

INTERREG VI-A ROMANIA- BULGARIA PROGRAMME

PROJECT IMPLEMENTATION MANUAL

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Introduction

This manual describes the main rules and procedures for organizations that plan to submit an application under the calls launched under the Interreg VI-A Romania-Bulgaria Programme and for the partners selected for funding during the implementation stage of the operations. The applicant's guides set for each call launched by the Programme shall set the application rules and conditions.

Detailed information and guidance is provided through a variety of tools and templates, mentioned in the document. Please note that those supporting tools will be permanently updated and published on the Programme website, under the dedicated section.

The language of our Programme is English. All official communication is conducted in English and all Programme documents are produced in English only. The project application and reporting is also done in English.

If a new version of the Programme Manual is published on the Programme website, it becomes valid from that point onward. The latest version of the Programme Manual should always be used.

Deadlines set in the Manual are maximum. The word “day” or “days” or any reference to day(s) are calendar days if not specified otherwise.

The provisions of the Manual are mandatory for the partners of the Interreg VI-A Romania-Bulgaria Programme, considering the provisions of the subsidy contracts stating that: *the LP is liable towards MA for implementing the project in a proper and timely manner according to the provisions of the contract, of the application form approved by the Monitoring Committee and its annexes, of the Partnership Agreement of the Project's Implementation Manual and of the national and European legislation in force.*

1. The Interreg VI-A Romania-Bulgaria Programme - general information

1.1. General overview

Interreg VI-A Romania-Bulgaria Programme is financed by the European Regional Development Fund (ERDF) under the European Territorial Cooperation goal of EU Cohesion Policy 2021-2027.



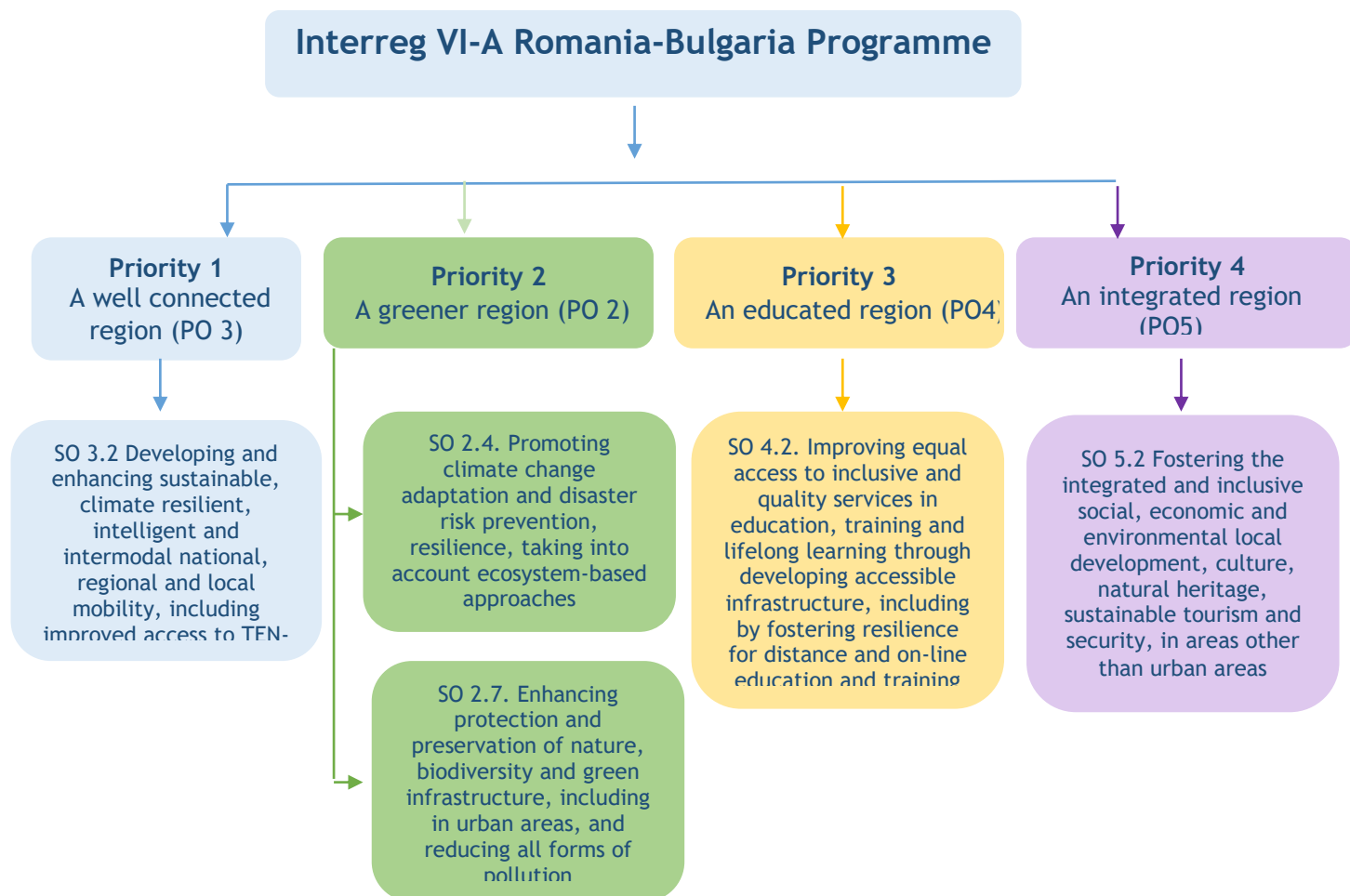
Interreg VI-A Romania-Bulgaria Programme stretches over seven counties in the Southern part of Romania (Mehedinți, Dolj, Olt, Teleorman, Giurgiu, Călărași and Constanța) and eight districts in the Northern part of Bulgaria (Vidin, Vratsa, Montana, Veliko Tarnovo, Plevna, Ruse, Dobrich and Silistra). All 15 NUTS3 regions are situated along the 630 km of Romanian-Bulgarian border.

1.2. Programme Priorities and Specific Objectives

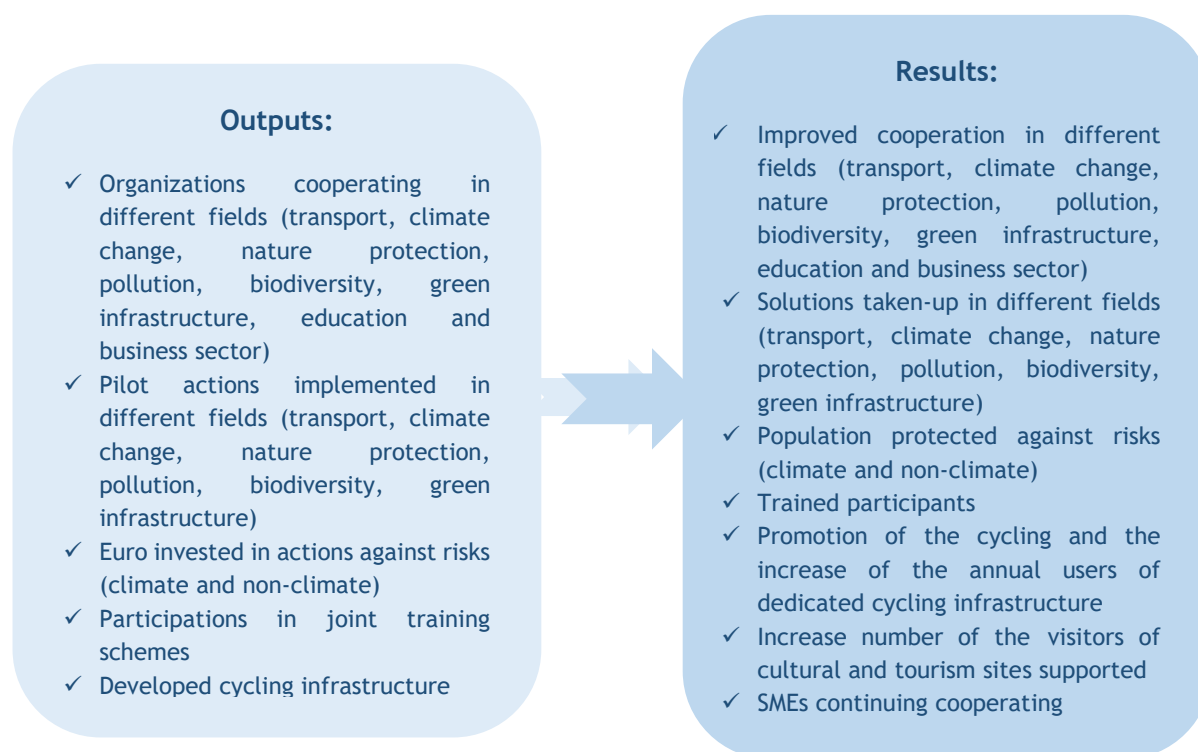
The Programme vision focuses on the reinforcement of the socio-economic fabric of the Romania-Bulgaria cross-border territory, through developing and retaining human capital, creating opportunities for personal and professional development, providing an attractive, safe and sustainable living environment and supporting innovation and entrepreneurship.

The current COVID-19 pandemic clearly hamper the economic development in the region. Therefore, the Programme seeks to contribute to the reinforced preparedness in a joint context so that future similar events can be better approached, with smaller losses in terms of both human lives and economic development in the border area.

The Programme is organized along 4 priorities, which are broken down into 5 specific objectives (SOs).



The operations implemented within the Programme are expected to generate the following outputs and results:



The Programme strategy, priorities and specific objectives, as well as the related outputs and results are described in the Interreg Programme.

1.3. Programme budget

The ERDF Programme budget allocated to operations is 152,801,309 euro, to which 10,696,092 euro are added for the Programme technical assistance activities. The ERDF budget is allocated at priority level, as follows:

Priority	ERDF (Euro)
Priority 1 A well connected region	20,000,000
Priority 2 A greener region	68,801,309
Priority 3 An educated region	12,000,000
Priority 4 An integrated region	52,000,000
Total	152,801,309

The ERDF co-financing rate is 80% for all types of partners. Partners have to ensure the needed co-financing of their activities according to the national rules, namely 18% from the national state budget and 2% own contribution.

1.4. Programme bodies

The governance and management of the Programme is shared between different bodies that, in compliance EU Regulation, are responsible with the Programme management, coordination, supervision and control. These bodies are:

- **Monitoring Committee (MC)**

The MC is formed of representatives at national, regional and local level from both countries, supervises the Programme and is responsible for its strategic decisions. The chairmanship alternates between the two Member States on a yearly basis.

- **Managing Authority (MA)**

The Managing Authority bears the overall responsibility of the Programme. Romanian Ministry of Development, Public Works and Administration was designated as Managing Authority.

- **Accounting Body (AB)**

Romanian Ministry of Development, Public Works and Administration was designated as Accounting Body. AB draws up and submits payment applications to EC and is entrusted to draw up and submit the accounts.

- **Joint Secretariat (JS)**

Joint Secretariat is established within Cross Border Cooperation Regional Office Calarasi for Romania-Bulgaria Border. It assists the Programme management bodies in carrying out their respective duties and provides support to the partners.

- **National Authority (NA)**

The National Authority is the Bulgarian counterpart of the Managing Authority and is represented by the Bulgarian Ministry of Regional Development and Public Works. The National Authority pays the national co-financing to the Bulgarian partners. Also, under the NA coordination, two regional info-points were established in Ruse and Sofia, which in cooperation with the JS, provide information to potential applicants, advise and assist partners, communicate Programme achievements and support Programme management.

- **Audit Authority (AA) and Group of Auditors (GoA)**

The Audit Authority is responsible for ensuring that audits are carried out to verify the functioning of the management and control system of the Programme. The AA is assisted by the GoA, comprising of representatives of body responsible for audits in Bulgaria.

- **National Controllers (NC)**

Both Romania and Bulgaria have a control system in charge of verifying that co-financed products and services were delivered. National controllers also check the compliance of projects with applicable laws as well as Programme rules and requirements. In Romania, the national controllers

are hosted by the Cross Border Cooperation Regional Office Călărași for Romania-Bulgaria Border and in Bulgaria by the Ministry of Regional Development and Public Works.

Involved body

- **Strategy Board (SB)**

In order to develop the integrated territorial strategy, requested by the European Regulations, for the implementation of Policy Objective 5 (Priority 4), a Strategy Board was set-up.

The Strategy Board is a partnership structure comprising Romanian and Bulgarian relevant stakeholders from the cross-border region, created with the purpose to elaborate an integrated territorial strategy of the area. The members of the Strategy Board were designated by Romania and Bulgaria from the national, regional and local level, covering public institutions, local and regional authorities, NGO's etc.

1.5. Joint Electronic Monitoring System (Jems)

Jems, the Joint Electronic Monitoring System, is the Programme Monitoring System for the 2021-2027 period. Jems is developed by the Interact Programme and is used by a large number of the Interreg programmes across Europe.

Jems is an online system conceived to cover the full project and Programme life-cycle in one monitoring tool that allows to reduce the need for additional paper processes to a minimum. Users can fill in online forms (e.g. application, reporting, assessment, checklists etc.) and upload/download files.

Jems productive environment is available online at <https://jems-robg.mdlpa.ro/>, and it can be accessed via standard web browsers like Google Chrome, Microsoft Edge, Mozilla Firefox, etc. For working in Jems it is recommended to use a PC or notebook.

Details regarding the access and usage of Jems are provided in the Jems manual, <https://jems.interact-eu.net/manual/>. A helpdesk for technical support specifically dedicated to Jems can be reached via email at jems.admin@mdlpa.gov.ro.

2. Contracting

The entire communication between the Programme structures, lead partner and partners shall be carried out via electronic tools (using uploaded attachments in Jems sections like *Contract and supporting documents* and *shared folder*¹) with automatic notifications in the user dashboard and forwarded to the users' email²). All the documents shall be electronically signed, with qualified

¹ For details, please check Jems Manual, <https://jems.scrollhelp.site/manual/v13/shared-folder>
<https://jems.scrollhelp.site/manual/v8/shared-folder>

² This option can be set in the user profile, see Jems Manual <https://jems.scrollhelp.site/manual/v13/notifications>
<https://jems.scrollhelp.site/manual/v8/notifications>

signature, as defined by Regulation (EU) No 910/2014 of the European Parliament and of the Council on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

2.1. Post-selection

Following the assessment phase, projects declared eligible for funding will be approved by the Monitoring Committee. The list of the selected projects will be published on the Programme website at www.interregviarobg.eu. In case of PO 5, the selection shall be made in-line with the selection methodology set by the Strategy Board and the Monitoring Committee of the Programme.

In case of disagreement with the decision of the Monitoring Committee, the lead applicant has the right to file a complaint, for further information please refer to the Complaint dedicated section of the Applicant's Guide under which the project was submitted and the Complaint procedure annexed to that Applicant's Guide.

Please be advised that the complaint solution decision adopted by the Monitoring Committee is final and binding and not subject of any further complaint proceedings within the Programme.

The approved operations will follow a contracting phase, implementation and closure phase.

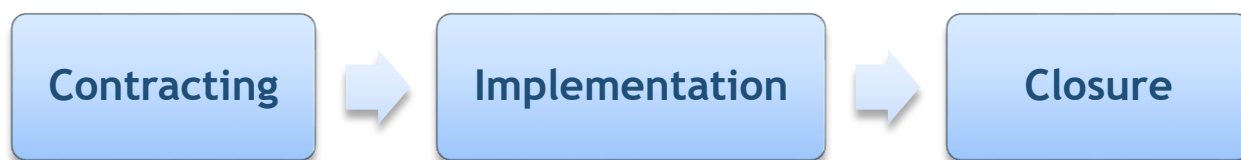


Figure 1 - Phases of projects

The decision of the Monitoring Committee is followed by the pre-contractual phase and then the contracts will be concluded.

