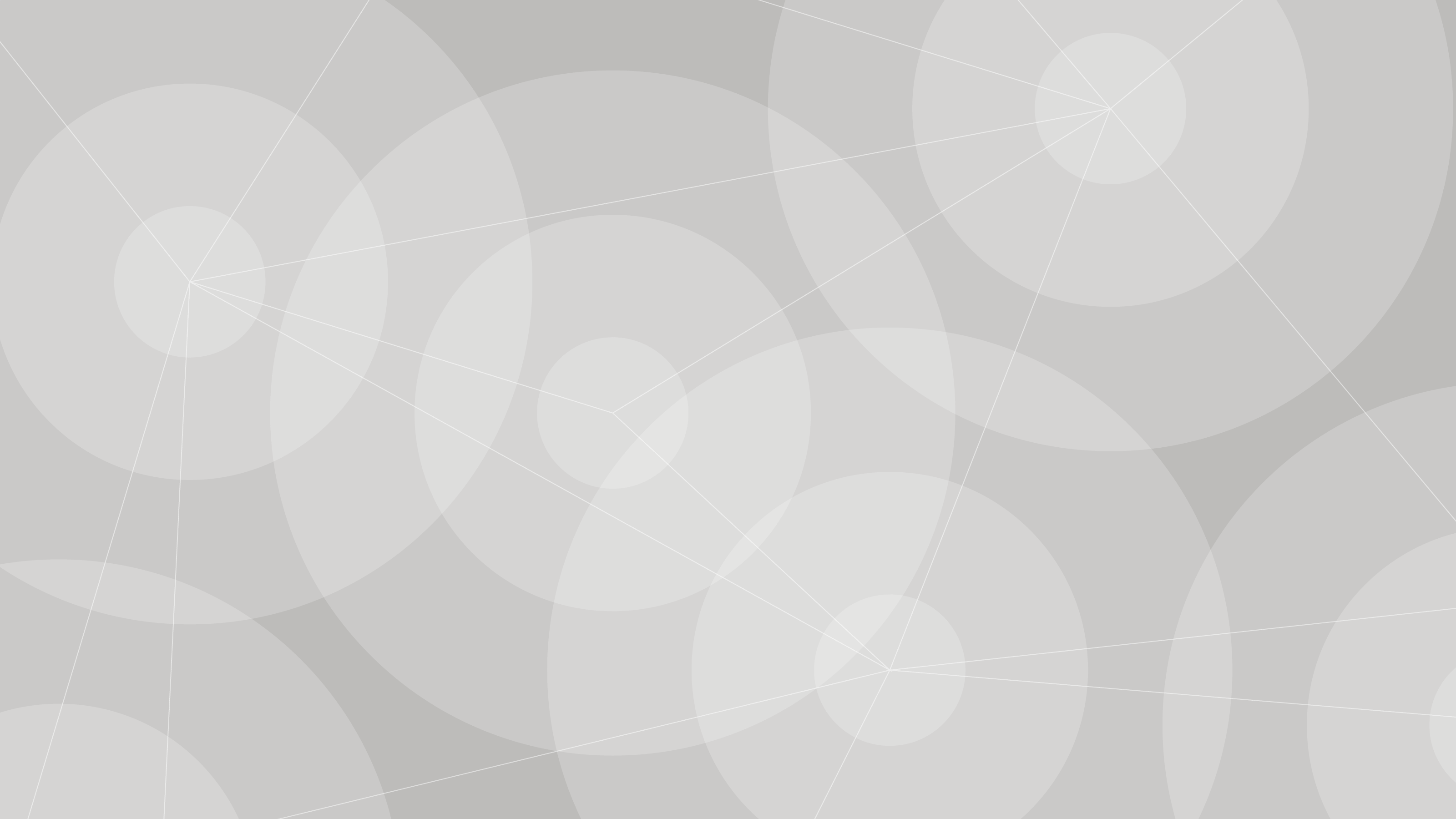
**Danube Region Programme**

**Programme complement**



This document contains the annexes to the Danube Region Programme (DRP) approved by the Task Force (later to be endorsed by the DRP Monitoring Committee).

**List of versions of the DRP Programme Complement**

|  |  |  |
| --- | --- | --- |
| Version | Date | Description |
| 1.0 | …03.2022 | First version |
|  |  |  |
|  |  |  |

**Table of content**

[1. Introduction 5](#_Toc96516467)

[2. Institutional structure 6](#_Toc96516468)

[3. Transnational structures 9](#_Toc96516469)

[3.1 Managing Authority and Joint Secretariat 9](#_Toc96516470)

[3.1.1 Responsibilities and major tasks of the Managing Authority and Joint Secretariat 9](#_Toc96516471)

[3.1.2 Summary of the measures established at programme level for the operation of the MA/JS 13](#_Toc96516472)

[3.2 National Contact Points 15](#_Toc96516473)

[3.3 Certifying Authority 16](#_Toc96516474)

[3.4 Audit Authority 18](#_Toc96516475)

[4. Responsibilities of the Partner States 19](#_Toc96516476)

[4.1 Overall responsibilities of the participating countries 19](#_Toc96516484)

[4.2 Monitoring Committee 21](#_Toc96516485)

[4.3 Control systems and management verifications 23](#_Toc96516486)

[4.4 Verification reports 25](#_Toc96516487)

[4.4.1 Verification Report at Partner State level 25](#_Toc96516488)

[4.4.2 Verification Report at programme level 25](#_Toc96516489)

[4.5 Irregularities and recovery 26](#_Toc96516495)

[4.6 Conflicts of interest 27](#_Toc96516496)

[4.7 Non-respect of provisions agreed among Partner States 28](#_Toc96516497)

[5. Programme Implementation 29](#_Toc96516498)

[5.1 Programme Implementation Concept 29](#_Toc96516504)

[5.2 Work plan 29](#_Toc96516505)

[5.3 Call System and assessment 29](#_Toc96516506)

[5.4 Key documents for programme implementation 31](#_Toc96516507)

[5.5 Evaluation 33](#_Toc96516508)

[5.6 Technical Assistance 34](#_Toc96516509)

[5.6.1 Framework conditions 34](#_Toc96516510)

[5.6.2 Calculation of the Funds to be committed to Technical Assistance 35](#_Toc96516511)

[5.6.3 TA shares for Core management activities and NCP activities 36](#_Toc96516512)

[5.6.4 National co-financing to the TA Funds 37](#_Toc96516513)

[5.6.5 Financial procedures for TA Funds 39](#_Toc96516514)

[5.6.6 Monitoring of the TA Funds 39](#_Toc96516515)

[5.7 Resolution of complaints 40](#_Toc96516516)

[5.7.1 Complaints related to assessment and selection: 40](#_Toc96516517)

[5.7.2 Complaints related to decisions made by the MA/JS during project implementation: 41](#_Toc96516518)

[5.7.3 Complaints related to the national control system: 41](#_Toc96516519)

[5.8 Non-member states 41](#_Toc96516520)

[5.9 Partners outside of the programme area 43](#_Toc96516521)

[Annex 1 - Programme management structure (chart) 45](#_Toc96516522)

[Annex 2 - Template for the Verification Report at Partner State level 46](#_Toc96516523)

[Annex 3 - Template for Verification Report at programme level (including the attachments) 55](#_Toc96516524)

[Annex 4 - List of responsible authorities (national authorities) 64](#_Toc96516525)

[Annex 5 - Designated controller / control coordination body 66](#_Toc96516526)

# Introduction

The Danube Region Programme establishes the major rules for the implementation of the transnational programme. Partner States agreed that the detailed stipulations related to the responsibilities of the authorities responsible for different aspects of the programme implementation and the major procedures are laid down in the Programme Complement (PC) document.

**The PC and any revision of the document will be adopted by the Task force/Monitoring Committee of the Danube Region Programme.**

The PC describes the programme management structure by setting out the detailed responsibilities of the Partner States, the MC, MA/JS, CA, AA, Controllers and NCPs and contains the list of responsible authorities and bodies. The PC includes the verification report template in order to provide information on the functioning of the control systems, the state contribution to the project partners (if relevant) and on irregularity cases. The PC also specifies basic programme implementation procedures such as TA management and includes the list of key programme documents.

# Institutional structure

The following authorities and bodies are involved in the management of the Danube Region Programme 2021-2027:

| Body/function | Host organisation (if relevant) |
| --- | --- |
| National authorities | responsible authorities of the Partner States and list of members delegated by each Partner State (Annex 4 of the PC) |
| Managing Authority and Joint Secretariat | Ministry of Finance, Managing Authority and Joint Secretariat (Department responsible for the Implementation of the Danube Region Programme) Hungary [[1]](#footnote-1) |
| Certifying Authority | Hungarian State Treasury[[2]](#footnote-2) |
| Audit Authority | Directorate General for Audit of European Funds, Hungary[[3]](#footnote-3) |
| Group of Auditors | defined by each Partner State (table 10 of the DRP) |
| Control Bodies | defined by each Partner State (Annex 5 of the PC) |

The flowchart showing the organizational relationship between the involved bodies and authorities is attached as Annex 1.

Organizational relationship between the authorities/bodies involved in the management and control system (i.e. between bodies performing programme-level functions including the MA/JS, CA and AA identified in line with Article 71 of the CPR[[4]](#footnote-4)) will not be changed for the 2021-2027 period and respecting the principle of separation of functions between and within them is guaranteed.

Each participating Partner States are nominating a single **National Authority** within its administrative structure, to officially represent the given country in the transnational programme. **National Authorities are nominating the members of the Monitoring Committee**, officially represent the given Partner State.

The **Monitoring Committee** (MC) to be set up within three months of the date of notification to the Member States of the Commission decision approving the Danube Region Programme consists of representatives of each participating country.

The MC monitors the implementation of the DRP and selects projects to be financed in accordance with Article 22(4) of the Interreg Regulation[[5]](#footnote-5).

The counterparts for the MA/JS with coordination role on the territory of the participating countries will be the **MC members representing the national authorities** of the concerned Partner States responsible for the DRP. Therefore the MC members and their officially nominated deputies respectively, will be the central contact persons for all enquiries related to the implementation of the DRP in the participating countries as referred to in Article 54 of the Interreg regulation.

The **Managing Authority and Joint Secretariat** (MA/JS) hosted by the Ministry of Finance of Hungary is responsible for the overall programme implementation; carrying out the functions laid down in Articles 72, 74 and 75 of the CPR as well as Article 46 of the Interreg regulation in the whole of the territory covered by the programme. Additionally, the MA/JS shall assist the MC in carrying out their respective functions and act as a central contact point for potential project applicants and lead partners (LP) of selected/running operations.

**National Contact Points** (NCPs) will be set up by each participating country to complement transnational activities of the MA/JS by involving stakeholders from the national level as well as to contribute to the national and transnational programme management.

The **Certifying Authority** (CA) will carry out the accounting function in accordance with Article 47 of the Interreg regulation consisting of the tasks listed in points (a) and (b) of Article 76(1); in particular, the CA is responsible for drawing up and submitting payment applications to the Commission and receiving payments from the Commission. The CA shall use the payments received from the Commission to reimburse the lead partners in accordance with point (b) of Article 74(1) of the CPR.

The **Audit Authority** (AA) will carry out the functions laid down in Article 77 of the CPR and Article 48 and 49 of the Interreg Regulation in the whole of the territory covered by DRP; in particular, the AA will ensure that system audits are carried out on the management and control systems, on an appropriate sample of operations and on the annual accounts and shall draw up and submit to the Commission an annual audit opinion as well as an annual control report in accordance with the Financial Regulation as well as with Article 48(5)-(6) of the Interreg Regulation. The AA will be assisted by a Group of Auditors (GoA) comprising of representatives from responsible bodies of each Partner State.

**Controllers** will be designated by each Partner State to carry out management verifications in order to ensure the compliance of expenditure incurred by the national project partners with Community and national rules within the meaning of Article 74(1) of the CPR and in accordance with Article 46(3) of the Interreg Regulation. Controllers shall be nominated in line with the national administrative provisions of each Partner State in accordance with Article 46(9) of the Interreg Regulation. Each country participating in the DRP will be responsible for verifications carried out on its territory.

# Transnational structures

## 3.1 Managing Authority and Joint Secretariat

### 3.1.1 Responsibilities and major tasks of the Managing Authority and Joint Secretariat

The MA/JS is responsible for managing the DRP with a view to delivering the objectives of the programme by carrying out functions laid down in Articles 49, 72, 74 and 75 of the CPR as well as Article 46 of the Interreg regulation.

In particular, the MA/JS shall:

1. **Support the work of the MC** by

* providing the MC in a timely manner with all information necessary to carry out its tasks, with particular consideration given to preparing selection criteria for the operations, project selection decisions and regular reports on programme implementation, including progress on the milestones and targets of the programme indicators, progress in the programme evaluations, as well as difficulties affecting the performance of the programme;
* ensuring the follow-up of the decisions and recommendations of the MC, in particular to inform applicants about the decisions of the MC, manage condition clearing process, inform lead applicants about the selection/ rejection of their project proposals, as well as contract the selected projects.
* publishing the rules of procedures of the MC and a summary of both data and information, including decisions, approved by the MC on the website in accordance with Article 28 of the Interreg Regulation, as well as the list of the members of the Monitoring Committee as referred to in Article 29 of the Interreg Regulation;
* ensuring the consultation with the EUSDR bodies (e.g. Presidency, DSP) in relation to the development of the content of the EUSDR governance support (e.g. in terms of objectives, strategic focus etc.), before submission to the MC for approval.

