



Interreg - IPA CBC
Italy - Albania - Montenegro



Seminar for First Level Controllers of the Interreg IPA CBC Italy-Albania-Montenegro

INTRODUCTION

Bari, 8 November 2018

Mauro Novello - *Joint Secretariat / Managing Authority*



REGIONE PUGLIA

Objective of the Seminar



✓ Increase understanding of programme requirements for First Level Control

- ✓ Increase awareness and common understanding of key rules
- ✓ Provide some answers to some questions
- ✓ Identify bottlenecks / solutions



Agenda of the LP Seminar

- ✓ 9:30 – 13:00 Session 1
 - 9:30 Intro
 - 10:00 Eligibility
 - 11:00 Public procurement
 - 12:00 eMS procedures
- ✓ 13:00 – 14:00 Lunch break
- ✓ 14:00 – 14:30 Session 2 – Managing Authority



Who we are

- ✓ Total budget: 92.707.558 euro
- ✓ 1 UE Country: ITALY (Puglia and Molise)
- ✓ 2 IPA Countries: ALBANIA (whole territory)
MONTENEGRO (whole territory)
- ✓ 4 axes:
 - 1) SME competitiveness
 - 2) Tourism and culture
 - 3) Environment
 - 4) Transport
- ✓ Managing authority: Dept. Econ. Devel. Puglia Region

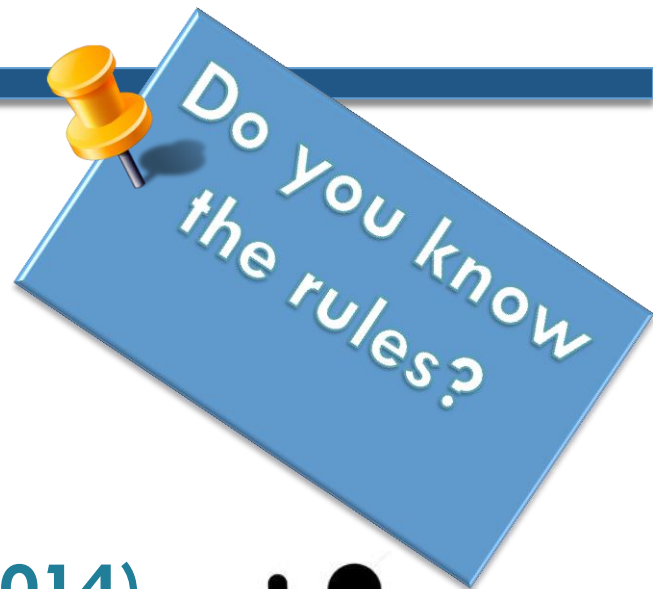




**The origins of the
FLC**

What legal basis?

- ❑ IPA II (Reg. no. 231/2014)
- ❑ IPA IR (EC Reg. no. 447/2014)
- ❑ CPR (Reg. no. 1303/2013)
- ❑ ETC (Reg. 1299/2013) **article 23 (4)**
- ❑ Financial Regulation (Reg. No 547/2014)
- ❑ Financing Agreements signed between the EC and Albania and Montenegro



What guidelines?

- **Programme Manual (factsheets)**
- MEF - IGRUE «CARATTERISTICHE GENERALI DEL SISTEMA NAZIONALE DI CONTROLLO DEI PROGRAMMI DELL'OBIETTIVO COOPERAZIONE TERRITORIALE EUROPEA 2014 – 2020»
- **Description of the Management and Control System**

