

Interreg



Co-funded by  
the European Union

Romania-Hungary

# PROJECT IMPLEMENTATION MANUAL



Visit Our Website  
[www.interreg-rohu.eu](http://www.interreg-rohu.eu)



## Project Implementation Manual

**guide Lead Partners (LP) and Project Partners (PP)  
in implementing their projects, covers the life cycle of the projects, from  
the contracting phase until the project closure**



GREENER



MORE SOCIAL



COOPERATION

**edition 1 . revision 1 - April 2025**



GOVERNMENT OF ROMANIA



HUNGARIAN  
GOVERNMENT

## TABLE OF CONTENTS

<b>1 Introduction .....</b>	<b>7</b>
<b>2 Contracting .....</b>	<b>11</b>
2.1 Pre-contractual conditions .....	11
2.2 Contracting .....	16
2.3 Concluding the co-financing contract for RO Partners.....	17
2.4 Concluding the co-financing contract for HU Partners.....	17
2.5 Contract modification - project changes .....	18
<hr/>	
<b>3. Project implementation and monitoring .....</b>	<b>35</b>
3.1 Starting up the project.....	35
3.2 Eligibility of expenditures .....	39
3.3 Verification of expenditures .....	49
3.4 Appeal against the control report.....	56
3.5 Reporting procedure .....	59
3.6 Indicators and Monitoring .....	64
3.7 Project closure and after project finalization .....	67
<b>4. Irregularities and fraud.....</b>	<b>69</b>
4.1 Irregularities .....	70

4.2 Antifraud and antifraud measures.....	71
<b>5. Horizontal issues and Common errors .....</b>	<b>73</b>
<b>6. Glossary of terms.....</b>	<b>76</b>
<b>7. Annexes .....</b>	<b>79</b>

## Why to read and use the ROHU PIM?



- ✓ establish rules and standards that help maintain consistency across various project implementation phases and ensure compliance with legal or contractual obligations
- ✓ following the manual the beneficiary can avoid common mistakes and risks associated with project implementation
- ✓ providing some information to everyone involved, and thus have a common and clear understanding of the subjects
- ✓ leading to better outcomes and smoother project execution, gain clarity, reduce uncertainty
- ✓ to be well-prepared to manage and implement the projects

## ABBREVIATION

---

<b>AA</b>	Audit Authority
<b>AG</b>	Applicant's Guide
<b>AO</b>	Associated Organization
<b>AWG</b>	Assessment Working Group
<b>BRECO</b>	Oradea Regional Office for Cross-Border Cooperation
<b>EC</b>	European Commission
<b>ERDF</b>	European Regional Development Fund
<b>ETC</b>	European Territorial Cooperation (Interreg)
<b>EU</b>	European Union
<b>GBER</b>	General Block Exemption Regulation
<b>HU</b>	Hungary
<b>HUF</b>	Hungarian forint
<b>IP</b>	Interreg VI-A Romania-Hungary Programme document
<b>IPHU</b>	Info Point Units in Hungary
<b>Jems</b>	Joint Electronic Monitoring System
<b>JS</b>	Joint Secretariat
<b>LA</b>	Lead Applicant
<b>LP</b>	Lead Partner
<b>MA</b>	Managing Authority
<b>MC</b>	Monitoring Committee
<b>MFA</b>	Ministry of Foreign Affairs and Trade (HU)
<b>MDPWA</b>	Ministry of Development, Public Works and Administration (RO)
<b>Mol</b>	Memorandum of Implementation – Arrangements between MS participating in the Interreg VI-A Romania-Hungary Programme
<b>MS</b>	Member State of the EU
<b>NA</b>	National Authority

<b>NCB</b>	National Control Body
<b>NGO</b>	non-governmental organization
<b>PA</b>	Partnership Agreement
<b>PP</b>	Project Partner
<b>PR</b>	Partner Report
<b>RO</b>	Romania
<b>RON</b>	Romanian leu
<b>ROHU VI-A</b>	Interreg VI-A Romania-Hungary Programme
<b>SC</b>	ERDF Subsidy Contract
<b>SGEI</b>	Service of General Economic Interest
<b>SzPO</b>	Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company (Hungary)

## 1. INTRODUCTION

---

The Project Implementation Manual (PIM) is intended to guide Lead Partners (LP) and Project Partners (PP) in implementing their projects, covers the life cycle of the projects, from the contracting phase until the project closure.

The document tackles aspects related to:

- ✓ administrative and financial management,
- ✓ monitoring,
- ✓ reporting and control procedures,
- ✓ procurement procedures,
- ✓ other implementation requirements,
- ✓ Rules after project's finalization (durability).

At the same time, it gives advice on questions of general importance concerning all operations, both at the project and PP level.

The Project Implementation Manual and its annexes can be amended/updated whenever major changes in the Programme implementation system occur. Thus, it is recommended to follow the latest version of the Project Implementation Manual, available on the Programme website: <http://interreg-rohu.eu>.

**Attention!** *In case an updated version of the PIM is published after the execution date of a certain payment/ procurement/ activity or after the submission date of a partner/ project report, the verification of the related costs will be made based on the provisions of the PIM's updated version, only if the new rules/ requirements are less restrictive than the original rules/ requirements in force at the time of the execution.*





## GENERAL REMARKS

- ➔ The entire communication between the programme structure, lead partner and partners shall be carried out via email: [joint.secretariat@brecoradea.ro](mailto:joint.secretariat@brecoradea.ro) and the electronic tool - Jems. Paper signed documents shall be also uploaded in Jems.
- ➔ For specific problems related to your particular project please contact the Joint Secretariat (JS) or Info Point Hungary (IPHU) in order to receive a piece of advice.
- ➔ For questions related to the verification of expenditure on the partner level, please contact the National Control Body in your country. You can find the contact details on the official website [www.interreg-rohu.eu](http://www.interreg-rohu.eu)
- ➔ The common practice for any clarification/completion request in project level is to set a maximum 5 working days deadline. However, in justified cases, these deadlines can be either extended or shortened.
- ➔ The LP and project partners have the obligation to provide the requested clarifications within the set deadlines.
- ➔ Deadlines in the Project Implementation Manual refers to working days!
- ➔ The necessary steps to use/operate actions in the Jems system are detailed in Annex 6 and in “Jems User Manual”, available at <https://jems.interact.eu/manual>.
- ➔ Please read carefully the provisions of the SC, PA, and in case of RO partners the Co-financing contracts and in case of HU partners the Co-financing certification templates! And also all the Annexes of the PIM.



## 2. Contracting

<b>2.1 Pre-contractual conditions .....</b>	<b>11</b>
<b>2.2 Contracting .....</b>	<b>16</b>
<b>2.3 Concluding the Co-financing Contract for RO Partner.....</b>	<b>17</b>
<b>2.4 Issuing the Co-financing Certificate for HU Partner.....</b>	<b>18</b>
<b>2.5 Contract modification - project changes.....</b>	<b>18</b>



## Legal framework of the project



### 2.1 PRE -CONTRACTUAL CONDITIONS

*The process of projects' assessment and selection ends with the Monitoring Committee's decision regarding the selected/ reserve listed/ rejected projects.*

*Within a maximum of 2 working days from the MC Decision, the JS will inform the LA via online notification letters on the decision of the Monitoring Committee in relation to the respective project, then will start the contracting process.*

*Whereas a project has been put forth for approval by the MC "under conditions", whilst the MC decision shall also stipulate the deadline when conditions must be met (as a general rule not exceeding 3 months from the JS' notification on*

*selection), the contracting of such project shall also imply verification of whether those conditions are fully satisfied, in the said deadline.*

The online **notification letter** will include:

- information regarding any conditions/recommendations approved by the MC for the respective project if the case, deadline to answer,
- the invitation for LA to response to accept the financing and any contracting conditions, in a maximum 5 days deadline.

ATTENTION PLEASE 

- ✓ *If the LA does not respect the deadline to accept the financing including any contracting conditions, as provided for in the online notification letter, the project can be rejected!*
- ✓ *Also, please be advised that the MA, after consultation with the NA may refuse the contracting of a project, (according with the provisions of the MA internal contracting procedure), and propose its rejection to the MC*

ATTENTION PLEASE 

- ✓ *The starting date for the eligibility of expenditures is January 1, 2021. Therefore, from January 1, 2021, the project can proceed with expenditures (preparation and implementation activities) and start the implementation of the project. These expenditures will be eligible from this date (subject to the MA signing of the Subsidy Contract with the related final budget) until the end of the project's implementation period stated in the Subsidy Contract, in accordance with the relevant legislation applied and the Programme and national level eligibility rules*
- ✓ *Any expenditures made by the applicants before the signing of the subsidy contract are made **at the applicants' own risk and, in case the subsidy***

***contract is not signed, these expenditures shall not be reimbursed by the Programme.***

After the formal approval of the contracting conditions and acceptance to conclude the Subsidy Contract by the Lead Applicant the JS will notify the selected LAs to prepare and upload in the Jems in the section “*Shared folder*” the set of contracting documents for all partners in the project.

**Attention!**  At this stage the Lead Applicant become the Lead Partner and will sign:

- **The Partnership Agreement (PA)**, stipulating the rights and duties of each partner (tasks, reporting, etc.), the sound financial management of the funds allocated to the project, the arrangements for recovering ERDF amounts unduly paid, etc.

*A signed copy of the PA must be uploaded in the Jems “Shared folder” section, thus being presented to the JS during the pre-contracting phase. The LP and its partners can make some minor modifications, with prior agreement of the JS/MA, but these should not contradict the rules of the Programme or the applicable European/national legislation.*



***Signing the PA by all project partners is a precondition for signing the Subsidy Contract (SC) and the receipt of funds from the Programme.***

- **The Subsidy Contract (SC)**, stipulating the rights and duties of the LP in relation to the MA. During the pre-contractual phase, it is the LP’s responsibility to ensure that all documents necessary for signing the SC are presented to the JS/uploaded in Jems. After the conclusion of the Subsidy Contract, the LP will upload it in the “Shared folder” section of the Jems Application Form.


**ATTENTION PLEASE**

**Attention!** Please read carefully the provisions of the SC, PA, and in the case of Romanian Partners the national Co-financing contract, with regard to the rights and duties of LP and PPs. Templates of these documents are available on the Programme's website: <https://interreg-rohu.eu/en/project-documents/>.

Besides SC, PA, as for the Hungarian partner's the template of the national Co-financing Certificate will be available. Declaration on the commitments undertaken by Hungarian partners in their project part in a cross-border Interreg programme implemented in the 2021-2027 programming period shall be read also carefully. The Hungarian partners will receive the declaration by e-mail.

**Attention!** When a project is selected under certain conditions, it is very important for LP to comply with all the requirements of the MC, within the deadline mentioned.