1. **Support the selection of project proposals and conclude the contracting of Interreg operations** in accordance with Article 22 of the Interreg Regulation by

* explicitly approving the selection of an operation in the MC when all or part of an operation is implemented outside the programme area inside or outside the Union;
* notifying, at the request of the Commission, the selection criteria (and any subsequent changes thereof) to the Commission prior to their initial submission to the MC;
* providing, for each Interreg operation, a document to the lead partner setting out the conditions for support of that Interreg operation, including the specific requirements concerning the products or services to be delivered, its financing plan, the time-limit for its execution and, where applicable, the method to be applied for determining the costs of the operation and the conditions for payment of the support. That document shall also set out the lead partner’s obligations with regard to recoveries pursuant to Article 52. Those obligations shall be defined by the MC.

1. **Carry out communication and visibility actions based on the communication strategy, such as**:

* identify a communication officer for the DRP in accordance with Article 36 of the Interreg Regulation;
* ensure that, within six months of the Programme’s approval, there is a website where information on the DRP is available, covering the programme’s objectives, activities, available funding opportunities and achievements;
* ensure the publication on the website of a timetable of the planned calls for proposals, that is updated at least three times a year;
* make the list of operations selected for support by the Funds publicly available on the website containing the data referred to in Article 49(3) of the CPR and shall update that list at least every 4 months;
* inform the beneficiaries that the data will be made public before the publication takes place in accordance with Article 49 of the CPR;
* ensure that communication and visibility material including at the level of beneficiaries is made available upon request to Union institutions, bodies, offices or agencies in accordance with Annex IX of the CPR;
* develop and implement communication campaigns for promoting the programme results and added value of cooperation.

1. **Carry out programme management tasks as follows**:

* satisfy itself that the expenditure of beneficiaries participating in an operation has been verified by an identified controller (as laid down in Section 4 – Responsibilities of the Partner States) in order to ensure that the co-financed products and services have been delivered, that the operation complies with applicable law, the programme and the conditions for support of the operation, and
* ensure, subject to the availability of funding, 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;
* have effective and proportionate anti-fraud measures and procedures in place, taking into account the risks identified; the MA/JS will establish anti-fraud strategy for the programme which shall be considered by each organization participating in the DRP including measures to avoid conflict of interest to be integrated into each relevant regulatory document;
* prevent, detect and correct irregularities and ensure that any amount paid as a result of an irregularity is recovered from the lead partner in accordance with Article 52 of the Interreg Regulation;
* confirm that the expenditure entered into the accounts is legal and regular;
* draw up the management declaration in accordance with the template set out in Annex XVIII of the CPR;
* ensure, in accordance with Article 82 of the CPR, that all supporting documents related to an operation supported by the Funds are kept at the appropriate level for a 5-year period from 31 December of the year in which the last payment by the managing authority to the beneficiary is made; related stipulations are to be integrated into all relevant regulatory documents by the MA/JS (including subsidy contract)
* provide information to potential beneficiaries about funding opportunities under the DRP and shall assist beneficiaries and partners in the implementation of operations;
* setting up and operating an electronic data exchange and management system for the operation of the DRP ensuring that each relevant procedure is supported by digital solution (avoiding paper based procedures)
  + - ensure, as referred to in Article 69(8) of the CPR, that all exchanges of information between beneficiaries and the programme authorities are carried out by means of electronic data exchange systems in accordance with Annex XIV of the CPR.
    - ensure that all official exchanges of information with the Commission are carried out by means of an electronic data exchange system in accordance with Annex XV of the CPR;
    - record and store electronically the data on each operation necessary for monitoring, evaluation, financial management, verifications and audits in accordance with Annex XVII of the CPR, and ensure the security, integrity and confidentiality of data and the authentication of users;
* electronically transmit to the Commission cumulative data for the DRP by 31 January, 30 April, 31 July and 31 October of each year in accordance with the template set out in Annex VII of the CPR as referred to in Article 32 of the Interreg Regulation;
* submit to the Commission a final performance report on the DRP by 15 February 2031 and publish it on the DRP website in accordance with Article 33 of the Interreg Regulation;
* carry out evaluations of the programme by functionally independent experts, related to one or more of the following criteria: effectiveness, efficiency, relevance, coherence and Union added value, with the aim to improve the quality of the design and implementation of programmes. In addition, an evaluation to assess the impact of the DRP shall be carried out by 30 June 2029 in accordance with Article 35 of the Interreg Regulation; In this regard, the MA/JS shall:
  + - ensure the necessary procedures to produce and collect the data necessary for evaluations;
    - draw up and submit an evaluation plan to the MC not later than one year after the approval of the programme;
    - publish all evaluations on the DRP website;
    - in cooperation with the MC implement the evaluation recommendations.
* sign the financing agreement, in accordance with Article 59 of the Interreg Regulation, with each third country participating in the DRP setting out the mutual rights and obligations with regard to programme implementation and financial management. The financing agreement shall be considered to be a tool to implement the Union budget in accordance with the Financial Regulation and not an international agreement as referred to in Articles 216 to 219 TFEU;
* communicate to the Commission any changes regarding the programme authorities and the body to which payments are to be made without requiring a programme amendment in accordance with Article 17 of the Interreg Regulation;
* following the consultation of and the approval by the MC the MA/JS may submit a reasoned request for an amendment of the DRP together with the amended programme, setting out the expected impact of that amendment on the achievement of the objectives in accordance with Article 19 of the Interreg Regulation;

Detailed provisions concerning the responsibilities and tasks of institutions and organizational units as well as their relations will be included in the **Description of the Management and Control System**.

### 3.1.2 Summary of the measures established at programme level for the operation of the MA/JS

Managing the administrative procedures of the Danube Region Programme is a specific responsibility of the MA/JS, including the operation of its own organizational unit. Due to the transnational character of the programme, Partner States are sharing an overall interest of the smooth operation of the programme, therefore a number of particular cornerstones related to the continuous operation of the MA/JS has been agreed at programme level in order to reduce operational risks and ensure overall transparency without limiting the direct responsibility of the MA/JS. In line with the Interreg regulation and based on a formal process established at programme level, the appointment of the MA/JS and its hosting institution was decided by the Partner States. In accordance with the stipulations and the proposal submitted in the process, the Ministry of Finance of Hungary provides administrative support for the operation of the MA/JS in line with the rules established by the European and programme level regulatory framework, taking into account the international character of the specific organizational unit.

Based on the positive experience of the previous transnational SEE programme, a unique institutional system was established in the framework of the Danube Transnational Programme 2014-2020 grounded in a strong partnership between the MA/JS and the Partner States to ensure the effective and transparent operation of the specific transnational management structures (including measures related to human resource management) without limiting the competence of the Head of MA and heads of JS/units.

1. **Measures established for the transparent operation of the MA/JS**

The following measures have been previously agreed and established within the overall operational system of the hosting institution of the MA/JS[[6]](#footnote-6):

* The MA/JS of the Danube Region Programme operates as a separate department within the Ministry and carries out the transnational management tasks related to the MA/JS functions of the Danube Region Programme.
* The MA/JS of the Danube Region Programme carries out its activities in compliance with the applicable EU regulations and programme-level regulations, as well as the Hungarian law. Its rules of procedures are defined in the Procedures Manual of the Managing Authority and Joint Secretariat of the Danube Region Programme.
* The Head of Department (head of MA of the Danube Region Programme) is authorised to assume commitments on behalf of the Ministry under his delegated powers in respect of transnational project contracts financed by the TA budget of the Danube Region Programme.
* The organisational unit is managed by the head of MA who exercises employer's rights over the employees of the organisational unit under his delegated powers, with the exception of appointment and dismissal.
* Employees of the organisational unit are paid from the technical assistance budget of the Danube Region Programme in agreement with the Partner States of the Programme.
* The hosting ministry preliminarily informs the MC when appointing or dismissing employees at the organisational unit.
* Annual work plans approved by the MC of the Danube Region Programme define the detailed set of tasks of the MA/JS of the Danube Region Programme.
* A separate internal regulation of the Ministry specifies alternative rules and procedures relating to operation of the MA/JS of the Danube Region Programme.

1. **Measures established for the human resources management of the MA/JS**

Within the TA allocation available for the operation of the MA/JS a specific budget for staff cost is to be established. Each employer of the MA/JS (including each management and staff positions) are financed from the programme TA budget. The rules of the application of the TA budget[[7]](#footnote-7) for the operation of the MA/JS are to be provided for the MC in order to ensure full transparency.

In order to secure the permanent and stable operation of the MA/JS the **major framework conditions** (number of staff directly employed by the MA/JS, key elements of the remuneration system (salary categories, target bonus, indexation[[8]](#footnote-8)) are to be consulted and agreed at programme level.

In order to support the MA/JS in the selection of the new staff, a **Recruitment Committee** was set up by members of the MC. The Recruitment Committee has been consulted when launching the calls for new positions (including the call documentation). Partner States are advertising the calls of new staff in order to ensure the international character of the selection process. The Recruitment Committee organize interviews with pre-selected candidates and seeks for consensus in selecting the staff of the MA/JS (without limiting the decisive role of the head of MA, heads of JS/units).

## 3.2 National Contact Points

In order to enhance the activities of the MA/JS the participating Partner States may set up National Contact Points (NCP) in accordance with the respective institutional structure. The main mission of the NCPs is to support and promote the DRP in the participating countries by involving stakeholders from the national level and providing additional communication activities in line with the plans and standards agreed at programme level. The work of the NCPs is coordinated the MA/ JS and their activities are integrated in the MA/ JS communication plan of the given year.

In line with the decision of the concerned Partner State, the NCPs can be observers in the MC of the DRP. Nevertheless a clear distinction and separation of functions between MC members and NCPs should be ensured by each Partner States.

The network of NCPs shall complement the activities of the MA/JS, and may carry out specific transnational activities, such as:

1. **Provide information to potential applicants**

* Inform potential applicants about the DRP through widely accessible, national-language information, thereby ensuring transparency and equal access;
* Support the MA/JS in organising transnational programme events for applicants;
* Assist and guide applicants in developing project ideas into applications and also providing general feedback especially related to national requirements;

1. **Provide advice to and assist project partners**

* Support the MA/JS in organising transnational trainings and seminars for project partners;
* Support project partners in project implementation through national and regional trainings and seminars;
* Give individual feedback to partners on implementation-related issues.

1. **Provide information on achievements of the programme**

* Inform relevant stakeholders about programme results through widely accessible, national language information, thereby ensuring transparency about the programme;
* Engage relevant stakeholders to cooperate with the programme at national and transnational levels;

1. **Support programme management**

* Identify potential (existing and new) stakeholders and maintaining the national database of contacts to be used by the DRP;
* Assist the selection procedure (e.g. eligibility check in connection to partner status/national requirements);
* Take part in the planning and implementation of the yearly communication plans of the DRP co-ordinated by the MA/JS;
* Provide and circulate relevant documents, strategic papers, etc. to national bodies (esp. National Committees);
* Give feedback to the relevant programme bodies on any problems and difficulties encountered in the implementation of the programme or projects;

NCPs may be co-financed from the DRP’s TA budget. Each Partner State’s share of the NCP TA budget will be set in accordance with the national contribution of each Partner State to the programme budget.

## 3.3 Certifying Authority

The accounting function will be performed by the **Hungarian State Treasury** (hereinafter: Treasury). The Treasury is identified as theCertifying Authority (CA) of the Danube Region Programme within the meaning of Article 71(1) of the CPR and Article 47(1) of the Interreg Regulation, and designated by the Government Decree 574/2021. (X. 12.).

The CA will carry out the functions laid down in points (a) and (b) of Article 76(1) of the CPR and as referred to in Article 47(2) of the Interreg Regulation, in particular:

* drawing up and submitting payment applications to the Commission in accordance with Articles 91 and 92 of the CPR,
* drawing up and submitting the accounts confirming completeness, accuracy and veracity of the accounts in accordance with Article 98 of the CPR, and keeping electronic records of all the elements of the accounts, including payment applications,
* covering the payments made by the Commission and,
* ensure, subject to the availability of funding, 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;

The Commission shall reimburse as interim payments 95 % of the amount resulting from applying the co-financing rate for each priority laid down in the decision adopting the Interreg programme, to the eligible expenditure for the priority included in the payment application. The accounts shall cover the accounting year. The CA shall use the payments received from the Commission to reimburse in Euro the community part of the eligible expenditure paid by the lead partners and project partners.

Reimbursement may only be authorised by the Certifying Authority (payments to lead partners are carried out technically by the Certifying Authority) if the related progress report and the Controller’s certificate in respect of each application for reimbursement are approved and received by the MA/JS.

The CA shall send a provisional forecast of the of the amount for payment applications to be submitted for the current and subsequent calendar year to the European Commission as stated in Article 69 (10) of the CPR in accordance with Annex VIII.

