

# Interreg *M*editerranean



EUROPEAN UNION

**Rules and Procedures in the new Programme 14-20**

# OBJECTIVES

- Overview of main **rules and procedures** to be followed
- Main **novelties** compared to the 2007-2013 period
- Risky points
- Information to be completed by reading the relevant **Programme documents**

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# ERDF PARTNERS

## Eligible partners:

- A. National, regional and local public bodies (including EGTCs in the meaning of Article 2(16) of Regulation (EU) No 1303/2013)
  - national, regional and local public bodies
  - public equivalent bodies, i.e. bodies governed by public law as defined in Article 2(1) of Directive 2014/24/EU on public procurement
  
- B. Private institutions, including SME
  
- C. International organisations acting under the national law of any EU MED Member State or, with restrictions, under international law

# IPA PARTNERS

## Eligible partners:

- A. National, regional and local public bodies (including EGTCs in the meaning of Article 2(16) of Regulation (EU) No 1303/2013)
- national, regional and local public bodies
  - public equivalent bodies, i.e. bodies governed by public law as defined in Article 2(1) of Directive 2014/24/EU on public procurement

## Issues to be considered:

- IPA structures cannot act as Lead partners
- IPA structures under private law are not eligible to the Interreg MED Programme
- IPA structures shall be non-profit making

# ELIGIBILITY OF PARTNERS

	ERDF partners	IPA partners	Lead Partner
National, regional and local public bodies	X	X	X
Public equivalent bodies (bodies governed by public law as defined in Article 2(1) of Directive 2014/24/EU)	X	X	X
Private institutions	X		
International organisations	X		

 IPA partners and ERDF partners outside of the MED area cannot act as Lead Partners

# EU (ERDF) PARTNERS OUTSIDE THE MED AREA

Added value and expertise to the implementation

Benefit for the MED area

20% of the ERDF budget of the operation

**Confirmation of eligibility** before approval

**Agreement** between MED MA and the relevant EU country after approval



In case of failure, the concerned partner will be excluded from the project.



# PRIVATE PARTNERS



- Private partners can co-finance with their own funds
- Private structures can not act as Lead Partners
- Private bodies have to observe the basic principles on public procurement laws

Bodies whose main scope of activities within their business profile, as well as their project role, consists of project **coordination, management** or other activities that are of a mere executive or supporting character (service providers) **cannot be involved as project partners**.



Please refer to each ToR for further details on the expected private participation

# LEAD PARTNER REQUIREMENTS

- Public body or a body governed by public law (according to the definition of the Directive 2014/24/EU)
- Physically based in the MED EU area
- Signatory of a Subsidy Contract with MED MA, where its responsibilities are defined
- Acceptance of full responsibility:
  - Coordination and Implementation of the entire project
  - Communication among the partnership and with the Programme bodies, especially the MA and the JS

# SIZE OF THE PARTNERSHIP

As a minimum requirement, the partnership must involve:

- at least **4 financing partners**
- from at least **4 different countries** from the MED area
- with at least **3 of the partners located in the Union part** of the MED area = 3 ERDF partners within the MED area



Additional recommendations on the **most suitable partnership size** according to each type of project are included in the Programme Manual (section 2.1) and in each ToR.

# ASSOCIATED PARTNERS

**Shall not receive any ERDF or IPA funds**

**No budget**



- Only possible expenditures: Travel and accommodation expenditures to be **borne and claimed by a financing partner**
- Cannot act as service provider
- Coming from EU, IPA and third countries
- Associated partner declaration to be signed

# LOCATION OF THE ACTIVITIES

Project activities should take place in the MED area.

Activities outside of MED area MAY be accepted IF they are :

- for the benefit of the Programme area;
- essential for the implementation of the project;
- explicitly foreseen in the Application Form or, **previously authorized** by the MA/JS.

Every single partner has to declare if it carries out an economic activity in the project

YES

**undertaking** offering goods and services on the market regardless of its legal status (public or private) and whether its aim is to make profit or not

CHOOSE



**Art.20 GBER**  
\* **only SMEs**

*De minimis*

# STATE AID

The decision on which instrument to apply is to be made by the applicants themselves considering carefully the implications



Art.20 of GBER aims a simplification of administrative burden for SMEs within Interreg projects

	<b>General Block Exemption Regulation (GBER) – Art. 20</b>	<b><i>De minimis</i> rule</b>
<b>Maximum public contribution (ERDF grant)</b>	Up to EUR 2 million per SME and per project	Up to EUR 200 000 over a period of 3 fiscal years
<b>Co-financing rate</b>	Up to 50%	Up to 85%
<b>Undertakings concerned</b>	Only SMEs	Undertakings in all sectors
<b>Application phase</b>	Partner Declaration	Partner declaration + <i>de minimis</i> declaration

# SME DEFINITION

“SME” stands defined in EU law (*Commission Recommendation 2003/361/EC of 6 May 2003*)

S.M.E	Employees	Turnover	Balance
Medium	<250	≤ 50 M€	≤ 43 M€
Small	<50	≤ 10 M€	≤ 10 M€
Micro	<10	≤ 2 M€	≤ 2 M€

These ceilings apply to the figures for **individual firms** only. A firm which is part of **larger grouping** may need to include employee/turnover/balance sheet data from that grouping too.