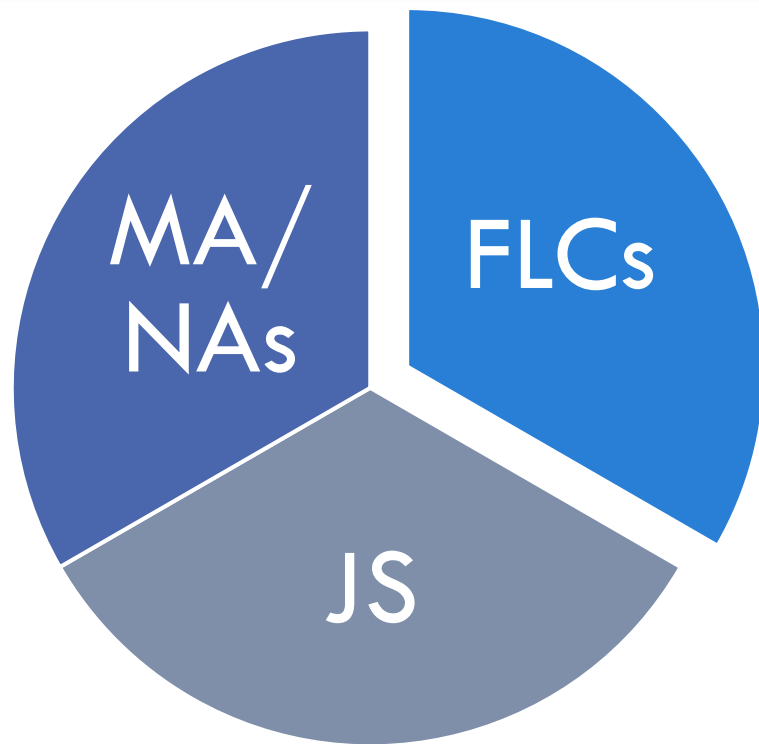


A black and white photograph of a business meeting. In the foreground, a man and a woman are shaking hands. Behind them, three other people (two men and one woman) are smiling and looking towards the camera. The scene is set in a modern office environment with large windows in the background.

**The designation of
the MA
& management
verification**

MANAGEMENT VERIFICATION

- ✓ **Managing authority / NAs:**
 - ✓ FLC validation (nulla osta) in Italy, appointment in AL and ME by NAs
 - ✓ Quality of the FLC work



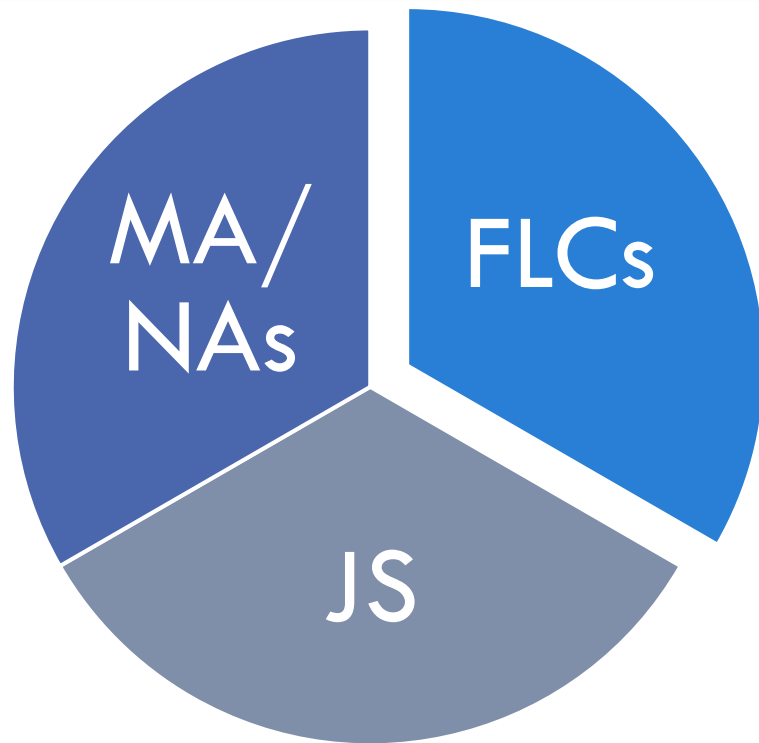
MANAGEMENT VERIFICATION

✓ **First level controllers main checks:**

- ✓ Compliance (EU, national rules)
- ✓ Completeness
- ✓ Reality/existence and Plausibility