Once the Monitoring Committee approves an operation, the JS notifies each Lead Partner regarding the approval or rejection of its operation. Please bear in mind that the Managing Authority has the right to decide not to sign a financing contract in case a Partner already has in implementation 4 projects. After the finalization of one project the decision may be reconsidered, provided the financial allocation is available.


2.2. Pre-contracting

For the operation selected for funding and approved under conditions (recommendations of the Assessment Committee approved by the Monitoring Committee, e.g. reduction of the budget, correction of arithmetical errors, etc.) a pre-contracting procedure is initiated in order to fulfil the requirements/conditions for approval set forth by the MC following the assessment process or to correct any technical errors /inconsistencies detected by the JS or MA.

Notification and request of information

The JS notification letter shall include information regarding any recommendations the Monitoring Committee has issued for the respective project. These may include, among others, reduction of the project budget, removal/revision of a particular activity, revision of indicators etc. and will be operated in the Jems system by the LP during pre-contracting. Through the notification letter, the partners will also be requested to upload in Jems a set of documents, such as:

- proof that there are no debts to the consolidated State budgets or to the Programme budget, where “Programme” refers to both the Interreg VI-A Romania-Bulgaria Programme and the Interreg V-A Romania-Bulgaria Programme (if a partner registers debts to the Programme budget, they will be notified by the MA/JS and in order to continue the contracting process, they have to submit the proof that the debts were cleared, in maximum 30 calendar days);
- criminal record of the legal representative and criminal record of the person empowered to sign the documents on behalf of the legal representative (if the case), proof (self-liability declaration) that the VAT is non-recoverable from other sources (only for operations whose total value is at least 5,000,000.00 euro (including VAT)), decisions of the governing body for the financing of the project;
NB: The verification of outstanding debts is carried out for each project partner, not only for the Lead Partner with whom the subsidy contract will be signed. Pursuant to Article 138 of the Financial Regulation (Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union), if a Bulgarian project partner fails to clear registered debts to the Bulgarian NA within a maximum of 30 calendar days from the notification, the National Authority will refuse to conclude a national co-financing contract with the respective partner.
- documents stating the right of property for applications including investments (if not submitted together with application), if applicable;
- pre-contracting declaration (regarding the financing sources partially or fully financed from the state budget, no double funding when partners declare that they have not received public funding for another project implemented or under implementation, with the same objectives, results and activities funded from any other source of grant);
- the total amount each partner commits to spend and request for national control verification by the end of the month marking the half of the implementation period. The financial performance of each partner in spending its budget will be judged based on this amount. These amounts will be included in the subsidy contract and cannot be changed during the project implementation.
- Annex 5 of the subsidy contract: *“Milestones for the activities of the project and outputs and results to be achieved by the project”*. Failing to meet the set milestones may result in decommitment of the budget under the conditions described in the subsidy contract template.
- Project Environmental Impact Analysis (for applications including infrastructure);

-  signed declarations included in the Programme Code of Conduct³;
-  etc.

The complete list of documents will be included in the notification to be received from the JS. **All documents/declarations will be electronically signed by the legal representative or by an empowered person and added in Jems via the *Shared folder*.**

All the pre-contracting documents and the correspondence between lead partners and JS or MA will be uploaded in Jems in the *Shared folder*. In order to be identified and verified in the system, the partners will name the uploaded files in accordance with the relevant contained documents.

(e.g. “LP-Criminal record legal representative”, “P2-Declaration..”...)

During pre-contracting period, the Application Form may be revised to take into consideration the recommendations of the Monitoring Committee/assessors/etc. or to correct technical mistakes. Also the Application Form may be revised in case of other exceptional situations (such as those triggered by legislative modifications, adjusting indicators/outputs/results in the pre-contracting stage), after the Monitoring Committee takes note of or decides on, depending on the situations.

If the case, please be aware that during the pre-contracting phase, additional clarifications/information regarding the non-refundable funds (e.g. a short and clear description of non-refundable funds necessary for implementing the project activities or the necessity of envisaged non-refundable funds for implementing the project etc.) may be requested by the Programme structures.

Please take into consideration that failure to provide the requested documents (mandatory for the project contracting and implementation) within the set deadlines during the pre-contracting period will lead to the rejection of the project.

Setting the de-commitment target at the middle of project implementation and the milestones

Please be informed that during the pre-contracting phase, the partners will be asked to provide the total amount each partner commits to spend and request for national control verification by the end of the month marking the half of the implementation period (for further information please refer to related chapter 3.3 Project level decommitment). It is extremely important to pay attention when drafting this graphic/setting the targets in pre-contracting stage, because these amounts cannot be changed during the implementation of the project and in case at least 75% of them at partner level will not be reached, the budget of the respective partner will be reduced. So, it is important during this stage, to take into consideration all the risks that may occur during project implementation. For example: delayed procurements, temporary lack of financial resources, partnership issues, etc. These amounts will be included in the subsidy contract.

³ <https://interregviarobg.eu/assets/2023/02/2-code-of-conduct-rob-g-vi-a.pdf>

Also, a set of project specific milestones, with clear targets must be set. In this respect, based on the types of activities foreseen by the operation, you will be asked to identify the related milestones. The project will be closely monitored against these milestones, and in case of failure or delays, the budget of the project may be reduced, under the conditions described in the subsidy contract.

On-line or on-the-spot pre-contracting visits

Before signing the contracts, on-line or on-the-spot pre-contracting visits will take place. The Joint Secretariat will perform pre-contracting visits for all the projects. ~~These visits will be performed by the JS.~~ Also, the representatives of MA / NA / any other body with responsibilities in the implementation of the programme may participate in the on-the-spot visit, as the case may be. All partners have the obligation to provide all necessary documents and to be available for the on-line or on-the-spot visits in order to finalize the pre-contracting process and to conclude the contracts.

~~The Joint Secretariat will perform pre-contracting visits (on-line or on-the spot) for all the projects.~~

In case of operations including infrastructure, pre-contracting visits shall be performed at the premises of all partners (regardless of their statute in the project) which carry out investment in infrastructure activities (including for the operations of strategic importance). Also, on the spot visits will be performed at the location/ site area of the project`s investment objectives.

For the rest of the hard projects, on-the-spot pre-contracting visits are going to be organized at lead partner level only based on a risk analysis. In case on-the-spot pre-contracting visits are not performed, online visits shall be organized (including joint visits for all partners).

The Joint Secretariat will notify the Lead Partner regarding the date when the visit is going to take place and will also include the schedule for visiting the rest of partners, if the case.

The notification will be done with minimum 5 working days before the visit. During the on-site pre-contracting visits, JS representatives will perform:

- the verification of the coherence and correctness of the information provided by the partners in the application form with the actual situation (including photos from the project location, in case of future works);
- verification of the fact that there are appropriate conditions for the implementation of the project, that the location of the project exists and is available for implementation. Verification shall also comprise if the object of the contract foreseen in the application and the attached supporting documents are in accordance with the actual situation on site (e.g. feasibility study, technical project, authorizations, permits, etc.);
- Verification of the fact that the project implementation start/did not start prior to signing the contract;
- Verification of all the necessary documents for the contracting of the project (in case they were not submitted via Jems and already verified);
- Also, the recommendations of Assessment Committee (e.g. budget reduction, correction of arithmetical errors etc.) approved by the Monitoring Committee and previously communicated to the Lead partner by the JS, if any, shall be clarified during the visit. The

lead partner shall provide JS the modified documents according to those changes, if the case may be.

The Lead partner has the obligation to be present at the location when the visit takes place (it is recommended that the persons who will be in charge of the project to attend the visit) or to participate at the online visits, and to submit the requested documents.

In case the on-the-spot/online visit takes place only at the premises of the LP/organized only for LP, the latter has the obligation of gathering the documents from all its partners and to present them during the visit (in case they were not already uploaded in the electronic system according to the set deadline).

In case the LP is not available at the date communicated by the JS, the JS will analyse the situation and may inform the MA, within 2 working days from receiving the request for postponement, on the impossibility of carrying out the pre-contracting visit and will propose the rejection for funding of the respective project. In case certain documents are not available at the time of the visit, they may be submitted within maximum 5 working days following the pre-contracting visit. After the pre-contracting visit (on ~~the-spot~~ or online) a report will be signed by all the participants present at the visit, summarizing the documents that have been verified, the ones that still need to be ~~submitted-uploaded in Jems~~ (if the case), the findings and conclusions. The report will be signed electronically or by hand in case the participants do not have a valid electronic signature.

If a document has an electronic signature and a hand signature, it will not be accepted. This is available for all stages of the project.

The pre-contracting period is expected to last a maximum of 2 months. This also depends on how quick the partners submit the requested documents. Other factors may also influence the pre-contracting process, such as the payment of registered debts (to the Programme, consolidated state budget or local taxes), if there are partners in this situation. However, take into consideration that failure to provide the requested documents within the set deadlines during the pre-contracting period will lead to the rejection of the project.



Please pay attention to the fact that all documents requested during pre-contracting period, for all partners should be submitted / uploaded in Jems within the maximum period specified by the Joint Secretariat, respectively within 15 working days from the Notification letter - selected for funding. In case this deadline is not respected, your project may be proposed for rejection. Please note that it is in the interest of all parties to shorten the pre-contracting period as much as possible and have the contracts signed as soon as possible.

The rejection may be proposed also in other cases, such as: the pre-contracting documents are not in accordance with the Programme rules, failure to organize the pre-contracting visit due to partners' fault, failure to electronically sign the contracts. Please be advised that this is not an exhaustive list and other reasons may lead to the rejection of the project.

During the pre-contracting process, the deadline set by JS for response to clarifications is 3 working days, which could only be exceeded, in dully justified cases, with a prior justification from the partners of the project.

2.3. Contracting

All partners participating in an operation must sign a partnership agreement stipulating the rights and duties of the partners before signing the subsidy contract with the MA.

A model of partnership agreement is available on the programme's website, at the following link <https://interregviarobg.eu/en/templates>.

The partners may decide, with prior agreement of the MA, to include additional provisions than those already mentioned in the partnership agreement template. These additional provisions should not alter the provisions of the standard template of the partnership agreement.

Mainly, in the partnership agreement, the LP shall define legal arrangements for relations with the project partners (PPs), including for ensuring a sound financial management of the funds allocated

to the project and the arrangements for a recovery of amounts unduly paid. While the subsidy contract establishes a legal basis between the MA and the LP, the partnership agreement establishes a legal basis between the LP and all PPs.

The partnership agreement must be signed (with a qualified electronic signature, [as defined by the Regulation](#)) by the LP and all PPs, either in one single document or as bilateral documents between the LP and each PP.

The Managing Authority or Joint Secretariat are not part of the Partnership Agreement. All legal disputes that may arise from the Partnership Agreement are solely between the project partners.

In addition, associated partners are not part of the partnership agreements signed for the implementation of the project. Nevertheless, the Programme encourages the partners to sign cooperation agreements with the associated partners, laying down the commitment of the associated partners for support of the implementation, as well as defying the detailed conditions for the respective support actions.

In the case a partner gives up the selected project, the LP must notify the JS in writing, within 5 working days from the date of the decision to give up the financing. In this case, the project will be rejected, as no changes in the partnership are allowed during the pre-contracting and contracting stage. For the approved projects, when all conditions for contracting are fulfilled, subsidy contracts (for ERDF contribution) are concluded between the MA and the Lead Partner.

Also, co-financing contracts are concluded between the National Authority (Ministry of Regional Development and Public Works from Bulgaria) and the Bulgarian partners on one hand and between the Managing Authority (Ministry of Development, Public Works and Administration from Romania) and Romanian partners on the other hand [\(except for institutions fully financed from the state budget\)](#), for the transfer of the national co-financing supported from the national state budget. [The Bulgarian National Authority shall conclude Co-financing contracts only in case the respective Bulgarian project partner has not pending financial obligations to the Bulgarian National Authority \(if a partner has debts to the Bulgarian National Authority, they will be notified by the NA and in order to continue the co-financing contracting process, they have to repay the debts in maximum 30 calendar days\).](#)

The template of the subsidy contract and the Romanian co-financing contract are available on the programme's website, at the following link <https://interregviarobg.eu/en/templates>.

Please be advised that for contracting purposes the Managing Authority has the right to make adjustments to the approved projects (including the budget, ~~including~~ correlation with Jems of amounts) and to ask the project partners for new relevant documents and information.

All the contracts shall be electronically signed [\(with qualified electronic signature, as defined by the Regulation\)](#) and uploaded in Jems, at the dedicated section, in maximum 5 working days, starting from the receipt of JS notification informing on the signing of the subsidy contract by the Managing Authority.

3. Project implementation

3.1. Starting up the project

Once the contracting phase is over, the implementing of the operation starts. To support a smooth launch of operation implementation, the Joint Secretariat will organise relevant training events for the lead partners' key staff on the details of project management, reporting and communication.

The first important and mandatory event is the Lead partner seminar.~~The first important and mandatory event is the Lead partner seminar.~~ Also, individual meetings may be arranged with the programme staff on specific issues.

Project officer/s will be assigned for each project in the Joint Secretariat for the whole project duration, who will actively follow operation progress and support the partners. The project officer/s will be in touch with the Lead partner (and partners) during the project implementation and closure stages. This person/s should always be the first contact when any questions related to the implementation arise.








We encourage you to contact your officer/s in due time, to discuss the project status and in case of obstacles/delays to discuss possible solution, in order to reach the milestones targets and the mid-term de-commitment.

A midterm project meeting will be arranged to discuss how the activities are proceeding, the achievement of the results and outputs, if there are any obstacles or if some updates to the project plan are needed, the achievement of the de-commitment targets etc.

3.1.1. Project management set up

Following the “lead partner principle”, the LP is responsible for ensuring the sound management and successful implementation of the entire project.

In the project start-up phase, the partnership needs to establish a sound project management structure and set up adequate provisions for strategic and day-to-day management of the project. These should include, among others, the following elements:

-  Appointing management functions (i.e. project management, finance and communication manager) and filling them in the Jems;
-  Setting up a project steering group and adequate procedures for decision-making;
-  Setting up and maintaining an adequate internal communication within the partnership;
-  Setting up and implementing sound reporting mechanism between the partners and the LP, with clear roles and responsibilities;
-  Monitoring of deviations and setting up of mitigation measures at the level of the project;
-  Setting up measures for avoiding conflict of interest and fraud;
-  Etc.

3.1.2. Project Steering Group

The partnership should put in place the Project Steering Group (PSG), including representatives from each partner, chaired by the LP. Project observers shall be invited to take part in the PSG in an advisory capacity. The representatives of the Programme structures may be invited to the PSG meetings.

In maximum **5 working days** from the signing of the subsidy contract, the LP must organize the first meeting of the PSG (can also be in online format). We recommend to start the process of setting-up the PSG during the pre-contracting phase.

The Project Steering Group should:

- Monitor and steer the project in order to meet the targets/objectives set in the project application, the milestones and de_commitment target;
- Support and advise the project partners in challenging situations.
- Analyse the project modifications before the lead partner submits the material to the Joint Secretariat/Managing Authority;
- Consider the Programme's Anti-Fraud policy and Code of Conduct and needed actions of the project to fulfil it;
- Participate in the planning of information activities and spreading information about the project and its results.
- Etc.