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# BUDGET & CO-FINANCING RATE

MED budget : 224M€ of ERDF; 9M€ of IPA

- 85% co-financing rate for ERDF/IPA partners
- 50% co-financing rate for SMEs concerned by GBER

1<sup>st</sup> call for proposals – modular + horizontal projects – indicative

AXIS - SO	ERDF	IPA
1	27 900 000 €	1 125 000 €
2.1	9 600 000 €	385 000 €
2.2	9 600 000 €	385 000 €
2.3	9 600 000 €	385 000 €
3.1	14 900 000 €	600 000 €
3.2	12 650 000 €	510 000 €
<b>TOTAL</b>	<b>84 250 000 €</b>	<b>3 390 000 €</b>

# HIERARCHY OF RULES ON ELIGIBILITY

EU rules

Programme rules

**COMPULSORY**

National eligibility rules

# MAIN NOVELTIES ON ELIGIBILITY OF EXPENDITURE

- **Simplified costs options:**
  - Overheads = flat rate
  - Preparation costs = lump sum
- **Commission Delegated Regulation (EU) No 481/2014**
  - 5 Budget Lines
    - Staff costs
    - Office and administrative expenditure
    - Travel and accommodation costs
    - External expertise and services costs
    - Equipment expenditure
  - Exhaustive list of eligible expenditures for each Budget Line
  - Sub-Budget Lines not to be created
  - New general principles for the justification of Staff costs
- **Eligibility of expenditure starts on the date of the project approval**



# ELIGIBILITY REQUIREMENTS

- According to the latest approved **Application Form**
- Not funded by other EU funds
- **Essential** for the project implementation
- Based on **real costs** (except for cost using flat rates/lump sums)
- Complying with the **principle of sound financial management**
- Borne directly by the beneficiary and supported by accounting documents
- **Incurred, engaged and paid out within the eligible period**
- Complying with eligibility rules at European, Programme and national level; including relevant public procurement **rules**
- Validated by an authorised **First Level Controller**



A list of non-eligible expenditures can be found on the Programme Manual (2.4.3)

# PRINCIPLES OF SOUND FINANCIAL MANAGEMENT

The principle of sound financial management builds on the following three principles:

- The principle of economy requires that the resources used by the beneficiary in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price;
- The principle of efficiency concerns the best relationship between resources employed and results achieved;
- The principle of effectiveness concerns the attainment of the specific objectives set and the achievement of the intended results.

# PREPARATION COSTS – LUMP SUM



- Lump sum **30.000€** (i.e 25.500€ ERDF) to cover preparation cost
- Not automatic: breakdown per partners to be included in the application form

Only ERDF partners are entitled to budget and claim preparation costs.

- Co-financing rate to be applied per partner
- No possibility for projects to opt for real costs
- No need to report on activities and/or to produce further documentation; the output is the signed Subsidy Contract

# BUDGET LINE 1. STAFF COSTS

- Costs of staff employed by the beneficiary for implementing the project; already employed by the beneficiary or contracted specifically for the project
- It includes **salary payments + any other costs directly linked to salary payments supported by the beneficiary**
- Calculated **based on real costs** using compulsorily one of the **methods established by the Programme**
- For part-time, 2 calculation methods:
  - **fixed percentage** of the gross employment cost: No time-sheet
  - **flexible number of hours worked**: time-sheet needed (standard: 1720 hours/year)
- The amount allocated should be justified, even if there is no limit to be respected established by the Programme





# BUDGET LINE 2. OFFICE AND ADMINISTRATIVE EXPENDITURE

NEW!

- Line automatically generated/calculated by SYNERGIE CTE
- Represents **15 % of eligible staff costs**
- It covers all the operating and administrative expenses of the structure (e.g. rent, utilities, maintenance, equipment for general office use, phone, bank charges, etc...)
- No need to provide supporting documents
- No calculation method required



Direct costs falling under this budget line are **not eligible**

# BUDGET LINE 3. TRAVEL AND ACCOMMODATION COSTS

- Expenditure on travel and accommodation of the **staff of the beneficiary** for missions (e.g. participation in project meetings, project site visits, meetings with the programme bodies, seminars, conferences, etc.).
- Participation in events organised by the MED Programme, National Authorities, Horizontal Projects, other projects working on the same subjects, etc.
- In the case of travels outside of the MED area:
  - indicated in the approved Application Form
  - authorised by the MA/JS **prior to the travel**

# BUDGET LINE 4. EXTERNAL EXPERTISE AND SERVICES COSTS



- Costs of external expertise and services provided by a **body outside of the beneficiary organisation** (e.g. studies and surveys, translation, promotion and communication, services related to meetings and events, audits, travel of experts).
  - Sub-contracted
  - In-house companies
- Full respect of EU, Programme and national (including stricter institutional) **public procurement rules** and compliance with the principles of transparency, non-discrimination and equal treatment.
- **Should not exceed 50% of the total eligible budget**, as beneficiaries of a project should be the actual implementers of the project.

