

Partnership for a better future

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LEAD BENEFICIARY PRINCIPLE

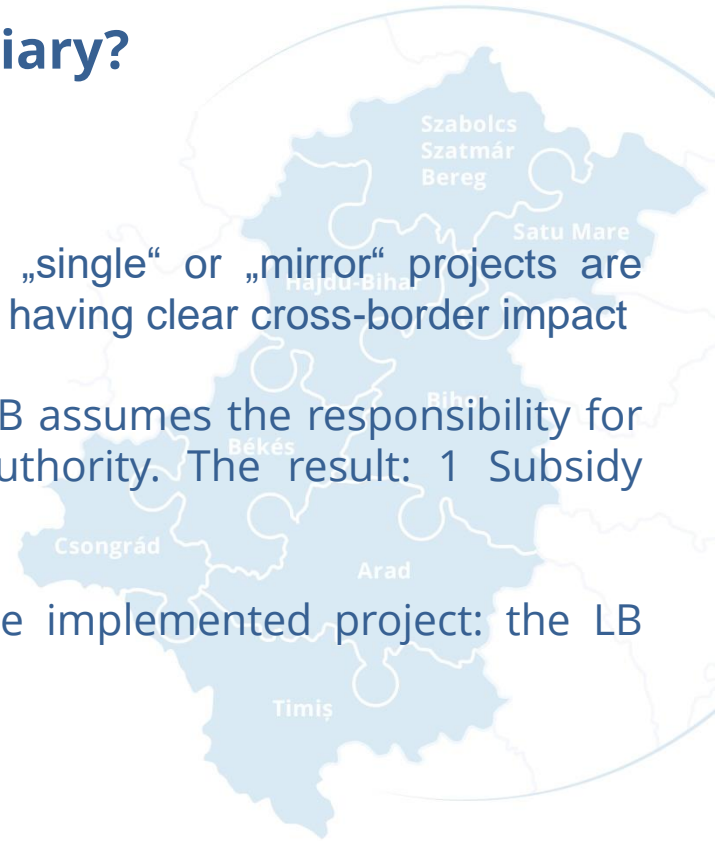
INTERREG V-A ROMANIA-HUNGARY PROGRAMME

Partner Search Forum
Szeged, 23rd of June 2017



Why the Lead Beneficiary?

- To run the project **JOINTLY**, thus ensuring no „single“ or „mirror“ projects are implemented within the Programme, but projects having clear cross-border impact
- To simplify the **RESPONSIBILITY CHAIN**: the LB assumes the responsibility for the entire project towards the Managing Authority. The result: 1 Subsidy contract – 1 Payment flow – 1 Contact person
- To enable more precise **MONITORING** of the implemented project: the LB submits common Project Reports to JS, via eMS





