



## INTERREG V A Italy – Croatia CBC Programme

---

# Description of Management and Control System

Version N. 1.0 of 14<sup>th</sup> November 2017





**INTERREG V A Italy-Croatia 2014-2020 Programme**  
**Description of Management and Control System – Managing Authority and Certifying Authority**  
*Art. 72 of Regulation (EU) No. 1303/2013 of 17 December 2013*

**CONTENT**

**1.1 INFORMATION SUBMITTED BY ..... 4**

**1.2 THE INFORMATION PROVIDED DESCRIBES THE SITUATION ON ..... 4**

**1.3 SYSTEM STRUCTURE ..... 4**

    1.3.1 MANAGING AUTHORITY ..... 7

    1.3.2 CERTIFYING AUTHORITY (SPECIFY IF THE FUNCTION IS INTERNAL, IF APPROPRIATE,) ..... 8

**2.1 MA - MAIN FUNCTIONS ..... 9**

    2.1.1 STATUS OF THE MA AND THE BODY OF WHICH IT IS PART ..... 9

    2.1.2 SPECIFICATION OF THE FUNCTIONS AND TASKS CARRIED OUT DIRECTLY BY THE MA ..... 9

    2.1.3 FUNCTIONS FORMALLY DELEGATED BY THE MA ..... 13

    SPECIFICATIONS OF THE FUNCTIONS OF THE CONTROLLERS FORESEEN IN ART. 23(4) OF REGULATION (EU) No. 1299/2013, FOR ETC PROGRAMMES ..... 13

    2.1.4 PROCEDURES FOR ENSURING EFFECTIVE AND PROPORTIONATE ANTI-FRAUD MEASURES ..... 15

**2.2 ORGANISATION OF THE MA ..... 22**

    2.2.1 ORGANISATION CHART AND SPECIFICATIONS OF THE FUNCTIONS OF THE UNITS ..... 22

    2.2.2 FRAMEWORK TO ENSURE THAT AN APPROPRIATE RISK MANAGEMENT EXERCISE IS CONDUCTED, IN PARTICULAR IN THE EVENT OF MAJOR MODIFICATION TO THE MANAGEMENT AND CONTROL SYSTEM ..... 38

    2.2.3 DESCRIPTION OF THE PROCEDURES PROVIDED IN WRITING TO THE STAFF OF THE MA ..... 41

        2.2.3.1 PROCEDURES TO SUPPORT THE WORK OF THE MC ..... 42

        2.2.3.2 PROCEDURES FOR A SYSTEM TO COLLECT, RECORD AND STORE IN COMPUTERISED FORM DATA ON EACH OPERATION NECESSARY FOR MONITORING, EVALUATION, FINANCIAL MANAGEMENT, VERIFICATION AND AUDIT ..... 45

        2.2.3.3 PROCEDURES FOR THE SUPERVISION OF THE FUNCTIONS FORMALLY DELEGATED BY THE MANAGING AUTHORITY ..... 45

        2.2.3.4 PROCEDURES FOR APPRAISING, SELECTING AND APPROVING OPERATIONS AND FOR ENSURING THEIR COMPLIANCE, FOR THE ENTIRE IMPLEMENTATION PERIOD, WITH APPLICABLE RULES ..... 45

        2.2.3.5 PROCEDURES TO ENSURE THE PROVISION TO THE BENEFICIARY OF A DOCUMENT SETTING OUT THE CONDITIONS FOR SUPPORT FOR EACH OPERATION ..... 55