We advise you to keep track of the PSG meetings and to record the main discussions and decision by specific documents (minutes of the meetings, signed decisions, etc.) and to duly report them within the project reports.

3.1.3. Filling in the information in Jems⁴

Within 5 working days of receiving the signed subsidy contract ~~to be signed~~, the LP has to provide the following additional information ~~by to be inserted~~ completing the relevant contracting sections in Jems ~~contracting sections~~

- Signed subsidy (in Jems Contracting - Contracts and agreements - Contracts⁵), after uploading the contracts the dedicated sections may be locked. If editing is needed the programme user can unlock the dedicated section by clicking the unlock icon on the top right corner of the page);
- Name and contact details of the project management team and communication officer (in Jems Contracting - Project managers⁶);

⁴ <https://jems-robg.mdlpa.ro/>

⁵ For more information: <https://jems.scrollhelp.site/manual/v13/contracts-and-agreements>
<https://jems.scrollhelp.site/manual/v8/contracts-and-agreements>

⁶ For more information: <https://jems.scrollhelp.site/manual/v13/project-managers>

- Ultimate beneficiaries, Bank information and Location where originals of documents are kept for each of the partners⁷ - LP and the PP (in Partner section), including uploads of Financial identification forms with the bank details. In order to be open this section LP needs to assign users to PPs and grant individual access rights (view or edit with the sensitive data access or not) to at least one user (i.e. persons at project partner institutions dealing with the project) in the Project privileges section of Jems⁸;

The co-financing contracts will be uploaded by the Partners or Lead partners within 2 working days of receiving the signed co-financing contract ~~to be signed~~ (Jems Contracting - Contracts and agreements - Contracts).

The section Project reporting schedule will be filled in by JS after the subsidy contract is signed and based on the project reporting deadlines provided according to the respective subsidy contract.

The MA will disburse the ERDF funds only if the LP provides information referring to the above points ~~is uploaded~~ in Jems.

In case of changes during the project implementation, the LP has to update information in Jems and provide relevant supporting documents, if applicable.

~~In addition, the LP also needs to assign users to PPs and grant individual access rights (view or edit with the sensitive data access or not) to at least one user (i.e. persons at project partner institutions dealing with the project) in the Project privileges section of JEMS⁹.~~

3.1.4. Project Communication Set-Up

All partners are responsible for ensuring a sound communication of the project under the lead of the communication manager. It is essential that the partnership appoints an experienced and committed person to this central coordination role. The Lead partner will inform the JS communication officer on the appointment, by uploading the communication in the shared folder communication@calarasicbc.ro. The project communication officer will be part of the Communication network set at the level of the Programme and coordinated by the JS communication officer.

The general email of the Communication network is communication@calarasicbc.ro.

More details on how to organize the communication activities are included in the **Project Communication Guidelines (Starter Kit)** (<https://interregviarobg.eu/en/implementation-rules>).

⁷ For more information: <https://jems.scrollhelp.site/manual/v13/partner-section>
<https://jems.scrollhelp.site/manual/v8/partner-section>

⁸ Guidance is available at <https://jems.scrollhelp.site/manual/v13/project-privileges>
<https://jems.scrollhelp.site/manual/v8/project-privileges> and for technical support, JEMS helpdesk function can be contacted at jems.admin@mdlpa.gov.ro.

⁹ ~~Guidance is available at <https://jems.scrollhelp.site/manual/v8/project-privileges> and for technical support, JEMS helpdesk function can be contacted at jems.admin@mdlpa.gov.ro.~~

Branding and Visibility

Projects have to respect further branding and visibility requirements set out in the EU regulations. For more details regarding applicable rules, please consult the **Visual Identity Manual**. (<https://interregviarobg.eu/en/implementation-rules>).

Attention! It is recommended to use the vector files for all printed communication materials in order to maintain the quality, colours and aspect ratio of the logos and icons specified in the Visual Identity Manual.

~~Attention! It is recommended to use the vector files for all printed communication materials in order to maintain the quality, colours and aspect ratio of the logos and icons specified in the Visual Identity Manual.~~




3.1.5. Reimbursement of the preparation costs (lump sum and real costs) and of the advance payment

Preparation cost - lump sum

Approved projects may be entitled to the reimbursement of preparation costs in the form of a lump sum. The lump sum covers all costs linked to the preparation of the project until the day of the application submission.

The total lump sum for preparation costs amounts 14,000 euro.



The ERDF amount reimbursed is 11,200 euro (corresponding to 14,000 euro of total eligible expenditure). The payment of the lump sum will take place if:

-  The project applied for it by including preparation costs in the application form and, if the case, the share between partners of preparation costs;
-  The subsidy contract with the MA is signed;
-  The LP has provided all required information in Jems regarding the bank account where the funds should be transferred, namely Partner Details are filled in the Contracting section (see chapter 3.1.3 Filling in the information in Jems and Jems Manual).

If the above conditions are met, the JS marks fast track lump sums ready for payment in the Contract monitoring page and the sums are moving forward to payment. The MA transfers the lump sum to the bank account of the LP in maximum 10 working days from setting fast track lump sum ready for payment. If applicable, it is then the LP's responsibility to transfer the share of the lump sum to the respective PPs in compliance with the budget allocation to preparation costs as it is in the approved application form.



The corresponding national public contribution shall be paid directly by the Managing Authority (to the Romanian partners) and by National Authority (to the Bulgarian Partners), according to the set share. The difference of 2% shall be supported by each partner, from its own budget.

The national contribution shall be paid only if the following conditions are observed:

-  The PP has signed the co-financing contract with the MA/NA;
-  The PP has uploaded and provided all required information in Jems regarding the bank account where the funds should be transferred, namely Partner Details are filled in the Contracting section (see chapter 3.1.3 Filling in the information in Jems and Jems Manual).

Preparation cost - real cost

According to the Applicant's Guide, real cost for preparation activities can be requested by each partner, if:

-  The costs are related to the documents foreseen by the Applicant's Guide and not covered by the preparation costs paid as lump sum.
-  The request of such costs is made in the first report (and the supporting documents are provided) and validated by the national controllers.

Please note that, in case of real costs, you have to observe the rules applicable to all expenditures paid using this mechanism, namely: based on supporting documents and validation of the national controllers.

The request of the preparation costs based on real costs is possible only in the first report, which must be submitted via Jems for the first 4 months, according to the related rules.

Advance payment

After the signing of national co-financing contract, each partner has the possibility to request an advance payment.

The Romanian partners shall submit to the MA via *Shared folder* from Jems an advance request for maximum 70% of the value of its co-financing contract, except for those partners, which are fully financed from the State budget. A notification email regarding the upload of the request shall be submitted to robg@mdlpa.gov.ro.

The amount corresponding to the advance payment shall be transferred by the MA, in RON, to the Romanian partners within maximum 10 days from the date of the approval of the advance payment request. The request for advance payment is verified in maximum 15 days from the registration date at the MA level (this deadline may be suspended in case additional information is needed).

Similarly, each Bulgarian partner may send to the NA request for an advance payment of maximum 80% of the value of its co-financing contract. The NA shall verify the request for the advance payment and shall transfer the amount corresponding to the advance payment to the Bulgarian partners according to the terms stipulated in the national co-financing contract (the deadline may be suspended in case additional information is needed).

The advance payment shall be transferred by the MA, in RON and NA, in Leva, only to the partners that comply with the following rules:

- The national co-financing contract with the MA and NA is signed;
- The advance payment request is signed electronically and submitted via shared folder from Jems with notification to MA (robg@mdlpa.gov.ro) or NA (NA-RO-BG@mrrb.government.bg, lpetkova@mrrb.government.bg) emails, according to the nationality of the respective partner. The file attached will be named in English in accordance with the relevant content of the document (e.g: advance payment request LP/PP1...).
- The request stipulates the percentage in the set limits;
- The bank account where the funds should be transferred - according to the info filled in Partner Details page in Jems.

Procurement procedures

Procurement is a process used by partners receiving public funds for choosing and contracting providers of goods, services and works by ensuring transparency and equal treatment of the potential providers. All project partners must comply with the relevant national procurement legislation and, if the case, with the provisions stipulated in the corresponding Annex to the subsidy contract - *Competitive procedure for Romanian private partners regarding the assignment of supplies, services and works contracts financed within Interreg VI-A Romania-Bulgaria Programme* (Romanian partners which are not contracting authorities, according to the national legislation).

The Bulgarian partners legal entities under the Commercial Law, Sole Proprietors, NGOs, etc.) which are not contracting parties, according to the national legislation, should apply the provisions of Law on the Management of European Funds under Shared Management and [Council of Ministers Decree No. 4 of January 11, 2024 determining the rules for the review and evaluation of offers and the conclusion of contracts in the procedure for the selection with a public invitation of beneficiaries of free financial assistance from the European funds under shared management](#) ~~Decree of the Council of Ministers 160/2016 determining the rules for the review and evaluation of offers and the conclusion of contracts in the selection procedure with a public invitation of beneficiaries of grant assistance from the European structural and investment funds.~~

The main principles when procuring goods, services or works are the principles of transparency, proportionality, non-discrimination and equal treatment. Projects which cannot prove the award of contracts in compliance with the procurement rules, risk having expenditure ruled ineligible.

All supporting material related to tendering must be kept in original at partner's headquarters and must be uploaded in Jems:

- Procurement related info is filled in in Jems in **Partner Report - Public procurements**¹⁰
- Procurement is first created in Jems in partner report when first expenditure (related to the procurement) is requested for reimbursement.
- One Procurement must be filled in Jems for each project procurement and has the following

¹⁰ For more information: <https://jems.scrollhelp.site/manual/v13/partner-report-procurement>
<https://jems.scrollhelp.site/manual/v9/partner-report-procurement>

sub-sections:

1. **Procurement details** - can be edited in Jems only in the partner report where the procurement is created. In all following partner reports, info can be seen read-only, but can't be edited anymore
 2. **Beneficial owner(s) of the contractor** - can be added to the procurement in any Draft partner report. Beneficial owners added in submitted partner reports can't be edited/deleted anymore
 3. **Subcontract(s)** - can be added to a procurement in any Draft partner report. Subcontracts added in submitted partner reports can't be edited/deleted anymore
 4. **Attachments** - can be added to a procurement in any Draft partner report. Attachments added in submitted partner reports can't be edited/deleted anymore
 5. **GDPR attachments** - can be added to a procurement in any Draft partner report. Attachments added in submitted partner reports can't be edited/deleted anymore
- In Partner report - List of expenditure¹¹, **partner will link an expenditure item with a procurement only for procurements equal or over 10,000 euro.**
 - For cost items related to a procurement **below 10,000 euro**, partner will:
 - o create a Procurement in Partner report - Procurements section
 - o **not link** the expenditure item from List of Expenditure to the created procurement.

3.2. Reporting and payment procedures

3.2.1. Project and partner report

During the project implementation, all projects will report on their progress regularly. The Lead Partner is responsible for monitoring the reporting process for all the partners and also for compiling the information within the partner reports into project reports.

Project reports shall be drafted in the Jems system within the set deadlines for reporting. The JS project officer is responsible for monitoring the project progress on the basis of the submitted reports and monitoring on-the-spot or online visits (if the case) and also for supporting the lead partner and all project partners in the project implementation. The tool for the project monitoring is the **Project Report**.

The **Project Report** is a joint document which includes both technical and financial information and is submitted by the Lead Partner, via Jems and includes the combined contribution of all partners. **The reporting periods' duration is 4 months.**

The reporting of the project consists of:



Partner level reporting (Partner Report)

¹¹ For more information: <https://jems.scrollhelp.site/manual/v13/partner-report-list-of-expenditures>
<https://jems.scrollhelp.site/manual/v9/partner-report-list-of-expenditures>

Within 5 working days after the end of each reporting period each project partner (including the lead partner) must fill in the **Partner Report** and send it with all supporting documents to its national control body for verification. The partners shall do their utmost to observe the set deadlines and to report all expenditures paid within the corresponding reference period. Even if for the respective period there is no expenditure incurred, in order for the LP to submit the project report, the corresponding partner report must be submitted to its national controller by including one item with 0 value in the List of expenditure. without any amount (no expenditure/no item included in the List of expenditure).

For a more detailed explanation of the control system please read the dedicated chapter 3.4.

The partner report has two main functions. It allows:

-  Project partners (including the LP) to submit activity and financial information to the respective national controller for the verification of expenditure (see chapter 3.4 in this respect);
-  Lead partners to collect and consolidate information from all partners that is needed for reporting to the JS at project level. The partner report may be also part of the JS/MA checks.

The national control verifies the real costs declared by the partners. The Simplified Costs are automatically calculated by Jems and added to the total validated amount by the controller(s) (SCOs). The real costs check is based on supporting documents such as invoices and procurement documentation and other relevant material or information. If SCOs are used, the checks are focused on the outputs and deliverables (in case of lump sums). The controller can clarify any issues and deduct any expenditure that is considered ineligible.

The national controller will then either confirm or reject (in part or in full) expenditure submitted by the partner for verification. The amount verified and confirmed by the national controller is stated in the **Control report** and **Control certificate** to be included by the LP in the **project report**. These documents will be available in Jems for the relevant project partner, the lead partner and all programme authorities.

The most important issue to keep in mind is that if the basis cost of a flat rate is found ineligible, it will also affect the flat rate.

Project level reporting (Project Report)

The LP has to submit the **project report** through Jems after each reporting period¹². For intermediate **project reports**, the deadline for submission is 4 months after the end of the reporting period, while for the final report the deadline is **5 months** after the project end date of the implementation period of the project.

¹² Please check the period of reporting period, according to the dedicated Applicant's Guide under which the project was submitted

The number of reporting periods and respective submission deadlines are defined in the subsidy contract, included in the application and also shown in the “Project Reporting schedule” section in Jems. The duration of a reporting period is of 4 months. For example, a project lasting 20 months should have 5 reporting periods of 4 months each.

Project Report consists of information at project level (both financial and technical) and includes the related Partner Control report and certificate for that reporting period.

For the reimbursement of the eligible amounts, the lead partner includes the expenditure certified based on the partner reports verified and validated by the national controllers. This report is then submitted to the Joint Secretariat for verification. **In case a project partner has not managed to get its costs verified in due time, the lead partner shall submit the Project Report without the costs of that partner. This will mean delays for the partner receiving the funds. Costs must be reported in the next project report. Thus, for the partner report not included in the project report due to the fact that the National Control verification was not completed, the expenditure shall mandatory be included in another project report, in the same period, containing exclusively the late expenditure and the National Control documents corresponding to those expenditure. However, the technical description should be consolidated by the lead partner at project level, containing information about the achievements of all project partners.**

~~This-~~The rule of a complementary project report, containing only late Control Certificates, does not apply to the parked expenditures (pending costs). Items can be parked by programme users and it will show up in next partner report where the partner can decide what happens to the respective expenditure (to include in the next report with or without modifications or delete) ~~(pending costs).~~

The **Project Report** provides a description of project activities and the outcomes achieved or progress made towards achieving the results during the respective reporting period. The partnership is expected to implement the activities and make the costs according to the approved Application Form. The project will be monitored against the Application Form in force at the moment the activity was implemented.

Information in the **project report** shall be clear and coherent and it should complement what is provided in the previous reports.

Following the analysis of the project report, the JS/MA may request the LP via Verification Communication shared folder from Jems to provide clarifications within a given deadline. Requested amendments might also concern deliverables or outputs for which clarifications were still pending. ~~Requested amendments might also concern deliverables or outputs for which clarifications were still pending.~~ The number of clarification rounds and the overall duration of the clarification process ~~are~~ is directly linked to the quality (accuracy and completeness) of the submitted report.