**Attention!** All documents requested during the pre-contracting period, for all partners, should be submitted within the deadlines specified by the JS in the notification/clarification letters.

**Rejection of the project during pre-contracting** - In certain duly justified cases, the project may be rejected from contracting during the pre-contracting stage. Such situations include, but are not limited to the following cases:

- ✓ the selection conditions are not met in the requested deadline, or
- ✓ the project partners fail to provide the supporting documents requested in the pre-contracting period, or
- ✓ the supporting documents provided fail to comply with the Programme rules and/or requirements approved by the MC, or
- ✓ Double-financing identified during the pre-contracting visits.



**Important!** State aid incidence will be verified, at the activity level, in parallel with the process of gathering the contracting documents for each selected project that accepted the funding.

More information on handling State aid is to be found in Annex 10 - State aid.

## 2.2 CONTRACTING

---

The rate of the ERDF financing within a project budget is a maximum of 80% of the total eligible budget (both partner and project level).

The rate of the national state budget co-financing is a maximum of 18% of the total eligible budget for Romanian beneficiaries, other than central public authorities that are financed through the Romanian state budget, and a maximum of 15% or 20% for Hungarian beneficiaries, in line with HU national legislation.

Also, each Project Partner which are obliged to ensure own contribution, has to bring an own contribution to the budget, of a minimum of 2% of the total budget in the case of RO beneficiaries and 5% for HU beneficiaries<sup>1</sup>.



The **Subsidy Contract** is the legal document signed between the MA and the LP based on which the ERDF is transferred to the LP and which describes the rights and obligations of the signatory parties.

**Attention!** Please be advised that following the verification of the contracting documents by the MA, additional clarifications may be requested.

Once signed by the MA's representative, the SC may be signed by the LP within **5 working days** after receiving it.

---

<sup>1</sup> Exceptions are the central budgetary institutions, in both Member States. In case of HU partners other exceptions are mentioned in the national legislation.



**Note:** The LP has the obligation to upload the signed subsidy contract and its annexes in Jems, section “Contracts and agreements”.

## **2.3 CONCLUDING THE CO-FINANCING CONTRACT FOR RO PARTNER**

---

The conclusion of the co-financing contract will be handled by the RO National Control Body, according to an internal procedure approved by MA. The process will be performed concurrently with the contracting of the ERDF.

The partner will receive the cofinanced contract after is signed by MA through Jems.



**Note:** *The PP has the obligation to upload the signed co-financing contract, in the “Contracts Agreements/Contracts” section of Jems.*

### **Requests for advance payments**

After the co-financing contract is signed, each Romanian Partner may send to the MA an advance payment request for a maximum of **70% of the value of its co-financing contract, as provided by the Co-financing Contract concluded**, Chapter § 6 Advance payment and reimbursement of the expenditures.

The request for advance payment, signed electronically/scanned, will be uploaded in Section *Contract & agreements*, sub-section *Contracts*, while the Financial Identification (for each partner), together with its annexes (if the case) will be uploaded in section *Partner details*.



## 2.4 ISSUING THE CO-FINANCING CERTIFICATE FOR HU PARTNER

---

Hungarian co-financing is coordinated by the Ministry of Foreign Affairs and Trade, acting as National Authority in the ROHU Programme. The Co-financing certificate will be issued by the Széchenyi Programme Office on behalf of the Ministry of Foreign Affairs and Trade.

The amount of the national co-financing is defined in the national co-financing certificate in euro, and it will be paid to the beneficiaries in euro, after the implementation of the relevant project part according to national legislation.

## 2.5 CONTRACT MODIFICATION - PROJECT CHANGES

---

### ***I. Modifications of the contract at the initiative of the LP/partners***

***A MINOR MODIFICATIONS - modifications through Notification***

***B. MAJOR MODIFICATIONS - modification through Addendum***

### **II. Modifications of the subsidy contract at the initiative of the Managing Authority**

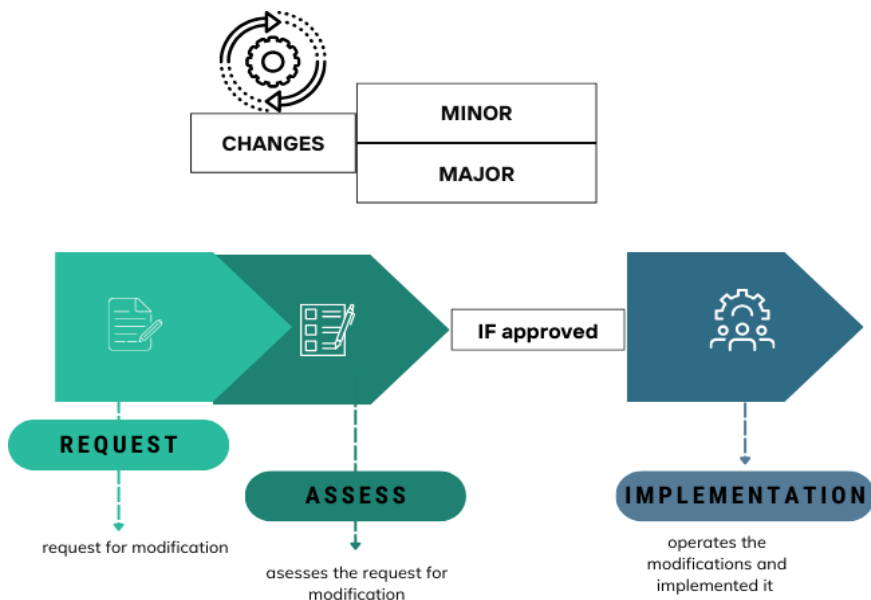
### **III. Suspension of the implementation period**



No matter how well a project is planned and prepared, during implementation, changes that require the modification of the project may occur.



- ✓ Any type of change you want to do **should not have an impact on the main objectives and/ or results of the project.**
- ✓ It is strongly advised that partners **limit the number of project changes** and whenever possible, requests for **project changes** should be submitted **in an aggregated way**, avoiding multiple requests.
- ✓ Before the submission of each modification request, the **LP has the obligation to consult all project partners** and include their requested modifications, if the case.
- ✓ All modifications of the Application Form must go through the **approval procedure before** any related Partner Report is initiated by the project partners and submitted for verification to the National Control Body.



## I. Modifications of the contract at the initiative of the LP/partners

**Table no.1. Possible modifications**

Type of modification	Object of modification	Required documents/ information
Notification	<p><b><u>Type of modifications:</u></b></p> <ul style="list-style-type: none"> <li>- <b>administrative changes:</b></li> <li>-change of Contact data (address, registered office, etc.) of LP or the project partners;</li> <li>-Replacement of the legal representative;</li> <li>-Replacement of the contact person;</li> <li>-Modification of the project's implementation team positions;</li> <li>- <b>operational changes</b></li> <li>-Implementation timeline of a single activity (e.g. postponement of a conference);</li> <li>-Change in the location of a planned project activity.</li> <li>- <b>technical and content changes:</b></li> </ul>	<ul style="list-style-type: none"> <li>-<b>Modification request template</b>, including justifications/ details regarding the reasons that rendered the modification necessary, advantages obtained (if applicable), other relevant information that supports the requested modification (signed by LP);</li> <li>-Supporting documents, such as market research/ price offers, (comparative) technical specifications, terms of reference for external services, etc.</li> </ul>

-Material errors in the text of the AF and/ or the Annexes to the AF;

-Increasing the no. of units for a certain type of equipment/ service, without the modification of the financial allocation of the respective items;

-In case a group of items (equipment/ services/ etc.) is detailed in a document attached to the AF (e.g. equipment list), modifications of the unit prices, only if the technical characteristics/ quantity of the items is maintained, and only if the total value of the items provided in the respective document is not modified (i.e. modification of the unit prices provided in a specific list)

- **Financial changes:**

-Budgetary reallocations between budgetary lines, in the limit of EUR 10,000 or 20% of each budgetary line, whichever is higher (under the conditions mentioned at point A (see below).

-Budgetary reallocations within the same budgetary line without changing the total value of the respective budgetary line (for example budgetary reallocations between the partner's activities/ items/ types of services/ equipment, etc., budgeted on equipment Budget Line),

	and without modifying the activities' descriptions, quantities or their deliverables);	
Addendum - with MA/MC approval	<p><b>Administrative changes:</b></p> <ul style="list-style-type: none"> <li>-Changes in the project partner organizations (except for modifications following legal updates in the case of public institutions);</li> <li>- Partner replacement (withdrawal)/ Changes in the partnership;</li> <li>- 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);</li> </ul> <p><b>Financial changes:</b></p> <ul style="list-style-type: none"> <li>-Budget reallocation between Project Partners;</li> <li>-Budgetary reallocations between budgetary lines, over EUR 10,000.00/ 20% of the value of the affected Budget Lines;</li> </ul> <p>Technical and content or operational changes:</p> <ul style="list-style-type: none"> <li>-Technical modifications of the investment activities, compared to the documents annexed to the approved application form (feasibility study, DAIW for RO partners and Feasibility Study/ Documentations for approval of intervention works for HU partners);</li> <li>-Extension of the project's implementation period;</li> <li>-Major changes in the AF (eg. substantial changes in the content of the project).</li> </ul>	<ul style="list-style-type: none"> <li>-Request for modification template, including justifications/ details regarding the reasons that rendered the modification necessary, advantages obtained (if applicable)- added value for the project objectives for this changes, other relevant information that supports the requested modification (signed by LP);</li> <li>-Supporting documents, such as market research/ price offers, (comparative) technical specifications, terms of reference for external services, etc.</li> </ul>



**Note!** Please be advised that the Object of modifications column from the table above does not contain an exhaustive list. In either case, **the LP must inform the JS, which will assess if the modification requires the submission of a Notification or Addendum.**



**Note!** As a general rule, LP shall not make or request budgetary modifications to the sub-budgeted lines included in the report for which verification is on-going by the NCB. Modification request can be submitted after the issue of the control certificate.

**In duly justified cases**, and upon prior consultation with the JS, LP may initiate budgetary modifications to the sub-budgeted lines parallel with the ongoing verification if it is deemed urgent and necessary to the successful implementation of the project.

However, when approving the notification, the JS should take into account the amounts already requested to NC and the corresponding remaining budget for that particular sub-budget line.



Furthermore, please consider that any modification of the subsidy contract may imply modifications of co-financing contracts or certificates.

## **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 by means of a **notification**.

### **A. Modifications that require Notification**

#### **A.1 How? Who?**

In case of minor changes of the AF, which do not affect the approved project in

**a significant way, the LP must notify the JS in writing, by means of a notification.**

The LP shall fill in the request for modification template that can be found on the Programme's website and have it signed by the legal representative of the institution. The request for modification and all supporting documents shall be sent to the JS for verification by e-mail.