✓ **FLC sub-procedures :**

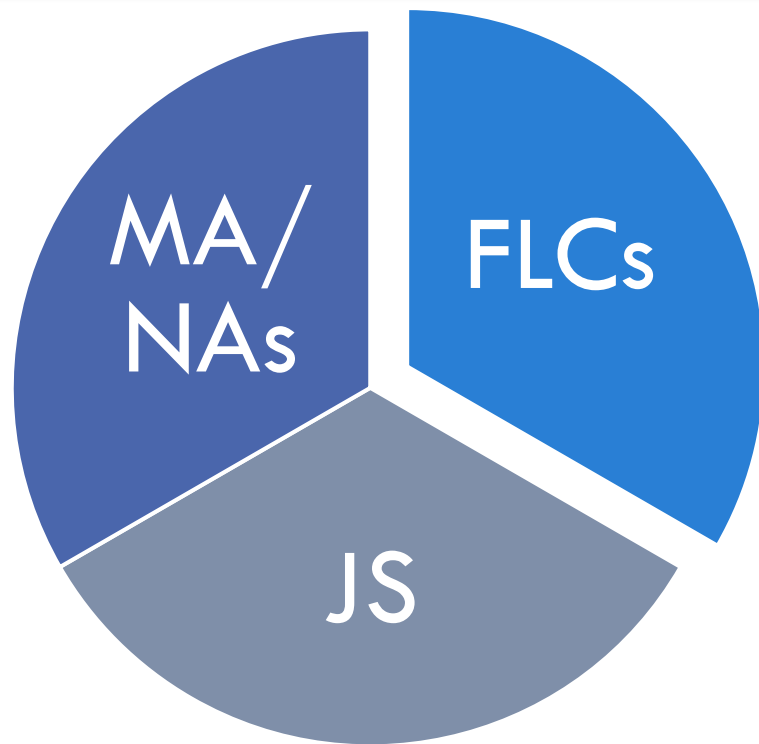
- ✓ Inspections of documents
- ✓ Reconciliation/Recalculation
- ✓ Inquiry/interviews
- ✓ On-the-spot verifications