        2.2.3.6 PROCEDURES FOR THE VERIFICATIONS OF OPERATIONS ..... 57





2.2.3.7	DESCRIPTION OF THE PROCEDURES BY WHICH APPLICATIONS FOR REIMBURSEMENT ARE RECEIVED FROM BENEFICIARIES, VERIFIED, AND VALIDATED, AND BY WHICH PAYMENTS TO BENEFICIARIES ARE AUTHORISED, EXECUTED AND ACCOUNTED FOR .....	64
2.2.3.8	IDENTIFICATION OF THE AUTHORITIES OR BODIES CARRYING OUT EACH STEP IN THE PROCESSING OF THE APPLICATION FOR REIMBURSEMENT, INCLUDING A FLOWCHART INDICATING ALL BODIES INVOLVED .....	68
2.2.3.9	DESCRIPTION OF THE PROCEDURE FOLLOWED BY THE MANAGING AUTHORITY TO SEND THE INFORMATION TO THE CERTIFYING AUTHORITY .....	69
2.2.3.10	DESCRIPTION OF THE PROCEDURE FOLLOWED BY THE MANAGING AUTHORITY TO SEND THE INFORMATION TO THE AUDIT AUTHORITY .....	69
2.2.3.11	ELIGIBILITY RULES DEFINED AND APPLICABLE TO THE CP .....	70
2.2.3.12	PROCEDURES TO DRAW UP AND SUBMIT TO THE COMMISSION ANNUAL AND FINAL IMPLEMENTATION REPORTS .....	74
2.2.3.13	PROCEDURES FOR DRAWING UP THE MANAGEMENT DECLARATION .....	75
2.2.3.14	PROCEDURES FOR DRAWING UP THE ANNUAL SUMMARY OF THE FINAL AUDIT REPORTS AND OF CONTROLS CARRIED OUT, INCLUDING AN ANALYSIS OF THE NATURE AND EXTENT OF ERRORS AND WEAKNESSES IDENTIFIED IN SYSTEMS, AS WELL AS CORRECTIVE ACTION TAKEN OR PLANNED .....	76
2.2.3.15	PROCEDURES CONCERNING THE COMMUNICATION TO STAFF OF THE ABOVE PROCEDURES, AS WELL AS AN INDICATION OF TRAINING ORGANISED/FORESEEN AND ANY GUIDANCE ISSUED .....	77
2.2.3.16	DESCRIPTION OF THE PROCEDURES OF THE MA IN RELATION TO THE SCOPE, RULES AND PROCEDURES CONCERNING THE EFFECTIVE ARRANGEMENTS SET OUT BY THE MS FOR THE EXAMINATION OF COMPLAINTS CONCERNING THE ESI FUNDS .....	77
<b>2.3</b>	<b>AUDIT TRAIL .....</b>	<b>82</b>
2.3.1	PROCEDURES TO ENSURE AN ADEQUATE AUDIT TRAIL AND ARCHIVING SYSTEM INCLUDING WITH RESPECT TO THE SECURITY OF DATA .....	82
2.3.2	INSTRUCTIONS GIVEN ON KEEPING SUPPORTING DOCUMENTS AVAILABLE BY BENEFICIARIES /MA .....	84
2.3.2.1	INDICATION OF THE PERIOD DURING WHICH DOCUMENTS ARE TO BE HELD .....	85
2.3.2.2	FORMAT IN WHICH THE DOCUMENTS ARE TO BE HELD .....	85
<b>2.4</b>	<b>IRREGULARITIES AND RECOVERIES .....</b>	<b>87</b>
2.4.1	DESCRIPTION OF THE PROCEDURE ON REPORTING AND CORRECTION OF IRREGULARITIES AND THEIR FOLLOW-UP .....	87
2.4.2	DESCRIPTION OF THE PROCEDURE TO COMPLY WITH THE OBLIGATION TO NOTIFY IRREGULARITIES TO THE COMMISSION .....	89
<b>3.1</b>	<b>CA – MAIN FUNCTIONS .....</b>	<b>91</b>
3.1.1	THE STATUS OF THE CERTIFYING AUTHORITY (NATIONAL, REGIONAL OR LOCAL PUBLIC BODY) AND THE BODY OF WHICH IT IS PART .....	92
3.1.2	SPECIFICATION OF THE FUNCTIONS CARRIED OUT BY THE CA .....	92
3.1.3	FUNCTIONS FORMALLY DELEGATED BY THE CERTIFYING AUTHORITY, IDENTIFICATION OF THE INTERMEDIATE BODIES AND THE FORM OF THE DELEGATION UNDER ART. 123(6) OF REGULATION (EU) No 1303/2013 .....	95
<b>3.2</b>	<b>ORGANISATION OF THE CA .....</b>	<b>95</b>
3.2.1	ORGANISATION CHART AND SPECIFICATION OF THE FUNCTIONS OF THE UNITS .....	96
3.2.2	DESCRIPTION OF THE PROCEDURES TO BE PROVIDED IN WRITING TO THE STAFF OF THE CERTIFYING AUTHORITY .....	100





3.2.2.1. PROCEDURES FOR DRAWING UP AND SUBMITTING PAYMENT APPLICATIONS .....100

- DESCRIPTION OF ARRANGEMENTS IN PLACE FOR THE CERTIFYING AUTHORITY TO ACCESS ANY INFORMATION ON OPERATIONS, NECESSARY FOR THE PURPOSE OF DRAWING UP AND SUBMITTING PAYMENT APPLICATIONS, INCLUDING THE RESULTS OF MANAGEMENT VERIFICATIONS (IN LINE WITH ART. 125 OF REGULATION (EU) No 1303/2013) AND ALL RELEVANT AUDITS..... 100

- DESCRIPTION OF THE PROCEDURE BY WHICH PAYMENT APPLICATIONS ARE DRAWN UP AND SUBMITTED TO THE COMMISSION, INCLUDING PROCEDURE TO ENSURE SENDING OF THE FINAL APPLICATION FOR INTERIM PAYMENT BY 31 JULY FOLLOWING THE END OF THE PREVIOUS ACCOUNTING YEAR..... 101

3.2.2.2. DESCRIPTION OF THE ACCOUNTING SYSTEM USED AS A BASIS FOR CERTIFICATION OF EXPENDITURE ACCOUNTS TO THE COMMISSION (ART. 126(D) OF REGULATION (EU) No 1303/2013) 106

