

# **Project Implementation Manual**

This Project Manual, is the main reference document for the development of a project proposal and implementation of a project.

The Project manual provides guidance throughout the whole project life and covers:

- the preparation stage of the project proposal
- and the implementation stage of the projects selected for funding.

A future version of the Programme Manual will provide instructions on the project closure.

## **Content of this manual**

1. Programme principles (related to project implementation)
2. Project Implementation Manual
3. First Level control
4. Second level control
5. Payments / cash flows
6. Project modifications
7. De-commitment of funds on project level
8. Complaints procedure

# **1. Programme principles**

## ***1.1 Horizontal Principles***

Project proposals should consider the horizontal principles of:

- sustainable development,
- equal opportunities and non-discrimination,
- and equality between men and women in their activities, outputs and results.

## ***1.2. Programme Specific Principles***

Durability of Results

Joint character of projects

Ownership

## **2. Project Implementation Manual**

### **a. Application Guidelines**

- How to fill in the AF
- Period of eligibility of expenditure: for Greek beneficiaries 1/1/2014 until 31/12/2023 and for the IPA beneficiaries 12/11/2014 until 31/12/2023.
- Project Budget Categories:
  - A. Staff;
  - B. Office and administration;
  - C. Travel and accommodation;
  - D. External expertise and services;
  - E. Equipment;
  - F. Infrastructure and Works.

## **2. Project Implementation Manual**

### A. Staff;

Staff costs will be calculated as

**20 % flat rate of direct costs**

**Or**

**on a real cost basis**

Staff costs for each Beneficiary cannot exceed 50% of the total Beneficiary's Budget, regardless of the calculation option selected.

## **2. Project Implementation Manual**

B. Office and administration;

The following options for calculating O&A are available in this **Programme**:

Real costs,

or

Flat rate of 15% **of staff costs** (which have been calculated with flat rate method).

The office and administration expenditure costs for each Beneficiary cannot exceed 4% of the total Beneficiary's Budget, regardless of the calculation option selected.

## **2. Project Implementation Manual**

### **Special Categories of costs and budget limits**

#### **Preparation Costs:**

- Costs within the Budget categories “*staff costs, travel and accommodation costs and external expertise and services*”,
- they do not exceed the amount of 15.000,00€.
- Office and administration expenditure are not eligible under preparation costs.

#### **Management Costs**

The management costs of each PB should not exceed 10% of the total beneficiary's budget. The following WP1 costs are not calculated in the 10% limit: "Preparation Activities" and/or any potential costs for external controllers - auditors



## **2. Project Implementation Manual**

### Communication Strategy of a project

The programme's minimum requirements for communication activities are described in details in the Information and Publicity Guide.

- Project website
- Social media and other digital communication tools
- Promotional material
- Media relations

## **2. Project Implementation Manual**

- Contracting of a Project Proposal
- Reporting procedures
- How to fill in the Progress Report

### **3. First Level control (1/2)**

According to Art.125 of Reg.No 1303/2013 and Art.23 of Reg.No 1299/2013, all expenditure have to be verified and confirmed by an independent controller, compliant with the first level control system set up by each participating country.

In Greece, there is a centralized system of expenditure verification. The designated authority, which will carry out the first level control task is the Special Service Managing the “European Territorial Cooperation” Objective Operational Programmes – Unit C of the Hellenic Ministry of Economy, Development and Tourism.

### **3. First Level control (2/2)**

In the former Yugoslav Republic of Macedonia, a decentralized system has been established and coordinated by the National Authority of IPA Country.

Detailed description will be provided in the Programme Manual and the Management and Control System

## **4. Second Level control**

Certain projects will be audited at a second level. The sampling methodology and relevant procedures are the discretion of the Audit Authority. If the Audit Authority decides to audit a project, the respective beneficiaries are expected to cooperate accordingly.

Detailed description will be provided in the Programme Manual and the Management and Control System

## **5. Payments / cash flows (1/2)**

The Certifying Authority will transfer the European Union's contribution to an interest-free bank account indicated by the Lead Beneficiary in the application form. Payments from the Certifying Authority to the Lead Beneficiary will be made in Euro (€).

The Lead Beneficiary shall further transfer the respective European Union's contribution to the PBs with no delays and maximum within one month of first receipt. The amounts will be paid according to the flow of funds from the European Commission.

## **5. Payments / cash flows (2/2)** ***National Contribution***

For Greek Beneficiaries the national contribution (15%) will be granted through the Public Investments Programme.

For IPA Beneficiaries, the national contribution (15%) shall be ensured through the National Budget of the IPA Beneficiary Country and administered by the National Authority. Partners will conclude a Contract with the Ministry of Local Self Government on the 100% of the national budget of the project.

## **6. Project modifications (1/6)**

As general rules:

-Project budget modifications can only be considered if they do not increase the approved EU contribution of the project, as stipulated in the subsidy contract.