The JS will verify whether request for modification through notification template is complete or not, and, in a maximum of 10 working days:

- If the notification is complete, informs the LP of the acceptance and enables Jems platform for modifications;
- If the notification is incomplete, requests clarifications.

The JS may refuse the requested modifications (fully or partially) for which appropriate justification was not provided and which were not considered acceptable after two rounds of clarifications with the deadline for response;

- The JS decision will be uploaded in Jems and communicated to the LP by email.



**Note!** *The LP has to operate the necessary modifications on the Application Form in the Jems system in a maximum of 5 working days, after the Notification was accepted by JS and the section Modification/Open a new modification was enabled.*

The JS will verify the changes operated by the LP in the Jems and accept/ reject the new version of the Application Form.



**Attention!** The modification is considered valid in the electronic system only after the new Application Form is finally approved in the Jems by the JS.

The approved Notification (final version) will be uploaded in Jems in the *Contract & agreements/Contracts* section.

## A.2 What type of modification?

The list of changes that can be operated via notification (do not require a contract modification by Addendum) and the documents that need to be submitted by the LP can be found in Table No. 1 from above<sup>2</sup>.

In case of **budgetary reallocations between budgetary lines in under the limit of EUR 10,000.00 or 20% of each budgetary chapter**, whichever is higher, several cumulative conditions must be met as follows:

1. The minimum requirements for technical characteristics are respected according to the approved application form,
2. The number of items (equipment, studies, etc) and/or the description of the necessary supply/ services/works/ activities is observed and correlation with activities is clear for all costs.

**ATTENTION PLEASE** 

- ✓ *The above list is not exhaustive and **all modifications changing the initial conditions set within the preliminary design phases shall be notified as mentioned above***
- ✓ *The same obligations of requiring an addendum apply for beneficiaries who submitted the Technical documents along with the initial Application form, and an update of these technical documents has occurred during the implementation period.*
- ✓ **A Request for modification must be based on the latest approved AF version.**

---

<sup>2</sup> The list is not exhaustive. Each situation requiring the modification of the project shall be individually analyzed by the JS.



*All respective parts of the AF, related to the requested change, need to be updated. The Request for modification should include a justification of the requested changes, details regarding the reasons that rendered the modification necessary, an explanation of their consequences for the project implementation, the solution proposed to tackle the potential risks and measures to avoid similar deviations in the future, where applicable.*

## **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.

### **B. Modifications that require an addendum**

#### **B.1 How? Who?**

The procedure for modifying the Subsidy Contract should be initiated by the LP following the same steps as in the case of the Modification Request through Notification, by filling in the request for modification template that can be found on the Programme's website and sending it to the JS for verification, together with all relevant supporting documents.

- **Assess the modification request:**
  - ✓ The JS will analyze the modification request in a maximum of 10 working days, and may require additional information/clarifications and/or on-site verifications in which case, the deadline is suspended;
  - ✓ After the JS receives the clarifications (if the case) and concludes that the modification is justified, necessary for the project, appropriate and in accordance with the original purpose of the subsidy contract, the JS will accept the modification request and will enable the Jems for modification. The JS may reject partially or totally the modification requests after two

rounds of clarification letters;

- ✓ A new modification request can be initiated for the same topic (in case further arguments, clarifications are provided, or changes occurred since the rejection of the modification by JS);
- **IF approve the modification request:**
  - ✓ JS will prepare the documentation that will be submitted to the MA together with all relevant supporting documents. In case of partnership amendment, after the MA consent, the JS will submit the request for partnership amendment to the MC;
  - ✓ The MA/ MC has the right to refuse the proposed modifications by the (lead) partner (or part of them) for which justification was not provided and which were not considered acceptable. In case the proposed modification is refused by the MA, it cannot be requested again;
  - ✓ In case of an MC rejection of the Request for partnership amendment, JS will notify the Lead Partner accordingly;
  - ✓ Please pay particular attention to the deadlines for submitting a request for modification:
    - The LP is obligated to initiate the amendment procedures for the subsidy contract at least 30 calendar days before the addendum is intended to take effect,
    - *However, in dully justified cases, the project partners **may perform changes within projects on their own responsibility**, before an addendum/ modification request is submitted to the Programme, under the condition that the Managing Authority approves the addendum/ the Joint Secretariat confirms the Notification.*

- *After the above-mentioned approval, proven by the signing of the addendum by the parties/ confirmation of the notification by the Joint Secretariat, the project partner may request verification of the related expenditures from the National Control Bodies.*
  - *Until the fulfilment of the above-mentioned condition (signing of the Addendum/ confirmation of the Notification), the risk of performing a change which later shall not be approved by the Programme bodies and may imply ineligibility of expenditures is at the financial risk of the project partner.*
  - The last request for modification of the SC should be submitted no later than 2 months before the end date of the project (Chapter 13 of SC).
- **Implementation - operates the modifications and implemented it:**
    - ✓ The LP will operate the necessary changes to the AF in a maximum of 5 working days following which the JS submits the proposal for approval to the MA or the MC,
    - ✓ After signing the Addendum (i.e. in a maximum of 5 working days after its receipt by LP), the LP has the obligation to upload it in the Jems system immediately and the JS will approve the modification in the system in a maximum of 3 days.

## **B.2 What type of modification?**

The list of changes that can be operated via Addendum and the documents that need to be submitted by the LP can be found in Table No. 1 from above<sup>3</sup>.

The detailed description of each cases is the following:

### **a) Partner replacement (withdrawal)/changes in the partnership:**

---

<sup>3</sup>The list is not exhaustive. Each situation requiring the modification of the project shall be individually analyzed.

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

The following cases may be distinguished:

- 1. Structural or legal change**, such as name, headquarters, 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 fulfill 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.
- 2. The partner that has withdrawn is replaced by a new partner** taking over the entire/remaining budget and activities of the withdrawn partner. In special circumstances some of the activities, responsibilities, obligations and part of the budget of the withdrawn partner, apart from which is taken over by the new partner, may be distributed over the other partners, involved initially in the project. The new partnership shall meet the conditions for a cross-border partnership and the eligibility requirements mentioned in the Applicant's Guide, applicable for the respective project.
- 3. The budget and activities of the withdrawn partner are taken over partially or entirely by the remaining partners<sup>4</sup>.**
- 4. The project content is decreased with the budget and activities of the withdrawn partner.**

In the case above (point 4) the exiting partner may be requested to pay back to the

---

<sup>4</sup> Under the condition that the eligible partnership requirement is still fulfilled. The eligibility check will be performed at JS level, based on valid assessment methodology requirements.

Programme all funds received in connection to activities implemented. Decision will be made by the MA with the involvement of the NA based on the achievements and activities already completed in relation to the respective project part. In any case, the project still needs to prove its cross-border character, and the eligibility rules in the Applicant's Guide shall be met.



**Note:** *Please pay attention to the fact that amendment of the partnership by replacing a partner with another or taking over of a partner's activities and budget by other partners within the investment projects, in which the object of investments owned/leased/rented by the withdrawn partner, is possible only if eligibility conditions are met, as regulated by the relevant AG!*

The new partner should fulfill all the eligibility criteria mentioned in the AG at the time of submission of the project. The new partner shall be evaluated by the JS and the final decision regarding its inclusion shall be taken by the Monitoring Committee. Clarifications and additional documents, if necessary, may be requested by JS during this eligibility verification process. Following the JS analysis if the new Partner is eligible based on the provisions from AG, the JS will enable the AF to be updated by LP. After the LP updates the AF in Jems, the updated AF will be submitted by the JS to MA through Jems.

#### **b) substantial changes in the content of the project:**

- **budget reallocation between Project Partners:**

In case of reallocation of tasks between project partners, due to, for example, financial difficulties of one of the project partners, a reallocation of funds may be necessary between project partners.

Under these circumstances, the co-financing contract(s) in case of RO partner(s) is involved, shall also be modified, leading to a reduction/increase of the corresponding co-financing funds;

- **budgetary reallocations between the budgetary lines over the limit of 10,000 Eur or 20% of the affected budgetary line**



As a general rule, the management bodies do not encourage the reallocation of funds between budgetary lines. However, projects may, **duly justified cases**, apply for reallocations of funds between budgetary lines. **The LP/partners have to prove the necessity for reallocation of funds and the impact it has on the project implementation.**

- **extension of the implementation period:**

The LP can submit a request to extend the project's implementation period, as follows:

- Up to the limit set up by the relevant AG - case in which the approval of MA is needed;
- Over the limit set up by the relevant AG, case in which the approval of both MA and MC is needed.

- **other changes in the Application Form:**

As a general rule, projects are allowed to change their approach as long as the changes do not alter the planned project outputs and results and they bring an added value as compared to the initial AF e.g.: changes of the initial conditions set within the preliminary design phases (feasibility study, DAIW for Romanian partners or Documentation for approval of intervention works for HU partners etc.). Possible other changes may be those related to modifications of the initial conditions set within the preliminary design phases for infrastructure projects or other similar situations.

ATTENTION PLEASE 

- ✓ ***Notifications** enter into force after the approval of the modified AF in Jems, **while Addenda** become effective on the day of their signing by the last party.*

- ✓ *Modifications incurred in the respective national/ European applicable legislation, with impact on the implementation of the SC, become effective from the date the respective legal act enters into force without being confirmed through addenda.*
- ⚠ *A **modification to the technical documents, even after their initial submission**, must be reported in the same way as other changes! In case the minimum technical characteristics are **lower, compared to those mentioned within the approved application form**, an addendum to the SC and due justification shall be required.*

## II. Modifications of the subsidy contract at the initiative of the Managing Authority

Even if as a general rule, the modification of the SC is agreed by both parties (MA and LP), in certain specific cases, the MA has the right to modify the provisions of the subsidy contract unilaterally through instructions issued by the Head of the MA, which will be communicated to the Partners and posted on the Programme's website, [www.interreg-rohu.eu](http://www.interreg-rohu.eu). The afore-mentioned instructions become part of the contract and are effective from the date of their communication.

## III. Suspension of the implementation period

---

During the lifetime of a project, cases may appear, when a project partner faces the impossibility of fulfilling its contractual obligations due to duly justified cases, not imputable to them. Under these conditions, the partner, **through LP and with the written agreement of all partners**, may request the suspension (for a clearly determined period of time, according to the provisions of the subsidy contract) of the implementation period.

The LP has the obligation to inform MA in a **maximum of 3 working days** from the date when he took notice of the situation preventing them to fulfill its SC obligations.

From the abovementioned notification to the MA, the LP shall submit within **5 working days** an official request for the suspension of the project implementation, stating the reasons, analyzing the consequences it may have on the implementation of the project, and mentioning the period for which it requires the suspension, together with a written approval of all partners.