# BUDGET LINE 5. EQUIPMENT EXPENDITURE

- Equipment purchased, rented or leased by a beneficiary which are essential for the implementation of the project.
- Full respect of EU, Programme and national (including stricter institutional) **public procurement rules** and compliance with the principles of transparency, non-discrimination and equal treatment.
- Need to be specified in the application form (C.8)



**Equipment for general office use** not used exclusively for the project covered by the budget line OFFICE AND ADMINISTRATIVE EXPENDITURE = cost not eligible under equipment budget line

# BUDGET REQUIREMENTS

Some budget thresholds must be respected:

- the most important partner: 30% of the total eligible budget (ERDF + IPA + national co-financing)
- the most important country: 40% of the total eligible budget (ERDF + IPA + national co-financing)

SYNERGIE CTE will block the submission of proposals not observing those limits.

The ERDF spent **outside** the Programme area **cannot exceed 20 %** of the total **ERDF** contribution to this project

**No budget modification** will be allowed during the **first year** of project implementation.

**VAT recoverable** by any means: not eligible = cost not to be included in the budget

**VAT non recoverable**: eligible = cost to be included in the budget



# PUBLIC PROCUREMENT

Levels of rules to be applied:

- EU rules
- National rules
- Interreg MED Programme rules



For contracting amounts above **EUR 5.000,00** (excl. VAT) → kindly ask for **at least three offers** from three different providers

- » Stricter national and internal rules must be applied
- » All partners, public and private

# IPA PARTNERS SPECIFICITIES

- IPA structures cannot act as Lead Partners
- IPA structures under private law are not eligible
- IPA structures shall be non-profit making
- No preparation costs
- **Advance payment for IPA partners; 10% of the IPA budget approved to be requested after the start-up of the project**

No advance and no payment claims can be submitted before the signature of the **Financing Agreements** between the EC, the MED MA and the Government of each IPA country.

The start of the eligibility period will be the same as for the ERDF partners.