- ARRANGEMENTS FOR FORWARDING AGGREGATED DATA TO THE CERTIFYING AUTHORITY IN CASE OF A DECENTRALISED SYSTEM..... 106

- THE LINK BETWEEN THE ACCOUNTING SYSTEM AND THE INFORMATION SYSTEM DESCRIBED UNDER PARAGRAPH 4.1 ..... 106

- IDENTIFICATION OF EUROPEAN STRUCTURAL AND INVESTMENT FUND TRANSACTIONS IN CASE OF A COMMON SYSTEM WITH OTHER FUNDS..... 107

3.2.2.3. DESCRIPTION OF THE PROCEDURES IN PLACE FOR DRAWING UP THE ACCOUNTS ..... 107

3.2.2.4. DESCRIPTION, WHERE APPLICABLE, OF THE PROCEDURES OF THE CERTIFYING AUTHORITY ..... 113

**3.3. RECOVERIES..... 113**

3.3.1. DESCRIPTION OF THE SYSTEM FOR ENSURING PROMPT RECOVERY OF PUBLIC ASSISTANCE, INCLUDING UNION ASSISTANCE..... 114

3.3.2. PROCEDURES FOR ENSURING AN ADEQUATE AUDIT TRAIL BY MAINTAINING ACCOUNTING RECORDS IN COMPUTERISED FORM..... 116

3.3.3. ARRANGEMENTS FOR DEDUCTING AMOUNTS RECOVERED OR AMOUNTS TO BE WITHDRAWN FROM EXPENDITURE TO BE DECLARED ..... 117

**4.1 DESCRIPTION OF THE INFORMATION SYSTEM INCLUDING A FLOWCHART FOR: ..... 119**

4.1.1 COLLECTING, RECORDING AND STORING, IN A COMPUTERIZED FORM DATA ON EACH OPERATION..... 125

4.1.2 ENSURING THAT THE DATA REFERRED TO IN THE PREVIOUS POINT IS COLLECTED, ENTERED AND STORED IN THE SYSTEM..... 126

4.1.3 ENSURING THAT THERE IS A SYSTEM WHICH RECORDS AND STORES IN A COMPUTERIZED FORM, ACCOUNTING RECORDS FOR EACH OPERATION ..... 129

4.1.4 MAINTAINING ACCOUNTING RECORDS IN A COMPUTERIZED FORM OF EXPENDITURE DECLARED TO THE EC AND THE CORRESPONDING PUBLIC CONTRIBUTION PAID TO BENEFICIARIES ..... 130

4.1.5 KEEPING AN ACCOUNT OF AMOUNTS RECOVERABLE AND OF AMOUNTS WITHDRAWN FOLLOWING CANCELLATION OF ALL OR PART OF THE CONTRIBUTION FOR AN OPERATION ..... 132

4.1.6 KEEPING RECORDS OF AMOUNTS RELATED TO OPERATIONS SUSPENDED BY A LEGAL PROCEEDING OR BY AN ADMINISTRATIVE APPEAL HAVING SUSPENSORY EFFECTS ..... 133

4.1.7 INDICATION AS TO WHETHER THE SYSTEMS ARE OPERATIONAL AND CAN RELIABLY RECORD THE DATA MENTIONED ABOVE..... 134

**4.2 DESCRIPTION OF THE PROCEDURES TO VERIFY THAT IT SYSTEMS SECURITY IS ENSURED ..... 136**

**4.3 DESCRIPTION OF THE CURRENT SITUATION AS REGARDS IMPLEMENTATION OF THE REQUIREMENTS OF ART. 122 (3) OF CPR..... 138**





Heading	Content by item	Reference to appendices	Reference to acts (other than CPR and ETC Reg., Interreg V-A Italy-Croatia Programma)
1.1 Information submitted by	<p>INTERREG V-A Italy – Croatia 2014-2020 Programme CCI2014TC16RFCB042</p> <p>Main Contact Point Managing Authority: Regione del Veneto - UO AdG Italia-Croazia <a href="mailto:italia.croazia@regione.veneto.it">italia.croazia@regione.veneto.it</a></p>		INTERREG V-A Italy – Croatia 2014-2020 Programme CCI2014TC16RFCB042
1.2 The information provided describes the situation on	14/11/2017		
1.3 System Structure	<p>With decision C(2015)9342, amended with decision C(2017)3705, the Cooperation Programme Interreg V-A Italy-Croatia for support from the European Regional Development Fund under the European territorial cooperation goal in Italy and Croatia was adopted by the European Commission.</p> <p>In order to ensure the effective implementation of the Interreg V A Italy – Croatia 2014-2020 Programme (hereafter “Programme”) and the full respect of the general principles of management and control systems, in accordance with Art. 123 of Common Provisions</p>	<p>ANNEX 1 - General Programme flowchart</p> <p>ANNEX 7 - List of NUTS III Regions participating in the Programme</p>	<p>Decision C(2014) 3776 on Programme financial allocation</p> <p>Decision C(2014) 3898 on Programme Cooperation area</p>