The MA will take a decision and will communicate it to the LP.

ATTENTION PLEASE 

- ✓ *It is extremely important to keep in mind that **during the suspension period no activity performed in relation to the planned activities can be later on subject of reimbursement claims included in partner reports submitted by any of the partners. The suspension shall apply to the entire project, and not just to the partner requesting it.***
- ✓ *However, to facilitate the implementation of projects, the payment of salaries and contributions related to the reporting/implementation periods **prior to the suspension of the implementation period/ Subsidy Contract is allowed.***
- ✓ *It is also allowed to provide clarifications and/or justifications (actions necessary to solve the problems that lead to the suspension) to the program structures, if they refer to partner/project reports submitted **prior to the suspension of the implementation period/ Subsidy Contract.***
- ✓ *If the LP does not meet the contractual obligations, irregularity suspicion have been detected, or force majeure events have occurred, **the MA after consulting NA, can decide on the suspension of the SC and notify the LP regarding this decision, the duration of the suspension, the proposed corrective measures (even financial measures, if needed).***





## **3. Project implementation & monitoring**

<b>3.1 Starting up the project .....</b>	<b>35</b>
<b>3.2 Eligibility of expenditures .....</b>	<b>39</b>
<b>3.3 Verification of expenditures .....</b>	<b>49</b>
<b>3.4 Appeal against the control report.....</b>	<b>56</b>
<b>3.5 Reporting procedures .....</b>	<b>58</b>
<b>3.6 Indicators and Monitoring .....</b>	<b>64</b>
<b>3.7 Project closure and after project finalization .....</b>	<b>66</b>



## General information

To support a smooth launch of operation implementation, the Joint Secretariat will organise relevant training events for the beneficiary key staff on the details of project management, reporting and communication. Also, can be organised thematic meetings on specific issues.

Also, before beginning the project implementation, we advise you to (re)read carefully the documents: **Subsidy Contract (even if you are not the LP)** the **Partnership Agreement** and what the approved **Application Form** contains.

As for RO partners, **also the Co-financing contract** (for the national co-financing funds in case of Romanian Partners).

As for HU partners, declaration on the commitments undertaken by Hungarian partners in their project part in a cross-border Interreg programme implemented in the 2021-2027 programming period shall be read also carefully. The Hungarian partners will receive the declaration from SZPO.

Furthermore, it is also important to know the national level eligibility rules (if relevant).



**Note:** Always seek the support of the Programme's bodies when in doubt or when you foresee significant project modification (please see Chapter 2.5 of this Manual)!

## 3.1 STARTING UP THE PROJECT

### 3.1.1 Project management

#### Implementing a project

means to carry out activities planned in the approved AF  
with the aim to achieve project objectives and deliver results and/or outputs.

Project management is essential for the successful execution of a project. It involves complex tasks that require careful planning, with particular attention to several key factors. Among these, the most dynamic and challenging is the human factor, which is often underestimated. This is crucial because the performance of the project team, significantly influences the overall project outcomes.

At the outset of project implementation, the partnership must establish a **project management team**, which should include minimal the following positions: a project manager, finance manager, communication officer, procurement officer, thematic technical coordinators (if applicable).

#### Project management



A red speech bubble with a white exclamation mark inside a blue circle, pointing to the right. The text "ATTENTION PLEASE" is written in white capital letters on the red background.

ATTENTION PLEASE

**According to the *lead partner principle*, the overall responsibility for project implementation belongs to the LP.**

Nevertheless, all partners in a project are responsible for monitoring and implementing their own project parts. The LP should make sure each partner knows exactly what/ when/ how to do their part of the project.

### **3.1.2 Project communication**

#### **General rule**

All partners are responsible for ensuring a sound communication of the project.

It up to the partner to decide if will have a communication person:

- At each partner level
- Or at the partnership level (project level)


The Lead partner will inform the JS communication officer on the appointment, by uploading the communication in the Jems “Shared folder”.

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 [rohu.communication@breacoradea.ro](mailto:rohu.communication@breacoradea.ro).

## **Branding and Visibility**


### **3.1.2.1 Ex-ante approval of communication materials**

 **Attention!** All project's communication materials (the templates/ envisaged press releases, leaflets, booklets, billboards, social media banners, etc.), shall be sent via email and must be approved by the JS/IPHU in order for the related expenditures to be eligible.

The JS/IPHU approval should be requested before the materials are ready to be published.

Within **5 working days** after the receipt of the request (and related materials), the JS/IPHU experts will check whether their compliance with the Visual Identity Manual/Programme visibility rules and give the approval / request their modifications (if the case).

The JS/IPHU will approve the materials, in writing, only if they fully comply with the visibility rules. Without such written approval, the related expenditure will not be eligible.

 *Note! In addition, in accordance with paragraph 6 of Article 36 of Regulation (EU) No 2021/1059, the Managing Authority shall, taking into account the principle of proportionality, cancel up to 2% of the support from the funds awarded to any beneficiary who fails to comply with their obligations on transparency and communication, in case no remedial action has been taken.*

### **3.1.2.2 Project page**

The Programme provides a dedicated section on its own website where each project has its “project page”, by the start date. This section serves as a standardized communication tool and all projects are required to regularly update their “project page” content, with relevant information, throughout the project’s lifetime.

Thus, projects should regularly upload:

- news and events linked to the project's activities and achievements
- pictures, videos, communication-related documents (leaflet, brochure, etc.) about their project's activities and results.


### 3.1.2.3 Event calendar and project public procurement section

Partners are requested to inform the JS/IPHU and the relevant control body about the upcoming project events (training, conferences, festivals, etc.) and encouraged to upload basic information to the designated project events calendar on the Programme website.

Please note that information should be provided to the above-mentioned programme bodies in a timely manner, preferably **at least 2 weeks before the event**.

Please note, for RO partners, Information regarding launched procurements shall also be uploaded by private institutions to the project public procurement section on the Programme website, as stipulated in subchapter 3.2.2 and Annex 4 (RO partners) of the present Manual.

Furthermore, information regarding upcoming major project meetings must be communicated towards the JS/ IPHU, through invitations sent out to the relevant monitoring officer or to [joint.secretariat@breacoradea.ro](mailto:joint.secretariat@breacoradea.ro) email address.

 **Attention!** *In order to ensure a better visibility and wide publicity, JS communication officers shall be informed about social media/website posts and press (printed/online) appearances about the project, in order to be shared by the JS on the official Facebook page/website of the Programme.*

It is mandatory to take photographs on all events organized, in order to properly document the progress of related actions and events, with the observance of all GDPR requirements at the partner level. These can be useful in communication materials or to demonstrate to controllers that visibility requirements have been met.

In case the cost of an event is submitted for verification to the national control body, it is compulsory to attach photographs taken at the event, showing the compulsory elements described in the Visual Identity Manual.

For detailed information on the transparency and communication requirements please consult the Visual Identity Manual and the related templates (Project documents 21-27 - Interreg (interreg-rohu.eu)).

## 3.2 ELIGIBILITY OF EXPENDITURES

### 3.2.1 Eligibility of expenditures - general information

### 3.2.2 Eligibility of expenditures - Procurement procedures

### 3.2.3 Eligibility of expenditures - VAT

### 3.2.4 Eligibility of expenditures - Implementation of activities based on timing and location

---

#### 3.2.1 Eligibility of expenditures - general information

---

In accordance with art. 63(1) of the EU Regulation No. 2021/1060, the eligibility of expenditure shall be determined based on national rules, except where specific rules are laid down in, or based on this Regulation or the Fund-specific Regulations, in this case, the EU Regulation No 2021/1059.

ATTENTION PLEASE 

- ✓ *Expenditure is incurred when the activity that has generated the expenditure has been completed the equipment was delivered or the services foreseen in a contract have been provided. Proof of expenditures incurred relates to supporting documents indicating the*

completion of the operation, for instance final reception, take over certificates or confirmation of service delivery<sup>5</sup>.

- ✓ *The rules on the eligibility of expenditures for Project Partners at programme level within Interreg VI-A Romania-Hungary Programme are detailed in this manual and in chapter 2.2.1.3 of the AG.*
- ✓ *The **advance paid** by the beneficiary to the contractor is considered **incurred** if the advance payment is contractually due, in compliance with relevant legislation. **Costs will be declared eligible if that part of services, goods, or works has been fulfilled and proved by supporting documents.***
- ✓ *In order to be **eligible**, the expenditures must be incurred by a partner of an operation and paid **after the 1st of January 2021** for implementing operations selected and approved by MC, according to programme and national eligibility rules.*
- ✓ *Declared costs for each reporting period and each budgetary line must be **paid out during the related reporting period**, and within a maximum of 45 calendar days after the end of the implementing period for the final reporting period, but no later than 31 December 2029. In case of projects having the last day of implementation on 31.12.2029, all costs must be paid by the project end date and reported in the final partner report.*
- ✓ *All the expenditure, **which incurred in other currency than euro**, will be converted automatically at the inforeuro exchange rate of the month when the Partner Report was first submitted to the national control body in the Jems system. The PRs that do not include expenditures will be certified as they are*
- ✓ *The final payment will be made by its deadline, in its entirety, only if all the*

---

<sup>5</sup> In Romania: “take over certificates or confirmation of service delivery” means “proces verbal de recepție sau confirmarea prestării serviciului”. In Hungary the date is indicated on the invoice.



*recovery procedures of any known ERDF debts of the Lead Partner and/or concerned partners are completed; otherwise the final payment shall include only the ERDF amounts related to the partners not affected by the recovery procedures.*

The following categories of eligible costs applicable under Interreg VI-A Romania-Hungary **will be reimbursed based on eligible costs actually incurred and paid (real costs): external expertise and services, equipment, infrastructure and works costs.** As a general rule, the staff costs, travel and accommodation costs, and office and administrative costs will be reimbursed based on flat rates.

**However, people-to-people projects**, submitted under ISO 1\_Priority 3\_Specific Objective 6.3 may use **the simplified off-the-shelf option** provided by Art 56 of EU Regulation No. 2021/1060, as follows:

- flat rate of up to 40 % of eligible direct staff costs may be used in order to cover the remaining eligible costs of an operation;
  - the flat rate shall be applied to staff costs, which will be reimbursed as real costs, according to the relevant legislation and according to the national eligibility guide (if relevant)-
  - other national level requirements (if any) shall be taken into account also.
- Costs for equipment purchased, rented, or leased by the beneficiary of the operation, other than those covered by Art. 40 of EU Reg. No 2021/1059, shall be limited to those mentioned in the Art. 43 of the Interreg Regulation (EU Reg. No 2021/1059). Other national level requirements (if any) shall be taken into account also.