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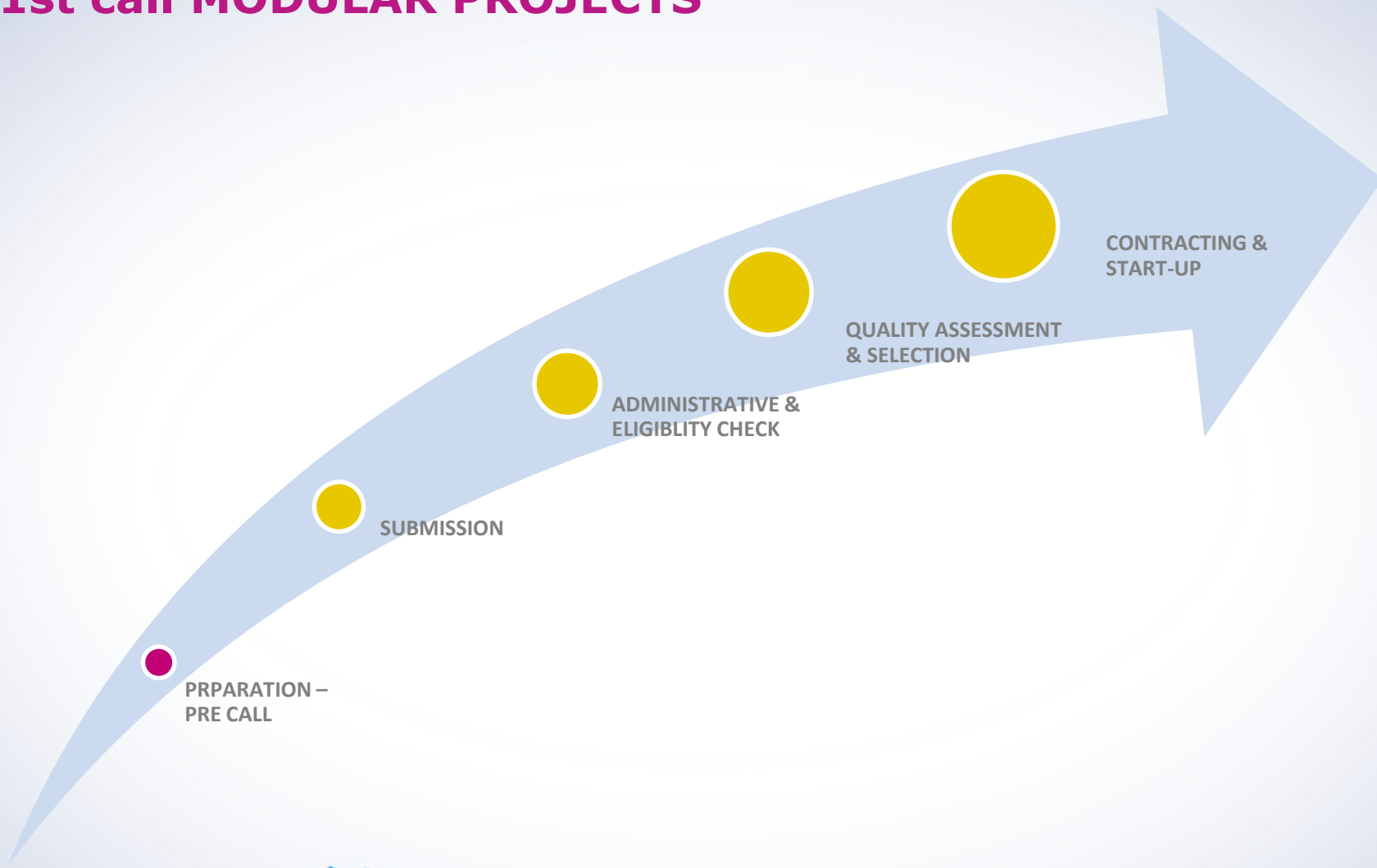
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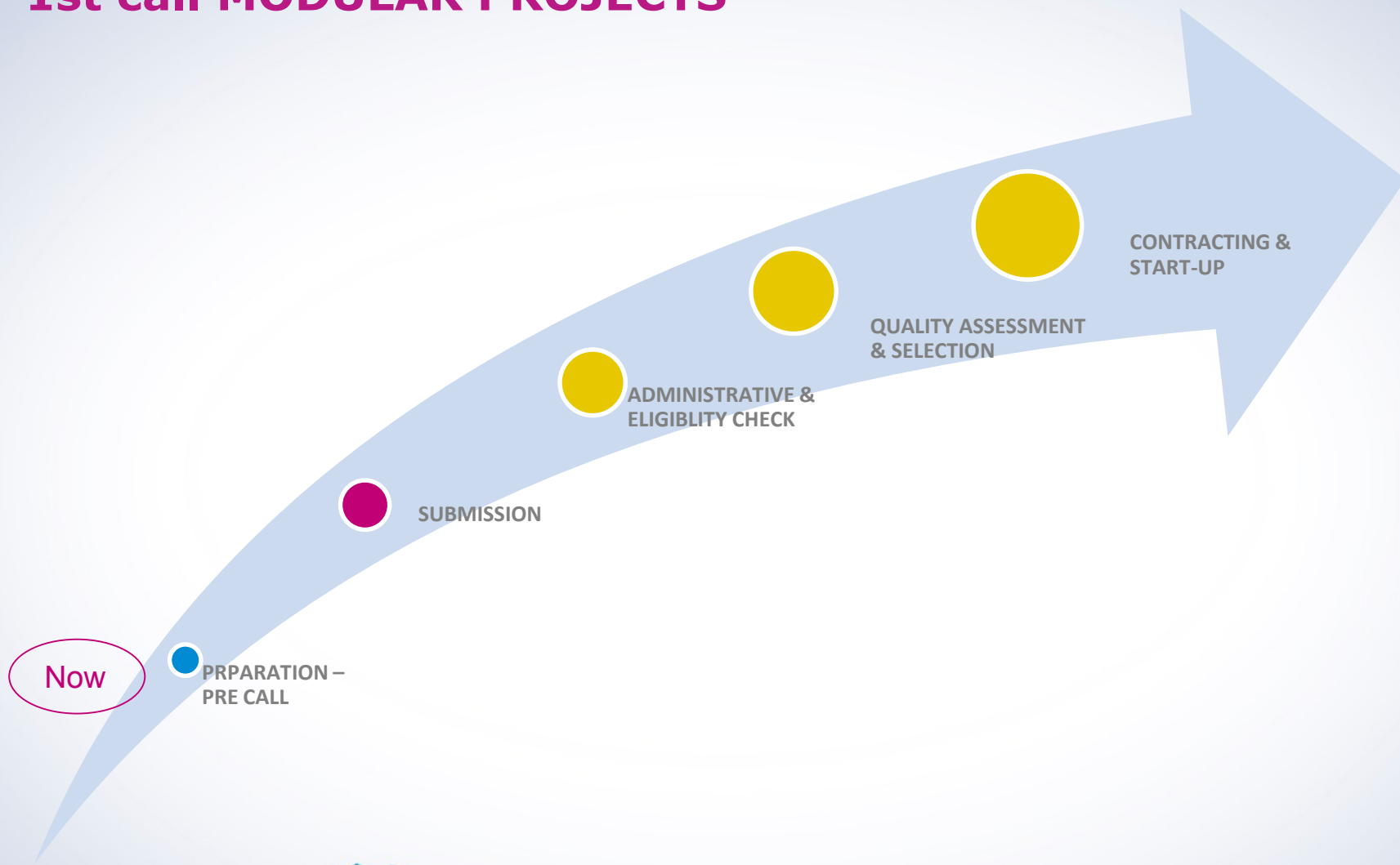
# FROM SUBMISSION TO CONTRACTING

## 1st call MODULAR PROJECTS



# FROM SUBMISSION TO CONTRACTING

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# MAIN NOVELTIES



- **100% paperless** application process through SYNERGIE CTE
- The proposal itself consists of two main parts:
  - an **application form** and
  - several **compulsory annexes** signed and stamped
    - Application Form confirmation page
    - Partner declaration
    - *De minimis* declaration (if relevant)
    - Associated partner declaration (if relevant)
- **2 deadlines** established for the submission of each part.