**The certifying authority shall be responsible for:**

* drawing up and submitting payment applications to the Commission in accordance with the template set out in Annex XXIII of the CPR;
* drawing up the accounts referred to in point (a) of Article 63(6) of the Financial Regulation in accordance with the template set out in Annex XXIV of the CPR;
* certifying the completeness, accuracy and veracity of the accounts and that the expenditure entered in the accounts complies with applicable law and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the cooperation programme and complying with applicable law;
* ensuring that there is a system which records and stores, in computerised form, accounting records for each operation, and which supports all the data required for drawing up payment applications and accounts, including records of amounts recoverable, amounts recovered and amounts withdrawn following cancellation of all or part of the contribution for an operation or cooperation programme;
* ensuring, for the purposes of drawing up and submitting payment applications, that it has received adequate information from the MA/JS on the procedures and verifications carried out in relation to expenditure;
* taking account when drawing up and submitting payment applications of the results of all audits carried out by, or under the responsibility of, the audit authority;
* maintaining, in a computerised form, accounting records of expenditure declared to the Commission and of the corresponding public contribution paid to beneficiaries;
* keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the budget of the Union prior to the closure of the cooperation programme by deducting them from the subsequent payment application.
* the paying function of the CA means that based on the application for reimbursement approved by the MA/JS the CA transfers the contribution from the Danube Region Programme account directly to the lead partners.

## 3.4 Audit Authority

The audit authority (AA) functions will be fulfilled by the **Directorate General for Audit of European Funds** (DGAEF); an autonomously operating central budgetary organisation ranked within the chapter of the ministry responsible for public finances. DGAEF is functionally and organisationally independent from the Ministry and carries out its duties based on Article 77 of CPR and Government Decrees No. 210/2010. (VI. 30.) and 574/2021. (X. 12.).

The AA is functionally independent from both the MA/JS and the CA as well as from controllers who carry out verifications. The AA designated within the meaning of Article 71(1)-(2) of the CPR and Article 45(1)-(2) of the Interreg Regulation and in compliance with Article 77(6) of the CPR shall carry out the functions laid down in Article 77 of the CPR and Article 48(1) of the Interreg Regulation. The AA has the authorisation in the whole territory covered by the programme. The AA is in particular responsible for ensuring that audits are carried out on the management and control systems, on an appropriate sample of operations and on the annual accounts.

The AA will carry out its functions in accordance with Articles 71(1)-(2) and 77 of the CPR as well as with Articles 45(1)-(2), 48 and 49 of the Interreg Regulation.

The AA will be assisted by a Group of Auditors (GoA) comprising of representatives from responsible bodies of each Partner State participating in the Cooperation Programme. The representatives have to be independent from the MC members, the controllers designated and also from all activities and financial aspects of projects. The GoA will be set up within three months of the EC decision approving the Programme at the latest. It will draw up its own Rules of Procedure and will be chaired by the AA.

The AA disposes of the necessary functional independence from the MA, CA, MC members, controllers and beneficiaries. Where audits are carried out by a body other than the AA or the GoA members, the Audit Authority will ensure that such bodies have the necessary functional independence.

The Audit Authority as an independent audit body will also be in charge of the early preventive system audit as referred to in Article 78 of the CPR. Members of the GoA will carry out the audit activities related to the early preventive system audit procedure with regards to the control system set up on their territory and they will be responsible for providing audit results to the AA in due time.

The work of the Audit Authority and of the Group of Auditors will be supported by the MA/JS.

# Responsibilities of the Partner States



## Overall responsibilities of the participating countries

All Danube Partner States agree to apply the partnership principle as laid down in Article 8 of the CPR and the European code of conduct on partnership (Delegated Regulation (EU) No 240/2014) and cooperate to find optimal solutions for the benefit of the whole cooperation area.

Considering the fact that DRP covers the territory of more partner states and that programme-level decisions (e.g. on calls for proposals, selection of projects, etc.) are made by consensus of the partner states, two distinct forms of responsibility can be defined:

* Joint responsibility of Partner States for common decisions (grounded on the decisions of the MC);
* Individual responsibility of each Partner State for management and control issues of national level competence, and providing national co-financing for projects at state level (if the concerned Partner State decides so);

The above liability principles and the apportionment of liabilities among Partner States are described in details in Section 7.3 of the DRP Programme Document.

In compliance with Article 69 of the CPR, and the Interreg Regulation, Partner States (represented by the organisations/authorities listed in Annex 4) are responsible for the management and control of the programme, in particular:

* Partner States shall have compliant management and control systems and ensure their functioning in accordance with the principle of sound financial management and the key requirements listed in Annex XI of the CPR;
* Partner States shall take all required actions to prevent, detect and correct and report on irregularities including fraud. The rules related to the collection and processing of such data shall comply with applicable data protection rules. The Commission, the European Anti-Fraud Office and the Court of Auditors shall have the necessary access to that information. Section 3.5 of the PC covers the chain of financial liability in respect of recovery for irregularities;
* Partner States will bear ultimate responsibility for the recovery of amounts unduly paid to beneficiaries located on their territories in accordance with Article 52 of the Interreg regulation as referred to in the DRP Programme Document.
* Partner States shall ensure the quality, accuracy and reliability of the data uploaded to the monitoring system including the data on indicators;
* Partner States shall ensure the publication of information in accordance with the requirements established in the CPR and Interreg Regulation, except where Union law or national law excludes such publication for reasons of security, public order, criminal investigations, or protection of personal data in accordance with Regulation (EU) 2016/679;
* Partner States shall have systems and procedures to ensure that all documents required for the audit trail as set out in Annex XIII of the CPR are kept in accordance with the requirements set out in Article 82 of the CPR;
* Partner States shall make arrangements to ensure the effective examination of complaints concerning the Funds. The scope, rules and procedures concerning those arrangements shall be the responsibility of Partner States in accordance with their institutional and legal framework. This is without prejudice to the general possibility to address complaints to the Commission by citizens and stakeholders. Partner States shall, upon request by the Commission, examine complaints submitted to the Commission falling within the scope of their programmes and shall inform the Commission of the results of these examinations;
* Each Partner State shall have in place, at the latest by the time of submission of the final payment application for the first accounting year and no later than 30 June 2023, a description of the management and control system in accordance with the template set out in Annex XVI of the CPR. It shall keep that description updated to reflect any subsequent modifications;
* Partner States shall report on irregularities in accordance with the criteria for determining the cases of irregularity to be reported, the data to be provided and the format for reporting set out in Annex XII of the CPR;
* The Partner States shall set up, in agreement with the managing authority, a monitoring committee to monitor the implementation of the programme within three months of the date of notification on the Commission decision approving the Danube Region Programme pursuant to Article 18 of the Interreg Regulation;
* Without prejudice to the eligibility rules laid down in Articles 63 to 68 of the CPR, in Articles 5 and 7 of the (EU) 2021/1058 or in the Interreg Regulation, including in acts adopted thereunder, the Partner States shall, by a joint decision in the monitoring committee, only establish additional rules on eligibility of expenditure for the Interreg programme on categories of expenditure not covered by those provisions. Those additional rules shall cover the Interreg programme as a whole;
* The Partner States shall designate a body or person responsible for carrying out management verifications referred to in point (a) of Article 74(1) of the CPR in relation to beneficiaries on their respective territory ("controllers") in compliance with Article 46 of the Interreg Regulation;
* Each Partner State shall ensure that the expenditure of a beneficiary can be verified within a period of two months of the submission of the documents by the beneficiary concerned (see Section 4.3).
* The Partner States shall nominate the members of the Group of Auditors to assist the work of the audit authority within three months of the decision approving the Danube Region Programme in accordance with Article 48 of the Interreg Regulation. Each representative from each Partner State shall be responsible for providing the factual elements relating to expenditure on its territory that are required by the audit authority in order to perform its assessment.

## Monitoring Committee

A joint **Monitoring Committee** is set up by the participating countries within 3 months from the date of notification of the Commission decision adopting the DRP, in compliance with Article 28 and 29 of the Interreg Regulation. The MC in accordance with Article 22 and 30 Interreg Regulation supervises the implementation of the programme and selects projects to be financed.

National Authorities of each participating country appoint representatives to participate in the MC in order to jointly execute programme level control and coordination over programme implementation. As a general rule, up to three representatives from each of the participating country can be nominated as members of the MC. The partnership principle laid down in Article 8 of the CPR and the European code of conduct on partnership shall be ensured by the MC representatives through the prior involvement of relevant partners in national coordination committees (or other mechanisms/entities as provided by the respective national rules) in preparation to the MC meetings.

The MC will be chaired by representatives of the participating countries. The chair rotates among the Partner States every six months. Decisions by the MC shall be taken by consensus whereby each participating country shall have one vote.

The MC will draw up its own Rules of Procedure and adopt them in agreement with the MA in order to exercise its duties in accordance with the Interreg Regulation. The Rules of Procedures will contain a detailed description of the composition and the decision-making process of the MC, including the rules on how to avoid and address potential situations of conflicts of interest.

It will be the task of the MC to steer the programme by establishing and applying non-discriminatory and transparent selection criteria and procedures as well as by ensuring the quality and effectiveness of its implementation. Consequently, the MC shall meet at least once a year and shall review all issues that affect the programme’s progress towards achieving its objectives.

In line with Article 22 and Article 30 of the Interreg Regulation, the MC shall in particular:

* examine the progress in programme implementation and in achieving the milestones and targets of the Interreg programme;
* examine any issues that affect the performance of the Interreg programme and the measures taken to address these issues;
* examine the progress made in carrying out evaluations, syntheses of evaluations and any follow-up given to findings;
* examine the implementation of communication and visibility actions;
* approve the evaluation plan and any amendment thereto;
* approve any proposal by the managing authority for the amendment of the Interreg programme including for a transfer in accordance with Article 19(5) of the Interreg Regulation;
* approve the final performance report;
* approve the methodology and criteria used for the selection of Interreg projects, including any changes thereto;
* select projects in accordance with the programme’s strategy and objectives by:
  + - ensuring that selected projects comply with the programme and provide an effective contribution to the achievement of its specific objectives;
    - ensuring that selected projects do not conflict with the corresponding strategies established for one or more of the external financing instruments of the Union;
    - ensuring that selected projects present the best relationship between the amount of support, the activities undertaken and the achievement of objectives;
    - verifying that the beneficiary has the necessary financial resources and mechanisms to cover the project and maintenance costs for projects comprising investment in infrastructure or productive investment, so as to ensure their financial sustainability;
    - verifying that where the projects have started before the submission of an application for funding to the managing authority, the applicable law has been complied with;
    - ensure that selected operations which fall under the scope of Directive 2011/92/EU of the European Parliament and of the Council (19) are subject to an environmental impact assessment or a screening procedure and that the assessment of alternative solutions has been taken in due account, on the basis of the requirements of that Directive;
    - ensuring that selected projects fall within the scope of the Interreg fund and are attributed to a type of intervention;
    - ensuring that selected projects are not directly affected by a reasoned opinion by the Commission in respect of an infringement within the scope of Article 258 TFEU that puts at risk the legality and regularity of expenditure or the performance of operations;
    - ensuring that, for investments in infrastructure with an expected lifespan of at least five years, an assessment of expected impacts of climate change is carried out.

## Control systems and management verifications

Controllers will be designated by each Partner State to ensure that management verifications referred to in point (a) of Article 74(1) of the CPR are carried out to verify that the co-financed products and services have been delivered, that the project complies with applicable law, the programme and the conditions for support. Furthermore, where costs are to be reimbursed on a real-cost basis, controllers shall also verify that the amount of expenditure claimed by the beneficiaries in relation to these costs has been paid and that beneficiaries maintain separate accounting records or use appropriate accounting codes for all transactions relating to the project; whereas in case costs are reimbursed in the form of SCOs (i.e. unit costs, lump sums or flat-rate financing), controllers shall verify that the conditions for reimbursement of expenditure to the beneficiary have been met.

Management verifications shall be risk-based and proportionate to the risks identified *ex ante* and in writing. Verifications concluded by the controllers shall include the following procedures:

* administrative verifications in respect of payment claims made by beneficiaries;
* on-the-spot verifications of operations.

Controllers shall be nominated in line with the national provisions of each Partner State. **Each country** participating in the DRP **will be responsible for verifications carried out on its territory** and ensure that the expenditure of a beneficiary can be verified in accordance with Article 46(6) of the Interreg Regulation. In order to do so, each Partner State should establish procedures so that expenditure can be verified within a period of two months from the submission of the documents by the project partners allowing for timely submission of project progress reports by the lead partners within a three months period from the end of each reporting period.

The costs for national level control activities could be financed from the projects’ budgets (generally in case of decentralised systems) or from national sources of the Partner States (in case of centralized administrative systems).

**The identification of the controllers in each Partner State will be made on the basis of the control system chosen (centralised or decentralised).** The controllers in any case must be independent from the project partners, from the audit authority or any member of the group of auditors and hold qualifications set by the participating countries in order to fulfil the requirements for controllers laid down in Article 46(9) of the Interreg Regulation as well as in national regulatory framework.

To ensure smooth functioning of the control system in the Partner States, controllers of each partner state will be organised in a network of controllers which will be coordinated and supported by the MA/JS. Regular consultations and trainings for the network of controllers shall be organised during the programme implementation period.