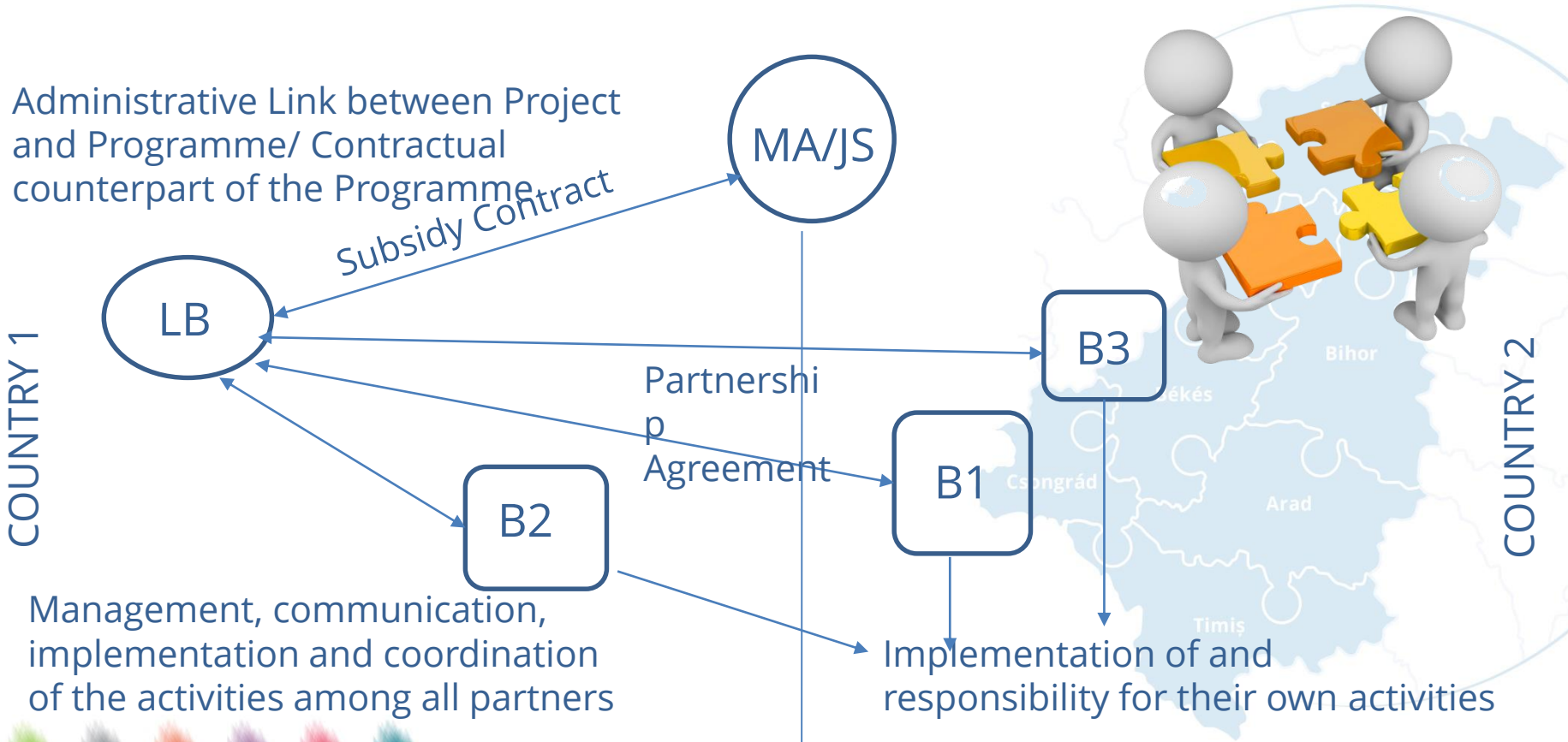
Cooperation and partnership

2 Partners from 2 countries participating in the Programme (except for EGTCs)
+
at least 3 of the 4 cooperation criteria:

- ✓ **Joint development - active participation** of all partners for jointly developing the project idea and scope.
- ✓ **Joint implementation - all beneficiaries contribute** to achieve project objectives. Under LB's coordination, the activities are run together and are linked to each other.
- ✓ **Joint staffing** - all beneficiaries assume the necessary role to coordinate and take part of the responsibility, yet avoiding duplication of functions.
- ✓ **Joint financing - 1 financing contract – 1 Budget – 1 Bank-account for the ERDF** (at the LB). All Beneficiaries **contribute financially** to the project resources – balanced repartition of budget, according to activities implemented by each partner.



The essence of the LB Principle



The maximum number of Project Applicants in one project is **6 (six), advisable 3 (three).**

*Who **CAN** be Lead Beneficiary?*

Any of the eligible beneficiaries listed in the Cooperation Programme/Guide for Applicants relevant for the specific Call.

The Lead Beneficiary shall be established in one of the two participating countries to the Programme.

*Who **SHOULD** be Lead Beneficiary?*

The beneficiary within the partnership having:

- appropriate administrative and financial capacity
- good communication and management skills
- experience in implementing ERDF cross-border projects



Project generation and submission



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- **Drafting** the project.
- The **submission** of the project on behalf of the entire partnership, the project proposal to the MA/JS, by filling-in and upload the Application Form and its Annexes **into eMS**.

