

Interreg
Mediterranean



PROGRAMME MANUAL

REPORTING OF INELIGIBLE EXPENDITURE ALREADY DECLARED TO THE EC

Programme cofinancé par le Fonds Européen
de Développement Régional (FEDER)

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This factsheet aims to give guidance on how to report an ineligible expenditure which has been detected after being certified and included in a FLC certificate, verified by the Managing Authority, paid to the beneficiary and declared to the EC by the Certifying Authority¹. The procedure described below will enable the Joint Secretariat (JS) to take the appropriate actions concerning the unduly paid funds.

Several situations may lead to the identification of irregular² expenditure (non exhaustive list):

- ❖ A FLC checking a reporting period that finds out a mistake on previous reported expenditure;
- ❖ National Authorities based on quality controls checks performed over reported expenditure;
- ❖ Any partner that finds on a mistake on claimed expenditure already reimbursed.

ATTENTION: Kindly be reminded that this type of corrections cannot be entered in Synergie CTE by FLC or National Authorities and that, in consequence, the following procedure should be followed with the aim that the JS can include them in Synergie CTE, and the Certifying Authority declare them to the Commission as soon as possible as provided for in article 143 of the Regulation (EU) No 1303/2013.

As soon as an expenditure which has already been certified in a previous reporting period and paid by the Certifying Authority has been detected as ineligible, this ineligible amount has to be officially reported to the JS by filling in the **Ineligible Expenditure Report** template available on the Programme's website.

This document³ is have to be sent to the JS **immediately after** the irregularity is detected to the following email address: programme_med@maregionsud.fr in a high priority email message, with the following email subject line: Ineligible Expenditure Report /*****acronym of the project*****/*****name of the concerned partner*****.

The JS will then examine the information provided and a financial correction will be included in Synergie CTE and forwarded to the Certifying Authority.

Depending on whether the irregular expenditure has already been paid and whether further expenses are expected to be paid to the concerned partner, the MA/JS will decide to recover the amount through a compensation process with future payments or through a recovery procedure, if the project is already closed or if the amount to be reimbursed is lower than the irregular amount.

According to article 143 of Regulation (EU) 1303/2013, the part of the operation budget cancelled based of financial corrections according individual or systemic irregularities may not be reused for the operation that was the subject of the correction or, where a financial correction is made for a systemic irregularity, for any operation affected by the systemic irregularity.

¹ In case of doubt, kindly contact the JS to check in which situation is the expenditure.

² According to article 2, point 36, of Regulation (EU) 1303/2013: 'irregularity' means any breach of Union law, or of national law relating to its application, resulting from an act or omission by an economic operator involved in the implementation of the ESI Funds, which has, or would have, the effect of prejudicing the budget of the Union by charging an unjustified item of expenditure to the budget of the Union.

³ A report is to be filled in for a project and a partner. If several projects and partners are concerned by the irregularity several reports will be provides accordingly.