In order to ensure the common understanding of the rules applied for control at national level, “Control Guidelines” serving as a methodological guidance including standard templates will be developed at programme level by the MA/JS. In addition, the minimum requirements for risk-based management verifications will be prepared by the MA/JS at programme level.

Each participating country will, apart from the designation of the controllers, also be responsible for their training on EU and national requirements as well as for the quality check of the control work.

The MA/JS, and the CA should be regularly informed on the functioning of the control system set up by each Partner State. Furthermore, to ensure coherence among control systems of all participating countries, the MA/JS will collect information from all Partner States on the establishment and functioning of the respective control systems in accordance with Article 69 of the CPR. Partner States shall submit the description of the control system by using the template provided by the MA/JS. The MA/JS shall be notified on the changes in the respective control system by submitting an updated description each year for the deadline set by the MA/JS.

In accordance with point (f) of Article 74(1) and the template set out in Annex XVIII of the CPR, the MA shall draw up the management declaration for each accounting year based on the results from management verifications carried out by the controllers and from audits in relation to the expenditure included in the payment applications submitted to the Commission for the accounting year concerned.

## Verification reports

### 4.4.1 Verification Report at Partner State level

In accordance with Article 46(5) of the Interreg Regulation, the MA/JS shall satisfy itself that the expenditure of beneficiaries participating in an operation has been verified by an identified controller. The MA/JS shall also ensure the compliance of the control systems at national level on a regular basis, i.e. to get assurance on the sufficiency of verifications performed at project partner level and their compliance with EU and national requirements. For this purpose, the Partner States will remain responsible for drawing up and submitting to the MA/JS quarterly verification reports including information on irregularities and recoveries (the format of the Verification Report at Partner State level can be found as Annex 2).

As part of the Verification Report, the Partner States are also requested to provide information on the method of payment of the state contribution to the project partners (if relevant) and to submit summary reports on irregularities that do not need to be reported to the OLAF.

The deadlines for submission of the Verification Report to the MA/JS are summarised in the following table:

|  |  |  |
| --- | --- | --- |
| **Part** | **Content** | **Deadline for submission** |
| Part I | Information on the compliance of the control system | 15 April, 15 October |
| Part II | Information on the payment of state contribution | 15 February, 15 April,  15 July, 15 October |
| Part III | Information on irregularities and recoveries | 15 February, 15 April,  15 July, 15 October |

### 4.4.2 Verification Report at programme level

On the basis of the verification reports of the Partner States the MA/JS will declare that the control systems are established according to the requirements of Article 46(5)-(9) of the Interreg Regulation and the verifications are executed according to point (a) of Article 74(1) of the CPR.

The programme level verification report compiled by the MA/JS will be submitted to the Certifying Authority on a quarterly basis and according to the deadlines set by the CA. The programme level verification reports will be supported by the verification reports of the Partner States. The template for the Verification Report at programme level is attached as Annex 3 to the PC.



## Irregularities and recovery

A clear chain of financial liability in respect of recovery for irregularities will be established from project partners via the lead partner and the managing authority to the Commission in accordance with Article 52 of the Interreg regulation to be described in the Control Guidelines of DRP.

Obligations of partner states at the national level as well as of the MA/JS to prevent, detect and correct and report on irregularities as referred to in Article 69(2) and in Article 74(1)(d) of the CPR will be managed with respect to the provisions of Article 69(12) of the CPR, namely that partner states shall report on irregularities in accordance with the criteria for determining the cases of irregularity to be reported, the data to be provided and the format for reporting set out in Annex XII of the CPR. In order to ensure that the programme management bodies (MA/JS, CA, and AA) are informed on the irregularities detected by the partner states, the reporting system on irregularities established at programme level will be maintained. In addition, the results of the audits of operations carried out by the audit authority and the financial corrections applied in respect of any individual irregularities detected by the audit authority will be summarised in the annual control report as referred to in Article 48(7) of the Interreg regulation.

In addition to the regular reporting obligation on irregularities, the MA/JS shall be informed by the Partner State in case an investigation on irregularity is ongoing for a project after its end date. In case the decision on irregularity is still not available at the time of the submission of the final progress report by the lead partner, the financial closure of the project might be suspended by the MA/JS for a maximum of 6 months from the deadline of submission of the final report, considering the programme closure deadlines as well. Expenditure found eligible as a result of the irregularity procedure can be claimed only before the final payment to the project is approved by the MA/JS. After the financial closure of the project, any claim for reimbursement of expenditure found eligible related to investigations at national level shall be covered by the Partner State concerned.

**Recovery by the Partner State of amounts unduly paid**

The procedure for the recovery of amounts unduly paid is the following:

1. In case of irregularities identified during the project implementation the MA/JS is entitled to claim the repayment of contribution from the EU Funds in full or in part from the lead partner (LP) based on the irregularity report sent to the MA/JS.
2. The responsible body for repayment of the Partner State, on whose territory the project partner concerned is located, is informed by the MA/JS about the irregularity case and the recovery procedure initiated by the MA/JS to the PP via the LP of the project.
3. If the LP cannot recover the EU Funds unduly paid to a project partner on the basis of the partnership agreement existing between them, the LP shall inform the MA/JS in written form within the deadline for the repayment.
4. In line with Article 52(3) of the Interreg regulation and Chapter 7.3 of the Danube Region Programme, the Partner State on whose territory the project partner concerned is located is responsible for the recovery of amounts unduly paid in case the LP notifies the MA/JS that it failed to recover the EU contribution unduly paid from the project partner concerned or if the repayment period given to the LP has elapsed with no result. In these cases, the MA/JS requests the Partner State concerned to repay the amount of EU contribution unduly paid to the Danube Region Programme Bank Account held by the CA.
5. The Partner State concerned is entitled to claim the unduly paid funds from the Project Partner pursuant to its national law (e.g. via legal procedure).

Without prejudice to the standard procedure described in point 1-5, the Partner State may decide to recover the amounts unduly paid instead of the project partner(s) concerned where the responsibility of the project partner according to the Partner State was not evident.  
In these cases, the Partner State shall officially inform the MA/JS in the OLAF/summary report sent to the MA/JS on the irregularity case or in a letter within 10 days after receiving the final audit report containing the irregularity. In this case the repayment letter will be addressed to the responsible body of the Partner State on whose territory the beneficiary concerned is located instead of the LP so that the Partner State will repay the amounts unduly paid to the Danube Region Programme Bank Account held by the Certifying Authority by the deadline specified by the MA/JS in the repayment letter.

Responsibilities of Partner States related to handling irregularities contain two main duties, one is the reporting to the Commission and to the managing authority and the audit authority of the programme and the other is the recovery of the amounts unduly paid. The Partner State in which the irregular expenditure is incurred by the beneficiary shall report irregularities in relation to cases as defined in Section 1.1 of Annex XII of the CPR.

In accordance with Article 103 of the CPR, the Partner States shall be responsible for investigating irregularities and apply financial corrections by cancelling all or part of the support from the Funds to a project where expenditure declared to the Commission is found to be irregular. For arrangements in case of irregularities and related financial corrections reference is made in Section 7.3 of the Danube Region Programme and will also be dealt with in the Financing Agreements.

## Conflicts of interest

In line with **Commission Notice on ’Guidance on the avoidance and management of conflicts of interest under the Financial Regulation (2021/C 121/01)’** the requirement to prevent situations involving conflicts of interest or manage them appropriately when they occur is crucial for upholding the transparency, reputation and impartiality of the public sector and the credibility of the rule of law principles as a fundamental value of the EU. This is essential for maintaining public confidence in the integrity and impartiality of public bodies and officials as well as in the decision-making processes. Having in place policies and rules on avoiding and managing conflicts of interest is an essential part of good governance of the DRP.

The Financial Regulation 2018 **has explicitly extended the scope of the provisions on conflicts of interest to all management modes** (the scope is explicitly applicable to shared management) **and to all actors, including national authorities at all levels, involved in the EU budget implementation, including carrying out preparatory acts and audits, as well as exercising control.** Article 61 of the Financial Regulation states that all financial actors including national authorities shall not take any action which may bring their own interests into conflict with those of the Union and that they shall also take appropriate measures to prevent conflict of interests from arising in the functions under their responsibility and to address situations which may objectively be perceived as a conflict of interests.

In the case of shared management, it is the responsibility of national authorities to establish internal control systems with responsibilities/tasks being clearly assigned as this is relevant to determining a person’s ‘involvement in budget implementation’ in each particular case. However, it should be noted that, pursuant to Article 61(1) FR 2018, **the ‘involvement’ encompasses preparatory acts, and any step of the process of planning, deciding on, managing, auditing and controlling the use of EU funds. Therefore, this concept includes anyone that might influence the decision-making process including national, regional and local authorities, staff or members of these authorities and government members, to the extent that they deal with any of the abovementioned steps in implementing the EU budget**. However, the importance of basing the risk of perceived conflicts of interest on objective and reasonable considerations has to be underlined. This notably includes verifiable factual indications that there are links between the functions and the interest at stake, for instance, a power to act or give instructions, a link via a third person, a continuing link with previous positions, a link with future positions or a hierarchical and/or functional link.

Measures to prevent and address conflicts of interest will be applied in all parts of the management and control system throughout the implementation period of the DRP.

## Non-respect of provisions agreed among Partner States

In case non-respect of provisions agreed among Partner States (where controls or audits demonstrate systemic errors, irregularities, fraud or breach of obligations especially which call into question the reliability of the internal control systems of the Partner States concerned or the legality and regularity of the underlying transactions) the MA/JS may propose to the MC the suspension of part or all of the payments to project partners located on the territory of the concerned Partner State in proportion to the gravity of the errors, irregularities, fraud or of the breach of obligations, provided that the Partner State concerned has been given the opportunity and failed to comply with the agreed provisions in 2 months from the receipt of the written notification issued by the MA/JS. In its proposal, the MA/JS shall also set out the grounds for concluding that the Partner State has failed to take effective action. Decisions will be made on a case by case basis in accordance with regulations in force.

# Programme Implementation



## Programme Implementation Concept

At the beginning of the new programme cycle, the MA/JS is developing an informal programme implementation concept in order to preliminary set the milestones of the implementation of the Danube Region Programme. The preliminary plan will contain the number and timing of planned calls for proposals including preliminary allocations, length of the different projects, reporting periods and other milestones. Based on the programme implementation plan, the cash-flow of the programme can be estimated in order to determine the risk of de-commitment for each year as well as the TA cash-flow and the estimated co-financing need.

The programme implementation concept is a non-formal document, to be prepared and modified by the MA/JS and adopted by the MC in a regular basis.

## Work plan

The implementation of the programme will be based on the annual workplans including the major milestones and events during the implementation of the programme to provide clear and shared reference for each relevant actor (containing activities of the MA/JS, the NCs, AA and external auditors, controllers, etc.). The workplan should contain the following elements:

* specific challenges and objectives, indicators (if any)
* planned milestones including planned meetings of the MC
* timing of the project implementation (contracting, reports) and audit activities
* programme implementation timetable, including verification reports, updates of the management and control systems, etc.

The annual workplans will jointly be prepared by the MA/JS and the MC Chair(s) and adopted by the MC.

## Call System and assessment

The Danube Region Programme will generate, collect, select and contract transnational projects through different types of Call for Proposals.

The Call system will be defined in relation to each specific scheme and application round by the MC depending on the thematic scope, target groups, specific beneficiaries or unique focus of the Call. The types of calls may include open call for proposals, targeted calls (focusing on specific programme priorities or thematic projects by narrowing the scope of potential beneficiaries) as well as restricted calls for specific target groups designated by the MC (e.g. with regard to the support of the EUSDR).

Concerning the assessment and selection, in line with Article 22 (1) of the Interreg Regulation, „Interreg operations shall be selected in accordance with the programme’s strategy and objectives by a monitoring committee set up in accordance with Article 28.” Point 2 further states „For the selection of operations, the monitoring committee or, where applicable, the steering committee shall establish and apply criteria and procedures which are non-discriminatory and transparent, ensure accessibility to persons with disabilities, gender equality and take account of the Charter of Fundamental Rights of the European Union and 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 the prioritisation of operations to be selected with a view to maximising the contribution of Union funding to the achievement of the objectives of the Interreg programme and to implementing the cooperation dimension of operations under Interreg programmes, as set out in Article 23(1) and (4) of this Regulation.”

Application Forms (AF) received will be stored in the DRP monitoring system or on the website, and made accessible to the MA/JS, MC, NCP and EC. In case of multiple submissions of the same AF, only the last submitted version will be considered as valid. A comprehensive report of the submitted AFs will be provided to all programme bodies involved in the assessment. AFs are distributed to the assigned MA/JS project officers.

The fulfilment of eligibility criteria is checked by the MA/JS, supported by the NCPs for the eligibility of the individual partners, including the lead partner. NCPs will fill in the ‘NCP findings’ template and send it to the MA/JS by email within the given deadline. The MA/JS will perform the eligibility check and the results will be summarised by the MA/JS in the “eligibility” section of the project assessment checkgrid.

The findings of the eligibility check are communicated by the MA/JS to the MC for endorsement and/or comments either during the MC meeting or through a written procedure. In case of issues that cannot be agreed during the written procedure, the topic will be included in the agenda of the next MC meeting. Lead applicants are informed about the outcomes of the eligibility check and the decision of the MC within the deadline set in the Procedures Manual of the MA/JS.