	<p>Regulation (CPR) and Art. 21 of European Territorial Cooperation (ETC) Regulation, and according to the principle of separation of functions established by art. 72, b) of CPR, three authorities have been identified for the Programme: the Managing Authority, the Certifying Authority, the Audit Authority.</p> <p>In accordance with Art. 47 of CPR, the Monitoring Committee (MC) of the Programme has been set up within three months from the date of notification to the Member State of the Commission decision adopting the Programme.</p> <p>Moreover, in accordance with Art. 23 of ETC Regulation and following the procedures agreed between Member States and set in the Cooperation Programme (CP), the MA established the Joint Secretariat of the Programme.</p> <p>The CP identifies the following bodies, with the function here synthetically described and later detailed, in charge for the management and control of the Programme:</p> <ul style="list-style-type: none"> <li>• <i>Monitoring Committee</i> (MC): supervising and monitoring Programme implementation and responsible for the selection of operations;</li> <li>• <i>Managing Authority</i> (MA): bearing overall responsibility for the management and the implementation of the Programme towards the European Commission;</li> <li>• <i>Joint Secretariat</i> (JS): assisting the MA and the MC in carrying out their respective duties;</li> <li>• <i>Certifying Authority</i> (CA): certifying the declarations of expenditure and the applications for payment before they</li> </ul>	<p>Decision C(2015) 9342 on adoption of CP</p> <p>Decision C(2017) 3705 on modifications to CP</p> <p>Regional Government Resolution No. 1790 of 07/11/2017 on minor modifications to the CP and TA multiannual indicative plan</p> <p>Regional Government Resolution No. 1001 of 4/08/2015 on the identification of AA and CA</p> <p>Regional Government Resolution No. 1654 of 19 novembre 2015 "Proposta di designazione dell'Autorità di audit</p>
--	---	--





	<p>are sent to the European Commission and drawing up the accounts referred to in point (a) of Article 59(5) of the Financial Regulation;</p> <ul style="list-style-type: none"> <li>• <i>Audit Authority (AA)</i>: body independent from the Managing Authority and the Certifying Authority, responsible for verifying the effective functioning of the management and control system. The AA is assisted by a Group of Auditors (GoA) composed by representatives of both MS participating in the Programme;</li> <li>• <i>Member States (MS)</i>: cooperating for the sound management, control and implementation of the Programme;</li> <li>• <i>National Committees (NC)</i>: consultative bodies representing national, regional and local Authorities as well as socio-economic and institutional partnerships, relevant for the Programme area, at MS level.</li> </ul> <p>The CP also specifies that the Programme language is English and that all manuals, checklists and other relevant documentation will be provided in English.</p>	<p>del Programma di Cooperazione Transfrontaliera Italia-Croazia (2014-2020), cofinanziato del Fondo europeo di sviluppo regionale - FESR”</p> <p>Regional Government Resolution No. 1994 of 6/12/2016 identifying MA, CA and FLC of TA budget within the Veneto Region and following the Region overall re-organisation</p> <p>Head of MA Decrees No.3 of 17/03/2016 on identification of MC voting members</p> <p>Head of MA Decrees No.10 of 20/05/2016 on MC non-voting members</p>
--	--	---





1.3.1 Managing authority	<p><b><u>Managing Authority:</u></b></p> <p>Veneto Region - Area for Human Capital, Culture and Programming of European Funds - Directorate for Joint Programming - <b>Organizational Unit Italy-Croatia MA</b> Dorsoduro 3494/a – 30123 Venezia (VE), Italy</p> <p>Contact Person: Silvia MAJER Managing Authority - Head of Organizational Unit Italy-Croatia MA Tel: 00 (39) 041 2791781 <a href="mailto:italia.croazia@regione.veneto.it">italia.croazia@regione.veneto.it</a></p> <p><b><u>Joint Secretariat:</u></b></p> <p><u>Joint Secretariat headquarters:</u> Veneto Region - Area for Human Capital, Culture and Programming of European Funds - Directorate for Joint Programming - Organizational Unit Italy-Croatia MA Dorsoduro 3494/a – 30123 Venezia (VE), Italy</p> <p><u>Joint Secretariat Branch Offices - Croatia:</u> BO Zadar: Gljagoljaška 14, 23000 Zadar - Croatia Direct Phone number: +385 23 316 336 or +385 23 250 920 E-mail: <a href="mailto:js.it-hr.branch-offices@arr.hr">js.it-hr.branch-offices@arr.hr</a></p> <p>BO Dubrovnik: Branitelja Dubrovnika 41, 20000 Dubrovnik - Croatia Direct Phone number: +385 20 834 308</p>		<p>Regional Government Resolution No. 1994 of 6/12/2016 identifying MA, CA and FLC of TA budget within the Veneto Region and following the Region overall re-organisation</p> <p>Regional Government Resolution No. 1014 of 4/07/2017 on the administrative organisation of the Regional Government</p>
--------------------------	--	--	---







