management Plan for the Interreg NEXT MED Programme.

The procedure for adopting the Risk Management Plan consists of several phases. First, the Risk Management Group is established.

RISK MANAGEMENT GROUP (RMG)

It is composed by employees of the MA and members of the JS. The members of the RMG are appointed by the Director general of the MA.

The group is chaired by the Director general of the MA.

Its deputy is appointed within the staff of the Director's general Office. Each Unit of the Managing Authority has members in the Group.

The RMG manages the Programme Risk Management Plan.

RISK MANAGEMENT PLAN ADOPTION PROCEDURE

The RMG drafts the Risk Management Plan. It contains the main identified risks NEXT MED Programme faces, the probability of occurrence, the impacts and the actions to mitigate them.

The RMG in its activities takes into account the analysis of risk historical series of previous programming periods.

The conclusions of Audit Authority are also taken into account. NAs and BOs collaborate in identifying potential risks.

The RMG approves the Risk Management Plan and it is adopted by act of the MA Director.

ANNUAL REVISION OF THE RISK MANAGEMENT PLAN

The Risk Management Plan is updated on a yearly basis or more frequently as the case may be.

MANAGEMENT VERIFICATIONS METHODOLOGY

The methodology adopted for the implementation of management verifications at the level of beneficiaries aims at reducing the probability of occurrence of fraud and financial risks.

The methodology is described in Annex II to the present Document.

2.1.5.1 MONITORING INTERNAL CONTROL BY THE MA

According to article 36 of Regulation (EU, Euratom) 2024/2509 on financial rules applicable to the general budget of the European Union, internal control shall be applied at all levels of management and shall be designed to provide reasonable assurance of achieving the following objectives: prevention, detection, correction and follow-up of irregularities including fraud, corruption, conflicts of interest and double funding, also through the voluntary use of a single integrated and interoperable information and monitoring system.

The MA Director's office is the body responsible for the coordination of internal controls, while the head of each Unit is responsible for the execution of controls.

2.1.6 ORGANISATION CHART OF THE MA AND INFORMATION ON ITS RELATIONSHIP WITH OTHER BODIES

See par. 1.3 and 2.1.2.

2.1.7 INDICATION OF THE PLANNED RESOURCES TO BE ALLOCATED TO DIFFERENT FUNCTIONS OF THE MA

No indication of planned resources to be allocated in relation to the different functions of the managing authority (including information on any planned outsourcing and its scope, where appropriate), is currently foreseen.

3 BODY CARRYING OUT THE ACCOUNTING FUNCTION

03.1 STATUS AND DESCRIPTION OF THE ORGANISATION AND THE PROCEDURES RELATED TO THE FUNCTIONS OF THEBODY CARRYING OUT THE ACCOUNTING FUNCTION.

According to LR n.6/2023 art. 2 and DGR 14/1 13.04.2023 on the basis of art. 72 par.2 of R1060 the accounting function referred to in Article 76 is entrusted to a devoted Unit within the managing authority: Accounting and Payment Unit.

The unit consists of a director currently supported by two officers and an assistant.

As mentioned in section 2.1 this unit is independent from the Operational and Authorising Unit.

The Accounting and Payment Unit shall carry out its activities on the basis of art. 47 of R1059 and art. 76 of R1060 and in particular it shall be responsible for:

- drawing up and submitting prefinancing requests to the Commission in accordance with Article 51 of R1059 and Articles 91 and 92 of R1060;

- drawing up and submitting the accounts confirming completeness, accuracy and veracity of the accounts in accordance with Article 98 of R1060, and keeping electronic records of all the elements of the accounts, including payment applications.

Moreover, the Accounting and Payment Unit, according to article 77 of *Regulation (Eu, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the* ***financial rules*** *applicable to the general budget of the Union*, will be responsible for:

- collecting revenue and recovering amounts as being receivable;
- keeping the accounts and preparing and presenting the accounts in line with the provisions of the Financial Regulations;
- Laying down the accounting procedures and the chart of accounts;
- Laying down and validating the accounting systems;
- Guaranteeing the treasury management.