Quality assessment is carried out by the MA/JS by at least 2 assessors per each project. Each assessor carries out her/his assessment independently. Once finalised, the two persons meet to agree on a common position and prepare the final and consolidated version of the AF assessment grid. In case an agreement is impossible to be reached, the final AF assessment grid is prepared by a third assessor within the MA/JS. A ranking list with the results of the assessment is submitted to the MC, together with the assessment grids of each assessed proposal. Final decision on financing the project proposals will be taken by the MC, based on the results of the technical assessment and on the amounts allocated per Priority. The assessment grids contain also the conditions set by the MA/JS for financing and/or further recommendations for improvements. The findings of the state aid check are included as well.

The decision of the MC is threefold:

* Approval: the project is considered ready to start, fulfilling the requested quality requirements and responding to the selection criteria;
* Approval under condition: the proposal is considered approved provided that the lead applicant and/or the project partners satisfy specific conditions within a given deadline.
* Rejection: the proposal is considered not appropriately matching the quality level and responding to the selection criteria.

The MA/JS informs the lead applicant about the MC decision within the deadline set in the Procedures Manual (the decisions of the MC being effective immediately). All rejected applicants will receive an official electronic communication from the MA/JS, which includes the summary of the quality assessment results describing the reasons why their application had failed.

All the lead applicants of the awarded proposals will receive an official electronic communication from the MA/JS stating the decision of the MC as well as the total Interreg funds approved.

In case of approval under conditions, these are communicated to the lead applicants in the letter informing them on the MC decision as well as the deadline for the fulfilment of conditions. After the deadline expires, the MA/JS prepares a report to the MC on the results of the conditions’ clearing exercise, the final ranking list and the proposal for the final decision on the allocation of the Interreg funds. The report has to be approved by the MC.

## Key documents for programme implementation

In addition to the stipulations of the relevant regulations, the Danube Region Programme and the Programme Complement, the Partner States and the MA/JS shall establish a solid regulatory framework by developing and adopting a set of programme level documents. These documents are to be approved at programme level (MC) and applied accordingly by each institution responsible for the management and operation of the DRP both at transnational and national level. Partner States should ensure that the application of the jointly established rules is considered fully in the regulatory frame established at national or institutional level.

MA/JS ensures the availability of the relevant set of programme rules through the programme website. Partner States should ensure that the set of documents and its future modifications are communicated in due time to each relevant actor at national level.

The MA/JS will make certain that the applicable rules are established in only one document in order to avoid potential contradictions between documents to ensure a simplified and transparent regulatory framework both for the beneficiaries and authorities.

|  |  |
| --- | --- |
| **Document name** | **Content / Objective** |
| **Call Announcement** | The Call Announcement summarises the most important information, limitations and relevant rules with regard to the specific Call for proposals. It shall be handled together with the Applicants’ Manual and the Application form. |
| **Programme Manual** | The Programme Manual provide the major information to be developed at the beginning of the programme before any Call for proposals is launched containing information for applicants as well as beneficiaries which remains valid throughout the whole programme period. The Programme Manual will be common for all types of calls, except SMF which will have a separate one. The specific requirements for each call for proposals will be detailed in the Call announcement.   * **Applicants’ Manual** (providing applicants with detailed information about the programme, project requirements, eligibility rules, application and assessment processes, and guiding them through the drafting of the project proposals) * **Implementation Manual** (providing detailed guidance for lead partners (and project partners) of the approved projects in the implementation phase, from contracting to project closure including reporting obligations, payment of EU Funds and other programme-related requirements set in the Subsidy Contract). Furthermore the Implementation Manual will contain the guidelines for the monitoring system. * **Manual on eligibility of expenditure** (setting out detailed/specific programme level rules on the eligibility of expenditure and procedures to be followed during the project implementation period including the supporting documents requested for each budget line. These additional rules shall be established without prejudice to the eligibility rules laid down in the regulations (with special regard to Articles 53 to 57 and 63 to 67 of the CPR and Chapter V of the Interreg regulation). The Manual on eligibility of expenditurewill be common for both projects and controllers. |
| **Subsidy Contract template** | To be concluded between the managing authority and the lead partner, the subsidy contract sets out the conditions and rules on the award and use of EU funds earmarked for the implementation of the project. |
| **Partnership Agreement template** | The Partnership Agreement regulates the organisation of the partnership by setting out the rights and obligations of the project partners. The programme provides only a template and the compulsory elements, the partners are entitled to set additional rules. |
| **Evaluation plan** | The MA shall submit the evaluation plan to the MC not later than one year after the approval of the Interreg programme. |
| **Danube Control Guidelines** | Developed at programme level, the Danube Control Guidelines ensures the common understanding of the rules and the requirements for control and provides common methodological approach to fulfil the verification of expenditure in a harmonised way. It regulates the work of the Controllers by describing their tasks concerning each project type. |
| **Anti-fraud Strategy** | The objective of the document is to improve effectiveness of dealing with the risks of fraud within the DRP by outlining the relevant legal environment and basic principles and providing an overview of the measures and procedures in place for tackling fraud risks. |
| **Description of the Management and Control System** | The MA/JS shall set up the management and control system and ensure its functioning in accordance with the principle of sound financial management and the key requirements listed in Annex XI of the CPR |

Additionally to the documents summarized in the table (to be approved at programme level) there are a number of further documents regulating the implementation at programme or at national level. These additional rules are to be developed in accordance with the DRP, the regulations defined by this chapter. Additional rules will be approved by the relevant responsible bodies.

The MA/JS shall set up **the management and control system** and ensure its functioning in accordance with the principle of sound financial management and the key requirements listed in Annex XI of the CPR (including appropriate separation of functions, appropriate management verifications, effective audit trail, appropriate criteria and procedures for the selection of operations, reliable electronic system for recording and storing data for monitoring, evaluation, financial management, verifications and audits, effective implementation of proportionate anti-fraud measures, appropriate procedures for confirming that the expenditure entered into the accounts is legal and regular, etc.). Partner States are responsible to develop their own description of the national control system and submit the documents and its modifications to the MA/JS in due time, in a regular basis.

## Evaluation

In line with Article 35 (1) of the Interreg regulation “the managing authority shall carry out evaluations of the programmes related to one or more of the following criteria: effectiveness, efficiency, relevance, coherence and Union added value, with the aim to improve the quality of the design and implementation of programmes. Evaluations may also cover other relevant criteria, such as inclusiveness, non-discrimination and visibility, and may cover more than one programme.” Further to this, section 2 of the same article states that: „In addition to the evaluations referred to in paragraph 1, an evaluation for each programme to assess its impact shall be carried out by 30 June 2029.”

Based on the experiences of the previous programming periods and in order to streamline the evaluation process and receive the recommendations in due time to be utilized for the ongoing programme, one single contract will be concluded with evaluation experts at the beginning of programme implementation. The contract will cover both the operational evaluation (assessing the effectiveness, efficiency, relevance and coherence of the Union support) as well as the thematic gaps after each call and the impact of the programme. This approach will lead to having „real time information” on the content implementation of the DRP. The Evaluation Plan to be developed and submitted to the MC after the adoption of the programme will contain detailed information on the evaluation methods, tools and approach and will plan in details the evaluation work so that the results can used for the actual programme implementation, as well as for the development of future programmes.

## Technical Assistance

The objective of this chapter is to regulate the main principles for the management of the Technical Assistance of the Danube Region Programme, including TA shares, national co-financing to the TA, the main financial procedures and the monitoring of the TA.

### 5.6.1 Framework conditions

The use of technical assistance is a pivotal point of programme implementation in order to reinforce the administrative capacity of authorities involved in the management and control of the programme. In accordance with the definition laid down in the **Financial regulation**[[9]](#footnote-9), technical assistance activities include activities necessary for the implementation of the programme, in particular preparatory, management, monitoring, evaluation, audit and control activities.

In order to reduce the administrative burden, technical assistance for Interreg programmes shall be implemented through a flat rate based on progress in programme implementation in the 2021-2027 period. Since the reimbursements are based on the application of a flat rate, verifications and audits should be limited to verifying that the conditions triggering reimbursement of the Union contribution are met but underlying expenditure should not be subject to verification or audit.

In accordance with Article 36 of the CPR, Funds may support actions, which may concern previous and subsequent programming periods, necessary for the effective administration and use of those Funds. The CPR also states that for Interreg programmes the Union contribution for technical assistance shall be made only pursuant to point (e) of Article 51[[10]](#footnote-10), i.e. by **applying a flat rate.**

Provisions on technical assistance are laid down in Article 27 of the Interreg Regulation, inter alia:

1. The amount of the funds allocated to technical assistance shall be identified as part of the financial allocation of each priority of the programme in accordance with point (f) of Article 17(3)[[11]](#footnote-11) and shall not take the form of a separate priority or a specific programme.
2. Technical assistance to each Interreg programme shall be reimbursed as a flat rate by applying the percentages set out in paragraph 3 of this Article to the eligible expenditure included in each payment application pursuant to point (a) or (c) of Article 91(3) of Regulation (EU) 2021/1060 as appropriate.
3. The percentage of the ERDF contribution and the external financing instruments of the Union to be reimbursed for technical assistance shall be as follows:

(a)……….;

(b)………….; and

(c) for strand B programmes where the support from the ERDF is more than 50 % and for strand C programmes, both for the ERDF contribution and, where applicable, for one or more of the external financing instruments of the Union: 8 %.

Chapter VIII of the Interreg Regulation sets out provisions applicable to the participation of third countries or partner countries in Interreg Programmes under shared management. With regard to eligibility of expenditure, Article 56 states that by way of derogation from Article 63(2) of the CPR “expenditure shall be eligible for a contribution from external financing instruments of the Union if it has been incurred and paid in the preparation and implementation of Interreg operations from 1 January 2021or from the date of the programme submission, whichever date is earlier, but may be claimed from the programme after the date when the financing agreement with the respective third country, partner country or OCT was concluded. However, expenditure for technical assistance managed by programme authorities located in a Member State may already be claimed from the programme before the date when the financing agreement with the respective third country, partner country or OCT was concluded.

### 5.6.2 Calculation of the Funds to be committed to Technical Assistance

The **flat rate** for the programme according to the Interreg Regulation is **8%**, which shall be applied to each payment application.

The amount of EU contribution allocated to Technical Assistance is calculated as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| A | Total EU contribution of the DRP(Interreg Funds[[12]](#footnote-12)) | 213,103,953.00EUR | A |
| B | EU contribution for priorities without TA | 197,318,475.00 EUR | B=A/1,08 |
| C | EU contribution for Technical Assistance | 15,785,478.00 EUR | C=B\*0,08 |

The **total amount allocated to Technical Assistance is**  …………………..**EUR** with the **programme level co-financing rates**, i.e. **80%** EU contribution and **…. %[[13]](#footnote-13)** national contribution**.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| TA | EU  contribution  (EUR) | National  contribution  (EUR) | Total (EUR) | National Co-financing % |
| **Total** | 15,785,478.00 |  |  | **%** |

**Calculation of the Funds to be committed to TA:**

Considering that the flat rate financing connected to the payment application submitted to the EC, the available **TA depends on the spending level of the projects.** 8% of the verified project expenditure submitted to the EC, which is reduced by the irregularities will be transferred by the EC, according to the common rules of payment (Art. 93 of the CPR Regulation 2021/1060). The Funds **to be committed to TA by the DRP is aligned with the general spending level of the projects**, which is **93%,** based ongeneral spending level of the 1st call projects in Danube Transnational Programme (DTP).

### 5.6.3 TA shares for Core management activities and NCP activities

The TA will be used – similarly to the programming period 2014-2020 – mainly for core management activities. Core management activities mean all of the activities necessary to implement the programme creating the basis for the TA refunding from the European budget. The related core activities are managed by the MA/JS, CA and AA. The financing for the NCP transnational activities supporting the MA/JS mainly in its communication activity will be possible as well from the remaining TA.

The following table presents the distribution of the TA funds (EU+national co-financing) for the Core management activities and the NCP activities.

|  |  |  |
| --- | --- | --- |
| **DRP TA** | **TA Funds**  **to be committed**  **93%** | **Share**  **%** |
| **Core management (MA/JS, AA, CA)** |  |  |
| NCP activities |  |  |
| **Total TA** |  |  |

The TA shares for the NCP activities are agreed between the Partners States with following proportions:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Partner State** | **EU contribution** | **National TA contribution** | **Total** | **Proportions within the Fund** | **Share within the NCP TA** |
| **Austria** |  |  |  |  |  |
| **Bulgaria** |  |  |  |  |  |
| **Croatia** |  |  |  |  |  |
| **Czech Republic** |  |  |  |  |  |
| **Germany (B+BW)** |  |  |  |  |  |
| **Hungary** |  |  |  |  |  |
| **Romania** |  |  |  |  |  |
| **Slovakia** |  |  |  |  |  |
| **Slovenia** |  |  |  |  |  |
| **Sub- Total (ERDF MSs)** |  |  |  |  |  |
| **Bosnia and Herzegovina** |  |  |  |  |  |
| **Montenegro** |  |  |  |  |  |
| **Serbia** |  |  |  |  |  |
| **Sub- Total (IPA PSs)** |  |  |  |  |  |
| **Moldova** |  |  |  |  |  |
| **Ukraine** |  |  |  |  |  |
| **Sub- Total (NDICI PSs)** |  |  |  |  |  |
| **TOTAL NCP** |  |  |  |  |  |

### 5.6.4 National co-financing to the TA Funds

Following to the principle of the **additionality**, national contribution from the Partner States has to be provided to the TA as well. The amounts allocated to the programme TA is planned with 80% co-financing rate for the EU funding and ….% national co-financing.