Please be aware that in case answer is not provided via Verification Communication shared folder from Jems to the JS/MA requests of clarifications, the JS/MA will base its judgement on the existing information.

Indicative frame-time for reporting and payment procedures (this are maximal deadlines set, starting from the end of the reporting period). The deadline may be interrupted if clarifications are requested:

Steps in reimbursement of the expenditure	Verification timeframe and indicative deadlines
End of the 4 month reporting period	
Lead partner + project partners submit the partner report to national controllers	5 working days from the end of reporting period
Verification of expenditure by the national control, clarifications (if needed), performing on-the-spot visit (if the case), validation of expenditure and submission of the national control documents	90 days from the receipt of the partner report in Jems
Lead partner compiles and submits the Project Report to the Joint Secretariat	10 working days from the date the national control documents (control report, control certificate, checklists, etc.) are available in the electronic system (about 4 months, including 90 days for national control from the end of reporting period)
Joint Secretariat performs the administrative verification and may perform on the spot or online visits, in line with the procedures and Managing Authority checks the report, authorized the expenditure and performs the payments	80 days between the submission of the project reports to the JS and the actual reimbursement by MA + needed days for clarifications from the lead partner (approx. 2.5 months)
Total time passed since the end of the reporting period (indicative)	approx. 6.5 months

Anyone checking your **Partner and Project Reports** can request clarifications or provision of additional information. The deadlines for processing the **Partner and Project Reports** are put on hold for the period when the project provides its answer. Therefore, it is in the best interest of the project to submit correct and complete reports and to reply to questions within the set deadlines.

Both the Joint Secretariat/ Managing Authority and the National Control also handle reports in the order of arrival. Thus, timely submission of the reports ensures that your projects are handled as early as possible.

We are strongly recommending you to start working on the partner report throughout the reporting period and not wait until the end of the period to complete it. This will allow a timely submission to the national control. Observing this rule will allow you to draft and submit the project report in 4 months from the end of the reporting period.

3.2.2. JS and MA verification of the project reports




Each project report, including the supporting documents and the control documents (control report, certificate, etc.) submitted through Jems is verified by the Joint Secretariat project officer/s, in 20 working days. During this process, the JS officer/s may request clarifications or additional information from the lead partner (via **Verification Communication shared folder**). The lead partner must ensure that it gets replies from project partners in due time.

The verification stops whenever a request for clarification is being sent out to the lead partner and continues after the answer provided by the lead partner is considered satisfactory. If the lead partner does not answer to the JS request within the set deadline, the Joint Secretariat proceeds with the processing of the report based on the incomplete information.

Joint Secretariat administrative verification

For the verification of the technical progress, JS may perform on-the-spot visits to the headquarters and/or project implementation location to any/all of the partners in order to check the achievement of the project purpose and objectives according to the financing terms and conditions. Online visits might also be organized.

Responsibilities of the Lead partner and other partners during on-the-spot/online visits are:

-  Providing access to all the documents related to the project implementation (on-the spot) and providing information or submitting the documents related to project implementation within the given deadlines, if not available at the date of the visit.
-  Cooperating with the JS/MA/NA representatives during on-the-spot/online visits.
-  Presenting the bottlenecks/delays encountered during the project implementation and the proposed steps. Support from the Programme structures may be requested, on complex situations. The JS staff is there to assist all project partners offering support at all stages of the project life-cycle, especially continuous support while implementing the project.

Notification of the lead partner/other partners concerning on-the-spot/online visits is usually done with at least 5 working days in advance.

The relevant partner staff that should be available during the on-the-spot/online visit includes: project manager, person(s) responsible for project implementation, person responsible for carrying out financial registrations at the project level (financial officer).

As a result of the on-the-spot visit JS draws up a monitoring visit report containing recommendations for project implementation (if the case) and identify the next steps for the project implementation, including the support that JS needs to provide to the project partners for implementing the project. The report shall be signed by the participants and, in case the representatives of the partners do not agree with certain findings within the report, they may include comments / opinions regarding the respective findings.

For online visits, the JS will draft a minute after the visit that will include, the conclusions of the visit and recommendations, if it will be the case and will upload the document in the “Shared folder” of the respective project. After agreement by the partners, or inclusion of comments on the JS findings, the minute shall be signed by all participants and JS will upload it in Jems (Verification Communication shared folder).

~~For online visits, the JS report will be drafted after the visit and submitted to the participants, in electronic editable format, within a deadline of 5 working days since the visit. After agreement by the partners, or inclusion of comments on the JS findings, the report shall be signed by all participants and JS will upload it in Jems (Verification Communication shared folder).~~

Following the verifications performed, the JS notifies Managing Authority (MA), via the electronic system.

Managing Authority verification

MA verifies the project report, from technical and financial point of view in 20 working days. During the verification process, the MA may request additional clarification to the JS or the Lead partners, which must provide the answer in the set deadline (the MA deadline may be suspended in case additional clarifications/documents are needed).

The entire communication between Lead Partner/JS/MA on the project report is carried on via Verification communication section.

When project report verification is finalised and the expenditure is authorised by the MA, the payment procedure is automatically launched.

3.2.3. Payment process

MA responsibilities

MA pays the requested ERDF amount (real costs and related percentage of the flat rate) after the finalisation of verification of the project report. The amount is transferred to the Lead partner bank account.

The MA notifies (also via Jems, Verification communication section) the Lead partner on the ERDF amounts which have been authorized, as well as the corresponding co-financing amounts (national and private) split for each partners included in the respective **project report**. The ERDF amount are transferred in Euro.

Partners should be aware that the Managing Authority can make payment only under the condition that the European Commission has made the necessary funds available to the programme. In case funds are not immediately available, the Managing Authority makes payments to projects as soon as possible when funding becomes available.

The national co-financing amounts included in the project report and accepted for payment are deducted (according to the co-financing contract provisions) until the recovery of the entire advance

payment is made. Also, please be aware that in Jems each partner can keep track of amounts received from Programme as co-financing, by reporting them in each Partner report, in Contributions tab¹³. This section is filled in only after the partner receives the payment. Also, the MA transfers the related national public co-financing to the Romanian partners, after the recovery of the entire amount granted as advance.

Lead partner responsibilities

The Lead partner is obliged to transfer in time and in full the share of ERDF which corresponds to each project partner. The transfer should be made to the partners as soon as possible but no later than 5 working days after the receipt of the ERDF amount from the MA.

The Lead partner will make proof to the MA of the respective transfer by attaching copies of the relevant payment order and bank statement to the Verification communication section of the concerned **project report**.

National Authority responsibility

The National Authority will transfer the national public co-financing to the Bulgarian partners based on the MA information, only after the recovery of the entire amount granted as advance.

3.3. Project level decommitment

~~It is extremely important to pay attention when drafting a graphic for defining partners' spending targets, as it will reflect the total amount each partner commits to spend and request for national control by the end of the month marking the half of the implementation period and the financial performance of each partner in spending its budget will be judged based on this amount.~~

In case the total amounts requested for national control verification are lower compared to the total amounts forecasted for the half of the implementation period, the MA is entitled to decommit project funds by reducing the original project budget and the corresponding ERDF contribution according to the subsidy contract provisions.

Please note, in case of partnership amendment (only for projects that did not exceed half of the implementation period at the time of requesting the change of the partnership) following the decision of the Monitoring Committee, the new partner/partners shall set targets (the total amount each new partner commits to spend and request for first level control) for the half of the implementation period (calculated from the date of Monitoring Committee approval of the new partner entering the project).

Example: A project has 24 months of implementation (01.01.2024-31.12.2026). A new partner

¹³ For more details please see: <https://jems.scrollhelp.site/manual/v13/partner-report-contributions>
<https://jems.scrollhelp.site/manual/v8/partner-report-contributions>

enters the project in month 7 (01.07.2024). Therefore, the half implementation period will be calculated at the half of the remaining of the implementation for that respective partner (01.07.2024-31.12.2026, 18 remaining months of implementation, therefore the target will be calculated at the end of month 9, namely 31.04.2025).

In case of projects where half of the implementation period falls within of a 4 months reporting period, the partners which are at risk of not reaching the decommitment target may submit to NC a partner report before the deadline. In this respect JS will create an intermediary/exceptional project reporting deadline for the half of the implementation period, according to the subsidy contract.

The Managing Authority will monitor the financial performance of each partner after half of the implementation period. At this point an analysis will be done by comparing the total amounts estimated by each partner to be requested for national control (NC) and the amounts actually requested. The analysis will be done at partner level. Please bear in mind that only expenditures paid and requested for national control, connected to the project and which fulfill the Programme's conditions for being requested to the national control shall be taken into consideration (for example expenditures not paid by the partners, but included in partner reports, will not be considered). Expenditures declared as non-eligible by the national control will be considered as requested for national control by the partner in the context of decommitment, if they respect the conditions to be requested for NC and are related to the project activities, but they were cut for other reasons.

Example of how is calculated the deadline for half implementation period: If a project started implementation on 26.04.2024 with implementation period of 24 months, there will be taken into consideration expenditures included in partner reports that were submitted to National Control in the Jems system at the latest on 30.04.2025 (the end of the month marking the half of the implementation period). For projects having as implementation period an uneven number of months ($2n+1$), there will be considered as half-implementation period the last date of the $(n+1)$ month - if the project started on 26.04.2024, with an implementation period of 25 months, there will be considered the expenditures included in partner reports submitted to National Control in the Jems system at the latest on 31.05.2025.

In case the total amounts actually requested for NC verification are lower compared to the total amounts forecasted for the half of the implementation period (total marked in the grey line), the MA is entitled to decommit project funds by reducing the original project budget and the corresponding ERDF contribution, as follows:

- 10% reduction of the budget for the partners who have requested amounts for national control lower than 75% of the initial amounts included in the contract
- 25% reduction of the budget for the partners who have requested amounts for national control less than 50% of the initial amounts included in the contract

For exemplification, in case of a project with an implementation period of 12 months, let's suppose

that LP has requested by the end of the 6th month of implementation 18,500 euro for NC (therefore, respecting its schedule), PP2 has requested 13,200 euro and PP3 10,000 euro. Therefore, both PP2 and PP3 have failed to respect their schedule. The calculation of the decommitment is summarized in the following table:

		PP2	PP3
(1)	Partner's total budget	36,000	24,500
(2)	Total amount to be requested for NC	19,000	11,000
(3)	Total amount actually requested	13,200	10,000
(4)	Percentage of spending (3)/(2)	69%	90%
(5)	Amount to be decommitted 10%*(1)	3,600	-
	Partners' new budget after decommitment (1)-(5)	32,400	24,500

Although PP3 has not managed to respect the initial schedule, a decommitment shall not be applied, as the deviation of spending from the initial forecast is of only 10%. Considering that PP2 has managed to respect his initial estimation of the total amounts to be requested for NC by the end of the 6th month in a percentage of 69%, a decommitment of 10% will apply, reducing the partner's budget with 3,600 euro.

This analysis may also be performed beforehand by each partner as the information is available also to it.

Following the analysis performed at Programme level for each partner, the MA/JS will notify the LP regarding the amounts to be decommitted from each partner. The LP has the obligation to inform the partners and within 2 weeks following the receipt of MA's/JS's notification must adjust the budget accordingly in Jems. Therefore, the partners affected by the decommitment have to make a thorough analysis of their activities and budget and decide which budgetary lines may be reduced for covering the decommitment. The revised information have to be submitted to the LP in due time in order to respect the deadline communicated by the JS/MA. This is an important decision in the lifetime of a project, and it is advised that a joint meeting of the partners is organized in case this situation occurs in order to analyse the implementation of the project and take the necessary measures for putting it back on track.

Please pay attention to the fact that it is very important to respect the deadline for submission of the revised documents. In case of failure to respect the deadline, the MA shall apply the decommitment proportionally to all budgetary lines (direct costs) of the concerned partners!

In the case a decision is taken by the MA to reduce the budget proportionally to all budgetary lines, a thorough analysis will be done by the MA/JS regarding the balance of each budgetary

line for the concerned partner/s. When calculating the balance for each budgetary line, the amounts requested for NC for each budgetary line shall be taken into consideration. Once the balance is calculated, the amount to be decommitted shall be reduced from each budgetary line proportionally with the proportion of each budgetary line in the approved budget. In case the balance of one budgetary line is lower than the amount to be reduced for the respective budgetary line, then the entire balance shall be reduced and the difference shall be covered equally from the rest of the budgetary lines.

Example: Let's take the example mentioned above. Suppose the initial partner's budget is composed of the following budgetary lines, as per below table. According to the calculations mentioned above, the partner's budget needs to be reduced with 3,600 euro. This amount will be divided proportionally for each budgetary line, in case the LP does not provide the revised budget, taking into consideration the proportion of each budgetary line in the total budget. Therefore, the amount that needs to be reduced for budgetary line Equipment is 500 euro. Considering that the balance for this budgetary line is only 100 euro (taking into consideration the requests for NC), the amount that will be reduced is 100 euro. The rest of 400 euro will be reduced from the remaining direct costs, respectively External expertise and services.

In order to avoid arithmetic mistakes when reducing the project budget due to decommitment, it is mandatory to reduce the direct costs, as the costs calculated based on flat rates will be reduced automatically by Jems.

Budgetary lines	Initial approved budget	Percentage in the approved budget (%)	Amounts requested for NC	Balance	Amounts decommitted	
External expertise and services	23,571.45	65.48%	5,576.25	17,995.20	2,357.15	2,757.15
Equipment	5,000.00	13.89%	4,900.00	100.00	500.00	100.00
Staff costs 20% of direct eligible costs	5,714.29	15.87%	2,095.25	3,619.04	571.43	571.43
Office and administrative costs 15% of eligible direct staff	857.14	2.38%	314.29	542.86	85.71	85.71

<i>costs</i>						
Travel and accommodation costs 15% of eligible direct staff costs	857.14	2.38%	314.29	542.86	85.71	85.71
Total	36,000.03	100	13,200.08	22,799.95	3,600.00	3,600.00

Please pay attention to the fact that it is in the interest of each partner to provide a revised budget following the decommitment, as the reduction to be performed at MA level is artificial and can have negative consequences on the project implementation. The partners know best which budgetary lines can be reduced without jeopardizing the implementation of the project.

In either case, the modification of the contract in case of decommitment at project level shall take the form of a decision of the representative of the Managing Authority signing the contract, which will be notified to the lead partner and its partners and which becomes part of the contract(s) (subsidy and co-financing).

The decommitment shall be done without prejudice for partners' obligation to implement all the activities and achieve all the results, according to the approved application form. That means that despite the reduction of the budget, the partners still need to implement all activities and achieve all results, as mentioned in the approved application form.

The Lead partner together with the partners may decide to give up financing, but in this case all the funds reimbursed and advance payments from national co-financing shall be recovered by the Managing Authority/NA and the contract shall be terminated.

After LP receives from MA/JS the decision on applied decommitment, the JS shall accept the new version of the AF (with the new budget) in Jems.

3.4. Controls and audits

3.4.1. National control system (NC)

National control systems have been set in place by the Romania and Bulgaria, responsible for verifying expenditure of partners on their territories.








The National Control is responsible with the control of the project costs, which will be done on the project partner level). In practice, it means that in 5 days from the end of each reporting period each project partner will submit the filled Partner Report to the National Control. All supporting documents for the requested expenditure and activities performed during the respective period, together with all/ any mandatory annexes will be submitted through Jems.