	<p>E-mail: <a href="mailto:js.it-hr.branch-offices@arr.hr">js.it-hr.branch-offices@arr.hr</a></p> <p>Contact Person Ivan CURZOLO Head of Joint Secretariat Tel:00 (39) 041 279 3120 <a href="mailto:js.italy-croatia@regione.veneto.it">js.italy-croatia@regione.veneto.it</a></p>		
<p>1.3.2 Certifying authority (specify if the function is internal, if appropriate,)</p>	<p><b><u>Certifying Authority (referred to hereafter as CA):</u></b></p> <p>Area for Instrumental Resources Veneto RegionCannaregio, 23 30121 Venezia (VE) – Italy</p> <p>Contact Person Gianluigi MASULLO Certifying Authority - Head of Area for Instrumental Resources 0039 041 2794211 <a href="mailto:area.risorsestrumentali@regione.veneto.it">area.risorsestrumentali@regione.veneto.it</a></p>		<p>Regional Government Resolution No.1001 of 4/08/2015 on the identification of AA and CA</p> <p>Regional Government Resolution No. 40 of 19/01/2016 on Programme organization including CA reinforcement and appointment of new personnel</p> <p>Regional Government Resolution No. 1994 of 6/12/2016 identifying MA, CA and FLC of TA budget within the Veneto</p>





			Region and following the Region overall re-organisation
<b>2.1 MA - Main Functions</b>			
2.1.1 Status of the MA and the body of which it is part	Regional public body, Regione del Veneto		
2.1.2 Specification of the functions and tasks carried out directly by the MA	<p>The MA is responsible for managing the Cooperation Programme in accordance with the principle of sound financial management according to art. 125 of CPR and art. 23 of ETC Regulation.</p> <p>The MA acts for the benefit and the smooth Programme implementation in cooperation with the Member States. Additionally, it acts in full coherence with the Italian institutional, legal and financial provisions. The MA is in charge of ensuring the necessary communication flow and data provision both to the MC and to the European Commission, in particular with regard to the progress of the Programme, indicators and data.</p> <p>The MA is composed by different units dealing with Administrative coordination, Financial coordination and Technical Assistance Coordination. The MA is beneficiary only for the Priority Axis 5; arrangements to ensure that verifications on the co-financed products and services are done in accordance with an adequate separation of functions are ensured. The MA is not designated as CA.</p> <p>The MA is supported by the JS in the execution of its functions, as foreseen by art. 23 of ETC Regulation.</p>	<p>ANNEX 2 - MA organisation chart (specifying members and units)</p> <p>ANNEX 3 - JS organisation chart (specifying members and units)</p>	<p>Regional Government Resolutions No. 228 and No. 230 of 24/02/2015, on the establishment and organisation of the MA.</p> <p>Regional Government Resolution No. 619 of 21/04/2015 appointing the Director of the Section MA Italy-Croatia</p> <p>Regional Government Resolution No. 40 of 19/01/2016 on</p>





	<p>The JS is composed by different units dealing with Programme and project monitoring, financial monitoring, communication and capitalisation activities.</p> <p>The JS main office is located in adjoining premises to the MA's. The link with the MA is maintained by a constant flow of information and at least monthly meetings between the MA and the Head of JS and between the latter and the Senior Managers of the JS.</p> <p>As regards to the <u>management of the CP</u>, the MA, assisted by the JS, shall:</p> <ul style="list-style-type: none"> <li>(a) support the work of the MC referred to in art. 47 of CPR and provide it with the information it requires to carry out its tasks, in particular data relating to the progress of the Programme in achieving its objectives, financial data and data related to indicators and milestones;</li> <li>(b) draw up and, after approval by the MC, submit to the Commission annual and final implementation reports referred to in Art. 50 of CPR;</li> <li>(c) make available to beneficiaries information that is relevant to the execution of their tasks and the implementation of operations respectively;</li> <li>(d) establish a system to record and store in computerised form data on each operation necessary for monitoring, evaluation, financial management, verification and audit, including data on individual participants in operations, where applicable;</li> <li>(e) ensure that the data referred to in point (d) is collected, entered and stored in the system.</li> </ul>	<p>Programme organization including MA reinforcement and appointment of new personnel</p> <p>Regional Government Resolutions No. 435/2016, 802/2016, 803/2016, 1224/2016 on the re-organisation of the Regional administration</p> <p>Regional Government Resolutions No. 40 of 19/01/2016, No. 360 of 24/03/2015 and No. 1439 of 15/09/2016 on the establishment and organisation of JS</p>
--	--	--





	<p>As regards to the <u>selection of operations</u>, the MA, assisted by the JS, shall:</p> <p>(a) draw up and, once approved, apply appropriate selection procedures and criteria that:</p> <ul style="list-style-type: none"> <li>• ensure the contribution of operations to the achievement of the specific objectives and results of the relevant priority;</li> <li>• are non-discriminatory and transparent;</li> <li>• take into account the general principles set out in Art.s 7 (equality between men and women and non-discrimination) and 8 (sustainable development) of CPR;</li> </ul> <p>(b) ensure that a selected operation falls within the scope of the Fund concerned and can be attributed to a category of intervention identified in the priorities of the CP;</p> <p>(c) ensure that the beneficiary is provided with a document setting out the conditions for support for each operation including the specific requirements concerning the products or services to be delivered under the operation, the financing plan, and the time-limit for execution;</p> <p>(d) satisfy itself that the beneficiary has the administrative, financial and operational capacity to fulfil the conditions referred to in point (c) before approval of the operation;</p> <p>(e) satisfy itself that, where the operation has started before the submission of an application for funding to the MA, applicable law relevant for the operation has been complied with;</p> <p>(f) ensure that operations selected for support from the Funds</p>		
--	--	--	--