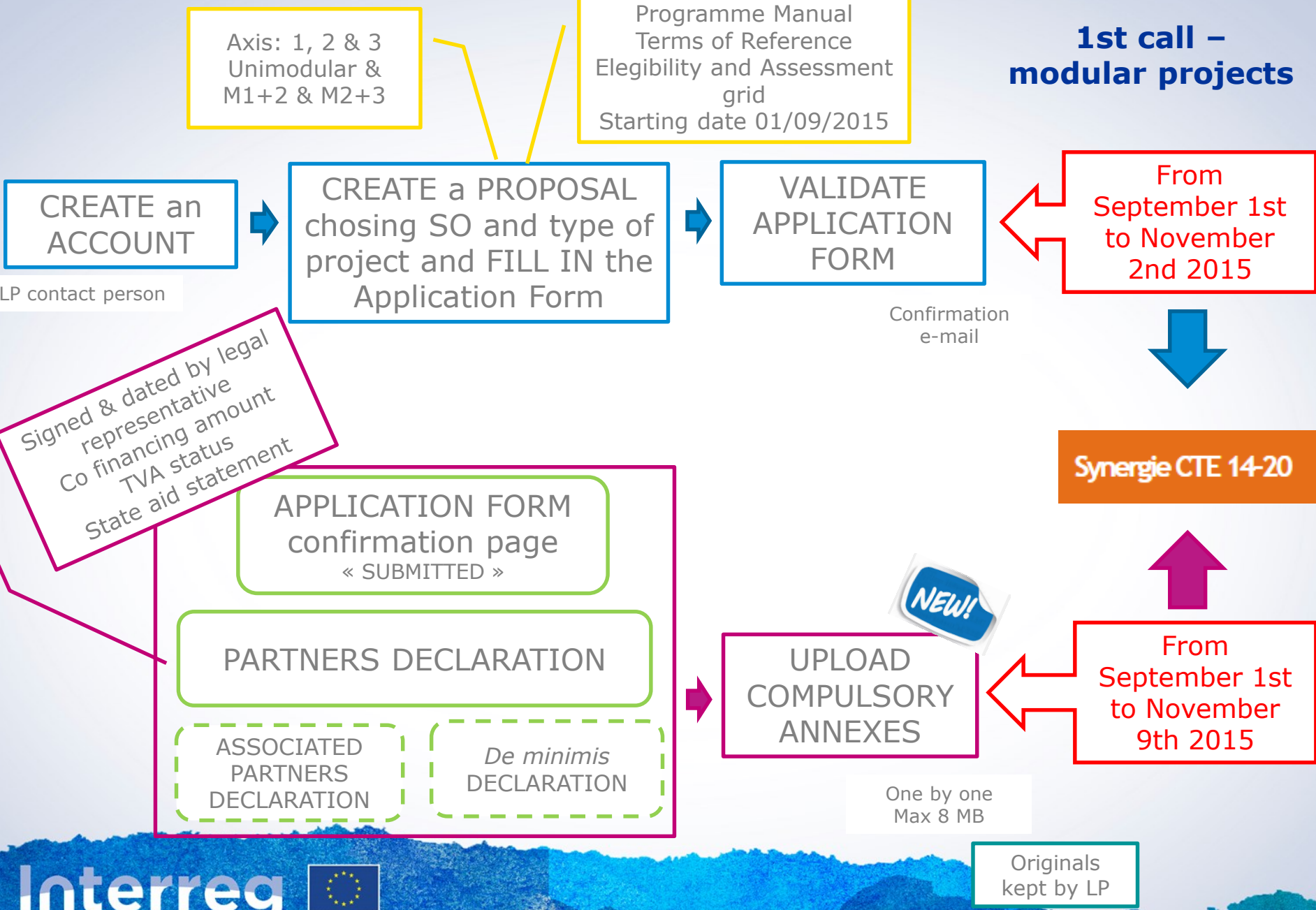
- On line monitoring tool of the Interreg MED Programme 2014-2020

<https://synergie-cte.asp-public.fr>



- Based on PRESAGE CTE (used during 2007-2013)
- Application form to be opened on **September 1<sup>st</sup>, 2015**

# 1st call – modular projects



# HOW TO APPLY (I)

## 1/ CREATE A LEAD PARTNER ACCOUNT ON SYNERGIE CTE

## 2/ FILL IN THE APPLICATION FORM ON SYNERGIE CTE

- Create a proposal by choosing:
  - the specific objective
  - the type of project to be submitted
- Guidance on how to fill in the form and what is expected in each question will be provided.
- The application form has to be drafted in one of the two programme languages (English or French). Section summary is requested in the two programme languages.
- Indicative starting date: 1st September 2016.

# HOW TO APPLY (II)

## 3/ REQUEST THE ADDITIONAL DOCUMENTS TO PARTNERS; SIGNED AND STAMPED – COMPULSORY ANNEXES

- Partner declaration dated, signed and stamped = all partners
- “de minimis” declaration dated, signed and stamped = partners  
State Aid relevant
- Associated partner declaration dated, signed and stamped =  
associated partners

No other type of document and no modification to the standard documents provided by the Programme will be accepted.