The assigned National Control organizations are:








-  In Romania (for Romanian partners): National Control Unit set within CBC Office Călărași
-  In Bulgaria (for Bulgarian partners): Ministry of Regional Development and Public Works, email: vstoyanov@mrrb.government.bg

According to Programme rules the National Control has 90 days to conduct their check of the project costs, calculated from the date when the report is submitted in Jems. The NC will check the expenditure declared by the project partner on the basis of the supporting documents (e.g. invoices or accounting documents of equivalent probative value, contracts and public procurement documentation). The NC also verifies the delivery of the products and services co-financed, that the works have been performed, the soundness of the expenditure declared and the compliance of such expenditure with Community rules and relevant national rules.








National controllers have to verify at least that:

-  Expenditure claimed on a real costs basis relates to the eligible period and has been paid;
-  Expenditure relates to an approved project;
-  Expenditure complies with programme conditions and with the applicable eligibility rules;
-  The (public) procurement rules were followed in case of real costs. EU, national or Programme thresholds (only in case of private partners which are not contracting authority according to the national legislation) have to be considered to determine the applicable (public) procurement procedure. All contracts should comply with the basic principles of transparency, non-discrimination and equal treatment;
-  Supporting documents are sufficient and an adequate audit trail exists. The controllers check the audit trail of real costs. The audit trail must allow controllers to trace back all declared expenditure to the original invoices or other equivalent documents. There is also an audit trail to be checked for lump sums. The actual costs borne by the partner in relation to the delivered predefined outputs will not be checked, therefore, there is no obligation to present any supporting documents to prove these. In order to avoid duplication of costs, the further verifications performed by the controllers will check that other reported project expenditure is not already covered by the lump sum.
-  In case of flat rates or lump sums, where the case, conditions for payments have been fulfilled;
-  In case of flat rate for Staff and Travel and accommodation costs, the partners must submit in the partner report justifying documents:
 - For Staff costs - a labor contract for at least one member of the team;
 - for Travel and accommodation costs- at least a travel document (travel report, etc.). We recommend to promote the events organized by the project team on the project Facebook page.

No expenditures related to these flat rate shall be checked (eg. Service contract, payment role etc.).

-  In case of Staff costs supports as real costs, the partners must provide justifying documents such as for each person: labor contract, time sheets, payment role and other relevant documents.
-  Expenditure complies with state aid, *de minimis rules*, procurement rules, EU and Programme rules on publicity and branding, as well as sustainable development (including environment protection), equal opportunity and non-discrimination requirements, climate proofing etc.;
-  The project physically progresses;
-  The delivery of products, services, works is in full compliance with the content of the subsidy contract, including the latest version of the approved application form;
-  The absence of conflict of interest of the persons involved in the procurement is ensured. Project partners must take all necessary precautions to avoid conflicts of interest and must inform Programme bodies about any situation constituting or likely to lead to any such conflict;
-  An effectively functioning accounting system exists on the level of the partner allowing a clear identification of project-related expenditure.
-  The requirements of record-keeping and archiving rules for the documentary evidence related to the implementation of the project have been met.

Audit trail and payment of real costs - the following main documents must be available for control purposes and uploaded in Jems, via Partner reports section:

-  evidence of the procurement process (announcement, selection, award, etc.) in line with the legal status / the applicable (national) procurement rules or the national / EU / other (public) procurement rules depending on the amount of the contract and the type of partner;
-  a document (contract) laying down the services/equipment/ the works/infrastructure to be provided with a clear reference to the project and the programme, if the case. Any changes to the contract must comply with the (public) procurement rules and must be documented;
-  invoice(s) (or a supporting document having equivalent probative value to invoices) providing all relevant information in line with the applicable accounting rules;
-  acceptance protocols;
-  outputs of the work of external experts or service deliverables / equipment purchased,
-  all documents related to the works carried out
-  proof of payment.

Attention!

During the project implementation, the costs of each item shall be set based on the results of the procurement procedure, carried out in accordance with the national legislation and Programme rules (private entities). Validation of expenditure will be made on the basis of the maximum amount allocated by cost category, not by budget sub-line.

The technical specifications of the items purchased by partners during implementation should be similar or higher than those used for the application preparation, depending on the evolution of technology.

Also the deliverables and number of items (equipment/services/works) from the description of activities/ detailed budget cannot be changed. In case of the modifications are needed such modification will be made by means of an addendum-. See chapter 4.

Uploads:

- Procurement related attachments are uploaded in the dedicated section of the procurement in 'Partner reports', 'Partner report procurement'¹⁴ and not in the upload section (Attachments) of the 'Partner report List of expenditures'¹⁵.
- For each reported expenditure ('Attachments' section of 'Partner report List of expenditures' tab) the following supporting documents should be attached:
 1. External expertise and services costs - contracts (if available), invoice, proof of payment (payment order, statement of account), documents related to reception and acceptance, physical evidences of the services implemented (if applicable - pictures, materials, etc.);
 2. Equipment costs - contracts (if available), invoice and proof of payment (payment order, statement of account), documents related to reception and acceptance, physical evidences of the equipment delivered;
 3. Costs for infrastructure and works - invoice and proof of payment (payment order, statement of account), documents related to reception and acceptance, physical evidences of the works implemented;
 4. Staff costs (for projects/call reporting staff costs as real costs) - labor contracts, jobs descriptions, payrolls and documents proving the payment (net salary, contributions, other taxes), activity plans and reports etc.;

¹⁴ <https://jems.scrollhelp.site/manual/v9/partner-report-procurement>
<https://jems.scrollhelp.site/manual/v13/partner-report-procurement>

¹⁵ [https://jems.scrollhelp.site/manual/v9/partner-report-list-of-expenditures#id-\(v9-1\)PartnerreportListofexpenditures-Attachments](https://jems.scrollhelp.site/manual/v9/partner-report-list-of-expenditures#id-(v9-1)PartnerreportListofexpenditures-Attachments)

- Please don't duplicate the documents uploaded;
- Please name the uploaded files in accordance with the relevant contained documents.

Additional information for carrying out the verifications in case of infrastructure and works

When carrying out the on-the-spot verifications, the national controller shall request the technical documentation and cost-estimations. The national controller is obliged to check whether implemented infrastructure/ works are in compliance with application form (the version in force at the moment of execution), with technical documentation and cost-estimations for planned infrastructure/works. If during the verification, controller identifies that partner has implemented works that were not planned in the latest approved application form, technical documentation as part of the project application and there is no confirmation for MA or Monitoring Committee approval of additional works, the national controller cannot approve the related costs as eligible costs.

Please note that the list above is not exhaustive. The Lead Partner or Project Partner shall provide in Jems all the documents and information required by the national controllers in accordance with the provisions of the subsidy contract.

Attention!

The costs for carrying out of infrastructure works, such as “Building permit, Building material, Labour, Specialised interventions” shall be framed under budget chapter “Infrastructure and works”.

Please be aware that all project partners must comply with the relevant national procurement legislation. Special attention should be given to the classification of contracts covering at least two types of procurements – works, services, or supplies. Depending on the specific nature of the project and its activities, in line with national procurement rules, please consider the following example: if your project includes construction works and the installation of specific/technological machinery necessary for the functionality of the works/building, these costs should be classified under the budget chapter “Infrastructure and Works”. If the equipment is not related to the functionality of the building/investment, it should be classified under the budget chapter “Equipment Costs”.

To conclude:

- each project should be approached on a case-by-case basis, taking into account the scope of proposed project activities, the related cost and the relevant procurement legislation/rules;
- however, the following general aspects will be taken into consideration:
 - any cost for an investment that is directly linked to the infrastructure and needed for works, irrespective of its type (equipment, service), may be considered as eligible under any of the categories of *Costs for infrastructure and works* in order to ensure the full functionality of the infrastructure and allow beneficiaries to conclude work

contracts with Contractors for the entire value of works. The cost category *Costs for infrastructure and works* has to be understood as covering everything needed for the construction of the item of infrastructure - “building material” in particular has to be understood as all the material needed to actually construct the building concerned;

- on the contrary, if the equipment is an endowment that does not constitute an integral part of the infrastructure and its absence would not affect the functionality of the infrastructure, then the equipment should be classified under the cost category *Equipment costs*.

As a precautionary measure, partners need to consider a further review of the project costs category. For this purpose, partners should also refer to the definition of infrastructure as understood by the Programme, and outlined in the Applicant’s Guide relevant to the call for proposals, as well as the definition of works according to the EU Public Procurement Directive¹⁶.

The Programme understands **infrastructure** as a broad concept, which includes, without being exhaustive:

- buildings, from private homes to schools or industrial facilities, which are the most common type of infrastructure and the basis for human settlement;
- nature-based infrastructures such as green roofs, walls, spaces, and drainage systems.
- network infrastructure crucial for the functioning of today’s economy and society, notably energy infrastructure (e.g. grids, power stations, pipelines), transport (fixed assets such as roads, railways, ports, airports or inland waterways transport infrastructure), information and communication technologies (e.g. mobile phone networks, data cables, data centres), and water (e.g. water supply pipelines, reservoirs, waste water treatment facilities);
- systems to manage the waste generated by businesses and households (collecting points, sorting and recycling facilities, incinerators and landfills);
- other physical assets in a wider range of policy areas, including communications, emergency services, energy, finance, food, government,

A work means the outcome of building or civil engineering works taken as a whole which is sufficient in itself to fulfil an economic or technical function.

If you need assistance, please consider requesting support from the Joint Secretariat.

If partners identify such cases, they shall follow the contract modification procedure in order to transfer the respective amounts to the relevant cost categories - “Equipment” and / or “Infrastructure and works” and / or “External expertise and service cost”.

¹⁶ Directive 2014/24/EU of the European Parliament and of the Council on public procurement and repealing Directive 2004/18/EC

Please note that if certain costs have been budgeted under the “wrong” cost category and these have already been submitted for National Control verification, such costs should be marked as parked items. The controller should park those expenditure, and the partners must submit a modification request to the Programme in order to correct the budget misclassification (please refer to section 4 Contract modification). The related expenditures may be resubmitted for verification by the national controller only after the modification enters into force.

Note that in case Simplified Cost Options cover procured costs, the procurement documents will not be checked as part of the check of the Simplified Cost Option. Still, the (public) procurement rules should be followed. (Public) procurements should always be done according to national rules, Programme rules or following EU rules, depending on the thresholds and type of partners (public, private, etc.).

All the supporting documents should be uploaded in Jems.

The national control has 90 days to perform its check. Therefore it is of utmost importance that the partners respect the set deadlines.

The NC verification is performed on incurred expenditure included in each partner report. This is done through administrative verifications (i.e. desk-based verifications) as well as on-the-spot verifications. Only expenditure claims verified by national controllers in accordance with national requirements and procedures can be accepted by the MA.

On-the-spot verifications

On-the-spot are performed by the controller at the premises of the partners as well as in any other place where the project is being implemented. On-the-spot verifications should check the existence of the project, if the progress is real in accordance with the expenditures declared especially with regard to cost items referring to the cost categories “Equipment” and “Infrastructure and works” and to accounting documents that form part of the audit trail. Furthermore, on-the-spot verifications should check the existence and effective functioning of an accounting system on the level of the controlled partner.

On the spot verifications can also be conducted online (without physical check), as a substitute option of controller’s on the spot visit. Virtual (online) on the spot checks are applicable option, when these include costs concerning: purchase of equipment, external expertise and services.

The virtual check is not applicable in case of expenditures related to infrastructure. The only difference in the approach of online visits shall be that instead of visiting on the site, the controller shall coordinate with the partners the usage of live video connection (such as Viber, Webex, Zoom, Skype, Google, etc.).

Equipment items do not need to be checked on-the-spot, but comparable measures to an on-the-spot check should be carried out (e.g. photo documentation). If a partner is selected for an on-the-spot check, or if an obligatory on-the-spot check is required because the partner has incurred costs for “Infrastructure and works”, it is recommended that the equipment should also be checked when

carrying out the on-the-spot check.

During on-the-spot visits performed the controllers will verify originals of the documents and they will draw up the on-the-spot visit report giving a detailed account of the findings/conclusions/recommendations observed/made during on-the-spot checks. The partner has to sign the on-the-spot visit report presented by the national controller.

After the controller has conducted the check (administrative and/or on-the spot verifications), the documentation (control Certificate and Report, checklists) will be submitted via Jems to the project partner.

In case the partner has objections to the findings of the national controller, he/she can submit to the responsible body for national control an administrative complaint no later than 30 days after the respective partner was notified or made aware of the decision of the national controller. The complaint must be submitted via Jems, in the dedicated section - *Open control work - Control documents*.

For the Bulgarian beneficiaries:

The beneficiary can submit a reasoned complaint within 7 (seven) days from the completion of the check on expenses not verified by the controller. A statement on these unverified costs is issued by the NA and transmitted to the beneficiary and the national control. In the event that the complaint relates to expenses subject to a signal for suspicion of irregularity, it shall be attached to the submitted signal and considered together with it in accordance with approved procedures of NA.




The complaint must be submitted to the electronic address e-mrrb@mrrb.government.bg or NA-RO-BG@mrrb.government.bg and via Jems.

Complaints submitted after the specified deadline will not be considered by the NA.

3.4.2. Ongoing verifications by the Joint Secretariat and Managing Authority

The ongoing verifications performed by the JS are aimed to verify the quality of project implementation.

The following types of verifications are performed by the JS/MA:

-  Verification of the project's existence and physical progress by analysing the activity part, including indicators, of each project report as well as outputs and relevant deliverables produced by the project.
-  On-the-spot verifications, especially to the projects that involve investments through equipment or infrastructure and works.
-  Checks of ~~expenditure consisting of desk checks of invoices and other supporting documents~~procurement procedures. ~~These checks are performed by the MA on a sample of projects.~~ Verifications can be extended at any time for the expenditures reported based on the issues identified previously or based on the "professional judgement".

- 🌐 Verification of the documentation of the control work performed by national controllers, through the check of the control report and checklist issued by controllers together with the certificate of expenditure (only by MA).

On the basis of a risk assessment, the MA may, at any time, perform additional verifications on incurred and paid expenditure charged to the project with the scope of preventing and detecting potential irregularities (including fraud).

3.4.3. Audits by the Audit Authority (AA) and Group of Auditors (GoA)

The Audit Authority (Romanian Court of Accounts) is the Programme body responsible for carrying out system audits and audits on operations in order to provide independent assurance to the EC that the Programme management and control system functions effectively and that expenditure submitted to the EC is legal and regular.

The AA is supported by the Group of Auditors, which includes the representatives of the Programme members states (namely Romanian Audit Authority and the Executive Agency "Audit of European Union Funds" - Directorate "Audits of funds under Territorial Cooperation Funds and other Programmes" set within the Ministry of finance of the Republic of Bulgaria).

The operation audits shall be carried out based on the EU level sample of the projects and project partners drawn every year by the EC for all Interreg programmes.

The audit includes desk verifications and on the spot checks, at the premises of the audited body or in any other place where the project is being implemented.

The partners must provide support to the audit teams during the on the spot verifications and to make available all the requested documents.

3.4.4. Other controls and audits

According to the subsidy contract and in addition to the programme bodies, the European Commission, the European Anti-Fraud Office (OLAF), the European Court of Auditors (ECA), the European Public Prosecutor's Office (EPPO) and within their responsibility, the auditing bodies of the Member States or other national public auditing bodies, are entitled to audit the proper use of funds by the partners. The concerned partners are notified in due time about any audit to be carried out by authorized persons of such bodies.