	<p>do not include activities which were part of an operation which has been or should have been subject to a procedure of recovery in accordance with Art. 71 of CPR following the relocation of a productive activity outside the Programme area;</p> <p>(g) determine the categories of intervention.</p> <p>As regards to the <u>financial management and control of the Programme</u>, the MA shall:</p> <p>(a) verify that the co-financed products and services have been delivered and that expenditure declared by the beneficiaries has been paid and that it complies with applicable law, the CP and the conditions for support of the operation;</p> <p>(b) ensure that beneficiaries involved in the implementation of operations reimbursed on the basis of eligible costs actually incurred maintain either a separate accounting system or an adequate accounting code for all transactions relating to an operation;</p> <p>(c) put in place effective and proportionate anti-fraud measures taking into account the risks identified;</p> <p>(d) set up procedures to ensure that all documents regarding expenditure and audits required to ensure an adequate audit trail are held in accordance with the requirements of point (g) of Art. 72 of CPR;</p> <p>(e) draw up the management declaration and annual summary referred to in points (a) and (b) of Art. 59(5) of the Financial Regulation.</p>		
--	--	--	--





<p>2.1.3 Functions formally delegated by the MA</p> <p>Specifications of the functions of the controllers foreseen in Art. 23(4) of regulation (EU) No. 1299/2013, for ETC Programmes</p>	<p>The MA has not formally delegated any function.</p> <p>With reference to the functions of the controllers, according to Art. 23(4) of ETC Regulation and considering that the MA will not carry out verifications under Art. 125(4) (a) of CPR throughout the whole Programme area, for each Member State the bodies responsible for carrying out such verifications in relation to beneficiaries on their territory (FLCs) have been designated.</p> <p>In Croatia the FLC is organized in a centralized system. The body in charge is the Agency for regional development of the Republic of Croatia, Directorate for financial management and accounting, service for FLC:</p> <p>Name of the designated Control Body: Agency for Regional Development of the Republic of Croatia                  Responsible unit: Directorate for First Level Control / Service for Cross-border Cooperation Programmes / Department for CBC Programme Italy-Croatia                  Address: Miramarska cesta 22, 10000 Zagreb, Croatia                  Contact person: Anamarija Ostojić, Head of Department                  Phone: +385 (0)1 4811 941                  Fax: +385 (0)1 6447 608                  E-mail: <a href="mailto:anamarija.ostojic@arr.hr">anamarija.ostojic@arr.hr</a></p> <p>Form of the designation: Regulation of bodies in the management and control system for the implementation of programmes that support the objective "European Territorial Cooperation" in the financial period 2014-2020</p>		<p>Regulation of bodies in the management and control system for the implementation of programmes that support the objective "European Territorial Cooperation" in the financial period 2014-2020" (Croatian Official Gazette No 120/14)</p> <p>IGRUE Manuals and</p>
---	--	--	---





	<p>In Italy the FLC is organized in a de-centralised system; each beneficiary shall appoint its own controller, according to instructions/procedures/requirements set in place by the MA on the basis of the guidelines set at national level for ETC control systems (IGRUE Manuals and related annexes). Controllers appointed by the beneficiaries can either be internal (functionally independent department/unit inside the beneficiary organization) or external (auditors belonging to independent institutions or selected through a procurement process in line with Programme rules) and have to be identified on the basis of requirements as integrity, professional skills and independence and have a good knowledge of the English language, which is the working language of the Programme. Moreover, in case of external controllers, they have to be members of the relevant Italian national Professional registers (“Albo dei Dottori Commercialisti e degli Esperti Contabili” or “Registro dei Revisori Legali ex d.lgs 39/2010”) without interruption for at least three years. These requirements have to be declared by the controller by means of self – declarations.</p> <p>The appointment and compliance with requirements of each controller will be checked and approved by the following Unit within Veneto Region:</p> <p>Responsible Unit: Area for Instrumental Resources - Budget and Accounting Directorate – FLC Team          Address: Cannaregio 23 – 30121 Venezia (VE), Italy          Head of FLC Team: Tullio De Biasi          Email: tullio.debiasi@regione.veneto.it          T.: +39 (0)412791161</p>	<p>related annexes (including control checklists): “Manuale per la rendicontazione ed i controlli in relazione alla spesa dei programmi di Cooperazione territoriale Europea” and “Caratteristiche generali del sistema nazionale di controllo dei programmi dell’obiettivo cooperazione territoriale europea 2014-2020” ver. 1.1 December 2016</p> <p>Regional Government Resolution n. 1587/2017 and Decree n. 33 of the Director of Area for Instrumental Resources of October 2017 on additional</p>
--	---	--