# HOW TO APPLY (III)

## 4/ VALIDATE THE CONTENT OF THE APPLICATION FORM ON SYNERGIE CTE (1<sup>ST</sup> DEADLINE)

- Once the application form is entirely filled in, the Lead Partner must validate it by pressing the VALIDATION button.
- A single confirmation e-mail is automatically sent when the validation has been performed correctly.



# HOW TO APPLY (IV)

## 5/ UPLOAD COMPULSORY ANNEXES THROUGH SYNERGIE CTE (2<sup>ND</sup> DEADLINE)

- The upload of the compulsory annexes can be done during the fill in of the application form.
- Each document shall be scanned and uploaded by the LP individually.
- Any document shall not exceed the size of 8 MB.

## 6/ GATHER AND KEEP THE PAPER VERSION OF THE SIGNED DOCUMENT

# TWO DEADLINES TO BE RESPECTED – 1st call MODULAR PROJECTS

- Validation of the application form by **November 2<sup>nd</sup>**, 2015 at **noon** – 12.00 (GMT + 1)
- Upload of compulsory annexes completed by **November 9<sup>th</sup>**, 2015 at **noon** – 12.00 (GMT + 1).

**Do not leave things to the last minute!!**



Last day for the submission is usually very busy for the system and it could slow down.

Any problem in submitting the proposal or uploading the documents not caused directly by SYNERGIE CTE will not be considered.

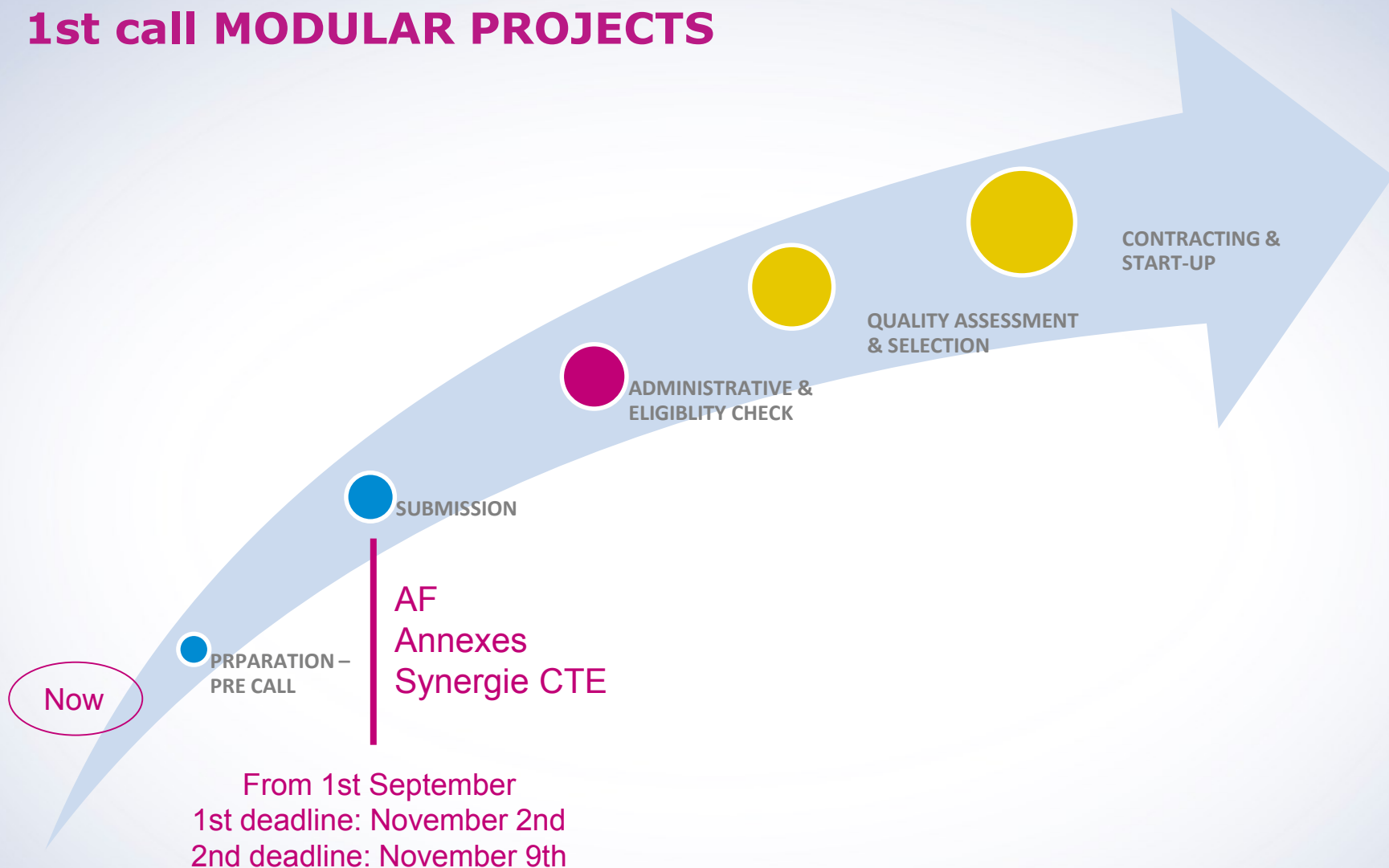
# HORIZONTAL PROJECTS CALL SPECIFICITIES

- **Two-step call** = Pre-application + full application
- Evaluation of the pre-application to be used for the full-application
- The LP of both applications must be the same
- Specific application seminar after the summer



# FROM SUBMISSION TO CONTRACTING

## 1st call MODULAR PROJECTS



# ADMINISTRATIVE AND ELIGIBILITY CHECK

List of administrative and eligibility criteria included in the Programme Manual (section 3.3.1)



Proposals failing in any of the criterion will be regarded as non-eligible and eliminated.