They must provide any project-related information to the above auditing bodies and give access to their headquarters/the implementation places of the projects. Audits may occur at any time until the end date for the retention of documents, namely for a 5 year period from 31 December of the year in which the last payment by the MA to the project is made (if the case, longer retention periods may apply in accordance with national rules).

3.5. Irregularities

In accordance with the Council regulation (EC, Euratom) no 2988/95 irregularity corresponds to a wide concept that covers intentional and non-intentional action committed by economic operators.

The above mentioned regulation defines irregularity - Art. 1(2) as:

Any infringement of a provision of Community law resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the general budget of the Communities or budgets managed by them, either by reducing or losing revenue accruing from own resources collected directly on behalf of the Communities, or by an unjustified item of expenditures.

According EU Regulation 1060/2021, an *irregularity* means any breach of applicable law, resulting from an act or omission by an economic operator, which has or would have, the effect of prejudicing the budget of the Union by charging unjustified expenditure to that budget.

The responsibilities of each partners are included in the subsidy contract, signed by the Managing Authority with the Lead partner, and in the co-financing contract, concluded between the MA with the Romanian Project partners and by the National Authority with the Bulgarian Project partners.

According the national rules, each Member State is responsible with the verifications of each irregularity suspicion. Thus, the verification of each irregularity suspicion is carried out by:

- the Managing Authority Control Unit shall verify the Romanian partners
- the National Authority Control Unit shall verify the Bulgarian partners.

In case the irregularity is confirmed, than the following steps shall be followed:

Involving the ERDF

No.	Action	Responsible	Deadline	Document
<i>Irregularity was committed before the final payment</i>				
1.	Amounts will be held from the subsequent payments	MA	The next project report(s)	Subsidy contract
<i>Irregularity took place after the final payment or exceeds the total payments</i>				
1.	The MA will address the Lead partner to recover the unduly paid amounts	MA		Subsidy contract
2.	The LP committed the irregularity, so he pays the amounts to the MA	LP	30 days	Subsidy contract
3.	A partner committed the irregularity, so the LP requests the amounts from the responsible partner	LP		Partnership Agreement
4.	The concerned partner sends the amounts to the LP	Partner	20 days	Partnership Agreement
5.	The LP cannot recover the amounts from the partner, will inform the MA and will send all necessary documents for the MA to	LP	N/A	Subsidy Contract

	be able to take all necessary measures stipulated by the legislation in force			
6.	The MA takes legal measures	MA	According to the relevant legislation	Subsidy contract
<i>MA decides to suspend/terminate the contract as the result of an irregularity</i>				
1.	The MA notifies the Lead Partner	MA		Subsidy contract
2.	MA requests the LP to return the amounts	MA		Subsidy contract
3.	The LP committed the irregularity, so he pays the amounts to the MA	LP	30 days	Subsidy contract
4.	A partner committed the irregularity, so the LP requests the funds from the responsible partner	LP		Partnership Agreement
5.	The partner sends the amounts to the LP	Partner	20 days	Partnership Agreement
6.	The LP cannot recover the amounts from the partner, will inform the MA and will send all necessary documents for the MA to be able to take all necessary measures stipulated by the legislation in force	LP	N/A	Subsidy contract
7.	The MA takes legal measures	MA	According to the relevant legislation	Subsidy contract

State budget

No.	Action	Responsible	Deadline	Document
<i>Irregularity was committed before the final payment</i>				
1.	Amounts will be held from the subsequent payments	MA/NA	The next project report	Co-financing contract
<i>Irregularity took place after the final payment or exceeds the total payments</i>				
1.	The MA/NA will address the Partner to recover the unduly paid amounts.	MA/NA		Co-financing contract
2.	The Partner sends the amounts to the MA/NA	Partner	According to the co-financing contract	Co-financing contract
3.	The Partner does not send the amounts to	Partner	According to	Co-financing

	the MA/NA		the co-financing contract	contract
4.	The MA/NA takes legal measures	MA/NA	According to the relevant legislation	Co-financing contract
<i>The MA/NA decides to suspend/terminate the contract as the result of a irregularity</i>				
1.	The MA/NA notifies the Partner	MA/NA		Co-financing contract
2.	MA/NA requests the partner to return the amounts.	MA/NA		Co-financing contract
2.	The partners sends the amounts to the MA/NA	Partner	According to the co-financing contract	Co-financing contract
3.	The Partner does not send the amounts to the MA/NA	Partner	According to the co-financing contract	Co-financing contract
4.	The MA/NA takes legal measures	MA/NA	According to the relevant legislation	Co-financing contract

3.6. Antifraud Policy

The management structures of the Interreg VI-A Romania-Bulgaria Programme are committed to maintain high legal, ethical and moral standards, to adhere to the principles of integrity, objectivity and honesty and wishes to be seen as opposed to fraud and corruption in the way that it conducts their business. All project partners are expected to share this commitment.

The programme Member States and the MA have a zero tolerance policy to fraud and corruption.





The term **fraud** is commonly used to describe a wide range of misconducts including presentation of false, incorrect or incomplete statements or documents, non-disclosure of information in violation of a specific obligation, theft, corruption, embezzlement, bribery, forgery, misrepresentation, collusion, money laundering and concealment of material facts. It often involves the use of deception to make a personal gain for oneself, a connected person or a third party, or a loss for another - **intention is the key element that distinguishes fraud from irregularity**. Fraud does not just have a potential financial impact, but can also cause damage to the reputation of the programme structures.

Corruption is the abuse of (public) position for private gain. Corrupt payments facilitate many other types of fraud, such as false invoicing, phantom expenditure or failure to meet contract specifications. The most common form of corruption is corrupt payments or other advantages; a

receiver (passive corruption) accepts a bribe from a giver (active corruption) in exchange for a favour.

Also, the Code of Conduct set at the Programme level must be observed by all parties involved in the Programme (<https://interregviarobg.eu/en/implementation-rules>).

Public procurement, the largest channel of public spending constitutes an area that is particularly vulnerable to fraud. Fraud, corruption and collusion are the most common types of crime in public procurement processes and they produce significant monetary losses, inefficiency and misuse of the public funds. Main types of corruption practices in public procurement are:

-  Bid rigging: the contract is ‘promised’ to one contractor, with or without the consent of the public official issuing the tender. Bid rigging takes the form of bid suppression, complementary offers, bid rotation and subcontracting;
-  Kickbacks: the public official demands, or is open to a bribe which will be accounted for in the tendering process, including administrative processes;
-  Conflict of interest: the public official has personal interests in the winning company;
-  Other - including deliberate mismanagement/ignorance.

Partners can explore the issue of fraud in public procurement in the handbook entitled *Fraud in Public Procurement, A collection of Red Flags and Best Practices* developed by OLAF <https://ec.europa.eu/sfc/system/files/documents/sfc-files/fraud-public-procurement-final-20122017-ares20176254403.pdf>

According to the Cohesion policy legislation for the period 2021-2027, the programme bodies have to ensure that the projects are implemented in compliance with the applicable public procurement rules. Thus, any purchase of goods, services or public works for the implementation of the project has to be carried out in line with the relevant public procurement rules.

All partners, whether public or private, are advised to comply with the **measures set out in order to eliminate fraud risks in public procurement process, provided in Annex MEASURES set out in order to eliminate fraud risks in public procurement process to the PIM.**

The responsibility for an anti-fraud culture lies with all those involved in the EU programmes and projects. Therefore, we encourage all partners, contractors, employees, or the general public to assist in preventing fraud from taking place, implementing proportionate measures to detect it and making it transparent.

If the partner has any knowledge of a fraud suspicion/irregularity related to the Programme, it is his responsibility to announce the management structures, by using the whistleblower:

-  For Romanian partners: sesizari.proiecte@mdlpa.gov.ro
-  For Bulgarian partners: mariya.doseva@mrrb.government.bg; IDeneva@mrrb.government.bg; NA-RO-BG@mrrb.government.bg.

3.7. Horizontal issues

The project will have to clearly describe how will comply with the horizontal principles set in the EU regulations and described in the Programme: **sustainable development, equal opportunities and non-discrimination, as well as equality between men and women**. This means that the project will **have to promote these principles within all project activities / actions**. In practical terms, the project should reflect the horizontal principles in its activities, outputs and results.

The accomplishment of the minimum requirements of law in the fields of promotion of equal opportunities and non-discrimination, equality between men and women and sustainable development is mandatory for the project and will be monitored during project implementation!

The Project is however expected to take concrete actions at operational level more than just accomplishing the minimum required by law, but to actually have a substantial added value towards promotion of the sustainable development, equal opportunities and non-discrimination, equality between men and women.

Projects' actions for the promotion of the horizontal principles will be monitored and reported in the Programme implementation reports of the Programme, according to the relevant procedures (see also Chapter 5. Project closure).

The Lead partner is required to draw up and submit together within the final report, via Jems, **the equal opportunities and non-discrimination questionnaire - according to the set template** (where they will have to explain their contribution to equal opportunities and non-discrimination - how the equal opportunities principle were anchored within the project and its activities. They will also provide data on participants in terms of gender, age, employment status, education and disabilities and also **the questionnaire on environmental protection - according to the set template** (where the partners will have to describe the way the project respected the cross border legislation on environment, contributed to sustainable development and how the sustainable development principles were reflected in the activities).

SUSTAINABLE DEVELOPMENT

Sustainable development stands for meeting the needs of present generations without jeopardizing the ability of future generations to meet their own needs - in other words, a better quality of life for everyone, now and for generations to come.

Choosing the sustainable way means commitment to preserve and protect the environment from potential harmful effects of human interventions and to enforce the safeguard of social, environmental and climate benefits. It requires everyone to make decisions in a way that the economic, ecological and social effects of each decision are taken into account.

EXAMPLES about how the project can implement sustainability on the operational level:



Carefully **consider the impacts** of the project activities on **economical, ecological and social aspects** within the project eligible area targeted.

- Consider giving priority to using “green infrastructure” solutions over “grey solutions” whenever this is possible

- Communication of the EC on Green Infrastructure:

http://eur-lex.europa.eu/resource.html?uri=cellar:d41348f2-01d5-4abe-b817-4c73e6f1b2df.0014.03/DOC_1&format=PDF

- EC Thematic Guidance for Biodiversity, Green Infrastructure, Ecosystem Services and NATURA 2000:

http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/guidance_fiche_biodiversity_n2000.pdf

- EC Technical Guidance on the Climate Proofing of Infrastructure, in the period 2021-2027:

[https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021XC0916\(03\)&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021XC0916(03)&from=EN)

- Practice to make your daily working choices the sustainable way - whether it is about buying office equipment or supplies, planning of meetings and business trips, preparing of printed publications and information material, contracting external service providers at fair conditions or other activities. Here are some tips you can follow:

- Go paperless or if you really have to use paper, make it recycled one;*

- Publications should be printed for external communication purposes (if needed only). For electronic publications, a “printer-friendly” version (less colours, more compact text, less pages) should be made available;*

- Use the Programme electronic system and e-mail for communicating with the Programme structures or your project partners;*

- Information on the greening efforts made at the meeting/event is provided electronically prior to and after the meeting;*

- Materials produced for the events (such as banners, posters, signs, etc.) are designed and written in a generic way to allow them to be reused for other events;*

- A dedicated area is provided for participants to return material that can be re-used (such as badges);*

- Switch to cloud computing;*

- Consider online meetings instead of face-to-face meetings where possible;*

- Modernize your equipment - updating and upgrading your equipment can make a significant difference in how eco-friendly you are;*

- Include environmental criteria in procurement procedures.*

- Operate fuel efficient vehicles (electric or hybrid cars);*

- Give preference to environmentally-friendly mobility options (in particular for short travel distances);
- Use eco-friendly means of transport or go on foot;
- If possible, all waste produced at the venue of an event is sorted for recycling and sufficient, well-marked bins are provided in both participants and staff areas;
- Consider resource efficiency and the use of renewable energy at all levels;
- Consider near-Zero Energy Building;
- Make use of regional supply chains (reducing supply chain length and CO2 emissions).

Mandatory!








If the project aims at renovation/modernization of existing buildings and/or construction of new buildings must consider the implementation of solutions to improve energy efficiency, as well as the use of renewable sources of electrical/thermal energy.

- Buy green** - analyse options for **green procurement** and reduction of waste generation. Please consult the information sources available to help you make the green choices in your everyday activities, out of which some can be consulted at the following links:
- Green public procurement website (European Commission): useful links, publications and reliable sources http://ec.europa.eu/environment/gpp/faq_en.htm#general1
- Handbook on green public procurement (European Commission) <http://ec.europa.eu/environment/gpp/pdf/handbook.pdf>
- Public procurement for a better environment (Communication of the European Commission): <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52008DC0400&from=EN>

Public procurement rules allow for horizontal aspects such as the protection of the environment, social considerations or the enforcement of innovation to be taken into account when purchasing a product, service or work. The project should use of this possibility whenever possible. When you procure goods/services pay attention to the following aspects or review your procurement policies:

- Are manufactured in a sustainable fashion
- Do not contain toxic materials or ozone-depleting substances
- Can be recycled and/or are produced from recycled materials
- Are made from renewable materials
- Do not make use of excessive packaging
- Are designed to be repairable and not throwaway

Examples of green contracts:

-  Energy efficient computers
-  Office furniture from sustainable timber
-  Low energy buildings
-  Recycled paper
-  Cleaning services using ecologically sound products
-  Electric, hybrid or low-emission vehicles
-  Electricity from renewable energy sources

EQUAL OPPORTUNITIES AND NON-DISCRIMINATION

Guaranteeing equal opportunities and preventing discrimination are important principles in project implementation. Any discrimination based on gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation has to be prevented. At operational level, whenever it is possible, the project should:

-  Ensure products, goods, services and infrastructures that are open or provided to the citizens are accessible to all citizens including those with disabilities;
-  Accessibility to the physical environment, transport, ICT shall be ensured in order to promote inclusion of disadvantaged groups, including persons with disabilities;
-  Guarantee that all communication products (websites, electronic newsletters, publications, etc.) are accessible;
-  Use straightforward language that guarantees cognitive accessibility;
-  Emphasise social diversity in videos, posters, etc., using people with a variety of profiles to encourage identification among all groups;
-  Involve members of minority groups in your activities and/or composition of the project team;

Take into account the needs of the various target groups at risk of discrimination.

EQUALITY BETWEEN MEN AND WOMEN

Ensuring equality between men and women means in principle to make possible that everyone, regardless of gender, has the right to work and support themselves, to balance career and family life, and to live without the fear of abuse or violence. Gender equality implies not only equal distribution between men and women in all domains of society. It is also about the qualitative aspects, ensuring that the knowledge and experience of both men and women are used to promote progress in all aspects of society, placing equal value and emphasis on the knowledge and skills of both men and women, including ensuring equal pay for work of equal value. The project is expected to address the gender equality principle on the operational level and integrate the gender perspective in its activities, whenever this is possible. For instance:

- Take into account gender-balanced composition of the project team;
- Ensure the participation of gender experts in teams or groups;
- When organizing events and conferences, ensure a good balance between women and men speakers;
- Give visibility to gender issues and avoid the use of sexist language and stereotypical or discriminatory images;
- Ensure equal pay for men and women;
- Take into account to promote gender equality through the goods, services or works being purchased (it means that the buyer and supplier examine the impact of all contracted activities on women's and men's needs, interests and concerns and design and deliver contracts in a way that reduces inequalities);
- Encourage the adjustment of the working conditions so that they suit both men and women.