If justified properly, costs for the purchase of second-hand equipment may be eligible subject to the following conditions:

- (a) no other assistance has been received for it from the Interreg funds or from the funds listed in point (a) of Article 1(1) of Regulation (EU) 2021/1060;

- (b) its price does not exceed the generally accepted price on the market in question; and
- (c) it has the technical characteristics necessary for the operation and complies with applicable norms and standards.
- (d) the specific of the project justifies the procurement of second-hand equipment (e.g. museum artefacts, theatre props, refurbished assets for heritage buildings etc).
- Costs for infrastructure and works shall be limited to those mentioned in the Art. 44 of the Interreg Regulation (EU Reg. No 2021/1059) and in chapter 2.2.1.3 of the AG. Other national level requirements (if any) shall be taken into account also.
  - In the case, when staff costs are reimbursed based on flat rate, the Partner shall be able to demonstrate the existence of employment relationship with the own employee. In this respect, document proving the existence of the project staff a declaration stating that at least one employee is working for the Partner organization shall be attached for all Partner report .
  - In the case, when staff costs are reimbursed based on real cost, please follow the rules mentioned in Annex 7 and in the national eligibility guide (if relevant).



***Important! Expenditures committed and incurred after the finalization of the implementation period shall not be eligible.***

### Simplified Cost Options

The Simplified Cost are automatically calculated by JEMS and added to the total verified by the controller(s) (SCOs).

No expenditures related to these flat rate shall be check.

In case of Interreg VI-A Romania - Hungary, the Simplified Cost Options, consisting

in flat rates, apply as follows:

**Option 1:**

**Real costs: external expertise and services, equipment, infrastructure and works**

**Flat rates:**

Staff costs	Up to 20% <sup>6</sup> of direct costs (other than direct staff costs, but below 150,000 euro at partner level)
Travel & accommodation costs	Up to 15% of staff costs
Office & administrative costs	Up to 15% of staff costs

**Option 2:**

**Real cost: Only direct Staff cost**

**Flat rates:**

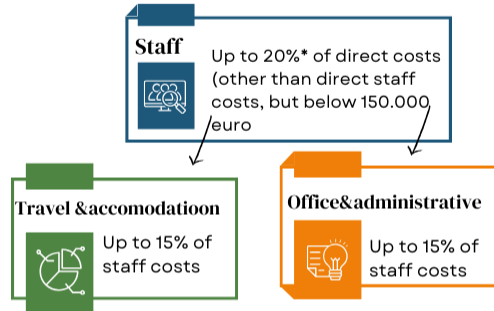
Other costs	Up to 40% of direct staff costs
-------------	---------------------------------

---

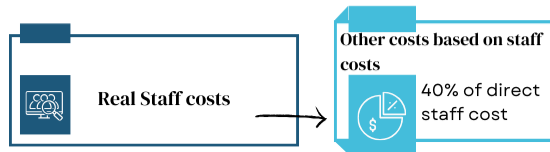
<sup>6</sup> Due to the set ceilings, some partners will not receive exactly 20% flat rate; however, the % fixed as the ratio of the ceiling amount and the planned direct costs also remains unchanged during the implementation period of the project part

## ROHU- Simplified cost options (flat rates)

### Option 1



### Option 2



## 3.2.2 Eligibility of expenditures - Procurement procedures

### 3.2.2.1. General rules

In the context of the Interreg VI-A Romania-Hungary, all procurements will be made with respect to the national legislation in Romania/ Hungary.

The main principles when procuring goods, services or works are the principles of efficient utilization of public funds, 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.

In Partner report - List of expenditure, **partner will link an expenditure item with a procurement only for procurements equal or over 10.000 euro.**



**RO partners will consult Annex 4 !**

**!!! Attention!** *The LP / PPs / AOs or their employees cannot act as a contractor or subcontractor that provides works, services, and products within the project.*

**!** **Note!** All partners have the obligation to **inform the contractors that any results or rights related to the project**, including author's rights and/or any other intellectual or industrial property rights, obtained from the implementation or as a result of the implementation of the contract, except the cases where such rights exist before the contract, shall represent the property of the LP and PPs, as the case may be.

**!** **Note!** *The main necessary information in order to avoid any irregularities and fraud risks can be found in chapter 4 of the present Manual. Please read it carefully!*

**!** **Note!** The Partner **must take all the necessary measures** to avoid the situations that might cause **conflicts of interests** within the procurement procedure. Rules of conflict of interest shall always be observed during the whole procurement procedure (from request to price offer to signing/modifying the contract).

### 3.2.2.2 Specific rules in case of Romanian partners

- **Public institutions** acting as contracting authorities according to national law will apply the provision of Law 98/2016, respectively 99/2016, on public/sectors procurement.
- **Private partners** that purchase supplies, services or works, will apply the provision of Procedure for Romanian private partners regarding the assignment of supplies, services, and works contracts financed within Interreg VI-A Romania - Hungary Programme (Annex 4).

*Exception:* The private partners acting as contracting authorities, according to Art. 6 of Law 98/2016, will apply the provisions of Law 98/2016 on public procurement when purchasing works or services.

### 3.2.2.3. Specific rules in case of Hungarian partners

- ➔ In Hungary, all bodies dealing with EU money have to comply with the national procurement rules,
- ➔ Partner has to check whether the procurement falls under the scope of the Act CXLIII of 2015 on public procurement (hereinafter referred to as Act). In case the Partner is obliged to conduct a public procurement procedure the rules of the Act must be respected. Partner ensures access right for NCB to the documents of public procurement conducted in the electronic public procurement system (EKR) and is obliged to submit *“a declaration on public procurement conducted in electronic public procurement system”*. *The documentation of the public procurement will be downloaded by HU NCB from EKR and will be uploaded in the Jems.*
- ➔ If the procurement does not fall under the scope of the Act but the estimated value of the procurement equals or exceeds EUR 10 000 (net price, excluding VAT) the market price must be justified. The Partner has to select the contractor according to the Applicant’s guide and the rules set up at national

level. In case „in-house contracting” at least 3 independent, comparable, valid bids also have to be presented not including the offer of the in-house contractor. In this case, the Partner has to submit „a *declaration on justification of the market price*”. Other rules can be found in the national level eligibility guide,

- ➔ If the value of the procurement is under EUR 10,000 (net price, excluding VAT) the Partner is not obliged to submit the supporting documents of the market price/market search, however, the NCB is authorized to check the compliance with market price and may apply deductions in case the compliance is not ensured. The rules of conflict of interest and the impartiality of the bidders must be respected. The Partner has to submit „a *declaration on the procurements under EUR 10,000*”. Other rules can be found in the national level eligibility guide.

### **3.2.3 Eligibility of expenditures -VAT**

#### **3.2.3.1. The eligibility of VAT in Romania**

VAT is eligible:

- a. for operations the total cost of which is below EUR 5 000 000 (including VAT) where it is non-recoverable under national VAT legislation and is eligible based on national legislation/rules.
- b. for operations the total cost of which is at least EUR 5 000 000 (including VAT) where it is non-recoverable under national VAT legislation,
- c. if the applicable state aid rules do not regulate otherwise.

#### **3.2.3.2. The eligibility of VAT in Hungary**

As a main rule, the VAT which is recoverable based on national legislation/rules by the PP/LP is not eligible. Other related rules are mentioned in the national eligibility guide. The public or private status of the PP/LP is not taken into account during identifying the eligibility status of the VAT for its expenditures.

When defining the eligible amount from the total amount of a certain invoice, it has

to be taken into account if the PP/LP is entitled to reclaim the VAT or not. Details can be found in the national eligibility rules.

Detailed information on the eligibility rules of Reverse VAT can be found in the national level eligibility guide.

### **3.2.4 Eligibility of expenditures - Implementation of activities based on timing and location**

---

According to Subsidy contract, the implementation period of the project starts on the day the contract is signed by both parties.

The project however can proceed with expenditures (the ones for preparing the project and for project implementation if the case) and start the implementation of project activities from the 1<sup>st</sup> of January 2021. But the implementation period can not exceed 31<sup>st</sup> December 2029.

Regarding the location, the activities must be implemented in the Programme area, as defined in the Programme.

Exceptions from this rule apply for activities contributing to a better implementation of the project (e.g. travel costs, training courses, study trips, exchanges of experiences) up to a maximum of 10% of the support from the ERDF at project level.

Other aspects that must be taken into account are:

- **Any newly built cross-border infrastructure shall remain operational at least for 5 years from 31 December of the year in which the final payment was made to the Lead Partner;**
- **No investment shall be placed outside the Programme area!**
- The final beneficiaries of the projects (target groups) are selected through a



**transparent procedure;**

- The LP must inform and ensure that all PPs inform the public, by means of the measures laid down in Annex IX of Regulation (EU) no. 2021/1060, about the assistance obtained from the Funds (please see the dedicated Chapter 8. Transparency and communication of the SC, subchapter 3.4 of this Manual and Visual Identity Manual (available on the Programme website));
- **Supplementary works in case of investments are not eligible, unless they are absolutely necessary for the proper implementation of the originally planned activities and investments and they comply also with national legislation/rules and they are also approved by the MC/MA/JS as part of the AF, whichever is relevant.**

**3.3 VERIFICATIONS - CONTROL REPORTS****3.3.1 Verification of expenditures****3.3.2 Verification of procurements****3.3.3 Verifications - the rules of the on-the-spot checks****3.3.1 Verification of expenditures****General information**

The control of expenditures of projects implemented within the frame of the Interreg VI-A Romania-Hungary Programme shall be performed at the national level for each project partner according to their nationality, in line with the provisions of the Regulation (EU) 2021/1059, paragraphs 3, 7 and 8 of Article 46.

**In Romania, the National Control Body of the Interreg VI-A Romania-Hungary**

Programme is set up within the Cross-Border Cooperation Regional Office Oradea for Romania-Hungary Border in line with Government Decree (GD) No. 936/2020 together with Emergency Order (EO) 46/2023.

In Hungary, the Control of expenditures of Hungarian project partners will be ensured by Széchenyi Programme Office in line with Government Decree No 241/2023. (VI.20.) on the implementation of cross-border Interreg programmes in the 2021-2027 programming period.

### **Partner report - terms and general information**

In order to draw up the partner reports, all partners should use the *Jems User Manual*<sup>7</sup>. The partners can find the templates for the mandatory declarations on the Programme website. They will submit these declarations together with the first partner report.



**Note!** If there are any changes during the implementation, the updated declaration will be submitted with the following partner report. The verification of the expenditure of LP/PP should be carried out based on the documents mentioned as orientative list please see Annex 7 and Annex 4 in case of RO partners.