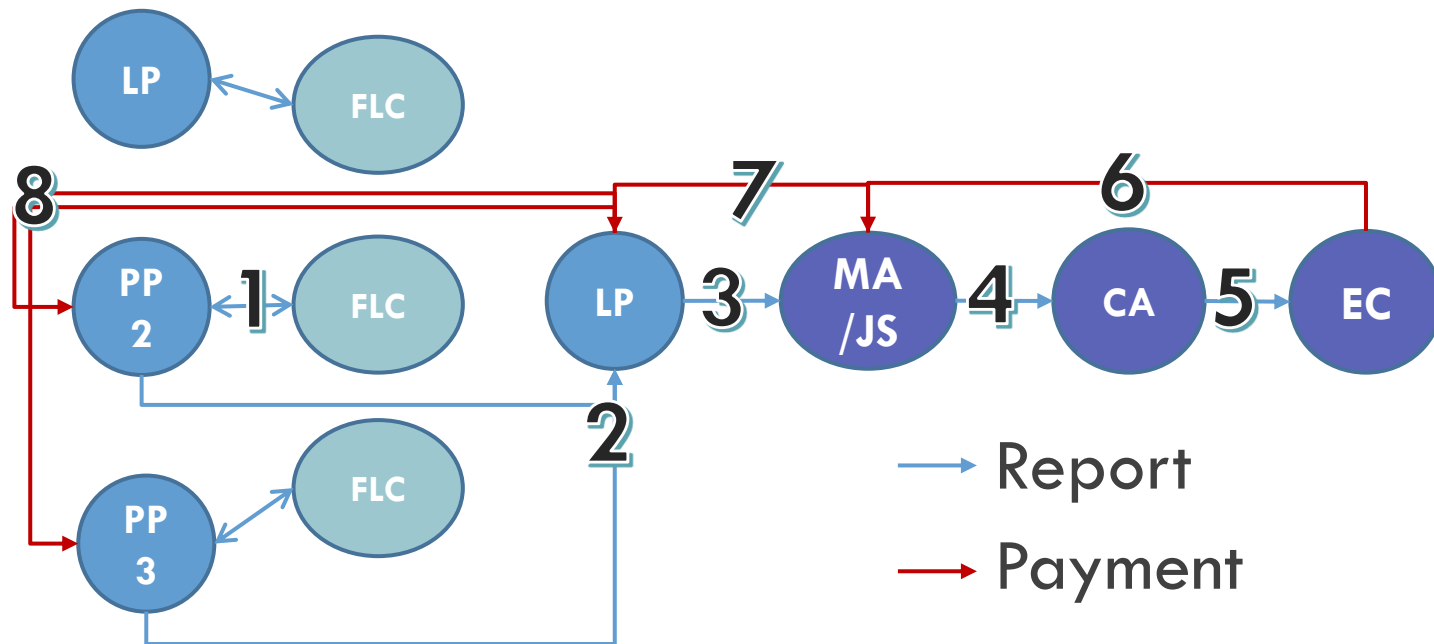
MANAGEMENT VERIFICATION

✓ **Joint Secretariat :**

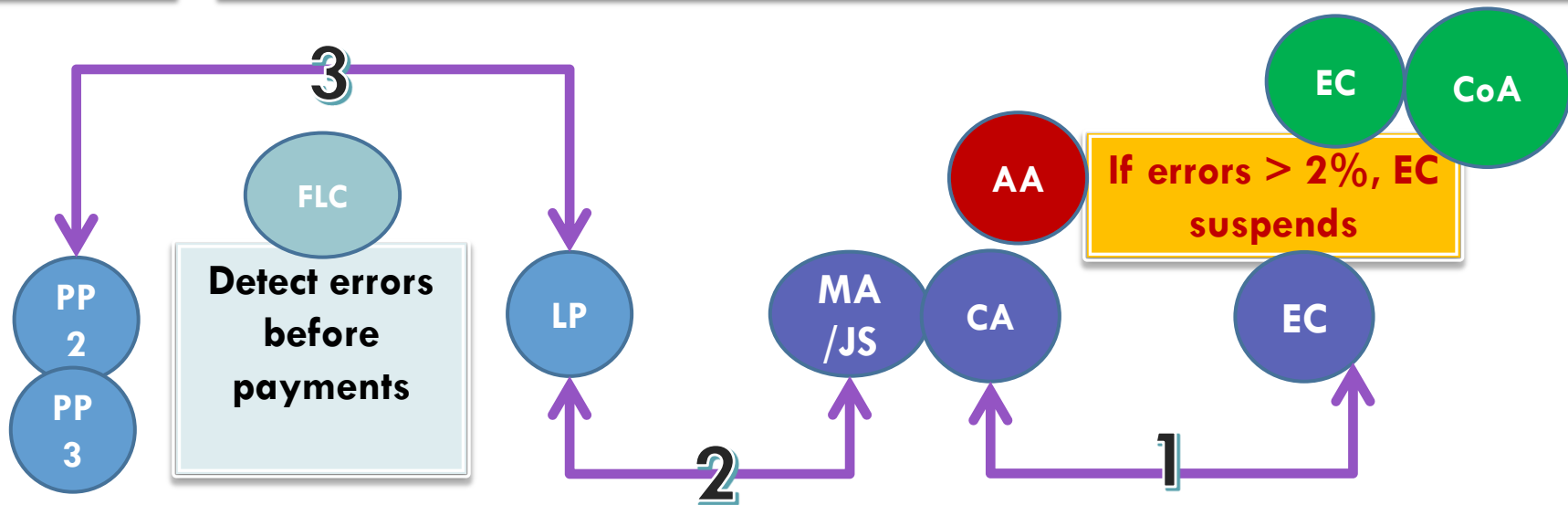
- ✓ Progress in relation to plan
- ✓ Suitable outputs / products
- ✓ Expected results reached
- ✓ Project visit (at least once)



Reporting / Payment flows



Levels of controls + recoveries



○ First level

○ 3rd level: EC / CoA audits

○ Second level

↔ Recovery procedure

Contract

SUBSIDY CONTRACT

The objectives will be based on how you gain sales by acquiring and keeping customers. A marketing strategy helps you focus resources on the greatest opportunities to increase sales and achieve the company's target. It includes short term and long term activities of marketing approaches in order to have a good outcome of your sales and marketing activities.

(A) It is a process to allow an organization to focus resources on the greatest opportunities to increase sales and achieve the company's target. It includes short term and long term activities of marketing approaches in order to have a good outcome of your sales and marketing activities.

(B) Marketing strategy's goal is to increase sales and achieve advantage over other competitors. It includes short term and long term activities of marketing approaches in order to have a good outcome of your sales and marketing activities.

(C) The objectives will be based on how you gain sales by acquiring and keeping customers. A marketing strategy helps you focus resources on the greatest opportunities to increase sales and achieve the company's target. It includes short term and long term activities of marketing approaches in order to have a good outcome of your sales and marketing activities.

(D) A marketing strategy helps on making good messages with the right twist of marketing approaches in order to have a good outcome of your sales and marketing activities. Having the perfect timing with your activities to fit your customers buying cycles will help you saving money and maximizing sales. The marketing budget will be set, at the same time it will also show you how you're going to work with your targets, it maybe through networking, advertising etc. Having the perfect timing with your activities to fit your customers buying cycles will help you saving money and maximizing sales. The marketing plan should be innovative. It should have the details on how your sales are followed up and the activities your doing to develop your offers.

(E) Putting your strategy into action is how your marketing plan should work. Marketing budgets will be set, at the same time it will also show you how you're going to work with your targets, it maybe through networking, advertising etc. Having the perfect timing with your activities to fit your customers buying cycles will help you saving money and maximizing sales. The marketing plan should be innovative. It should have the details on how your sales are followed up and the activities your doing to develop your offers.