DO NO SIGNIFICANT HARM (DNSH)

Article 17 of the Taxonomy Regulation¹⁷, defines the significant harm for the six environmental objectives. Thus, an activity is considered to do significant harm:

- to **climate change mitigation** if it leads to significant greenhouse gas (GHG) emissions;*
- to **climate change adaptation** if it leads to an increased adverse impact of the current climate and the expected future climate, on the activity itself or on people, nature or assets;*
- to **the sustainable use and protection of water and marine resources** if it is detrimental to the good status or the good ecological potential of bodies of water, including surface water and groundwater, or to the good environmental status of marine waters;*
- to **the circular economy, including waste prevention and recycling**, if it leads to significant inefficiencies in the use of materials or in the direct or indirect use of natural resources, or if it significantly increases the generation, incineration or disposal of waste, or if the long-term disposal of waste may cause significant and long-term environmental harm;*
- to **pollution prevention and control** if it leads to a significant increase in emissions of pollutants into air, water or land;*
- to **the protection and restoration of biodiversity and ecosystems** if it is significantly detrimental to the good condition and resilience of ecosystems, or detrimental to the conservation status of habitats and species, including those of Union interest.*

¹⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32020R0852>

The project will have to promote and implement solutions that are friendly with the environment and observe the *Do No Significant Harm* Principle.

Mandatory!

The adaptation measures included in the respective Applicant's Guide are mandatory for all projects!

Details regarding the way these measures were considered by the project partners during the project implementation should be included in the project and partner report.

Please bear in mind that these are minimum requirements and they can be complemented with additional ones, depending on the legal requirements and the type of the project.

Also, please bear in mind that it is your responsibility to request the service provider/contractor to comply with these requirements and monitor their implementation during the works execution/equipment providing.

Therefore/Similarly, the terms of reference for works execution, service and equipment providing should clearly mention the compliance with the *Do No Significant Harm* principle and the adaptation measures that must be applied.

STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA) MITIGATION MEASURES AND INDICATORS

When implementing the project, the recommendations and the monitoring indicators set by the *Strategic Environmental Assessment Report* must be observed. The list of the measures and the monitoring indicators proposed for each type of actions is included in *Annex AG_E SEA mitigation measures and indicators* to the Applicant's Guide for the Specific Objective and Priority under the project was submitted.

Mandatory!

Please consult the provisions of *SEA mitigation measures and indicators and other environmental aspects* included in the SEA report and consider the proposed measures when implementing the project.

The Bulgarian partners must observe also the recommendations generated by the Bulgarian legislation, as mentioned in *SEA report and in the applicable applicant's guide*.

Details regarding the way these measures were considered by the project partners during the project implementation should be included in the project and partner report.

Attention!

According with SEA, "prior to the start of renovation works on existing buildings, in the earliest stage, an identification of the possible presence of bats and birds as well as the presence of their shelters and nests will be identified, in line with the legal provisions. The activities will be carried out by certified experts (Register of certified experts for the elaboration of environmental studies - Types of studies: Monitoring of biodiversity "MB"). If




the presence of certain species is identified, the decision will be taken to postpone the interventions until the end of the nesting / rearing, hibernation period or to relocate the individuals in compliance with the legal requirements in force (obtaining a derogation according to national legislation).

In the case of buildings where shelters / nests have been decommissioned, solutions for the installation of artificial shelters / nests will be adopted, preferably using durable solutions (long life) such as built-in shelters.”


NEW EUROPEAN BAUHAUS (NEB)

The New European Bauhaus initiative promotes a new lifestyle where sustainability matches style, thus accelerating the green transition in various sectors of the economy such as construction, furniture, fashion and in the society as well as other areas of our daily life. The aim is to provide all citizens with access to goods that are circular and less carbon-intensive, that support the regeneration of nature and protect biodiversity.

Three core inseparable values guides the New European Bauhaus:

-  sustainability¹⁸, from climate goals, to circularity, zero pollution, and biodiversity,
-  aesthetics, quality of experience and style, beyond functionality,
-  inclusion, valorizing diversity, equality for all, accessibility and affordability.

Please consult the information sources available to help you explore ways your project may contribute to creating and delivering sustainable, affordable, accessible, inclusive, and beautiful products and/or services:

-  https://new-european-bauhaus.europa.eu/index_en
-  https://new-european-bauhaus.europa.eu/get-inspired/inspiring-projects-and-ideas_en
-  https://new-european-bauhaus.europa.eu/system/files/2023-01/NEB_Compass_V_4.pdf

Your project can contribute to implement the New European Bauhaus initiative with a wide range of solutions, from educational and cultural activities, to implementation of nature-based solutions, while making the built environment more attractive.








Also, implementing solutions for making cities greener and using sustainably sourced nature-based materials and a zero pollution ambition model, from environmental actions to tourism, are horizontal objectives which can contribute to the New European Bauhaus (NEB) initiative

¹⁸ For the purpose of the New European Bauhaus initiative, “sustainability” is understood as “environmental sustainability”.

implementation.

Fostering sustainable living by improving the common spaces to be used by the local community and making use of the cultural assets (heritage, arts, local craft, etc.) and natural assets (landscapes, natural resources, etc.) projects can offer opportunities for connection and social interaction, including for people at risk of exclusion or poverty, the binding element that creates a sense of belonging.

Here are several examples about how projects can implement the New European Bauhaus initiative on different categories:

-  *Techniques, materials and processes for construction and design - tools that may support design and co-creation for more sustainable building and planning processes;*
-  *Building in the spirit of circularity - places/physical sites that demonstrate the re-use and recycling of materials, renovations or buildings planned with full circularity in mind contributing to inclusiveness in relation to their function or accessibility;*
-  *Solutions for the co-evolution of built environment and nature - showing how the built environment can contribute to the protection of nature and biodiversity, taking into account cultural and social needs or blending of buildings in landscape or integration of living nature in construction;*
-  *Regenerated urban and rural spaces - reconversions of abandoned or challenged areas in cities, upgrading of territories and regions in decline;*
-  *Preserved and transformed cultural heritage - models of preservation that enhance access to cultural heritage for all or reconversion of heritage infrastructure with a high social purpose and a low carbon footprint;*
-  *Reinvented places to meet and share - the development and use of public spaces such as streets, squares and parks; or particularly inspirational models of community centers, community gardens, co-creation places that combine style with a strong social purpose and sustainability;*
-  *Interdisciplinary education models - models and methods that integrate the values of sustainability, inclusion and aesthetics in the content of the curricula and in the learning process.*

Details regarding the way NEB initiative were considered by the project partners during the project implementation should be included in the project report/ final report (as attachment).

4. Contract modification

During the implementation of a project, changes may appear which require the modification of the project. Nevertheless, considering that the initial Application Form has been evaluated and selected by the Monitoring Committee it is strongly advised that partners limit the number of changes of a project. It should be noted that project modifications remain exceptions, rather than a rule. Modifications can be classified into minor or major modifications depending on their impact on the project.

All project modifications (whether minor or major) including the correspondence between LP/JS or MA, if the case, are uploaded in Jems - project Shared folder. The approved project modifications (approved version) are uploaded in Jems Contracting - Contracts and agreements - Contracts.

Contract modifications applicable to projects are defined as follows:

<u>Type of change</u>	<u>Body in charge of approval</u>
<u>1. Minor modifications:</u>	
<u>a. Administrative and clerical modifications</u>	<u>No prior approval is required (JS is in charge for approving the modification request in JEMS system)</u>
<u>b. Budget flexibility</u>	
<u>Budget reallocation between the cost categories of the partner's budget, up to 10% of the total partner budget stated in the latest approved partner budget (budget flexibility rule no.1)</u>	<u>JS</u>
<u>c. Adjustments of the Work Plan</u>	<u>JS</u>
<u>2. Major modifications</u>	
<u>Reallocation of expenditures under the appropriate budget cost category (wrongly framed)</u>	<u>MA</u>
<u>Changes in the project partner organizations</u>	<u>Programme Monitoring Committee (in certain cases) and MA</u>
<u>Changes in the partnership</u>	<u>MC (in certain cases) and MA</u>
<u>Changes in budget, beyond the modifications within the project budget listed under minor modifications</u>	<u>MC (in certain cases) and MA</u>
<u>Extension of the project implementation period</u>	<u>MC (in certain cases) and MA</u>

<u>Other changes</u>	<u>MC (in certain cases) and MA</u>
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4.1. Minor modifications

Minor modifications are adjustments that do not have a significant impact on the project and thus do not alter in a significant way the approved Application Form. They can be implemented ~~without prior approval of Programme structures,~~ by means of a **notification**. A notification can be submitted only by the Lead partner.

~~Project changes which need a notification-~~

a. Administrative and clerical modifications

Administrative and clerical modifications may refer to:

- Contact data change of the LP or of the project partners.
- Change of the euro bank account of the LP and / or National currency bank account(s) of the partners.
- Modification of the name of the partner, without changing the identification number of the institution (BULSTAT, fiscal registration number).
- Include PIC number
- Material errors in the text of the contract

To start the modification process, the LP has to send to JS a written request, signed by the legal representative and uploaded in Jems "Shared folder", asking for change of the administrative information. If necessary, the JS opens project modification in Jems, where the LP can then update information and upload relevant documents as needed. **These changes do not require prior approval of Programme structures.**

It is mandatory for the LP to inform the JS in case of any changes in the contact data or legal representative of the LP/PP and in case of a change in the LP/PP name that has no impact on its legal status.

b. Budget flexibility

- Budget reallocation between the cost categories of the partner's budget, up to 10% of the total partner budget stated in the latest approved partner budget (budget flexibility rule no.1). Restrictions for this flexibility rule:
 - this flexibility can be used when planned activities cost more than originally expected and **cannot be used to change the project outputs and deliverables and /or to change the nature and use of the planned investment items;**
 - ~~the flexibility rule only applies to real costs;~~

- unplanned costs under the partner budget real costs can only be eligible for funding in exceptional cases and must be approved by the Programme;
- partner flat rates cannot be changed;
- Modifications in the Staff costs, for increasing/decreasing the amount (for projects where reporting staff costs as real costs is applicable) are not allowed within the 10% flexibility described above considering that several simplified cost options are being paid out based on staff costs, which means that other cost categories will increase/decrease at the same time and partner total budget may be exceeded/reduced.

Please note that this flexibility is allowed only once during project implementation period.

~~Modifications in the Staff costs, for increasing/decreasing the amount (for projects where reporting staff costs as real costs is applicable) are not allowed within the 10% flexibility described above considering that several simplified cost options are being paid out based on staff costs, which means that other cost categories will increase/decrease at the same time and partner total budget may be exceeded/reduced.~~

Any such 10% budget flexibility shall be subject to a written notification to the Programme. To initiate the modification process, the LP has to send a written request, signed by the legal representative and upload it in the “Shared folder” requesting JS a budget modification under this budget flexibility rule. Further on, JS verifies the modifications and may request additional information/document/clarifications, in order to provide an opinion on the proposed minor modification, provided that it does not fall under one of the cases requiring an addendum to the subsidy contract. JS will answer accordingly the LP in due time, according to the working procedures.

Variation of unit cost of items within/ inside a cost category can be made without any notification, provided that the number of units and description are not modified and the total cost category allocation is not exceeded.

~~To start the modification process, the LP has to send to JS a written request, signed by the legal representative and uploaded in Jems “Shared folder”, asking for change of the administrative information. If necessary, the JS opens project modification in Jems, where the LP can then update information and upload relevant documents as needed.~~

~~It is mandatory for the LP to inform the JS in case of any changes in the contact data or legal representative of the LP/PP and in case of a change in the LP/PP name that has no impact on its legal status.~~

c. Adjustments of the Work Plan

Minor modifications of the work plan must not affect the project intervention logic (i.e. project objectives, outputs and results).

These minor changes may be related either to a change of format of activities or a deliverable (e.g. postponement of a conference, change in the location of the planned workshop, shifting physical meetings/events to online etc.) and their timeline.

In this case, the LP may request technical assistance from JS via Jems, project Shared folder, in order to provide an opinion on the proposed minor modification, if it does not fall under one of the cases for which an addendum to the subsidy contracts needs to be signed. JS will answer accordingly the LP in due time, but not later than 5 working days. The JS may also request additional information, if the case.

4.2. Major modifications

Changes which have a major impact on the approved Application Form shall require the signing of **addendum** to the contract. Depending on their type, they can be approved either by the Managing Authority or by the Monitoring Committee. In any case, partners should try to limit these changes as much as possible, as they usually alter the initial financing conditions.

Please pay particular attention to the deadlines for uploading a request for modification. They should be uploaded in Jems in project Shared Folder with minimum 30 days before they intend to produce effects. The last request for modification should be uploaded no later than 2 months before the end date of the implementation period. The requests for modification have to be filed by the LP for the entire project. Therefore, take also into consideration the time necessary for the LP to compile the requests for modification received from the project partners.

Below you will find a list of examples with changes that require the signing of an addendum to the subsidy contract. Please be advised that this is not an exhaustive list, as all possible cases may not be foreseen beforehand. The Programme management structures shall decide whether a modification requires or not the signing of an addendum based on the implications it has on the project.

The Managing Authority/Monitoring Committee has the right to refuse the proposed modifications by the partner (or part of them) for which justification was not provided and which were not considered acceptable. In case the proposed modification was refused by the Managing Authority, it cannot be requested again.

Reallocation of expenditures under the appropriate budget cost category (wrongly framed)

During the project implementation, reallocation of expenditures under the appropriate budget cost category is possible and shall be carried out through an addendum.

The reallocation of parked expenditures is possible provided the national and European legislation as well as the other Programme rules on procurement are observed.

Changes in the project partner organizations

Structural or legal changes, such as name, headquarter, change of legal status may occur in the project partner organizations during the implementation phase. It is important to note that

following the structural changes, the organization still needs to fulfil all the eligibility conditions applicable at the date of submission of the Application Form.

In case of legal succession, if there will be more than one legal successor, this change will be treated as a change in the partnership and verified accordingly, with prior assessment of the partnership before submission of an addenda.

Changes in the partnership

The partnership is the core feature of a project and it has been approved as such by the Monitoring Committee of the Programme. Therefore, **changes in the partnership** should be exceptional and all alternative solutions to solve the problem need to be considered before requesting a partnership change. Partnership changes need to be duly justified, necessary for successful implementation of the project and shall be approved by the Monitoring Committee.

No changes in the partnership are allowed during the pre-contracting and contracting stage.



Partnership amendments are representing **withdrawal of partner(s)** and/or **replacement of partner(s)** in cases of legal succession.

Withdrawal of partner(s)

When at least one partner is changed, in the sense of withdrawing (entirely or partially, from a certain moment further), respectively one of the partners decides to withdrawn from the partnership, and its activities and budget are taken over by the existing partner/s or by a newly introduced partner(s), the partnership amendment procedure is applicable.

The withdrawn partner(s) may renounce, the activities, responsibilities, obligations and budget, in full or in part. When partially, the remaining partners/newly introduced partner may take over, a share of activities, responsibilities, obligations and budget from the withdrawn partner.

