

### **ANNEX 9 - COMMON ERRORS**

In order to avoid possible problems throughout the implementation process at the project and programme level, please keep in mind the following:

**Most common errors identified during the contracting process:**

- Arithmetical errors when filling-in the budget;
- Non-respect of thresholds set at the Programme level;
- Modification of contract annexes - not using the last approved version of documents;
- Bad planning of project implementation leading to numerous modifications;

**Most common errors identified during the implementation process:**

- Late submission of requests for modifications;
- Modification of other sections of the Application Form than the ones requested through the modification requests submitted;
- Non-respecting the calendar of activities;
- Delays in reporting expenditure;
- Misinterpretation of the programme's (new) requirements and modifications (instructions to beneficiaries),
- Non-respecting the recommendations provided by the programme's bodies (NCB/JS/MA);
- Non-compliance with the (public or private) **procurement rules**;
- Infringement of (public) procurement rules sometimes happens due to mere Misinterpretation of the (public) procurement legislation or to lack of knowledge applying/implementing of the correct procedures. In some cases, criminal investigations highlight intentional infringement of procurement rules that is meant to benefit a specific bidder due to corruption or a "culture of favoritism".

Such procurement errors could be imprecise tender documents, excessively short deadlines for submission of tenders, negotiated procedure without prior publication, mix-up of selection and award criteria, discriminatory or dissuasive criteria, lack of transparency regarding evaluation of offers, unlawful splitting of contract, conflict of interests, etc.

- Delays during the procurement process/contract execution from the beneficiary;

**Consequences of errors at the project level:**

- Non-eligibility of costs, or partly verification of costs by NCB (proposal for financial corrections regarding the procurement contract (s) etc.));
- delay in project implementation, problems in project financing;
- Negative impact on the reputation of the project partner.

**Consequences at the Programme level:**

- high administrative efforts, action plan: corrective, investigative, preventive

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measures, stop of payment of EU-funds by EC.

- high administrative burden during contracting/monitoring phasis for the programme's bodies,
- revision of the action plan: increased number of preventive/ investigative /corrective measures (e.g., increased number of on-the-spot visits, revision of risk based management verification etc.)
- slowing down the reimbursement of EU funds to the beneficiary and the request of funds to EC
- increased number of irregularities which can affect the financial flow /the absorption and the error rate;
- stopping or reducing the EU-funds received from EC, which may influence the absorption.
- Frequent modification of programme's documentation which may influence the good implementation of the programme (changing the rules during the game);
- delays in reporting and errors in budget will be filled in the project's errors section;
- Calculation budgetary errors, such as wrong reporting , wrong filling budget lines
  - budget overrun, - non-compliance with the value-for money principle, request of expenditures which were not planned in the application form and/or not relevant to the project (not respecting the approved budget) and infringement of eligibility rules.
- Late submission of Projects/partners Reports.
- Developing promotional materials without respecting the visual identity elements of the Programme.

**Most common reasons for late submission of the projects reports:**

- Difficulties within the partnership, lack of communication and/or coordination.
- Delay in receiving the information about the progress of project activities implemented by the respective partner, their summarizing by the lead partner and submission to the JS.
- Low administrative capacity or poor coordination/communication between project partners.
- Partnership size and quality - a project with many partners makes the creation of a consolidated Project Report difficult.

Who detects errors/ mistakes in practice - in order of frequency?

- NCB during verification of Partner reports;
- JS/MA during verification of Project reports;
- Audit/control of other institutions;
- PP/LP.