## MAIN ELIGIBILITY PROBLEMS IN THE PAST

- Application form not validated correctly on Synergie CTE (A.1)
- Compulsory annexes are missing; not duly filled in; signed or stamped (A.4, A.5)
- Summary only filled in in one language (A.7)
- LP located outside of the MED EU area (B.3)
- Wrong amount of the national co-financing included in the partner declarations (B.5)



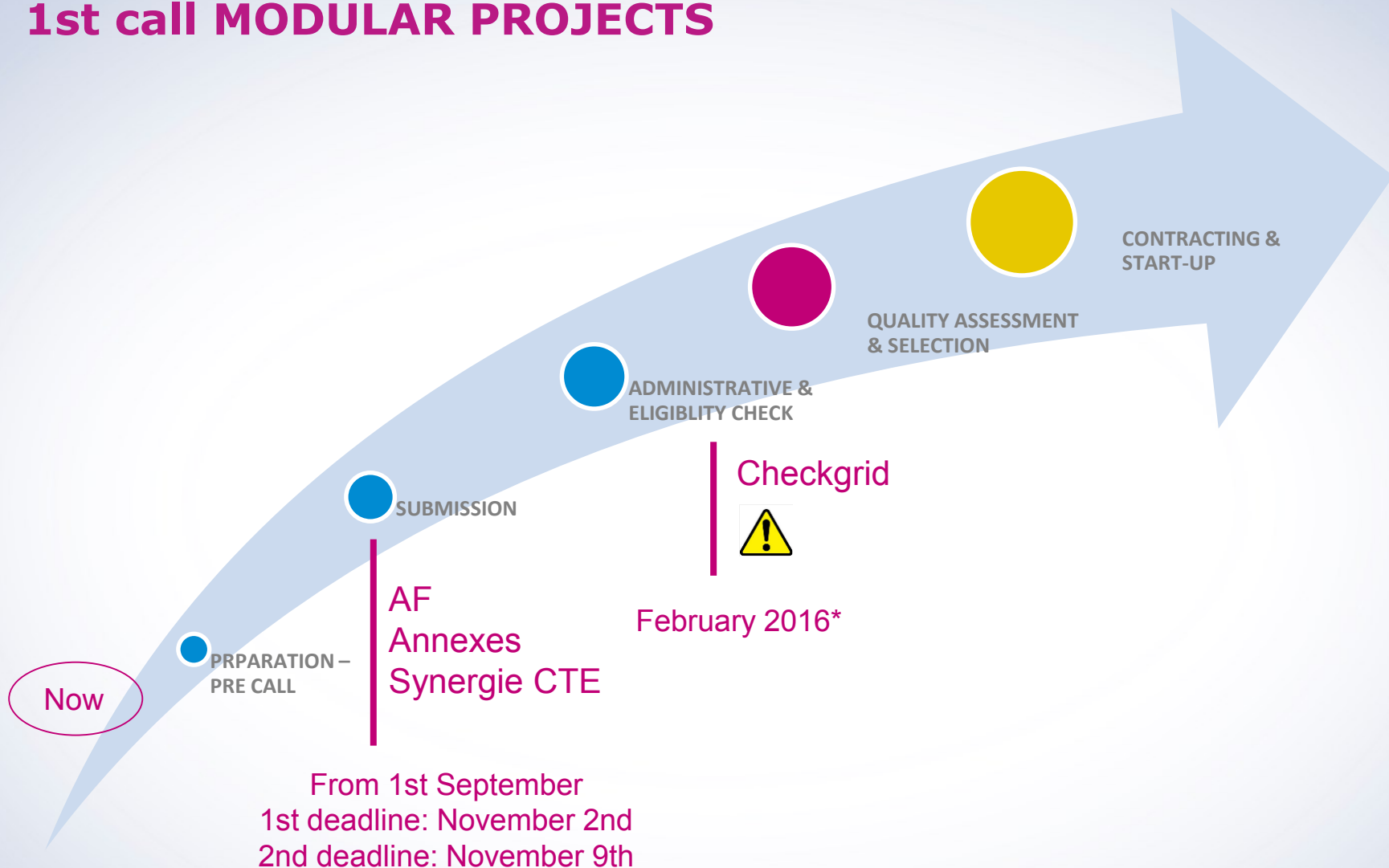
# GOOD THINGS TO DO



- Read carefully the **Programme Manual** – section 3 – and the **ToR**
- Use the « **list of administrative and eligibility criteria** » to check your proposal
- Keep the confirmation e-mail sent by Synergie CTE
- Compare the amounts of the application form validated with the ones of the partners declarations
- Double check all documents uploaded and their content
- In case of doubt, please contact the **Joint Secretariat** ([programme\\_med@regionpaca.fr](mailto:programme_med@regionpaca.fr))

# FROM SUBMISSION TO CONTRACTING

## 1st call MODULAR PROJECTS



\* Indicative date

# QUALITY ASSESSMENT – TWO PHASES



## first assessment phase

The objective is to ensure the respect of the Interreg principles :

- context
- transnationality
- logical framework
- partnership

Carried out on identified sections of the application form.