* The national contribution part of the programme TA (including the 7% reserve) will be jointly financed by the national TA contribution of the 14 Partner States.
* The exact proportions of the national TA contributions by Partner States are calculated according to the allocation of each ERDF Partner State to the programme budget, and in case of the IPA and NDICI Partner States, the proportions are calculated based on the population data.
* The Partner States shall transfer in advance their national TA contribution share to the Danube Region Programme Bank Account.
* The national TA contribution parts will be split per years for the period 2022-2027, according to the proportions of the financial appropriations of the Programme. In case different proportions or one single transfer are agreed with a Partner State, this will be fixed in the Agreement to the contents of an Interreg programme to be submitted in accordance with Article 16(5) of the Interreg Regulation.
* The transfers will be requested on a yearly basis starting from 2022, by 31 January each year. The transfer in 2022 will be requested only after approval of the Programme and it has to be transferred at the latest by 31 December 2022.
* In 2025, after the final accounts of the DTP will be available, the balance of the national contributions to the DTP programme will be calculated. The DRP national TA contributions to be transferred in 2026 can be reduced by the DTP remaining amounts, in case the concerned Partner State requests this option.
* The national TA contributions of the Partner States will be tracked on the Danube Region Programme Bank Account by the Certifying Authority.
* The balance of the usage of the national TA contributions per countries shall be calculated by the MA/JS, after closure of the final accounting year.
* The remaining amounts shall be transferred back to the Partner States, unless different MC decision is taken.
* In case additional funds are needed, the Partner States transfer the necessary amount based on the final shares of each Partner State to the programme TA.

**National co-financing of the Partner States per years**:



### 5.6.5 Financial procedures for TA Funds

The financial procedures for the TA Funds will be based on the flat rate financing method. The main principles are the followings:

* The TA shares related to the Core management and TA shares of the NCPs will be fixed in percentage of the total TA of the programme. These proportions will remain for the whole programming period, unless a revision is decided by the MC based on the monitoring of the TA spending.
* TA will be transferred on a flat rate basis to the Danube Region Programme Bank account related to each payment application submitted to the EC.
* TA shares will be transferred proportionally to the NCPs on the flat rate basis following the reimbursement of the requested funds of each payment application by the EC. Both the EU contribution part and the national contribution part will be transferred.
* The hosting institutions of the MA/JS and the NCPs shall ensure the pre-financing of the real TA expenditure until the TA funds – as part of the reimbursement of each payment application - are made available in the Danube Region Programme Bank Account.

### 5.6.6 Monitoring of the TA Funds

Although, the TA Funds will be transferred on a flat rate basis and not based on the real expenditure incurred and paid for TA activities, the use of the TA Funds and the corresponding balance related to the account will be monitored at the programme level in order to ensure proper implementation.

The MA/JS and the NCPs should ensure that the available TA funds are used for the management of the Programme. Even though general eligibility rules for TA will not be developed at the programme level, the MA/JS and the NCPs should demonstrate in a transparent way, that the whole amount of TA is used for the implementation of the programme by the nominated institutions and staff (MA/JS and NCP staff). Registration and separate accounting of the TA expenditure shall be ensured as well.

The specific financial procedures (including procurement procedures and eligibility) related to the TA are included in the internal regulation of the hosting institution of the MA/JS[[14]](#footnote-14).

For budget planning and monitoring purposes, budget lines for TA will be also set. The TA budget to be committed will be planned for staff costs, office and administration costs, travel costs, external expertise and services and for equipment. Due to the flat rate financing, TA expenditure does not need to be backed by supporting documents (invoices, accounting documents, etc.) at programme level.

Standard reporting forms will be developed by the MA/JS to monitor the accomplishment of yearly work plans and budget plans, as well as for monitoring TA activities and financial progress. The MC will receive the information on the use of the TA funds based on the TA monitoring report templates[[15]](#footnote-15).

The MA/JS will perform the following tasks in relation to the Core management activities (joint activities of MA/JS, AA and CA):

* Preparation of the TA budget plan for the Core management and NCP activities for the whole programme period;
* Preparation of the yearly work plan of the Core management and NCP activities by 31st January each year;
* Preparation of the yearly TA budget plan of the Core management and NCP activities by 31st January each year;
* Collecting yearly NCPs TA reports on activities fulfilled;
* Preparation of TA report on the core management activities, as well as on TA activities of the NCPs, on a yearly basis by 31st March each year;
* Preparation of overview TA financial progress report on the real use of TA funds by 31st March each year;

At the end of 2025 the MA/ JS will present the MC a review on the TA implemented activities, financial balance and potentially required funds for future activities.

## Resolution of complaints

The procedures set in place for the resolution of complaints are differentiated according to the object of the complaint. In particular, specific procedures apply with regard to complaints introduced by applicants or project (lead) partners, as set out below.

### 5.7.1 Complaints related to assessment and selection:

Selection of projects under the Danube Region Programme will be carried out in line with Article 22(4) of the Interreg Regulation based on selection criteria and procedures established by the MC in accordance with Article 22(2) of the same regulation. Project applicants can issue a complaint against the eligibility assessment. Project lead applicants will be informed in writing by the MA/JS on the MC decision regarding the eligibility of their applications/ project partners, including the reasons for rejection.

Any complaint related to the eligibility assessment shall be submitted by the lead applicant to the MA/JS which, in collaboration with the MC, will examine and provide its position regarding the merit of the complaint. In case of appeals, a „Complaint Panel” will be established consisting of members of the MC and MA/JS not involved directly in the assessment to conclude whether the appeal was justified or not. The Complaint Panel is the only body entitled to review a complaint against a decision regarding assessment and selection of projects co-financed by the DRP. In case of appeal to the judiciary system against the decision of the programme authorities during the project assessment and selection process, the court of Hungary has the jurisdiction on the matter. In relation to the quality assessment the applicants can request the MA/ JS further information on the reasons for rejection and possibilities for improvement.

### 5.7.2 Complaints related to decisions made by the MA/JS during project implementation:

Any complaints in relation to decisions made by the MA/JS during project implementation on the basis of the subsidy contract (to be provided to the lead partners in accordance with Article 22(6) of the Interreg Regulation) shall be submitted by the project LP to the MA/JS that will examine and provide an answer (in collaboration with the MC if necessary).

### 5.7.3 Complaints related to the national control system:

Project LPs or project partners who have complaints related to the national control system set up in accordance with Article 46(3) of the Interreg Regulation, can file a complaint to the responsible national institution of the relevant Partner State in line with the national procedures in place as referred to in Article 69(7) of the CPR. The relevant Partner State shall examine such complaints and **inform the MA/JS in case an examination is started for a given project, as well as on the results**. The MA/JS shall be informed in case an examination at national level is still not closed at the time of the submission of the final progress report. Expenditure found eligible as a result of the national examination can be claimed only before the final payment to project is approved by the MA/JS. Appeals against the decisions of national authorities with regard to the work of controllers or the functioning of the national control system shall be lodged to the national court of the concerned Partner State.

## Non-member states

The Danube Region Programme covers the territory of 14 countries of the Danube catchment area, including 9 EU Member States and 5 non-member states, with very different status related to the EU accession process. Although over 78% of the population of the programme area belong to the Member States and the DRP follows the stipulations of the European Regional Development Fund, one of the leading principles of the implementation of the DRP is to provide equal opportunities to the partners from the participating non-EU Member States. **The Danube Region Programme provides the same opportunities and same responsibilities for the non-Member States as for the Member States.**

In line with Article 17(4)(b) of the Interreg regulation, Partner States have agreed to pool the available funds into a joint “Interreg Fund”, which provides the possibility to eliminate the last remaining differences between the opportunities for participation by different partners.

Funds will be allocated to the best projects not considering the status of the partner country. The **“Interreg Funds” approach provides the opportunity for partners from external countries to act as lead partners**, thus enhancing the possibility to initiate joint transnational activities by external partners as well.

DRP Interreg Funds allow that

* partners from the external countries can participate in the DRP by applying exactly the same rules at programme level as partners form the member states;
* Partner States fulfil the same responsibilities as the Members States and provide complementary support for the implementation of the DRP.

In accordance with Article 16(5) of the Interreg Regulation, the participating Member States and, where applicable, third countries and partner countries shall confirm in writing their **agreement to the contents of an Interreg programme** prior to its submission to the Commission including a commitment by all participating partner states to provide the co-financing necessary to implement the Interreg programme. The agreements to the contents of the Interreg programmes and the possible financial contribution by the third countries, partner countries may be expressed in the **formally approved minutes** of the consultation meetings with the third countries, partner countries concerned.

In accordance with Article 112(4) of the Financial Regulation, a **financing agreement** shall be concluded between the Commission, representing the European Union, and each of the IPA III/NDICI countries represented in accordance with its national legal framework. The financing agreement will be also signed by the MA/JS of the Danube Region Programme as referred to in Article 59 of the Interreg Regulation setting out the mutual rights and obligations with regard to the implementation and financial management of DRP. Financing Agreements ensure that the whole regulatory framework related to the implementation of the programme is applied directly in the concerned Partner State also covering the recovery of funds unduly paid to beneficiaries by the EC on behalf of the MA/JS including by offsetting and by forced recovery before the competent courts.

The purpose of the Financing Agreement is to lay out the rules for implementing the Danube Region Programme and to define the rights and obligations of the IPA III/NDICI partner countries and the Commission in carrying out these tasks. It covers the rules and general principles on setting-up management and control systems, designation and functions of the programme authorities in the IPA III and NDICI Partner States. The Financing Agreement also regulates the procedure of nomination of the MC members of the concerned external countries and at the same time provides the recognition of the official nature of the programme documents.

The Danube Region Programme itself constitutes a substantial part of the Financing Agreement. Direct reference to programme documents covering detailed arrangements related to the programme implementation such as Programme Complement, Programme Manual, Control Guidelines, etc. are to be provided by the Financing Agreement. These regulatory documents are approved, regularly amended and modified during the programme implementation period by the MC of the programme that consists of the representatives of all Partner States and thus have a biding force on all participating countries.

As the Financing Agreement directly regulates the implementation of the joint Interreg Funds, it also relates to the overall management of the programme funds, therefore the Financing Agreement template shall be consulted at programme level with all participating countries. It ensures the overall coherence of the programme operation and providing full and transparent involvement for each Partner State to all major aspects of joint programme implementation.

In relation to contracting partners from external countries or providing payments to the external partners from the programme budget, specific rules are to be applied in order to secure the interest of the potentially participating project partners. The Managing Authority can conclude subsidy contracts and provide payments according to the procedures on condition that the concerned Financing Agreement is signed. In order to facilitate the implementation of the whole programme, in accordance with the Interreg regulation, flexibility is to be provided for launching calls for proposals (potentially including partners from external countries), meaning that a call can be launched (with conditions) and that project proposals can include external partners before the relevant financing agreement has been concluded. The only requirement for launching a call is the existence of an agreement between the programme (including MA/JS and MC) and the EC on the template for the Financing Agreement to be used in the DRP framework.

For the award of goods, works or services by the partners of the non-member states, the procurement procedures provided for in Articles 178 and 179 of the Financial Regulation and points 36 to 41 of Chapter 3 of Annex I to that Regulation shall apply. More specifically, the respective rules on public procurement elaborated on the basis of the Financial Regulation will be annexed to the Financing Agreement.

## Partners outside of the programme area

In line with paragraph 3 of Article 22(1) of the Interreg Regulation, when all or part of an operation is implemented outside the programme area inside or outside the Union, the selection of that operation shall require the explicit approval by the managing authority in the monitoring committee.

The following specific rules are to be applied:

For any call for proposals of the DRP, the opportunity is provided in principle for partners outside the programme area to participate in DRP transnational projects as Associated Strategic Partners (ASP), on condition that the lead applicant provides justification for the participation of the given partners and demonstrates a clear added value for the transnational project or programme territory.

The Partner States and the MA/JS may decide that for certain call for proposals partners outside of the programme area are allowed to participate as financial partners. In line with Article 22 of the Interreg Regulation when the operation involves one or several partners located in the territory of a Member State, third country, partner country or OCT which is not represented in the monitoring committee, the managing authority shall condition its explicit approval to the submission of a written acceptance by the concerned Member State, third country, partner country or OCT to reimburse any amounts unduly paid to these partners, in accordance with Article 52(2).