Partner reports (PR) must be submitted as follow:

- in maximum **15 calendar days** from the end of every three months for normal projects/4 months for OSI;
- in maximum **45 calendar days** from the end of the reporting period for the final report.

The partner report may be rejected if it was not submitted in due time.

When submitting a PR, Jems will automatically address the control request to the

---

<sup>7</sup> The Manual is available at <https://jems.interact.eu/manual/>.

NCB via e-mail. The submission of the partner report is considered to be a control request assumed by the legal representative of the partner.

In order to assume the conformity of the documents uploaded in the Jems with the original documents, the partners must submit a declaration on their own responsibility, signed by the legal representative, certifying that the documents uploaded in the Jems are scanned or electronic copies of the originals.

### **National Control Body verifications**

Based on programme level risk-based management verification methodology, the NCB performs desk-based verifications and on-the-spot checks (site or online visit) of project expenditures, delivery of products, infrastructure works, and services, and releases Control Reports and Control Certificates<sup>8</sup>, in a maximum of **three months including clarifications**, after the submission of the partner report. The verifications will cover administrative, financial, technical and physical (only for the on-the-spot checks) aspects of the projects.

*In case additional documents and/or clarifications will be requested from the partners, the deadline will be suspended until the additional document and/or clarifications are received.*

**!!!** *The Lead Partner or Project Partner shall provide all the documents and information required by the controllers in accordance with the provisions of the subsidy contract and in accordance with the provisions of national eligibility guide (if relevant). As indicative list, please see Annex 7 and Annex 4 for RO partners.*

**!** ***Note!** During the verification process, the total amount of the budget line shall prevail and not the estimated amounts for each reporting period. During the quality assessment the value for money is checked. During implementation, the controllers will take into account foremost the actual market price and **the total amount of the budget line, and not the estimated amounts for each reporting period!***

---

<sup>8</sup> Control Report and Control Certificate are annexes to Common NCB Manual.

The original financial documents, *such as: invoices, receipts or other supporting documents with equivalent probative value* **will be stamped/written by the partner with Programme name, project code**. If possible, the issuer of the invoice will write on the document the abovementioned information. Other information may be requested by the NCB to write on the invoice or document with equivalent probative value, based on national eligibility guide (if relevant).

**The NCB will check the following:**

- the eligibility of expenditures (reality, legality and regularity), compliance with the application form in force, with the European regulations, the Programme' rules and the national legislation and national rules, based on the partner report and the justifying documents supporting each expenditure requested for reimbursement in the partner report;
  - the delivery of services, goods, and works (products/goods purchased are physically available on the premises of the project partner and are used in line with the project purpose, and infrastructure and works exists, are in progress or have been completed - in such case will be an on-the-spot visit);
  - the existence of JS approval of information and communication materials;
  - double financing;
  - whether the operations are compliant with the European and national requirements regarding information and communication, fair competition, equal opportunities, protection of the environment, public procurement, state aid.
- ➔ *Declared costs must be paid out within the reporting period. In case of the final reporting period, the costs shall be paid within a maximum of 45 calendar days after the end of the period, but no later than 31 December 2029.*

In case the report is not appropriate in terms of formal/administrative or content aspects the controllers will ask the PP in writing to complete the missing parts or, if needed, additional documents will be requested.<sup>9</sup>

---

<sup>9</sup> In this case, the partner report will be reopened by the controller and the partner can upload the amended supporting documentation.

- ⚠ *As a general rule, the PPs will have **5 working days to respond** upon receipt of the clarification letter. In case the clarifications are not submitted within the deadline, or the documentation is not complete, the controller will send a new clarification letter by giving a new deadline for submission (another 5 working days, upon receipt).*
- ⚠ *Overall, the PPs shall have **overall 10 working days to submit the documents requested during clarifications**. If dully justified, this deadline can be extended. If the second notification is also unsuccessful, the partner report may be rejected or it can be accepted but without the items that were not properly justified.*
- ⚠ *Should national level rule regulates differently, it shall apply.*


 ATTENTION PLEASE

### The Controllers can park an expenditure.

When parked, the expenditure item is locked and the deducted amount and certified amount are both automatically set to 0. The flat-rates will be automatically deducted after controller's park the expenditure related to direct costs. After the control work is finalized, the parked item will show up in the next partner report, in the List of expenditure - Parked items waiting list, where the partner can decide what happens to the respective expenditure (either delete it or reinclude it in a new partner report with or without modifications). In case of reincluding the relevant expenditure in a new partner report, every supporting documentation have to be uploaded in the JEMS again. In this case, all procedures and deadlines restart.



### Note!

1. Parked expenditure items are not deducted amounts!

2. *The "parked expenditure" option will be used also in case of an irregularity / fraud suspicion is subject to OLAF or other institution's verification. In this case, the PP will include the affected expenditure in a new partner report, only after the finalization of the mentioned verifications.*
3. Also, in case PPs have omitted an expenditure from their Partner Report, it can be requested in a subsequent PR.

After the verification is finalized, the Control Certificate and the Control Report become available in Jems so that the LP will aggregate the partner reports from all the project partners (including its own report) **in order to submit to the JS the project report.**

### **3.3.2 Verification of procurement**

The purchase of goods and services, as well as the contracting of works, by project partners, is subject to national, European and Programme rules. The procurement rules aim at securing transparent and fair conditions for competing on the common market and should be respected by the project partners when commissioning the above services, works or supplies. Rules differ depending on the type of goods and/or services to be purchased, as well on their value.

National regulatory frameworks, transposing the EU Directives and regulations on public procurements, shall be applied by any legal entity acting as contracting authority.

For Romanian partners not acting as a contracting authority, see Annex 4 of this Manual. Where the case, the controllers could apply the financial correction mentioned in Annex 4 regarding the assignment of supplies, services and works contracts financed within Interreg VI-A Romania-Hungary Programme.

For Hungarian partner, during verification if the procurement falls under the scope of the Public Procurement Act the purchase of goods and services as well as the contracting of works will be checked in line with it; the other procurements out of the scope of the Public Procurement Act will be controlled along the rules available in

chapter 2.2.1.3 of the Applicants Guide (rules for procurements above and below 10 000 EUR), and national eligibility guidelines.

In case of remaining funds, the LP must notify the MA within 15 calendar days following the finalization of implementation of the public procurement contracts at the project level. The LP must clearly specify in the notification the amounts of the remaining funds and if there is a need of re-using these within the project.

**ATTENTION PLEASE**



**Attention!** *Please note that the partner does not have the right to divide the procurement contract into several separate contracts of lower value, or to use calculation methods that may lead to the underestimation of the estimated values of the procurement contract, with the purpose of avoiding the application of the provisions of public procurement rules/procurement rule.*

### **3.3.3. Verifications - the rules of the on-the-spot checks**

According to Article 74(2) of Regulation No. 2021/1060 the verifications shall include on-the-spot (site visit or online) verification of operations.

In Hungary, the main rules for implementing on-the-spot checks are set out in the Government Decree No. 241/2023. (VI.20.). On-the-spot checks will be performed by SzPO staff and if necessary, by external experts contracted by SZPO.

The controllers are responsible for conducting on-the-spot checks according to national rules/legislation.

(On-site) on-the-spot verifications may be done when:

- requirements for management verification cannot be verified during administrative or online verifications;
- investments costs (equipment and/or infrastructure and works items) are reported;
- risks or shortcomings are found by the controller during the administrative or

online verification of partner reports.

For investments, the controller will perform an on-the-spot visit in-person after the final reception (full completion according to the legal provisions in force) of works or final reception/ delivery of goods.

The controller will perform an on-the-spot visit in-person at an earlier stage based on the professional judgement of the controller.

For services, direct award, online meetings may be organized whenever needed or based on national legislation.

### 3.4. APPEAL AGAINST THE CONTROL REPORT

If the partner, subject to the verifications, does not agree with the non-eligible expenditures stated by the controllers, a duly justified appeal against the control report can be submitted. In case of HU partners the appeal has to send to NA taking into account the related rules mentioned in the national legislation

In that case the amounts subject to appeal shall be mentioned distinctively by LP when submitting the Project Report, in section “Problems and solutions found” (if known by the time of elaboration of the Project Report).

#### **For RO Partners**

The appeal must specify at least the following information, but additional information might be needed based on national legislation:

1. The identification data of the partner submitting the appeal.
2. The number of the ERDF subsidy contract and the title of the project.
3. The purpose of the appeal, including the data regarding the documents and/or the public procurement procedures subject to appeal.
4. The budgetary chapter in which the expenditure is enclosed.
5. The nature of the expenditure and the amount contested.
6. The motivation and justification of the appeal.



## 7. Justifying documents (if applicable).

The appeal must be submitted within **30 days** after the Control Certificate is issued in Jems. A single appeal can be submitted for an expenditure requested for control.

The appeal will be analyzed by the National Control Body, within **30 working days**, starting with the next day after the receiving date of the appeal through the mailing system.

After receiving the appeal, the NCB Coordinator shall designate the controllers who will analyze the appeal, others than the ones who performed the control.

The controllers shall conclude the analysis of the appeal by issuing a resolution, which will detail the appealed expenditures and the reason for approval/rejection. If an appeal is partially or totally approved, the respective expenditures shall be included by the LP in the next Project Report, together with the documents of the appeal (the resolution issued by the identified controllers and the supporting documents).

For the submitted appeal, the partner will receive the decision of the NCB.

### **For HU Partners**

For specific details please consult HU Gov. Decree No 241/2023. (VI.20.), Section 9 on Verification. The appeals that do not comply with the requirements of the above-mentioned Gov. Decree, will not be analyzed.

In case the appeal is approved by NA, NCB will issue a new control certificate, including a reference to the NA's decision.

## 3.5 REPORTING PROCEDURES

### 3.5.1 Partner and project reporting via Jems

#### 3.5.2 Interim Project Reports

#### 3.5.3 Final Project Report

### 3.5.1 Partner and project reporting via Jems

The Interreg VI-A Romania-Hungary Programme requires progress reporting during project implementation. The aim of the reporting process is to establish whether project objectives have been achieved, what resources have been expended, what problems have been encountered, and whether the project is expected to be completed on time and within the budget.

#### 3.5.1.1 Partner Report

In all cases, the process begins on the partner level, where each project partner (including LP) needs to report, through the **Partner Report** the stage of implementation of activities and expenditures for which he is responsible, with relevant supporting documents.

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;
- 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.


 ATTENTION PLEASE

The Partner Reports are submitted to the National Control Body (NCB), in order to verify the eligibility of the expenditure declared (please see sub chapter 3.3 of this manual).


 **Note!** *Project reports are sent even if they have a value of zero EUR!*

All supporting documents for the reported expenditure must be attached to the Partner Report. The information regarding the supporting documents related to expenditures can be found in *Annex 7 of this Manual, in Jems User Manual and in national eligibility rules (if any)*.