3.1.1 THE STATUS OF THE BODY CARRYING OUT THE ACCOUNTING FUNCTION (NATIONAL, REGIONAL OR LOCALPUBLIC OR PRIVATE BODY) AND THE BODY OF WHICH IT IS PART, WHERE RELEVANT

Presidency of the Autonomous Region of Sardinia – Directorate general of the Managing Authority of the Interreg Next Med Programme - Accounting and Payment Unit.

3.1.2 DESCRIPTION OF THE FUNCTIONS AND TASKS CARRIED OUT BY THE BODY CARRYING OUT THE ACCOUNTING FUNCTION AS SET OUT IN ARTICLE 76 OF R1060

(a) Drawing up and submitting prefinancing requests to the Commission in accordance with article 51 of R1059 and Articles 91 and 92 of R1060.

According to art. 22(5) of Regulation (EU) 2021/947 of the European Parliament and the Council of 9 June 2021 pre-financing for cross-border cooperation programmes may exceed the percentage referred to in Article 51 of R1059. At the request of the Managing Authority, for each financial year, the pre-financing rate may be up to 80 % of annual commitments to the programme.

According to R947 each year the Accounting Unit receives the expenditure forecast from the Operational and Authorising Unit and submits the request for prefinancing to the Commission through theSFC2021 system.

For each payment request the European Commission checks the request and proceeds with the payment of the pre-financing amount through the rotation fund as foreseen in the former Law 183/87 (IGRUE).

IGRUE transfers the amount to the dedicated account and informs the MA of the payment.

At this point, at the request of the Accounting Unit, the competent Unit of the Regional Administration within the Financial Services Department, having carried out checks, transfers the amount to the general regional treasury account.

The Accounting Unit then proceeds to ascertain the revenue and collect the outstanding amount through the central regional administration accounting system (SIBAR SCI).

Finally, the Accounting Unit issues a commitment note and the related active clearance and proceeds with the transfer of the amounts to the NEXT MED dedicated account.

(b) Drawing up and submitting the accounts confirming completeness, accuracy and veracity of the accounts in accordance with Article 98 of R1060 and keeping electronic records of all the elements of the accounts, including payment applications.

The Accounting and Payment Unit is responsible for preparing the annual accounts in accordance with the template set out in Annex XXIV to R1060 to be submitted to the Commission by 15 February.

At least at the end of the accounting year the Operational and Authorising Unit transfers to the Accounting and Payments Unit the list of the project expenditures incurred by each Partner and certified during the concerned reporting period (1st July year N-1 to 30th June year N).

Under supervision of the Head Accounting and Payments Unit, a further check of the information is performed, in order to verify the compliance among the certified expenditures and the related data available in the Monitoring and Information System and in the payment documents.

In particular, during the preparation of the accounts, the Accounting Unit consolidates the data on the financial performance of the projects present in the Monitoring and Information System and the SIBEAR accounting system, and takes into account the results of the audit reports of the AA and any other external bodies.

Controls and any irregular expenditures reported by project auditors are taken into account when clearing interim pre-financing and before disbursing the balance, hence the data entered in the annual accounts contain only those expenditures that the Authorising Unit has accepted and certified as regular.

In addition, at the end of the accounting year, the Authorising Unit transmits the results of any on-the-spot checks and the report of any irregularities found after the certification of the regularity of the expenses, this information comes together with the reports of the checks carried out by the AA, so that the Accounting Unit can take them into account when preparing the financial report.

The Accounting Unit monitors and records the results of any follow-up, where necessary, and takes them into account in the checklist used to prepare the annual accounts report.

After the Accounting Unit has consolidated the report on accounts, it shall transmit it to the report to the Audit Authority in order to receive an audit opinion on the accounts in line with article 77 of R1060.

The accounts include, for each priority:

a) the total amount of eligible expenditure recorded in the accounting systems of the body performing the accounting function;

b) amounts withdrawn during the financial year.