	<p>e-mail: <a href="mailto:tullio.debiasi@regione.veneto.it">tullio.debiasi@regione.veneto.it</a></p> <p>Cost of the controller is covered by the project budget of each Italian beneficiary; an indicative amount of 700,00€ to 1.000,00€ VAT excluded per Certification should be foreseen by Italian partners; this sum shall include on-the-spot visits (at least one visit during the project implementation).</p> <p>Regarding the verification of expenditure of PA 5, the above mentioned Unit within the Veneto Region, independent from the MA, has been identified in charge with the FLC function for Technical Assistance expenditure of Italian beneficiaries.</p> <p>As for Croatian beneficiaries of the TA expenditure, the Office in charge within the Agency for Regional Development is:</p> <p style="text-align: center;">Responsible unit: Directorate for First Level Control / Service for Quality Control and Technical Assistance          Address: Miramarska cesta 22, 10000 Zagreb, Croatia          Head of Service: Andrijana Gavran          e-mail: <a href="mailto:andrijana.gavran@arr.hr">andrijana.gavran@arr.hr</a></p>		<p>tasks of FLC Team</p>
<p>2.1.4 Procedures for ensuring effective and proportionate anti-fraud measures</p>	<p>According to Article 59 (2) of the Financial Regulation n. 966/2012, Member States shall take all necessary measures, including legislative, regulatory and administrative measures, to protect the EU's financial interests, namely by preventing, detecting and correcting irregularities and fraud.</p>	<p>ANNEX 13 - Process P "Risk assessment and management" – fraud</p>	<p>EGESIF 14-0013 - final Annex 3, cfr. demande n. 1.6, 1.18, 1.19, 1.20, 1.21, 1.23, 3.32, 3.33, 3.34, 3.35,</p>







	<p>According to the Convention on the “Protecting the EU’s financial interests - fight against fraud” (OJ C 316, 27.11.1995) “fraud”, in respect to expenditure, is defined as any intentional act or omission such as:</p> <ul style="list-style-type: none"> <li>• the use or presentation of false, incorrect or incomplete statements or documents which has as its effect the misappropriation or wrongful retention of funds from the EU’s budget;</li> <li>• non-disclosure of information in violation of a specific obligation with the same effect;</li> <li>• or the misapplication of such funds for purposes other than those for which they were intended.</li> </ul> <p>The MA is committed to maintain high legal, ethical and moral standards, to adhere to the principles of integrity, objectivity and honesty and wishes to be seen as opposed to fraud and corruption in the way that it conducts its business.</p> <p>In order to successfully tackle the issue the MA, in cooperation with the JS, shall verify the absence of fraudulent approaches during the Programme implementation phase, committing itself to zero tolerance to fraud and adopting a proactive, structured and targeted approach to managing the risk of fraud taken into account the whole eligible area.</p> <p>In this respect the MA, according to the art. 125 (4) of CPR and in cooperation with the representatives of the countries participating in the Programme, sets in place a structured approach to tackling fraud based on effective and proportionate anti-fraud and anti-corruption measures with cost-effective means taking into account the risks identified.</p>	<p>assessment”; “Anti-fraud measures”</p>	<p>P43.37, 3.38, 3.39, 3.40, 3.53 e 3.57</p> <p>EGESIF 14-0013 - final Annex 4</p> <p>EGESIF 14-0021-00 “Guidance for Member States and Programme Authorities Fraud Risk Assessment and Effective and Proportionate Anti- Fraud Measures” of 16 June 2014</p> <p>Law of 7 August 1990, No. 241 "Nuove norme sul procedimento amministrativo" (and subsequent modifications)</p> <p>Legislative Decree of 30 March 2001, No.</p>
--	--	---	---





	<p>All MA, CA and JS staff are committed to inform about any suspected fraud and irregularity to the competent authorities; this obligation is further ensured with the signature of the Employee Code of Conduct of Veneto Region, approved by Regional Government Resolution n. 38/2014. Croatian authorities as well shall respect the code of conduct for anti-fraud measures which is described in the Croatian Guidelines for management of irregularities in ETC Programmes for 2014-2020 period.</p> <p>The Programme anti-fraud strategy is based on the following key elements: <b>prevention, detection, correction and prosecution.</b></p> <p>The combination of a thorough fraud risk assessment, adequate preventative and detective measures, as well as coordinated and timely investigations by competent bodies could significantly reduce the fraud risk as well as provide adequate deterrence against fraud.</p> <p>Given the difficulties in proving fraudulent behavior and repairing reputational damage, it is generally preferable to prevent rather than to have to deal with it after the event.</p> <p>The MA is engaged in preventing fraudulent behaviors or other fraudulent practices by the beneficiaries involved in the project proposals as well as by its own internal staff: as regards this latter, the MA stimulates its own staff in complying with principles such as integrity, objectivity, accountability and honesty according to the Regional Government Decree No. 576 of May 5, 2016 pursuant to the art. 54 bis of Italian Legislative Decree 165/2001.</p> <p>Moreover, the MA according to its Management and Control</p>	<p>165 "Norme generali sull'ordinamento del lavoro alle dipendenze delle Amministrazioni pubbliche" and in particular art. 53</p> <p>Law of 6 November 2012 No.190 "Disposizioni per la prevenzione e la repressione della corruzione e dell'illegalità nella pubblica amministrazione"</p> <p>Legislative Decree of 8 April 2013 No. 39 contenente "Disposizioni in materia di inconferibilità e incompatibilità di incarichi presso le pubbliche amministrazioni e</p>
--	---	--