*The partners shall pay special attention also to reporting the progress of the planned activities, not only related with the expenditures, and ensure that their part of the reported activities/ expected results/ indicators are in compliance with the approved AF and SC. This also applies, of course, to the LP, because the LP is at the same time a partner in the project.*

### 3.5.1.2 Project Reports

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

 Insufficient and unclear information provided in the project reports may lead to misunderstanding of project progress and, as a result, to delays in project payments. LPs shall make sure that all PPs have a chance to review the full report before it is submitted to the JS. This ensures that partner's statements have been taken on board and not been misinterpreted by the LPs.


 ATTENTION PLEASE

According to the Programme rules the following type of report can be identified (submitted in Jems):

→ the aggregated technical and financial report

*The reporting periods' duration*

✓ *For normal projects: 3 months.*

✓ *For strategic projects: 4 months*

As a general rule, the Project Report shall be submitted by the LP every 3 months for normal project/4 months for strategic projects, in maximum **15 calendar days** after the issuance of the Control Certificates for all the partner reports submitted for the relevant reported period<sup>10</sup>. The Project Report shall contain the information and supporting documents/ proof of delivery for all project activities, deliverables, results, and indicators achieved in the reporting period, the detailed information regarding the problems faced and solutions found and the financial progress registered in the reported period. In any case, the submission deadline of the Project

Report shall not exceed maximum 4 months from the end of every 3 months for normal projects/ 4 months for strategic projects

**!!!** The Project Report shall contain also the Control certificates issued in the reporting period.

---

<sup>10</sup> The 15 calendar day's deadline shall be calculated from the date the last NCB Certificate is issued, for the partner reports submitted for each 3 months period for normal projects/ 4 months periods for strategic projects, according to the regular reporting obligations.

The signed (digitally/ handwritten) NCB certificates and the signed Project Report, containing all the amounts included in the Certificates attached, shall be uploaded in the Jems system.

*Specific details on how to fill in and submit a Project Report may be found in the “Jems User Manual”.*



**Note!** If the supporting documents/ proof of delivery for the project activities, deliverables, results, and indicators achieved in the relevant reporting period were already uploaded in the partner reports or other Jems sections, these shall not be duplicated in the Project Report. Therefore, in the descriptive part of the Project Report, the LP shall mention the relevant sections of Jems/ partner reports where these documents can be found.

### **3.5.2 Interim Project Reports**

LP has the possibility to submit **interim Project Reports at any given time** with the condition that the Project Report for the previous period was submitted and if the value of the interim Project Report contains at least EUR 10 000 ERDF.

The interim Project Reports will be created by LP.

### **3.5.3 The last Project Report**

The last Project Report has to contain both technical information regarding the progress/ completion of the project activities, as well as the Control certificates issued for expenses reported in the last reporting period.

The last Project Report has to be submitted by the LP to the JS in a maximum of **5 months** after the end date of the implementation period of the project.

The last Project Report contains information such as: what was realized, where, by whom, what objectives/ results/ outputs have been achieved/reached, what

resources have been used, what problems have been encountered, etc. and compiling data for the entire project implementation period.

Through the Final Project Report, the Programme learns about the projects' achievements, and also acknowledges progress towards the Programme's objectives. The achievements of a project are of equal interest to both project and Programme, since the success of the latter depends on the success of its projects.

#### **3.5.4 Verification and payments**

**After the verifications are performed, the JS submits the Project Report to the MA, via Jems.**



**MA verifies the project report in 20 working days,**

During the verification process, the MA may request additional clarification from the JS or from the Lead partner, which must provide the answer in the set deadline (the MA deadline may be suspended in case additional clarifications/documents are needed).

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

The verification and payment process should be done in maximum 80 calendar days. However, this deadline can be extended if either the JS or MA request additional clarifications.

The LP has the responsibility to transfer the ERDF amounts received from the Programme to the project partners, according to the Information regarding the situation of eligible expenditures authorized issued by the MA, within 5 working days from receiving the amounts from the MA (the proof of transfer will be uploaded to

Jems in Shared Folders). No deduction, retention, or further specific charges will be made by LP from the ERDF amounts transferred to the partners.

**The ERDF funds are reimbursed by MA only in Euro and will be transferred into a special bank account, indicated by the LP.**

The LP can use the same bank account for more projects with the amendment that it will have a proper analytical accounting system for each project as provided by the SC, article 6 Reimbursement of the expenditures.



The amounts included in the last Project Report submitted in Jems shall go over of the same steps of procedure as the previous ones included within project reports, except that the authorized ERDF amounts will only be paid to the project partner(s) with no debts regarding ERDF.

## 3.6 INDICATORS & MONITORING

### 3.6.1 Indicators

### 3.6.2 Monitoring

#### 3.6.1 Indicators



**Note!** *Please observe the provisions of the Subsidy Contract that apply in case of not achieving the indicators/objectives at the project level.*


In the application phase, each project had to select the relevant indicators (output and related result indicators) and include a realistic quantification of its targets in the application form as provided in the Annex A Guidelines on indicators within AG. The progress and final achievement of these targets have to be reported through

the progress reports, during the implementation phase.

For **output indicators**, the tasks are relatively simple, the partners will have to report the units achieved as contribution in the reporting period (bear in mind that this is not necessarily linked to the financial status of your project).

*Example:*

*In the application form it was mentioned that the project will contribute with 2 to the Priority 1-PO2 SO2.2 output indicator: “Strategies and action plans jointly developed”. Therefore, in the Project Report, the partner(s) will report the number of joint strategies/actions plans the project has managed to develop.*

 *The reporting has to be well documented from verifiable and reliable sources. For the evaluation and reporting of the indicators shall be used clear and reliable sources for monitoring and evaluation.*



In the **last Project Report** the project has to reach entirely the contribution to Programme output indicators, as envisaged by the project. This also has to be supported by verifiable data.

### ***Project's failure to contribute to indicators***

In case the project contribution to indicators is lower compared to the application form, the MA is entitled to decommit project funds by reducing the original project budget and the corresponding ERDF contribution/(partially) recover the already reimbursed project funds/ apply financial corrections, as follows:

- a. No financial corrections will be applied to the approved budget of the project in case the project indicators were reached over 90% of the initially assumed value of project indicators (average at project level considering all indicators);
- b. If the project indicators were reached lower than 90% but no less than 50% MA will analyze based on the complexity of the project and initially assumed value indicators, and may apply proportionally financial corrections to the total budget of the partners concerned after consultation of the national authority and with the MC if needed;
- c. If the project indicators were reached lower than 50% of the initial project



indicators (average at project level considering all indicators) MA will analyze and if applicable proportionally financial corrections to the total budget of the partners concerned after consultation of the national authority and with the MC if needed.

### **3.6.2 Monitoring**

**During the project implementation,  
all projects will report on their progress regularly.**

**The tool for the project monitoring is the Project Report.**

Once the project implementation begins, its **monitoring** is an ongoing process and not a task left for the end of the project. The monitoring is aimed at tracking the achievement of objectives at the project level, following deadlines, financial progress, and the fulfillment of indicators.

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.

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.

## **3.7 PROJECT CLOSURE & AFTER PROJECT FINALIZATION**

Project partners should be familiar with the specific requirements regarding sustainability and ownership of the project outputs, availability of documents and record keeping after closure of projects and the submission of the Final Project Report.

In this phase, the project's main activities are already completed and all outputs delivered, however, **the project outputs and results are intended to continue producing value**. Also, **partners' responsibilities do not end with the project closure**.

Thus, during the sustainability period (5 years from 31 December of the year in which the final payment was made to the Lead Partner) LP has the obligation to submit annually a **durability report** for projects including investments in infrastructure and/or equipment and ex-post visits may be carried out by JS /IPHU in order to check projects sustainability.

Please see the specifications regarding the Final Project Report of this document and also the requirements/ obligations of the partners regarding the project closure and responsibilities of the partner after the project finalization and are also mentioned within the provision of the Subsidy Contract - Chapter Rights and duties of the parties.



## **4. IRREGULARITIES AND FRAUD**

<b>4.1 IRREGULARITIES .....</b>	<b>69</b>
<b>4.2 FRAUD &amp; ANTIFRAUD MEASURES .....</b>	<b>70</b>



## 4.1 IRREGULARITIES



**Note!**<sup>11</sup> - “Irregularity” means any breach of the 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.

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

- For Romanian partners: [sesizari.proiecte@mdlpa.gov.ro](mailto:sesizari.proiecte@mdlpa.gov.ro)
- For Hungarian partners: [szabalytalansag@szechenyiprogramiroda.hu](mailto:szabalytalansag@szechenyiprogramiroda.hu)

### Conflict of interests

The conflict of interests represents any circumstances defined as such in the national/European legislation (Information Note on Fraud Indicators for ERDF, ESF and CF, COCOF 09/0003/00, Point 56 of Article 2 of Regulation (EU, Euratom) 2024/2509 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL.).

It is recommended for the partner to have an internal code of conduct and a conflict of interest policy relating to projects funded from European funds.

If the partner does not have this kind of codes, he shall take into consideration the EU legislation, guides or other national documents on these issues.

**!!! Attention!** *Any suspect situation of being a conflict of interest which may arise during the implementation of the contract shall be immediately notified to the JS. The MA reserves the right to verify such circumstances and take the necessary measures, where the case.*

In all cases in which a Hungarian partner is involved in a potential conflict of interests, the NA shall be informed.

If a suspicion of irregularity concerning the real cost is confirmed and a correction is applied, the ratio of the flat-rate costs will be also calculated as a debt and will be deducted.

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 irregularity suspicion (including fraud suspicion).

For more detailed information please consult provisions of the Subsidy Contract - chapter “Irregularities and recovery of the ERDF funding” regarding the financial corrections and payments withhold.

## 4.2 ANTIFRAUD AND ANTIFRAUD MEASURES



**Note ! “Fraud”** is any intentional act or omission in connection with obtaining or using European funds and/or public funds related to these incriminated by the Criminal Code or other special laws.

The Programme`s structures shall show zero tolerance to any fraud cases and shall take all necessary measures to prevent and correct any fraud cases, according to relevant national and European legislation in force.

When developing a procurement process, all partners will comply with the legal provisions, according to national and European law on the conflict of interest and check the Guidance on the avoidance and management of conflicts of interest under the Financial Regulation 2021/C 121/01<sup>12</sup>.

The entire personnel of the partner, involved in the procurement process shall sign declarations on conflict of interests. All the declarations shall be registered internally and made available to the Programme structures, together with the procurement documents (file).

It is recommended for the partner to comply with the four eyes principle for all documents drafted/issued according to national legislation/ internal programme requirements and the indications provided within this document, needed for developing the procurement procedure.