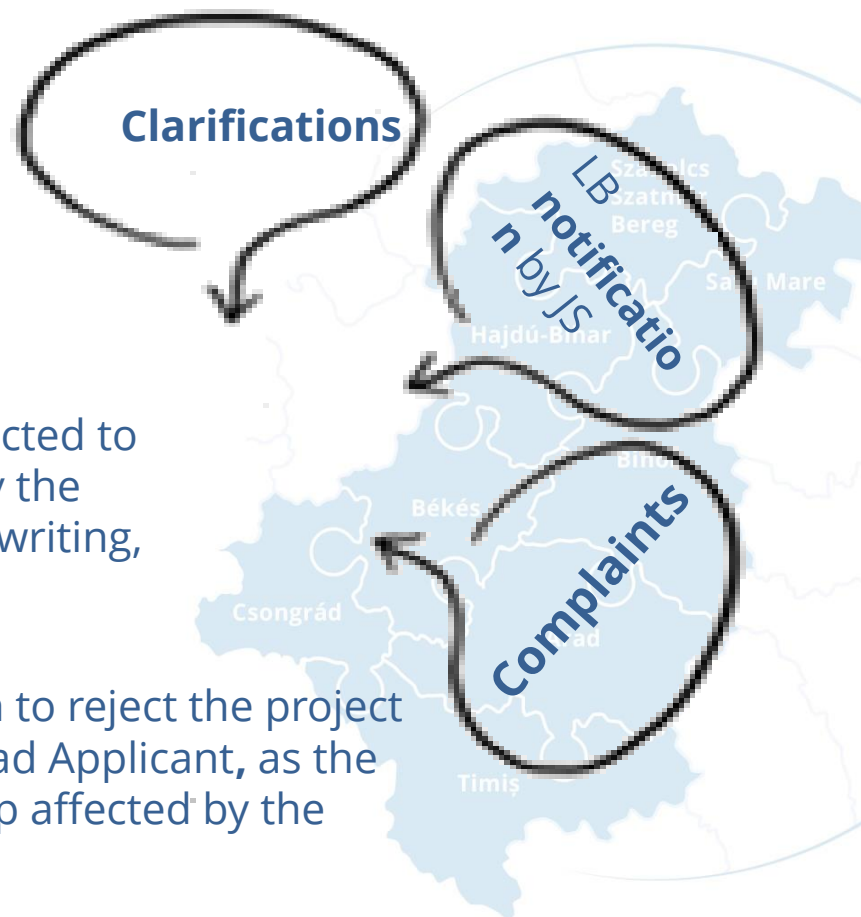


Project proposal assessment and selection

In case **clarifications** are necessary during the assessment phase, the JS shall address to the LA and it is LA's responsibility to provide the Assessment Working Group/Assessors with such clarifications, using the **email section of the eMS**.

After the final list of project proposals selected to be supported for financing, is approved by the Monitoring Committee, the JS **notifies**, in writing, the Lead Applicant **on the MC decision**.

Complaints lodged against the decision to reject the project proposal, are to be submitted by the Lead Applicant, as the one representing the project partnership affected by the funding decision.



Contracting



- The **Partnership Agreement (PA)** for relations with other Beneficiaries in the project, stipulating the rights and duties of each partner, financial management of the funds allocated to the project, the arrangements for recovering amounts unduly paid etc.
- The **Subsidy Contract (SC)** for relations with the MA. The LB bears the entire financial and juridical responsibility vis-à-vis the Managing Authority for the entire project.

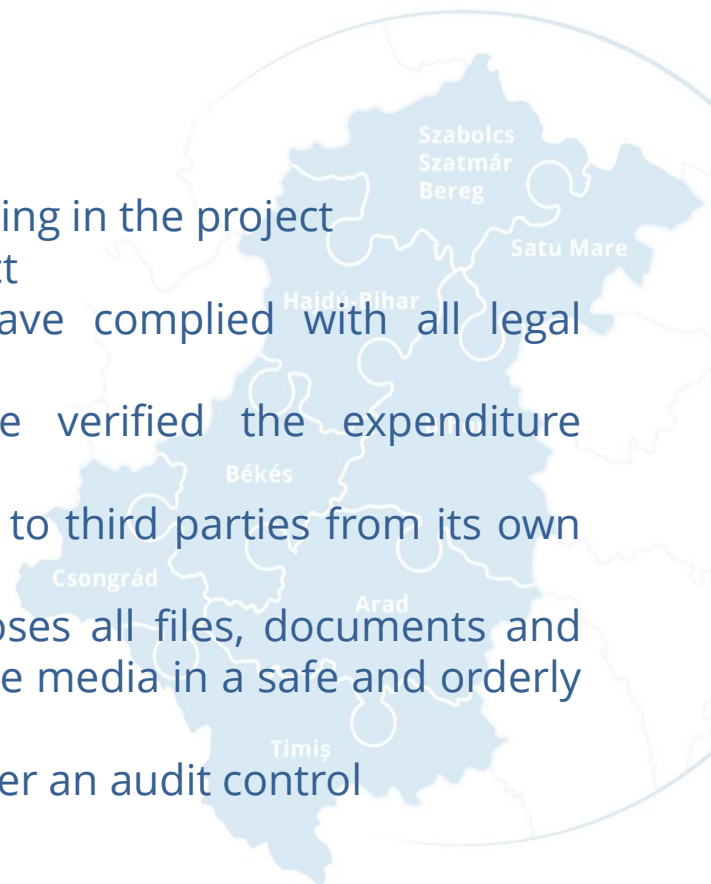


Partnership Agreement

Roles and responsibilities

The **Lead Beneficiary**

- is entitled to represent all beneficiaries participating in the project
- has the responsibility of implementing the project
- guarantees that itself and all beneficiaries have complied with all legal requirements and all necessary approvals
- ensures that the first level controllers have verified the expenditure represented by all PB
- takes full responsibility for the damages caused to third parties from its own fault during the implementation of the project
- is at all times obliged to retain for audit purposes all files, documents and data about the project on customary data storage media in a safe and orderly manner
- must observe the recommendations received after an audit control