## second assessment phase

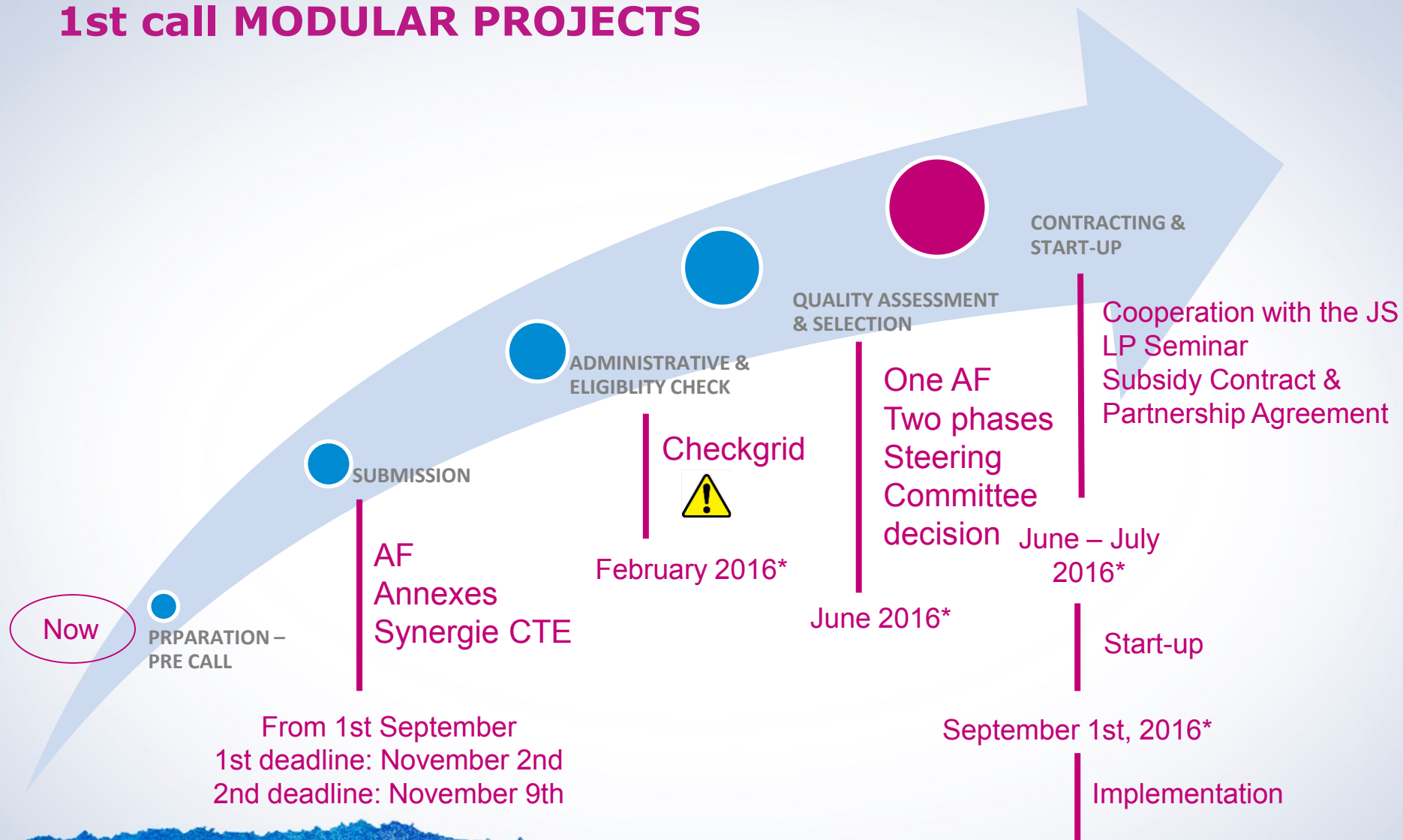
Carried out on the complete application form on proposals having obtained the minimum score in the first phase.

The final score will be composed of the addition of scores of first and second assessment phases.



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# SHOULD YOU NEED ANY ASSISTANCE...

- Read the relevant documents: CP, Programme Manual and ToR
- Visit the Interreg MED Programme website: [www.interreg-med.eu](http://www.interreg-med.eu)
  - Presentations of the kick off
  - FAQ section – **under construction**
- Participate to National events – **soon on our website**
- Contact the Joint Secretariat : [programme\\_med@regionpaca.fr](mailto:programme_med@regionpaca.fr)
- Contact your National Contact Point

# Thank you for your attention!

[programme\\_med@regionpaca.fr](mailto:programme_med@regionpaca.fr)

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



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