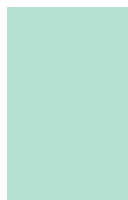
For partners that have an internal audit unit, it is recommended to use this structure to analyze the procurement process.

ATTENTION PLEASE 

**Attention!** *Please note that the partner does not have the right to divide the procurement contract into several separate contracts of lower value, or to use calculation methods that may lead to the underestimation of the estimated values of the procurement contract, with the purpose of avoiding the application of the provisions of public procurement rules/procurement rule.*

Please also consult the Annex 4 in case of RO partners, the Antifraud Strategy-Interreg VI-A Romania-Hungary Programme 2021-2017 and also *Annex 12 - Practical Guide on fraud for applicants and project Partners 2021-2027.*

<sup>12</sup> [EUR-Lex - 52021XC0409\(01\) - EN - EUR-Lex \(europa.eu\)](#)



## **5. HORIZONTAL ISSUES & COMMON ERRORS**

**HORIZONTAL ISSUES & COMMON ERRORS.....72**

[www.interreg-rohu.eu](http://www.interreg-rohu.eu)



## 5. HORIZONTAL ISSUES & COMMON ERRORS

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.



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

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

Projects' actions for the promotion of the horizontal principles will be monitored and reported in the Programme implementation reports, according to the relevant procedures.

Please observe Annex 8 - **Horizontal themes**.

In order to avoid possible problems throughout the implementation **process at the project and programme level**, please read carefully the Annex -9 **Common Errors**.

## 6. GLOSSARY OF TERMS

---

Acronym	The acronym is the abbreviation used for the project title or project partners.
Applicant / Potential Beneficiary	Any legal entity which submits an application to be financed by the Programme;
Applicant's Guide	The Applicant's Guide (AG) is part of the Application package intended to provide applicants detailed and specific information about the programme, project requirements, eligibility rules, application and assessment processes, project implementation principles and to guide them through the drafting of the project proposals.
Associated Organisation	Bodies willing to be involved in a project with an observer or associated status without financially contributing to the project. The partnership must demonstrate the benefits that the involved associated partner shall bring to the project and its follow up.  The eligibility criteria to be met by the Associated Organisations are mentioned in the AG.
Budgetary line	Main lines from the AF budget: Staff costs, Office and administration, Travel and accommodation, External expertise and services, Equipment, Infrastructure and works.
Co-financing	In general, the term refers to the situation when there are more financing sources for the same project or activity. In the EU programmes environment, usually, there are 2 or more sources of financing. In the case of Interreg VI-A Romania-Hungary Programme, financing is provided from ERDF and national contribution and/or own sources (can be public or private) of the project participant.
Cohesion Policy	Cohesion policy was enshrined in the Treaties with the adoption of the Single European Act (1986). It is built on the assumption that redistribution between richer and poorer regions in Europe is needed in order to balance out the effects of further economic, social, and territorial integration.



Cooperation criteria	The four joint criteria used to measure to what extent projects cooperate. Project partners shall cooperate in the development and implementation of projects. In addition, they shall cooperate in the staffing or the financing of projects, or in both.
Costs incurred	Costs accumulated in relation to the preparation and implementation of the project are recorded as liabilities on a balance sheet of the beneficiary organization until they are discharged or paid. Incurred costs may include both direct and indirect costs.
Cross-border cooperation	The collaboration between adjacent areas across borders. The main aim is to reduce the negative effects of borders as administrative, legal and physical barriers, tackle common problems, and exploit untapped potential. Through joint management of programmes and projects, mutual trust and understanding are strengthened, and the cooperation process is enhanced.
Joint Electronic Monitoring System (Jems)	<p>The Jems is a monitoring system with communication portal to support submission, approval, management and administration of projects in the context of ETC programmes. The system supports collection of all information on submitted and approved projects, their implementation and achievements, modifications, and closure. Additionally, aggregated data on the progress of projects and of the programme are recorded in the system. All programme bodies are able to communicate with partners via the system and re-use the data already collected. The Jems is built to support programme authorities in day-to-day programme management and should fulfil all legal requirements.</p> <p>The Joint Electronic Monitoring System (Jems) is developed by Interact and is available for all Interreg programmes to use on a free-licence basis. It uses Harmonised Implementation Tools (HIT) and agreed best practices.</p>
Eligible expenditure	Expenditures made by a Partner, related to the operations financed through the programme, which comply with the rules set and spent accordingly and thus can be reimbursed from ERDF and national co-financing, if relevant.
Eligible area/region	The Hungarian and Romanian counties located in the border area, as mentioned in the Interreg Programme approved by the European Commission.

Eligibility period	A timeframe during which project expenditure must be incurred and paid <sup>13</sup> (unless simplified cost options are used) in order to qualify for reimbursement from the programme funds.
European Regional Development Fund (ERDF)	One of the financing instruments of the European Union, through which the present programme is financed. Partners will get support for their projects besides the national co-financing from ERDF.
Flat rate	One of the simplified cost options. Specific categories of eligible costs that are clearly identified in advance are calculated by applying a percentage fixed ex-ante to one or several other categories of eligible costs. Flat rates involve approximations of costs and are defined based on fair, equitable and verifiable calculation methods, or they are established by the Fund specific regulations.
Lead Partner	Project participant taking the overall responsibility for the development and implementation of a project. Each Lead partner is expected to conclude the Partnership Agreement (with its project partners) and the Subsidy Contract (with the Managing Authority), ensure a sound cross-border project management as well as the project implementation, and transfer the due ERDF contributions to the single partners.
Legal representative	A person authorized to sign binding documents (e.g., application form, subsidy contract) on behalf of an organization.
National Control Body	Controlling involves checking administrative, financial, technical and physical aspects of operations, as appropriate. It involves checking that all project expenditure is eligible according to the Common Eligibility Rules of the programme, European Regulations and National Legislation/National eligibility rules.
National Legislation	The legislation of the Member State on whose territory the partner is located.
Own contribution	Amount with which the relevant partners have to contribute to the total eligible amount of their own project budget.

<sup>13</sup> Except for the final report when the payment can be made within 45 calendar days after the end of the project implementation period.

Partnership Agreement	Agreement signed by all project partners which states the rights and obligations of the partners related to the activities to be implemented within the project and other issues to be settled in order to properly implement the project.
Programme output indicator	"Output indicator" means an indicator to measure the specific deliverables of the intervention - EC Regulation 2021/1060 (CPR), Article 2 (13).
Programme result	The change sought (in the reference situation) in view of the specific objective to be achieved.
Programme Priority	The Programme Priorities are the thematic areas around which the programme is structured.
Partner Report	The Partner Report is filled out by each project partner, including the Lead Partner. It contains both activity information and financial information. The partner report is submitted by each Project Partner to their National Control Body in Jems.
Project Report	The Project Report is the report to be submitted by the Lead Partners to the JS at the end of each 6 months reporting period, and contains: <ul style="list-style-type: none"> <li>- the technical progress of the project - outlining performed activities within the period, potential problems the project partners were faced with, and the progress of the project towards its assumed indicators;</li> <li>- the financial part - illustrates the eligible expenditure within a given reported period, and serves as a</li> </ul>
Project (main) output	Project output is a product that results from the implementation of project activities; outputs are grouped into the following types: participations, strategies and actions plans, organizations, solutions and sites supported.
Project implementation phase	All activities performed by project partners which were presented in the application form and approved by the programme.
Project overall objective	Provides overall context for what the project is trying to achieve and aligns to programme priority specific objective. It relates to the strategic aspects of the project.

Project Partner	An organization involved in the project preparation and implementation, which receives ERDF and national support in order to implement the proposed activities. Project Partners are involved in a contractual relationship with National Authorities for the national co-financing, and will conclude a Partnership Agreement with the Lead Partner for governing the rights and responsibilities brought by the implementation of their common project.
Project result	The immediate advantage of carrying out the project, telling us about the benefit of using the project main outputs. It should indicate the change the project is aiming for.
Project specific objective	A concrete statement describing what the project is trying to achieve. It refers to the project main outputs. It can be evaluated at the conclusion of a project to see whether it was achieved or not.
Reporting period	A reporting period is generally a six-month period on the project level, the deadlines for which will be set in Jems and at the end of which the Lead partner will have to submit a Project Report.
Simplified cost options	Contrary to real costs, simplified cost options modify the concept of expenditure paid by project partners. They involve approximations of costs and are calculated/defined by the Fund-specific regulations. The application of simplified cost options signifies a different approach as regards to tracing every euro of co-financed expenditure to individual supporting documents.
National contribution	The national contribution is the national public contribution representing a certain percentage of the eligible expenditure to be secured by the Member States in accordance with national regulations.
Subsidy contract	It is a grant agreement between the contracting authority (Managing Authority) and the Lead Partner.

State aid	<p>State aid means action by a (national, regional, or local) public authority, using public resources, to favor certain undertakings or the production of certain goods. A business that benefits from such aid thus enjoys an advantage over its competitors. Control of state aids thus reflects the need to maintain free and fair competition within the European Union.</p> <p>Aid that is granted selectively by Member States or through state resources and which may affect trade between Member States or distort competition is therefore prohibited (Article 107 of the Treaty on the Functioning of the European Union - TFEU). State aid may nonetheless be permitted if justified by objectives of general economic interest, if it falls within the General Block Exemption Regulation, if it falls within <i>de minimis</i> or if it has been notified to and approved by DG Competition.</p>
Total budget	The total budget of a project is established based on the costs planned by all project partners in the application.
Total eligible budget	Total eligible budget indicates the total budget of a project subject to programme co-financing. In the Application Form, it is calculated based on the total budget.

## ANNEXES

- **Annex 1** - Declarations on own responsibility regarding the state aid:
  - Annex 1.A - De minimis Declaration Template
  - Annex 1.B - GBER Declaration Template
- **Annex 2** - NCB Package - for Romanian partners (<https://interreg-rohu.eu/en/first-level-control/>)
- **Annex 3** - NCB Package - for Hungarian partners (<https://interreg-rohu.eu/en/first-level-control/>)
- **Annex 4** - Procedure regarding the assignment of supplies, services and works contracts financed within Interreg VI-A Romania- Hungary Programme - for RO partners
- **Annex 5** - Clauses for *de minimis*/State aid awarding contracts
- **Annex 6** - How to use JEMS?
- **Annex 7** - Indicative list of supporting documents for verification of expenditures
- **Annex 8** - Horizontal themes
- **Annex 9** - Common errors
- **Annex 10** - State aid
- **Annex 11** - Legal framework
- **Annex 12** - Practical Guide on fraud



GREENER



MORE SOCIAL



COOPERATION

[www.interreg-rohu.eu](http://www.interreg-rohu.eu)