Partnership Agreement Roles and responsibilities

The **Project Beneficiary**

- implements the part of the project for which it is responsible
- is responsible for its budget up to the amount it participates in the project
- notifies the Lead Beneficiary regarding any situation that may lead to the temporary or permanent impossibility or to any other drawback in the implementation of the project
- is responsible for uploading in the eMS the progress reports and any other documents
- have the obligation to respond to any request of the Lead Beneficiary within the deadline stipulated in the respective requests
- must implement the measures included in the action plan, at the stipulated deadlines, set by the Lead Beneficiary/MA/JS, according to the recommendations resulted from the audit missions of the European Commission, Audit Authority or other empowered audit and control bodies
- in case an irregularity is discovered, the Project Beneficiary is responsible to reimburse the ERDF amounts affected by the irregularity to the Lead Beneficiary

Project Implementation

Continuous communication

Achieved **planned progress**

Expenditures related to project activities

Collecting information and **submitting**

Transferring funding

Notifying/ informing the MA

Implementing

Transferring the relevant amounts in case of irregularity

Submitting **requests** for modification

Representing the project

Project Report and Reimbursement Claim

Responsibilities after the project closure



Regarding **durability and ownership** of the project outputs:

- The ownership of the outputs must remain with the LB or B(s) for at least **5 years** after the project end date, otherwise a recovery of the funds paid might be applied.

Regarding **sustainability** of the project:

- The LB and its partners must ensure the sustainability of the project results and also the LB has the obligation to submit **annual sustainability reports**, for a period of **5 years** after the project's implementation period has ended.



Responsibilities after the project closure

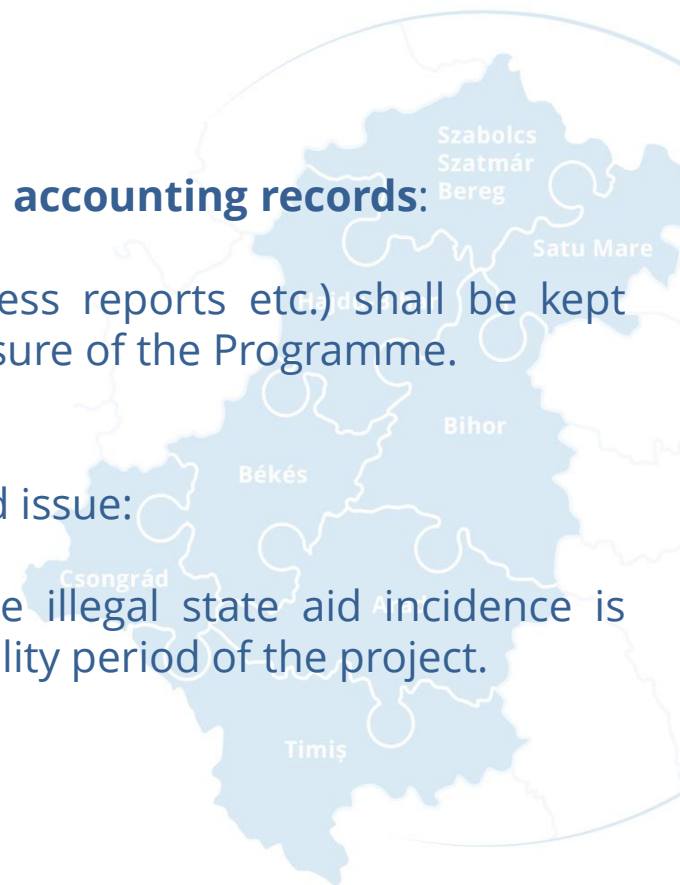


Regarding **availability of documents and accounting records**:

- All documents related to the project (e.g. progress reports etc.) shall be kept available for a period of **3 years** from the official closure of the Programme.

Regarding **State Aid** related issue:

- MA may apply **corrections** up to 100% in case illegal state aid incidence is discovered during the implementation/sustainability period of the project.



What should the LB NOT forget?



- ✓ Joint development & implementation of the project results in high quality projects
- ✓ Each of the project Beneficiaries should be interested in and motivated to implement the project
- ✓ Putting in place effective measures for project :
 - Coordination
 - Financial management
 - Communication flowis the key to a successfully implemented project
- ✓ In case of any doubt, refer to EU/national legislation and PA and SC conditions, or contact the JS/Info Points





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Thank you for your attention!