The accounts shall not be admissible if the Managing Authority have not made the necessary corrections to reduce to 2% or less the residual error rate relating to the legality and regularity of the expenditure shown in the accounts.

6. In particular, the Accounting Unit shall deduct from the accounts:

a) irregular expenditure which has been the subject of financial corrections in accordance with Article 103;

b) expenditure whose legality and regularity are currently being assessed;

c) other amounts necessary to reduce the residual error rate of expenditure declared in the accounts to 2% or less.

The Accounting Unit may include the expenditure referred to in point (b) of the first subparagraph in a request for payment in subsequent accounting years once its legality and regularity have been confirmed.

The Accounting Unit may correct irregular amounts which it has detected after the presentation of the accounts in which the amounts were included by making the corresponding adjustments for the accounting year in which the irregularity was detected, without prejudice to article 104 of R1060.

3.1.3 DESCRIPTION 3.2.1 DESCRIPTION OF HOW THE WORK IS ORGANISED (WORKFLOWS, PROCESSES, INTERNAL DIVISIONS), WHAT PROCEDURES APPLY AND WHEN, HOW THESE ARE SUPERVISED, ETC.

The Accounting Unit for the performance of its functions accesses the following information systems:

(a) JEMS, the Joint Electronic Monitoring System, in which the Unit can verify aggregated and disaggregated data concerning single operations and the Programme as a whole**.**

(b) SAP- SIBEAR, the accounting system of the Autonomous Region of Sardinia, which provides a detailed overview of the Programme budget chapters.

(c) SFC (System for Fund Management in the European Union) to submit the final Programme annual accounts to the European Commission.

3.1.4 INDICATION OF PLANNED HUMAN RESOURCES TO BE ALLOCATED IN RELATION TO THE DIFFERENT ACCOUNTING TASKS

Head of Accounting Unit:

Responsible:

• Coordination of the whole MA with other programme bodies (AA)

• Keeping relations with EC and participating countries (Financial reporting)

Accountable/ Consulted:

• Definition and update of Programme procedures audit trails

Accountable:

• Internal management control (Including POA and Strategic Objectives)

Consulted:

• Risk management and Monitoring internal control

• Coordination of the whole MA with other programme bodies (BOs)

Accountig and payments

Responsible /Accountable:

• Issuing Projects' order payments

• Issuing Technical Assistance order payments

• Issuing BOs order payments

• Issuing NCCP/CCP order payments

• Drafting the payment request to EC

• Drafting the annual accounts

• Drafting the Financial Plan

• Keeping an account of amounts recoverable and of amounts reduced following cancellation of all or part of the grant

Accounting officer:

Consulted:

• Coordination of the whole MA with other programme bodies (AA)

Accounting and Payments

Responsible:

• Cheking and recording Projects' commitment

• Issuing Projects' order payments

• Checking and recording Technical Assistance commitment

• Issuing Technical Assistance order payments

• Checking and recording BOs commitment

• Issuing BOs order payments

• Checking and recording NCCP/CCP commitment

• Issuing NCCP/CCP order payments

• Computerized accounting records for expenditures declared to the Commission

• Computerized accounting records for payments made to beneficiaries

• Drafting the payment request to EC

• Drafting the annual accounts

• Drafting the Financial Plan

• Keeping an account of amounts recoverable and of amounts reduced following cancellation of all or part of the grant

Accounting assistant:

Consulted:

• Cheking and recording Projects' commitment

• Checking and recording Technical Assistance commitment

• Checking and recording BOs commitment

• Checking and recording NCCP/CCP committment

Responsible:

• Checking and uploading in Programme Information and Monitoring System financial information forms.

4. ELECTRONIC DATA SYSTEMS

The MA implements a Monitoring and Information System that ensures that the Programme is carried out according to the principles of sound-financial management, transparency, traceability of operations and to ensure a proper detection of systemic errors etc.

The system was put into production in september 2025 after all functions were fully tested and accepted by the MA services so that the IT system meets all requirements for a reliable monitoring system for the Interreg Programme.