In case of a partner withdrawal, two cases can be identified:

- 1. Replacement with a new partner, which takes over all the activities, responsibilities, obligations and the budget of the withdrawn partner either:**
 -  **fully**, thus taking in the entire budget of the respective partner. The exiting partner will have to pay back to the Programme all funds received.
 -  **partially**, from the moment the previous partner became inactive. In this case, the previous decommitment target does not apply for the new partner. While concluding a new contract, a new intermediary target can be set just for that partner (active), considering the moment when it comes into the partnership (after MC approval). The exiting partner may keep all the funds received, provided the contribution to the project was ensured. This partner (inactive), however, remains bound by the target at the half period of the implementation (in case the respective partner exits after half of implementation period).
- 2. The activities and budget of the withdrawn partner are taken over by the partners which are still involved in the partnership.**

The withdrawn partners will have to pay back to the Programme all funds received, unless they decide to remain, inactive in the partnership, provided the contribution to the project was ensured.

The newly introduced partner(s), if approved, will set a new decommitment target and deadline, considering the moment of Partnership amendment MC approval.

Within the investment projects, in which the investment object is the ownership/lease of the withdrawn partner, the change of the respective partner is possible only in case the new partner/ remaining partner(s) proves ownership/lease of the respective investment object.

Replacement of partner(s) in cases of legal succession

Replacement of any partner/partners after signing the financing contract in cases of legal succession by one of the partners within the project by assumption of all obligations under the financing contract, based on art.12, paragraph 2 „In case of legal succession, e.g. where the LP changes its legal form, the LP is obliged to transfer all duties under this contract to the legal successor. The LP shall notify the MA about any change with 15 working days beforehand. The same shall apply in case of legal succession for one or more of the project partners” by exception, is not the subject of the procedure for partnership amendment, being analyzed according to monitoring procedure. However, if the legal successors are represented by a different number of legal entities than the initial number (splitting or merging), than the modification will be analyzed according to the procedure for partnership amendment.

The replacing partner(s), if approved, will set a new decommitment target and deadline, considering the moment of Partnership amendment MC approval.

The new partnership should respect all the eligibility criteria mentioned in the Applicant's Guide at the time of submission of the project. The change of partnership and its implications for the project shall be subject of assessment by the Joint Secretariat Programme's structures and the final decision shall be taken by the Monitoring Committee. MA may participate to the process, at its request.

Description of the partnership change process and list of the necessary documents - to be added at a later stage.

Changes in budget

Reallocation of funds between budgetary chapters

As a general rule, the management bodies do not encourage the reallocation of funds between budgetary chapters especially due to the changes allowed under the budget flexibility rule. However, if the projects have used the rules of flexibility, projects may in exceptional and duly justified cases apply for reallocations of funds between budgetary chapters (only for direct costs, namely for the categories of expenditures *External expertise and services costs*, *Equipment costs*, *Costs for infrastructure and works and Staff costs* (for projects where reporting staff costs as real costs is applicable). The reasons for modifications have to be very well justified and the LP/partners

have to prove the necessity for reallocation of funds and the impact it has on the project implementation.

~~Reallocation of budget between the categories of expenditures External expertise and services costs, Equipment costs, Costs for infrastructure and works and Staff costs (for projects reporting staff costs as real costs) is granted to the partners, no matter the way that the budgeted amounts were initially justified during assessment phase, as long as the following conditions are met:~~

- ~~1. minimum requirements for technical characteristics are respected according to approved application form (when launching the procurement);~~
- ~~2. the number of equipment/description of necessary services/works from the description of activities is observed and correlation with activities is clear for all costs.~~
- ~~3. budget chapter is not exceeded (even the final unit price for different items may vary compared to the amount used for justifying the budget during assessment phase).~~
- ~~4. the national and European legislation as well as the other Programme rules on procurement are observed.~~

~~The abovementioned conditions are cumulative.~~

~~In case you wish to lower the minimum technical characteristics from the approved application form, you need to submit an addendum and the due justification.~~

~~In case the technical characteristics are mentioned only in the 2 offers (not in the application form), they are not binding in implementation. However, conditions 2-4 from above must be observed.~~

Modifications (increase/decrease) in the Staff costs (for projects where reporting staff costs as real costs is applicable) are allowed only if they do not have a negative effect on the overall project's objective, outputs and results and the total budget of the operation is not increased. For modifications in staff costs that consist in increasing/decreasing the allocated amount to this category, the prior approval of the Strategy Board is required if the respective modifications impact the organization of main activities and their quality.

Thus, Any-any other changes within the project budget, beyond those listed under section 4.1 Minor modifications, including budget reallocation between project partners are considered major changes in the content of the project and will be subject to an addendum to the contract.

Reallocation of funds between partners

In case of reallocation of tasks between project partners, due to, for example, financial difficulties of one of the partners, a reallocation of funds may be necessary between project partners. Under these circumstances, the co-financing contracts shall also be modified, leading to a reduction/increase of the corresponding co-financing funds.

Extension of the project implementation period

In duly justified exceptional cases, the new project implementation period may exceed the maximum duration, as specified in the related Applicant Guide.

Other changes

Please be informed that during the implementation stage the following modifications are not allowed:

- Partner budget options (you can no longer change flat rate options for existing partners only for newly added partners);
- Priority and specific objective (you can no longer change the Priority and Specific objective of a contracted project).

Projects are allowed to change their approach without altering the planned project outputs and results. The changes should bring an added value as compared to the initial Application Form.




NB:

Please be informed that for the investment projects it is mandatory to present /submit to JS the Technical Project. For Romanian partners, the Technical Project should be submitted together with the building permit, within 10 working days from the date when the documents were received by the project partner. For Bulgarian partners, the Technical Project should be submitted together with all the necessary approvals, within 10 working days from the date when the last approval was obtained.



~~Please be informed that for the investment projects it is mandatory to present /submit to JS the Technical Project within 10 working days from the date when the documents was delivered by the designer and accepted by the project partner.~~

Together with the Technical Project and the building permit/approvals from the state institutions, the partner shall submit a statement regarding either that there are no technical modifications compared with the documents within the approved application form (feasibility study, DALI or preliminary design) or that there are modifications which shall be presented in detail and with proper justifications.

Examples of modifications that shall be notified within the partner's statement:

-  Modification of the emplacement / location of the investment (including changes in the legal status of the property where the investment is foreseen to be done),
-  Modifications of the functionality of the investment or of the designed spaces/rooms within the construction, etc.;
-  Modification of the functional/technological/constructive solutions at the phase of the elaboration of the technical project / technical design for execution. If the modification appear during the execution of the construction works, it shall be subject of addendum to the financing contract only in case the modifications are substantial, in accordance with the

public procurement legislation and the work execution contract is amended in this regard, in accordance with the same legislation;

-  Modification of the technical - economic indicators of the investments at the phase of the elaboration of the technical project / technical design for execution;
-  Modifications regarding measurements of the investment (for example modification of the length of the infrastructure to be modernized, modification of rooms of a building that shall be constructed, etc.) at the phase of the elaboration of the technical project / technical design for execution. If the modification appear during the execution of the construction works, it shall be subject of addendum to the financing contract only in case the modifications are substantial, in accordance with the public procurement legislation and the work execution contract is amended in this regard, in accordance with the same legislation;

Please be informed that the above list is not exhaustive and all substantial modifications changing the initial conditions set within the preliminary design phases (feasibility study, DALI for Romanian partners or preliminary design, including estimation of bill of quantities and values for Bulgarian partners, [spatial planning research](#)) shall be notified as mentioned above.

Also, please bear in mind that the same obligations apply in case the partners applied directly with technical projects and during the implementation period an update of the technical project is being done.

The JS will provide a feedback on the provided technical documentation and statement, only in case the full documentation is submitted within the abovementioned deadline (10 working days since the reception of the technical documentation).

Also, for the elaboration of the Technical project, each project partner has the obligation to provide to the contracted designers the feasibility study or DALI for Romanian partners and preliminary design (including estimation of bill of quantities and values) for Bulgarian partners, approved according the national legislation, to the contractor which will elaborate the Technical project.

4.3. Modifications at Managing Authority initiative

Please be advised that the Managing Authority may modify the contract unilaterally by way of instructions of the Head of the Managing Authority. This modification may concern, for example, Competitive procedure for Romanian private partners regarding the assignment of supplies, services and works contracts financed within Interreg VI-A Romania-Bulgaria Programme. The instructions shall be communicated to the LP/PP and shall become part of the contract.

4.4. Suspension of the implementation period

During the lifetime of a project, cases may appear when a project partner is in impossibility of fulfilling its obligations according to the contract due to duly justified cases, not imputable to him. Under these conditions, the Lead partner may request the **suspension of the implementation period only once during the project implementation**. The Partner requesting the suspension of

the implementation period has the obligation to inform MA in maximum 3 days from the date when he took notice of the situation, preventing him to fulfil its obligations, in any written form, including the e-mail.

The decision to suspend the implementation period has to belong to all project partners. The Lead partner shall submit, within 5 working days from the abovementioned notification, an official request for the suspension of the project implementation, by uploading the request in project Shared Folder. Within the request the Lead partner must state the reasons, analyzing the consequences it may have on the implementation of the project, and mention the period for which it requires the suspension and submit the approval of all partners.

The Joint Secretariat and the Managing Authority shall analyze the request for suspension. The suspension of the implementation period shall take the form of a decision of the representative of the MA signing the contract, and shall be communicated to the LP. After the MA will decide on the approval / rejection of the request, the Modification Request submitted through Jems, will be also closed.

It is extremely important to keep in mind that during the suspension period no activity shall be performed by any of the partners. The suspension shall apply to the entire project, and not just the partner requesting it. Therefore, it is very important to analyze the possibility of suspending the implementation very thoroughly and take a joint decision. The suspension of the implementation period may be requested only once during the project implementation.

5. Project closure

5.1. Final report

Final report shall be prepared and submitted in Jems by Lead Partner within a period of maximum 5 months since the last day of implementation. The deadline is a maximal one, the projects are encouraged to prepare in advance and to submit the final report as soon as possible.

In this regard, LP shall make sure that:

1. All partners pay the expenditures incurred during the project implementation period within a period of maximum 2 months after the end of the implementation, but not later than 31.08.2029.
2. All partners are drafting partner reports for the last reporting period in Jems, including all related expenditures and requesting national control verification, immediately after all the expenditures incurred during the implementation have been paid;
3. Compile the partner reports into a the final report¹⁹, as soon as the partner reports are available and all the national control related verifications have been finalized, and submit it in Jems not later than 5 months since the last day of implementation. The final report shall include also details regarding the horizontal issues, including the contribution to SEA indicators.

Based on the JS verification of the final project report, the on-the-spot check, and the confirmation of the completion of the mandatory output by the relevant MA structure (the condition triggering the payment of the lump sum), Fast track lump sum is marked by the JS as Ready for payment in Contract monitoring section of a project. Thus, the lump sum for project closure will be reimbursed to the Lead partner and distributed among the partners according to the project partners' agreement.

5.2. Durability

All the projects shall also submit yearly durability reports, in the format set by PIM within a deadline of 20 working days since completing one year from the finalization date of the implementation (which shall be also notified by JS in advance) ~~that will be communicated by JS.~~

For the projects having First, the partners shall acknowledge the fact that some of the result indicators that shall be achieved within one year since the project implementation was finalized (as foreseen within the subsidy contract),¹⁹ ~~Therefore, in case of these projects, within a deadline of 20 working days since completing one year from the finalization date of the implementation, the LP~~

¹⁹~~The format of the final report shall be made available at a later stage.~~

shall also fill in a specific section regarding the achievement of the result indicators~~submit in Jems a second final report²⁰, in the format set by PIM.~~

~~All the projects shall also submit yearly durability reports, in the format set by PIM within a deadline that will be communicated by JS.~~

In this regard, all partners shall perform actions for durability of their operation, duly observing the provisions of the approved application form, regarding the sustainability of the operation. Evidence of these actions shall be kept and presented in the yearly durability reports to be submitted by the Lead Partner in Jems.

It is important to know that any substantial modification of the project or of the outputs within five years after the project closure must be avoided, according to the subsidy contract and the provisions of the Art. 65 of CPR no 1060/2021.

A project partner that co-financed a productive or infrastructure investment from the project budget has to follow specific rules. Within 5 years of the final payment to the project the partner must not make²¹:

- a) a cessation or transfer of a productive activity outside the Programme area;
- b) a change in ownership of an item of infrastructure which gives to a firm or a public body an undue advantage;
- c) a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives

Where the project does not comply with the above mentioned requirements, the MA will request repayment of any Programme co-financing. Additional details regarding how irregularities are addressed can be found in the subsidy contract.

Should any of the above conditions not be met, project partners are required to inform the MA/JS accordingly.

5.3. Other aspects related to project closure

In relation to the availability of the documents, all project partners are required to keep all supporting documents related to the project for a five year period (known as a *retention period*) from 31 December of the year in which the MA made the last payment to the Lead Partner²². For instance, if the final payment was made on 17th June 2026, the project documents must be kept until 31 December 2031.

²⁰ ~~The format of the final report shall be made available at a later stage.~~

²¹ Regulation (EU) 2021/1060, art.61(1)

²² Regulation (EU) 2021/1060, art.82

In all cases, this specified time period is interrupted either in the case of legal proceedings or by a request of the Commission. Any other statutory retention periods that may be longer, as required by national legislation, remain unaffected.

All partners are required to retain and archive the supporting documents in an organised manner. These documents may be stored either as originals or on commonly accepted data carriers. In the latter case, the versions have to conform to the original and the conformity has to be certified. The certification process must comply with the requirements established by the relevant national authorities, ensuring that the stored versions meet national legal standards and are suitable for audit and control purposes. When documents are stored electronically, internationally accepted security standards must be observed.

~~5.3. What does a project partner have to do after the project is finalized?~~

~~What does a LP have to do after the project is finalized? (to be added at a later stage)~~

List of Annexes

2.2 Pre-contracting²³

- Financial identification form(s)

3.1.5 Reimbursement of the preparation costs and of the advance

- Co-financing package - for Bulgarian partners
- Request for advance payment (for Ro partners) - to be filled by the partner

3.4.1 National control system (NC) - under development

- Control certificate - to be filled by the Romanian/Bulgarian National Control
- Control report and checklists - to be filled by the Romanian/Bulgarian National Control
- Checklist of (public) procurement - to be filled by the Romanian/Bulgarian National Control (including checklist for verifying fraud indicators for both Romanian/Bulgarian National Control)
- On-the-spot report - to be filled by the Romanian/Bulgarian National Control
- Administrative Quality control - to be filled by the QC within the national control unit in Bulgaria.
- Notification for suspicion of irregularity and fraud - to be filled by Bulgarian National controllers and officers within the NA.

2.63.6 Antifraud policy

- Measures set out in order to eliminate fraud risks in public procurement process
- Conflicts of Interest Declaration and confidentiality (the partner must observe the conflict of interest within procurement procedures)
- Practical guide on fraud for applicants and project partners

3.7 Horizontal issues

- Communication Starter Kit
- Go Green!

5. Project closure

- Guidance on monitoring Programme indicators_Annex 1_SO 3.2
- Guidance on monitoring Programme indicators_Annex 2_SO 2.4
- Guidance on monitoring Programme indicators_Annex 3_SO 2.7
- Guidance on monitoring Programme indicators_Annex 4_SO 4.2
- Guidance on monitoring Programme indicators_Annex 5_SO 5.2
- Final Report - [Annex Final Implementation Report](#)
- Equal opportunities and non-discrimination questionnaire - [Annex Equal opportunities and non-discrimination questionnaire.](#)
- Questionnaire on environmental protection - [Annex Questionnaire on environmental protection.](#)
- Durability report -- [Annex Durability report.](#)

²³ The template of the requested declarations is available on the Programme site, <https://interregviarobg.eu/en/templates>.