# Annex 1 - Programme management structure (chart)

**Lead Partner**

**Certifying Authority**

**(HST)**

**Managing Authority and Joint Secretariat**

**Audit Authority**

**(DGAEF)**

**Monitoring Committee**

(Representatives of the Partner States)

**European Commission**

Application for payment

Annual and final audit report

Information

Annual and final report on implementation

Audit

Audit

EU contribution

Designation

EU contribution

**Audit team**

**Partner1**

**Partner2**

**First Level Controller1**

**First Level Controller)n**

Designation

**Partnern**

**Project / partnership**

Project-level reporting, application for reimbursement

Project selection

Verification

Verification

Partner-level report

Partner-level report

**Partner States**

**First Level Controller2**

**Ministry of Finance, Hungary**

# Annex 2 - Template for the Verification Report at Partner State level

**General information**

|  |  |
| --- | --- |
| **Information submitted by the Partner State:** |  |
| **Responsible body submitting the information:** |  |
| Address: |  |
| Responsible person: |  |
| Phone: |  |
| E-mail: |  |
| Contact person: |  |
| Phone: |  |
| E-mail: |  |
| **Reporting period:**  **(dd/mm/yyyy - dd/mm/yyyy):** |  |
| **No of the Verification Report[[16]](#footnote-16):** |  |
| **Accounting year concerned:**  **1 July (yyyy) – 30 June (yyyy)** |  |

**PART I**

**Information on the compliance of the control system**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1. | The Partner State has set up a control system making it possible to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations or parts of operations implemented on its territory, and the compliance of such expenditure and of related operations, or parts of those operations, with Union rules and its national rules. | | | |
| 2. | The Controller(s) responsible for verifying the legality and regularity of the expenditure declared by the project partner(s) participating in the projects is (are) designated. | | | |
| 3. | The Partner State has adequate human resources with appropriate qualifications and experience in carrying out verifications for operations. | | | |
| 4. | The Partner State puts in place quality control procedures to verify the quality of the work of the Controller(s). | | | |
| 5. | The designated Controller(s) is (are) independent from project partners participating in the projects as well as from the person / body performing audit tasks. | | | |
| 6. | Written procedures and comprehensive checklists exist for the verifications and updated as necessary in the Partner State.[[17]](#footnote-17). | Title, version number. if any and date of manual(s)/other regulatory document in force: | | |
| 7. | Verification of expenditure at partner level covers administrative, financial, technical and physical aspects of projects. | | | |
| 8. | Verifications include administrative verifications of the expenditure declared by each project partner in respect of each partner report, and on-the-spot verifications of the part of the project implemented by the project partner(s). | | | |
| 9. | Verifications performed by the Controller cover in particular the following issues :   * Expenditure declared by the project partner is real * Expenditure declared relates to the eligible period and has been paid * Compliance with the approved project * Compliance with the relevant eligibility rules, EU and national rules on public procurement, state aid, publicity, environmental protection, equal opportunities * For simplified cost options: that conditions for payments have been fulfilled * The co-financed products or services have been delivered * The reality of the project, including physical progress of the product/service and compliance with the terms and the conditions of the subsidy contract with the output and result indicators * Incurrence of expenditure in accordance with the principle of sound financial management * Avoidance of double-financing of expenditure with other Union or national schemes and with other programming periods * Adequacy of supporting documents and existence of an adequate audit trail * Existence of either a separate accounting system or an adequate accounting code for all transactions relating to an operation * Conversion into euro the expenditure incurred in a currency other than euro | | | |
| 10. | On-the spot verifications are required for all projects. | | | * Yes * No |
| 11. | If the answer to the previous question is ‘no’: the sampling method for projects to be verified on-the-spot is described, justified and recorded at the Controller. | | | |
| 12. | The frequency and coverage of the administrative and on-the-spot verifications is proportionate to the amount of public support to an operation and to the level of risk identified by such verifications and audits by the audit authority for the management and control system as a whole. | | | |
| 13. | Documentary evidence on the performed verifications exists and is kept at the Controller. | | | |
| 14. | The control system ensures verification of expenditure paid in accordance with Chapter V (‘Eligibility’) of Regulation (EU) No 1059/2021 by the project partner located in the Partner State’s territory. | | | |
| 15. | Rules are in place to ensure the verification of the partner’s expenditure within the period of two months of the submission of the documents by the partner concerned. | | | |
| 16. | The Partner State puts in place effective and proportionate anti-fraud measures taking into account the risks identified. | | | |
| 17. | Complete and adequate procedures and manuals exist for the reporting and monitoring procedures for irregularities and fraud cases and for the recovery of amounts unduly paid and are updated as necessary[[18]](#footnote-18) | | Title, version number, if any and date of manual(s)/other regulatory document in force: | |
| 18. | Manuals of procedure have been prepared for use by staff of the responsible national body on obtaining assurance that controls are properly carried out by the designated Controller. | | | * Yes * No |
| 19. | Procedures exist and are operated by the responsible national body in order to get assurance on the sufficiency and compliance of verifications performed at project partner level with EU and national requirements. | | | * Yes * No |
| 20. | The responsible national body keeps records on the findings, conclusions and recommendations made in the framework of the verifications referred to in previous point. | | | * Yes * No |
| 21. | Shortcomings/errors have been identified by the responsible national body concerning verifications performed by the designated Controller(s) in the reporting period. | | | * Yes * No |
| 22. | External audits have identified shortcomings/errors concerning the independence and/ or the quality of verifications performed by the designated Controller(s) in the reporting period. | | | * Yes * No |
| 23. | The responsible national body has received the action plan(s) drawn up by the designated Controller(s) in the reporting period if the answer to question 23 and/or 24 is “yes”. | | | * Yes * No action plans to be prepared |
| 24. | The responsible national body supervises the implementation of the corrective measures taken by the designated Controller(s). | | | * Yes * No corrective measures to be implemented |
| 25. | Corrective measures have been implemented at the designated Controller(s) in the reporting period. | | | * Yes * Implementation of corrective measures launched according to the action plan * No corrective measures to be implemented |
| 26. | The responsible national body based on the information available declares that the following expenditure of project(s) validated beforehand is affected by an on-going assessment[[19]](#footnote-19) regarding the expenditure’s legality and regularity. | | | * Not applicable * Project(s) affected:   Project(s) ID:  Project partner:  Total eligible amount under on-going assessment: |
| 27. | The responsible national body based on the information available confirms that the following (any or all) expenditure of project(s) affected by on-going assessment during the previous reporting period(s) was found to be legal and regular[[20]](#footnote-20). | | | * Not applicable * Project(s) indicated:   Project(s) ID:  Project partner:  Total eligible amount found legal and regular after closing of the on-going assessment: |
| 28. | Information on amounts related to operations suspended by a legal proceeding or by an administrative appeal having suspensory effect. | | | * Not applicable * Information on new amount is attached * Progress on amount previously reported is attached |

Filled in by ……………………………. Date:……/ …. /20……

Approved by …………………………… Date:……/ …. /20……

**PART II**

**Information on the payment of state contribution**

|  |  |  |  |
| --- | --- | --- | --- |
| The Partner State provides state contribution to the project partner(s) located in its territory. | * Yes * No | | |
| If the answer to the previous question is ‘yes’:  The corresponding state contribution has been paid to the project partner. | | | |
| In the reporting period the following state contribution has been reimbursed/paid to project partners in the amount of (classified by project partners): | Project code | Project partner | State contribution (EUR) |
|  |  |  |
|  |  |  |

Filled in by ……………………………. Date:……/ …. /20……

Approved by …………………………… Date:……/ …. /20……

**PART III**

**Information on irregularities and recoveries**

|  |  |
| --- | --- |
| Identification numbers of quarterly Irregularity Reports submitted to the Commission (OLAF) enclosed to the current verification report: | Reports on new irregularity (project code/project partner): |
| Follow-up reports (project code/project partner): |
| Case reference numbers of Summary Reports on irregularity need not be reported to OLAF attached to the current verification report: | Reports on new irregularity (project code/project partner): |
| Follow-up reports (project code/project partner): |

Filled in by ……………………………. Date:……/ …. /20……

Approved by …………………………… Date:……/ …. /20……

**Summary report template on irregularity does not need to be reported to OLAF**

* Initial report
* Follow-up report

**No of the Verification Report:**

**Case reference number:**

**Case summarised below does not need to be reported to OLAF as (please indicate):**

* the irregularity is under the reporting threshold[[21]](#footnote-21)
* the irregularity consists solely of the failure to execute the project owing to the non-fraudulent bankruptcy of the beneficiary
* the irregularity case was brought to the attention of the competent authority by the beneficiary voluntarily

**Project code:**

**Name of project partner:**

**Date and source of the first information leading to the suspicion that an irregularity has been committed:**

**Date on which the primary administrative or judicial finding on the irregularity was established:**

**Description of the irregularity**[[22]](#footnote-22)**:**

**Financial aspects in EUR:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Total amount of expenditure** | **Total amount of corresponding public expenditure** | **Contribution of EU Funds** |
| **Irregular amount** |  |  |  |
| **Amount to be recovered** |  |  |  |

**Name of the competent authority issuing the summary report:**

**Name, phone number and email address of the competent person issuing the summary report:**

**Signature of the competent person:**

**Date:**

# Annex 3 - Template for Verification Report at programme level (including the attachments)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 1. General information | | | | | | |
| **1.** | Name of cooperation programme: | |  | | | |
| **2.** | Relevant period covered by the verification report (quarterly): | | from … /…./20.. till …/…./20…. | | | |
| **3.** | Relevant accounting year: | |  | | | |
| **4.** | The name of the institution and department issuing the verification report: | |  | | | |
| **5.** | The name, position and contacts of the person responsible for preparing the verification report: | |  | | | |
| II. Institutional information | | | | | | |
| **6.** | Changes in the institutional set-up of the institution issuing the verification report, date of entry into force: | |  | | | |
| **7.** | Date of entry into force of the procedural manual of the institution issuing the verification report: | |  | | | |
| **8.** | Number of staff in the institution issuing the verification report during the period covered by the verification report: | |  | | | |
| authorized staff number on the first day of period, indicate number of senior managers | |  | | | |
| fulfilled staff number on the first day of period, indicate number of senior managers | |  | | | |
| authorized staff number on the last day of period, indicate number of senior managers | |  | | | |
| fulfilled staff number on the last day of period, indicate number of senior managers | |  | | | |
| number of staff members leaving the institution, indicate number of senior managers | |  | | | |
| number of staff members joining the institution, indicate number of senior managers | |  | | | |
| **III. Information on Audit Reports** | | | | | | |
| **9.** | **In the period stated in point 3, the title and reference number of the final audit reports received from external auditing authorities, and the name of the external auditing authority:** | | | | | |
|  | Title and reference number of final report: | | Name of external auditing authority: | | | |
|  |  | |  | | | |
|  |  | |  | | | |
|  |  | |  | | | |
| **10.** | **In the period stated in point 3, the title and reference number of final internal audit reports received, and the date of forwarding to the Certifying Authority:** | | | | | |
|  | Title and reference number of final report: | Name of institution issuing the report: | | Date of forwarding to the Certifying Authority: | | |
|  |  |  | |  | | |
|  |  |  | |  | | |
|  |  |  | |  | | |
|  | **IV. Information on approved expenditure based on the control certificates of the relevant period** | | | | | |
| **11.** | In the period stated in point 3, expenditure approved by the MA/JS have been recorded in the electronic data exchange system. | | | | | yes  no |
| **12.** | In the period stated in point 3, project control certificates supporting the applications for reimbursement approved by the MA/JS are available for each partner. | | | | | yes  no |
| **13.** | The control certificates have been issued by the authorized institutions indicated in the management and control system description and in the Programme Complement. | | | | | yes  no |
| **14.** | According to the available control certificates the expenditure approved by the MA/JS are real, linked to projects financed by the cooperation programme, supported by invoices or documents of equivalent probative value, have been paid by the partners and payment has been documented[[23]](#footnote-23), and comply with the eligibility rules of the cooperation programme, the relevant subsidy contracts and the relevant EU and national rules. | | | | | yes  no |
| **15.** | Expenditure declared on the basis of simplified cost options have been correctly calculated, the conditions of payment have been fulfilled. In case the expenditure based on which a flat rate has been calculated is decreased, there are sufficient controls in place to ensure that the flat rate costs calculated based on it have also been decreased proportionally. | | | | | yes  no |
| **16.** | The expenditure incurred in national currency and approved by the MA/JS in the relevant period has been converted into euro according to the methodology stipulated in the cooperation programme. | | | | | yes  no |
| **17.** | According to the control certificates, expenditure linked to irregularities has not been validated. | | | | | yes  no |
| **18.** | In the period covered by the control certificates, the on-the-spot verifications have verified that the project (parts) have been implemented by the partners in accordance with the relevant subsidy contract and rules. The on-the-spot verifications have been documented. | | | | | yes  no |
| **19.** | The institutions responsible for verification have reported irregularities found during the administrative/on-the-spot verifications to the relevant national institutions. | | | | | yes  no |
| **20.** | The institutions responsible for verification have the sampling methodology and justification of on-the-spot verifications on file. | | | | | yes  no |
| **21.** | The management and control systems provide adequate assurance that approved expenditure are in line with programme level TA eligibility rules. | | | | | yes  no |
| **22.** | Number of projects receiving contributions from EU funds in the period stated in point 3. (attachment 2) | | | | |  |
| **23.** | Eligible expenditure of projects receiving contributions from EU funds in the period stated in point 3. (in euros, attachment 2) | | | | |  |
| **24.** | Amount of contributions from EU funds of projects receiving EU support in the period stated in point 3. (in euros, attachment 2) | | | | |  |
| **25.** | Amount of contributions from EU funds of declared expenditure approved by MA/JS based on subsidy contract in the period stated in point 3. | | | | |  |
|  | **V. Information on national control systems based on the partner state level verification reports** | | | | | |
| **26.** | It can be stated based on the verification reports at Partner State level that the Partner States have designated controllers based on Article 46(3) of Regulation (EU) 2021/1059 to carry out verification tasks within the meaning of Article 74(1)(a) of Regulation (EU) 2021/1060. | | | | | yes  no |
| **27.** | It can be stated based on the verification reports at Partner State level that in relation to Article 74(2) of Regulation (EU) 2021/1060 the first level control includes the document-based verifications on expenditure approved within the framework of the cooperation programme and on partner reports in the relevant Partner States. Also it includes information on on-the-spot verifications of implemented project parts in the relevant Partner States. | | | | | yes  no |
| **28.** | It can be stated based on the verification reports at Partner State level that the first level control assures that the declared expenditure are real, the performance is in line with the assistance decisions, partner-level payment claims are appropriate, and project(parts) and declared expenditure are in line with EU and national rules. | | | | | yes  no |
| **29.** | It can be stated according to the verification reports at Partner State level that first level control includes checks concerning the avoidance of double-financing. | | | | | yes  no |
| **30.** | It can be stated based on the verification reports at Partner State level that the first level control is documented and the documents can be found at the institutions responsible for verification. | | | | | yes  no |
| **31.** | It can be stated based on the verification reports at Partner State level that the responsible institution of the Partner State named in the system description takes care of the supervision of the compliance of first level control, and documents the findings, conclusions and recommendations. | | | | | yes  no |
| **32.** | It can be stated based on the verification reports at Partner State level that the responsible institution of the Partner State named in the system description has found errors in verifications performed by institutions responsible for verification. | | | | | yes  no |
| **33.** | It can be stated based on the verification reports at Partner State level that external audits (incl. AA) have found errors in verifications performed by institutions responsible for verification. | | | | | yes  no |
| **34.** | It can be stated based on the verification reports at Partner State level that the responsible institution of the Partner State named in the system description has received the action plans of the institutions responsible for verification and is monitoring their fulfilment. | | | | | yes  no  n. r. |
| **35.** | It can be stated based on the verification reports at Partner State level that the institutions responsible for verification have implemented the necessary corrective measures. | | | | | yes  no  n. r. |
|  | **VI. Data on the payment of the state contribution** | | | | | |
| **36.** | Amount of state contribution paid by Partner States to project partners at project level in the period stated in point 3.: | | *Partner State* | | *Project* | *State contribution (EUR)* |
| **…** | **…** |
| **…** | **…** |
| *Partner State* | | *Project* | *State contribution (EUR)* |
| **…** | **…** |
| **…** | **…** |
|  | **VII. Information on irregularities** | | | | | |
| **37.** | Number of irregularities established by Partner States and reported to the MA/JS in the period stated in point 3 by Partner States (attachment 3.)  Of this, number of cases of suspected fraud, by Partner States (IRQ 3,5): | |  | | | |
| **38.** | The amount of contribution from EU funds affected by irregularities and reported by Partner States as a result of irregularity procedure(s) in the period stated in point 3. by Partner States  (in euros, attachment 3.)  Of this, the amount related to suspected fraud, by Partner States (in euros, IRQ 3,5): | |  | | | |
| **39.** | The amount of contribution to be reclaimed from the EU funds  (in euros, attachment 4.): | |  | | | |
| **40.** | The amount of contribution from EU funds offset against newly declared expenditure and/or recovered in the period stated in point 3.  (in euros, attachment 4.): | |  | | | |
| **41.** | The following Partner States did not send the verification report at Partner State level within the deadline set in the Programme Complement: | |  | | | |
| **42.** | The MA/JS has introduced the following measures for verification reports at Partner State level due, but not yet handed in: | |  | | | |