The following paragraphs describe the specificities and main characteristics of this electronic data system.

4.1 DESCRIPTION OF THE ELECTRONIC SYSTEM INCLUDING A FLOWCHART FOR:

4.1.1 RECORDING AND STORING, IN A COMPUTERISED FORM DATA ON EACH OPERATION, INCLUDING WHERE APPROPRIATE DATA ON INDIVIDUAL PARTICIPANTS AND A BREAKDOWN OF DATA ON INDICATORS WHEN PROVIDED FOR IN THIS REGULATION;

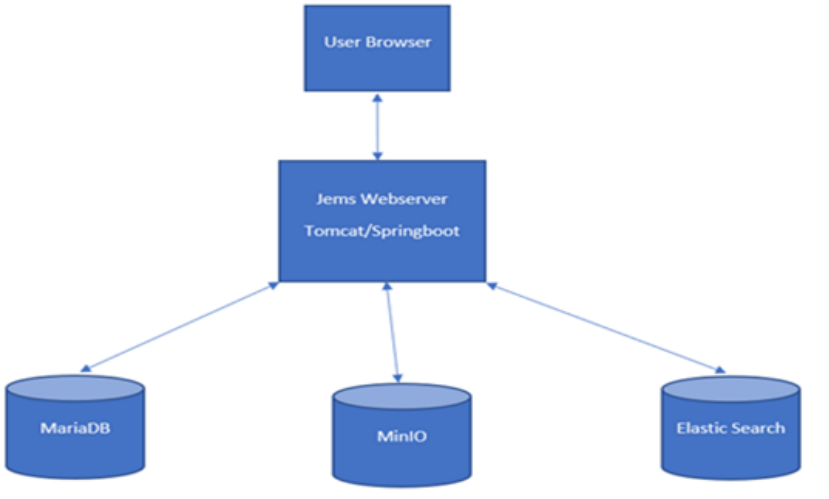
To ensure the collecting, recording and storing of programme and projects data for the purpose of monitoring, evaluation, verification, implementation, financial management and audit, **the Managing Authority implements and use the Jems system (Joint Electronic Monitoring System) supplied by INTERACT** on the basis of the license agreement. Jems is a web-based application built by the INTERACT Programme for the benefit of all Interreg Programmes. The Jems system is based on open-source technologies, built on Harmonised Implementation Tools 2021-2027 and developed according to the requirements of the EU Regulation in place and the needs of Interreg Programmes. The exchange of information between beneficiaries and Program authorities and bodies will take place electronically through this Jems system.

The system allows indicators to be recorded at the program level. An indicator can be duplicated in order to be disaggregated if necessary (e.g. by gender, age...).

4.1.2 ENSURING THAT ACCOUNTING RECORDS OR CODES FOR EACH OPERATION ARE RECORDED AND STORED, AND THAT THESE RECORDS OR CODES SUPPORT THE DATA REQUIRED FOR DRAWING UP PAYMENT APPLICATIONS AND THE ACCOUNTS;

Jems consists of the following elements:

- Jems Web/Application server
- MariaDB - database storage
- MinIO - file storage
- Elastic Search - system logging



System diagram of the architecture components

The Jems system ensures the recording of data in structured and unstructured formats organized according to the flowchart of the system's modules according to the program authorities/bodies and collects, records, and stores in computerized form the data on each project required for reporting, monitoring, evaluation, financial management, verification and audit, drafting of payment claims, and accounting.

4.1.3 MAINTAINING ACCOUNTING RECORDS OR KEEPING SEPARATE ACCOUNTING CODES OF EXPENDITURE DECLARED TO THE COMMISSION AND THE CORRESPONDING PUBLIC CONTRIBUTION PAID TO BENEFICIARIES;

The Accounting & Payment Unit will keep adequate evidence of the payments transferred to project partners, as well as of the amounts paid as pre-financing.

