Notice to the reader

This *Manual for the beneficiaries and First Level Controllers*, is intended to accompany **candidates, project partners and authorities in charge of audits and first-level control** during the application, follow-up and closure phases of their project within the framework of the Interreg MED Cooperation Programme.

The team of the Joint Secretariat encourages project applicants to carefully read this document in order to better understand the terms and conditions of access to funding (IPA / ERDF) and to propose a project that meets the Committee's expectations.

The parts regarding the controls, project implementation and the eligibility of expenditure are designed to better accompany Project Partners and Lead Partners in the correct implementation of their activities and to oversee the Procedures for the declaration of expenditure as well as for the project administrative, qualitative and financial management.

It is strongly recommended that the **First Level Controllers have a good command** of the concepts presented in this document as well as of the rules governing the subvention detailed in the Subsidy Contract and the Partnership Agreement of each project.

Any change in the present Manual will be notified on the Programme's website.

Prior to any period of certification, the Programme invites beneficiaries and their First Level Controllers to visit the following page: http://interreg-med.eu/en/manual-programme/ to enquire about some potential updates of the Programme Manual.

This Manual targeted to beneficiaries and Controllers has been approved by the Programme Monitoring Committee on 26/10/2016, the date from which the rules contained therein shall apply.

On 16th January 2018, the Interreg MED Monitoring Committee updated the Factsheets of the Programme Manual “Partners co-financing and location of project activities” and “Eligibility of expenditure” in order to make them clearer and to better support partners, FLC and future applicants.

Here are the key changes:

Regarding the factsheet “Eligibility of expenditure”, some minor modifications have been included in order to make it more user friendly and to avoid possible misunderstanding (inclusion of reference to other factsheets or programme documents, rewording or clarifications, based on frequently asked questions of partners, change of the layout examples and audit trail list (staff).

Additionally, some eligibility rules have been updated and clarified:

- A reminder regarding the closing date for costs relating to the Programme's operations has been included. This information is already foreseen in article 4.8 of the Subsidy Contract.
- In the case of the eligibility of overtime, a reference has been included to national eligibility rules. It means that from now on, for overtime costs not certified, their eligibility will depend on national eligibility rules.
- For the calculation of the staff cost using Method C (Part-time assignment with a flexible number of hours worked on the project per month), it would be possible to extrapolate the employment costs of at least 3 consecutive months to a 12 month period for the establishment of the “latest documented annual gross employment costs”. This possibility has been provided for personnel who have worked less than twelve consecutive months prior to the certification of staff costs (e.g. for staff employed by the beneficiary as from less than 12 months, or in sick or maternity leave at some point during the last 12 months).

Those new rules would be applicable to expenditure certified from the date of approval (16/01/2018).

Regarding the factsheet “Partners co-financing and location of project activities”, more detail about the definition of the “Programme space” as well as on how to make the difference between costs inside/outside the programme area have been included.

In this sense, kindly remember that for more information on the reporting of the expenditure through Synergie CTE, please refer to the Synergie guide “How to enter an expenditure in Synergie CTE”.