According to the above, I declare that in the relevant period the expenditure approved by the MA/JS have been recorded in the electronic data exchange system, the control certificates confirming their compliance and validation are available, and according to the verification reports at Partner State level the control systems of the Partner States are operating based on the regulations.

|  |  |
| --- | --- |
| Date: | Person authorized to sign the verification report:  (signature, name in capitals) |

**Attachment 1: Information on on-the-spot verifications performed related to expenditure approved by MA/JS during the relevant period covered by the verification report**

|  |  |  |
| --- | --- | --- |
| Number of on-the-spot verifications / Priority: | | |
| Total number of on-the-spot verifications | | |
| On the spot verifications resulted with suspected irregularity: | | |
| Project number | Date of on-the-spot verification | The competent national body/authority was informed about the irregularity suspected by the body/organisation responsible for the verification Yes/No |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**Attachment 2: Information on subsidy contracts**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Code of Call for Proposals | Date of MC decision (contribution) | Name of Lead Partner | Project number | Total eligible expenditure of the project  (EUR) | Contributions from EU Funds to the project  (EUR) |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**Attachment 3: Information on irregularities**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Code of Call for Proposals | Date of MC decision | Name of Lead Partner | Name of partner committing the irregularity | Project number | Date on which the primary administrative or judicial finding on the irregularity was established | Amount of EU Funds affected by the irregularity  (EUR) | Has the irregularity been classified as fraud/suspected fraud  (IRQ 3,5) | Partner State establishing the irregularity |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

**Attachment 4: Information on recoveries**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Code of Call for Proposals | Name of Partner | Project number | Date on which the primary administrative or judicial finding on the irregularity was established | Date of recovery order  (Date of debit note/recovery order) | Deadline of recovery (date) | Reclaimed amount of EU Funds | Recovered (also offset) amount of EU contribution  (EUR) |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

# Annex 4 - List of responsible authorities (national authorities)

|  |  |  |
| --- | --- | --- |
| **Country** | **Name of authority/body** | **Contact** |
| **Austria** | Federal Ministry for Sustainability and Tourism,  Department 14 – Coordination Spatial Planning and Regional Policy | Roland Arbter [roland.arbter@bmnt.gv.at](mailto:roland.arbter@bmnt.gv.at)  +43 1 71100 612911 |
| **Bosnia and Herzegovina** | Directorate for European Integration (DEI) | Nada Bojanić  [nada.bojanic@dei.gov.ba](mailto:nada.bojanic@dei.gov.ba)  +387 33 255 350 |
| **Bulgaria** | Directorate “Territorial cooperation management”, Ministry of Regional Development and Public Works of the Republic of Bulgaria | Desislava Georgieva  [D.G.Georgieva@mrrb.government.bg](mailto:D.G.Georgieva@mrrb.government.bg)  +359 2 94 05 487 |
| **Croatia** | Ministry of Regional Development and EU Funds (MRDEUF) | Silvia Sivrić  [silvia.sivric@mrrfeu.hr](mailto:silvia.sivric@mrrfeu.hr)  +385 1 6391 972 |
| **Czech Republic** | Ministry of Regional Development, Department of European Territorial Cooperation | Pavel Lukeš  [lukpav@mmr.cz](mailto:lukpav@mmr.cz)  +420 224 862 331  Tereza Tkadlečková  [tkater@mmr.cz](mailto:tkater@mmr.cz)  +420 224 862 260 |
| **Germany** | Federal Ministry for Economic Affairs and Energy  Federal Ministry of the Interior, Building and Community | Nina Wagner  [nina.wagner@bmwi.bund.de](mailto:nina.wagner@bmwi.bund.de)  +49 30 18 615 6765  *Rupert Kawka (on behalf of)*  [rupert.kawka@bbr.bund.de](mailto:rupert.kawka@bbr.bund.de)  +49 228 99401 1314 |
| **Hungary** | Ministry of Finance | Ferenc Tipold  [ferenc.tipold@pm.gov.hu](mailto:ferenc.tipold@pm.gov.hu)  +3617952752 |
| **Republic of Moldova** | State Chancellery of the Republic of Moldova | Oxana Budeci  [oxana.budeci@gov.md](mailto:oxana.budeci@gov.md)  +373 22 250 212 |
| **Montenegro** | Government of Montenegro  European Integration Office | Ivana Glišević Đurović  [ivana.glisevic@gsv.gov.me](mailto:ivana.glisevic@gsv.gov.me)  +382 67 604 808 |
| **Romania** | Ministry of Regional Development and Public Administration  General Directorate for European Territorial Cooperation | Mrs. Maria Magdalena Racovita Jalova Voinea,  [Magdalena.voina@mdrap.ro](mailto:Magdalena.voina@mdrap.ro)  +40372 111 318 |
| **Republic of Serbia** | Ministry of European Integration | Tijana Didanović  [tijana.didanovic@mei.gov.rs](mailto:tijana.didanovic@mei.gov.rs)  +381 11 30 61 207 |
| **Slovakia** | Government Office of the Slovak Republic | František Koločány  [frantisek.kolocany@vlada.gov.sk](mailto:frantisek.kolocany@vlada.gov.sk)  +421 2 20925 991 |
| **Slovenia** | Government Office for Development and European Cohesion Policy | Nadja Kobe  [nadja.kobe@gov.si](mailto:nadja.kobe@gov.si) +386 1 400 3493 |
| **Ukraine** | Ministry for Regional Development, Building and Housing and Communal Services of Ukraine | Vyacheslav Negoda  [minregion@minregion.gov.ua](mailto:minregion@minregion.gov.ua)  +38044 2840518, |

# Annex 5 - Designated controller / control coordination body

|  |  |  |
| --- | --- | --- |
| **Country** | **Name of the institution** | **Responsible person:** |
| **Austria** |  |  |
| **Bosnia and Herzegovina** |  |  |
| **Bulgaria** |  |  |
| **Croatia** |  |  |
| **Czech Republic** |  |  |
| **Germany** |  |  |
| **Hungary** |  |  |
| **Republic of Moldova** |  |  |
| **Montenegro** |  |  |
| **Romania** |  |  |
| **Republic of Serbia** |  |  |
| **Slovakia** |  |  |
| **Slovenia** |  |  |
| **Ukraine** |  |  |

1. Defined in Section 7.2 of the Danube Region Programme [↑](#footnote-ref-1)
2. Defined in Section 7.1 of the Danube Region Programme [↑](#footnote-ref-2)
3. Defined in Section 7.1 of the Danube Region Programme [↑](#footnote-ref-3)
4. REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy [↑](#footnote-ref-4)
5. REGULATION (EU) 2021/1059 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments [↑](#footnote-ref-5)
6. Organisational and operational rules of the Ministry of Finance [↑](#footnote-ref-6)
7. Ministry of Finance internal regulation [↑](#footnote-ref-7)
8. MC decision as of 15 December 2020 [↑](#footnote-ref-8)
9. REGULATION (EU, Euratom) 2018/1046 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 [↑](#footnote-ref-9)
10. e) flat-rate financing in accordance with Article 94 or Article 36(5), which covers specific categories of eligible costs, clearly identified in advance, by applying a percentage; [↑](#footnote-ref-10)
11. Each Interreg programme shall set out: (f) a financing plan containing the following tables without any division per participating Member State, third country, partner country or OCT, unless specified otherwise therein:

    (i)a table specifying, by year, the total financial allocation for the ERDF and, where relevant, for each external financing instrument of the Union for the whole programming period; (ii)a table specifying, for each priority, the total financial allocation by the ERDF and, where relevant, by each external financing instrument of the Union by priority and the national co-financing and whether the national co-financing is made up of public and private co-financing; [↑](#footnote-ref-11)
12. According to the DRP budget (ERDF+IPA+NDICI) [↑](#footnote-ref-12)
13. to be filled in according to the agreed national co-financing rate [↑](#footnote-ref-13)
14. The regulation is to be made available for the MC for information purposes. [↑](#footnote-ref-14)
15. To be developped [↑](#footnote-ref-15)
16. Continuous numbering [↑](#footnote-ref-16)
17. The modifications on procedures and manuals (especially in the methodology and sampling of the on-the-spot verifications) shall be described in the up-dated version of the description of the national control system submitted by the Partner State on yearly basis, by 30 September each year. [↑](#footnote-ref-17)
18. The modifications on procedures and manuals shall be described in the up-dated version of the description of the national control system submitted by the Partner State on yearly basis, by 30 September each year. [↑](#footnote-ref-18)
19. Any expenditure already validated by the controller but for any reason it is subject to an on-going assessment (e.g. suspicion of irregularity, quality check of the controller, etc.) in the Partner State concerned at the compilation of the Verification Report, the affected projects and the corresponding information can be attached in a separate sheet, if necessary. [↑](#footnote-ref-19)
20. The whole or part of that expenditure, which was under on-going assessment in the previous Verification Report(s), and is subsequently found to be legal and regular. The irregular part of the re-assessed expenditure constitutes the base of an OLAF/summary report. [↑](#footnote-ref-20)
21. This does not apply in the case of irregularities which are interlinked and the total amount of which exceeds EUR 10 000 in contribution from the Funds, even when none of them exceeds that ceiling on its own [↑](#footnote-ref-21)
22. Including the reporting period(s), budget line(s), invoice(s) concerned [↑](#footnote-ref-22)
23. With the exception of expenditure declared on the basis of simplified costs [↑](#footnote-ref-23)