(F) Improvement should be measured regularly and assessed in order for you to know what's beneficial and what is not. This will help you set clear targets.

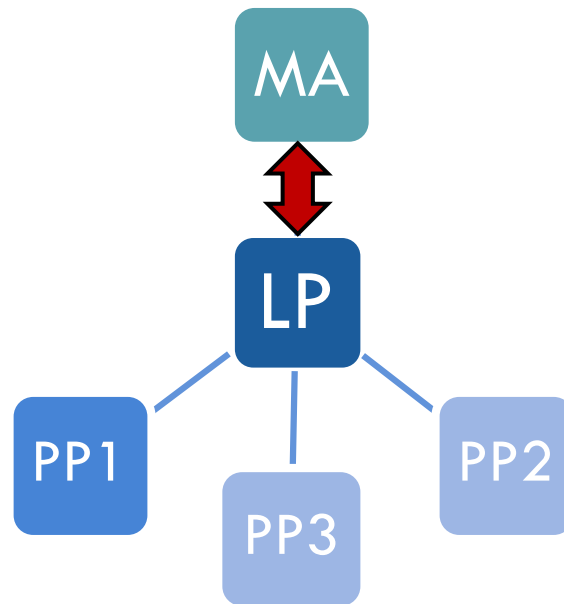
(G) Brand messages are delivered and planned based on the questions how, what, when, to whom and where your brand strategy is. Advertisement, visual communication and distribution channels are parts of brand strategy.

Signature 1

Subsidy contract / Partnership agreement

- ✓ Binding legal basis
- ✓ Partners obligations
- ✓ Partners rights

Warning: MA contracts / contacts only LP, NOT PPs



Subsidy contract / Key clauses

- ✓ Rules for **project changes** / flexibility:
- ✓ **SHIFT** between budget line/work package
 - ✓ UP to 15% of total = notified
 - ✓ 15-25% = MA approves
 - ✓ ABOVE 25% = JMC approves
- ✓ **Duration** UP to 6 months = MA, above = JMC
- ✓ Project partner change by JMC
 - ✓ Output indicators above 30% = MA



Subsidy contract / Key clauses

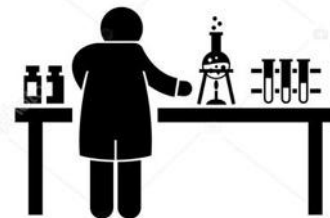
Reporting deadlines except for first/last report

✓ First semester 1/1-30/6 = **30/9**

✓ Second semester 1/7-31/12 = **31/3**

▣ 3 months to:

- PP to send expenditures to FLC (e.g. 1 month)
- FLC to certificate, incl. integrations (e.g. 1,5 month)
- PP to report to LP (e.g. 1 week)
- LP joint project report to MA (e.g. 1 week)



Subsidy contract / Key clauses

- ✓ Rules for **flat rates** for Preparation and Closure:
- ✓ Preparation costs, occurred until day before project start date, closure costs after the project end date
- ✓ Preparation flat rate: 10.000 EUR
- ✓ Closure flat rate: 5.000 EUR
- ✓ eMS report 0 for preparation AND last report for closure





**FREQUENT
ERRORS**

MOST FREQUENT ERRORS – *first report*

EXPENDITURES AUDIT TRAIL («edit expenditures» in eMS)

- ✓ **Staff:** 1720 hrs / IRAP eligible (exc. Region) / pay slips/timesheet
- ✓ **Travel:** Travel docs incl. agenda, minutes, signatures / Internal rules for per diem
- ✓ **Cumulative** docs: Specify single item calculation
- ✓ To exclude double financing: **PROGRAMME STAMP**
(amount) ON ALL DOCS
- ✓ Readable documents - what was checked?



MOST FREQUENT ERRORS - *first report*

FIRST LEVEL CONTROL DOCS (FLC section in eMS)

- ✓ Signed/stamped **FLC report** (what / how)
- ✓ Signed/stamped **FLC check list**:
 - ✓ In particular comments for «n/a» or «NO»
- ✓ Signed/stamped **FLC certificate**
- ✓ In each expenditure item **comments in eMS**:
 - ✓ Requests for clarification / Integration by FLC
 - ✓ Reason for **INELIGIBLE** expenditures





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Thanks for your attention

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Managing Authority REGIONE PUGLIA