Jems will provide data to prepare payment requests to the EC. The Accounting & Payment Unit user can select the information to be included in an EC payment request. Data may also include financial corrections in the form of withdrawals or recoveries. Payment requests to the EC are prepared in accordance with Article 91(3) of Regulation (EU) No 2021/1060. Jems also supports data transfer to SFC and to Keep.eu through a custom export.

4.1.4 RECORDING ALL AMOUNTS WITHDRAWN DURING THE ACCOUNTING YEAR AS SET OUT IN POINT (B) OF ARTICLE 98(3) AND DEDUCTED FROM THE ACCOUNTS AS SET OUT IN ARTICLE 98(6) AND THE REASONS FOR THESE WITHDRAWALS AND DEDUCTIONS;

Jems has got functions and reports that show, from operations to program level, aggregate amounts recoverable, amounts to be recovered, amounts withdrawn from a payment application as a result of total or partial cancellation of project funds, and amounts irrecoverable.

All amounts resulting from the partial or total cancellation of an operation/project are recorded in Jems and in the accounting system.

In addition, the Jems system will have functions and reports that will show and aggregate amounts related to transactions suspended by a legal proceeding or administrative appeal with suspensive effect and recoveries resulting from the application of Articles 63, 65, and 106 of Regulation (EU) 1060/2021.

The Accounting & Payment Unit will keep separate analytical records of all the amounts declared to Commission and the corresponding public contribution paid to beneficiaries of all the amounts withdrawn and for the amounts received from EC.

4.1.5 INDICATING WHETHER THE SYSTEMS ARE FUNCTIONING EFFECTIVELY AND CAN RELIABLY RECORD THE DATA MENTIONED ON THE DATE WHERE THIS DESCRIPTION IS COMPILED AS SET OUT IN POINT 1.2;

Interact Jems is an out-of-the-box monitoring system, tailor-made for Interreg programmes. It has been operational since March 2021 (1st version).

The system is able to import automatically currency rates from the InforEuro website which provides the European Commission’s official monthly accounting rates for the euro and exports statistical data to Keep.eu. It supports the aggregation of data according to the template of Annex VII from CPR required by SFC2021. Also, all the statistics of data required by the programme are generated or extracted from the system database.

4.1.6 DESCRIBING THE PROCEDURES TO ENSURE THE ELECTRONIC SYSTEMS' SECURITY, INTEGRITY AND CONFIDENTIALITY.

Jems is designed to ensure the security of user registration and authentication, as well as the integrity and confidentiality of user data through end-to-end encrypted connections over HTTPS using a trusted SSL certificate and security mechanisms implemented in the system taking into account Article 72(1)(e) of Commission Implementing Regulation (EU) No 2021/1060.

Jems provides a dedicated section for managing user roles and rights. This system ensures that some functions can only be performed by specific users and that some information is only visible to authorized users.

The system users are organized in two categories:

- front office users – eg. applicant role
- back-office users – eg. MA officers, JS officers

The front users' registration and login pages are associated either with the potential beneficiaries who are registered in order to submit proposed projects or as beneficiaries who are registered and assigned by the lead beneficiary to monitor and implement their reports. The back-office's users are able to login and work according to their users' access rights, which are given corresponding to their role in the system. Each role corresponds to a programme authority or body level according to their attributes in the programme implementation (view/edit role, restricted or full).

The privilege tree is adapted to the legal (GDPR) and procedural requirements of the Programme. In addition, Jems offers a function to assign users to specific applications or projects. This allows the privileges of a user role to be restricted to a subset of applications/projects in Jems (e.g. for reviewers).

The system has an administration tool that allows to automatically or manually validate each account and grant access to the system upon online registration. The administrator role can assign users access rights to the system according to their respective role, and he can also deactivate users who will no longer have access to the system. Passwords must meet minimum security standards. A user can change its password after logging in or reset it from the authentication screen.

The system allows data changes and other actions in the system to be traced using an audit log mechanism.

The Management and Control System Document is a dynamic document and it can be updated in case of further organizational or legislative developments.