- the discounts of the contracts are not subject to modifications and any respective savings shall be returned to the Programme. Only in exceptional cases and in case of force majeure, these discounts can be re-used and/or re-allocated in the project through a modification approved by the Joint Steering Committee.



## **6. Project modifications (2/6)**

The scope and types of modification along with the Management Bodies involved are as follows:

1. Revisions under the beneficiaries' own initiative, with a notification to the MA/JS.
2. Revisions with the consent of the JS
3. Modifications approved by the Managing Authority
4. Modifications approved by the JSC

## 6. Project modifications (3/6)

### 1. Revisions under the beneficiaries' own initiative, with a notification to the MA/JS.

All PBs can adopt budget adjustments of up to 10% of the approved allocation of each PB:

adjustments between the partner's own deliverables

adjustments between budget lines/work packages

After the consent of the adjustment by the Project Management Team, an official notice must be submitted by the Lead Beneficiary to the JS electronically, stating and justifying the proposed adjustments. The LB should notify the JS **prior** to the request for verification of expenditures. These changes should be reflected also in the next progress report. The JS / MA reserves the right not to accept the above

The Cooperation Programme is co-funded by the European Union and National Funds of the participating countries  
adjustments, if they involve modification of the physical object

## **6. Project modifications (4/6)**

### **2. Revisions with the consent of the JS**

The JS may approve specific requests, which are not considered as project changes:

Administrative information in the AF, including changes of contact details, addresses and other minor items.

Changes of bank accounts

Adjustment of start and end dates of activities and deliverables, without affecting the end date of the project ***and its overall duration***.

Adjustment of the Specification/justification of budget cost that does not affect the scope of the project or any information in the Application form.

A request shall be submitted to the JS, with a relevant justification, in electronic and printed format.

The above adjustments do not require a revision of the subsidy contract or a revision of the approved Application Form.

## 6. Project modifications (5/6)

### 3. Modifications approved by the Managing Authority

- Reallocation **between the project's budget lines** and/or among WP for amounts up to 20% of the total budget of each beneficiary. The percentage of the requested reallocation amounts will be calculated on the initial approved AF, which is annex to the Subsidy Contract.
- Extension of the end date of the project
- Redistribution of resources between beneficiaries in the same partner country, which may result in a change equal to or less than 10% of each partner's budget (EU + national contribution).

## **6. Project modifications (6/6)**

### 4. Modifications approved by the JSC

- Reallocation between the project's budget lines or actions for amounts greater than 20% of the total budget.
- Redistribution of resources between beneficiaries in the same country, which may result in a change of more than 10% of each partner's share in the project budget
- Changes in the nature of the project and in particular the objectives and expected results.
- Changes in the membership of the partnership.
- Amendments to the budget decided by the JMC on the basis of sound financial management of the Programme.

## **6. Project modifications (6/6)**

### 4. Modifications approved by the JSC

- Redistribution of resources between beneficiaries from different Partner Countries.
- Addition of new activities or extension of existing activities leading to the increase of the project budget

**It may be deemed appropriate to increase the scope of a successful project, because the increased added value of the revised project is foreseen to have a significant positive effect in the entire Cooperation Programme (contribution to the achievement of Programme's targets and exploitation of its results).**

## **7. De-commitment of funds on project level**

### **(1/2)**

In case of de-commitment of EU funds on a Programme level, the MA/JS will distribute this reduction upon projects.

The first year with risk for de-commitment on Programme level is 2017. From this year the beneficiary should submit each year (in the beginning of the third trimester via Lead Beneficiary to the JS a detailed payments and verifications work plan, agreed with the respective project officer. A serious deviation from this plan and in case of de-commitment on Programme level shall result in reduction of funds on project level, respecting proportionality.

## **7. De-commitment of funds on project level**

**(2/2)**

In case of irregularities

When an irregularity is detected, the MA/JS will always first try to recover the amount from the Lead Beneficiary.

If not succeed the MA will notify the Country of the partner concerned by the irregularity and request the reimbursement of the concerned EU contribution amount by the country within 1 month.



## **8. Complaints procedure (1/2)**

Partner countries shall set up a Joint Complaint Committee, with separate and independent members from the JMC, for the review of any complaint regarding the selection of operations under a given call for proposals.

The Joint Complaint Committee will be composed by two members: One member from the Managing Authority and one member from the National Authority of the IPA beneficiary country.

Both members will sign declaration of their impartiality confidentiality and declaration regarding no conflict of interest.

## **8. Complaints procedure (2/2)**

The members will be notified to the JMC before the selection of operations of each call

**The JCC will not have any authority to perform quality assessment or re evaluations.**

Complaints must be submitted in writing (post only) to the JS within 10 days after the official notification of the non-selection of the project by the MA.

The JCC will examine and answer the relevant complaints. If deemed necessary may decide to refer back a complaint to the JMC and present an opinion within a deadline of 15 days after receiving the complaint.

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