	<p>System guarantees a clear allocation of responsibility, a robust system of internal control and formal training activities for the benefit of its staff both to raise awareness of the anti-fraud culture and also to assist them in identifying and responding to suspected instance of fraud. "Suspected Fraud" means an irregularity giving rise to the initiation of administrative and /or judicial proceedings at a national level in order to establish the presence of intentional behavior, in particular fraud".In order to assess the impact and likelihood of any potential fraud risks the MA adopts, in the framework of the general Programme risk assessment exercise (see par. 2.2.2), a specific <b>fraud risk assessment</b>, according to the EGESIF 14-0021-00 of the 16th June 2014 (Annex 1), targeting the main situations where key processes in the implementation of the Programme could be most open to manipulation by fraudulent individuals or organizations. The fraud risk assessment is carried out by a Committee as described in par. 2.2.2.</p> <p>In particular, the fraud risk assessment focuses on selected relevant <b>key processes</b> considered to be most exposed to specific fraud risks:</p> <ul style="list-style-type: none"> <li>• The selection of operations;</li> <li>• The implementation of the projects by the beneficiaries, focusing on public procurement and labor costs;</li> <li>• The certification of costs by the MA and related payments;</li> <li>• other possible specific risks to be identified during Programme implementation.</li> </ul> <p>The fraud risk assessment will take into due account all the Programme documents and furthermore:</p>	<p>enti privati in controllo pubblico, a norma dell'art. 1 commi 49 e 50, della L. 6 novembre 2012 n. 190"</p> <p>Decree of the President of the Republic of 16 April 2013 n. 62 "Regolamento recante codice di comportamento dei dipendenti pubblici, a norma dell'articolo 54 del D.lgs. n. 165 del 30 marzo 2001"</p> <p>Regional Government Resolution n. 38 of 28/01/2014 and Regional Government Resolution n. 1939 of 28/10/2014 on the adoption of the Code of Conduct of employees of the</p>
--	---	--





	<ul style="list-style-type: none"> <li>• ERDF financial allocations of each single PAs and SOs;</li> <li>• nature, amount and duration of each single project that is recommended for funding;</li> <li>• financial and legal status of the beneficiary;</li> <li>• frequency and extent of on-the-spot checks;</li> <li>• results of the FLC and of the Second Level Control;</li> <li>• results of possible audits performed by the EC, the ECA, and National Courts of Auditors;</li> <li>• results of the general risk assessment performed in the framework the risk management policy;</li> <li>• possible information coming from other actors external to the management and control systems.</li> </ul> <p>The fraud risk assessment process will be also based on the EU data mining tool ARACHNE (Risk Scoring Tool) which will help MA to identify, prevent and detect fraud risks relating to projects, beneficiaries and contracts/contractors. The MA will transmit the data in line with the required scope of ARACHNE, and specified in Annex III of the Commission Delegated Regulation (EU) No 480/2014.</p> <p>The fraud risk assessment will consist of a straightforward, logical and practical approach based on <b>five main methodological steps</b>:</p> <ol style="list-style-type: none"> <li>1. Quantification of the risk that a given fraud type would occur by assessing impact and likelihood (gross risk).</li> <li>2. Assessment of the effectiveness of the current controls in place to mitigate the gross risk.</li> </ol>	<p>Veneto Region</p> <p>Regional Government Resolution n. 39 of the 27th of January 2017 "Adozione del Piano triennale della prevenzione della corruzione 2017-2019 della Giunta Regionale del Veneto, in attuazione della Legge N. 190 /2012, recante "Disposizioni per la prevenzione e la repressione della corruzione e dell'illegalità nella pubblica amministrazione" (Veneto Region Official Bulletin n. 22 of the 24 February 2017)</p> <p>Veneto Region "Mapping of processes,</p>
--	--	---





	<ol style="list-style-type: none"> <li>3. Assessment of the net risk after taking into account the effect of any current controls and their effectiveness i.e. the situation as it is at the current time(residual risk).</li> <li>4. Assessment of the effect of the planned mitigating controls on the net (residual) risk.</li> <li>5. Defining the target risk, i.e. the risk level which the MA considers tolerable after all controls are in place and effective.</li> </ol> <p>The <b>risk self assessment report</b> drafted by the Committee as specified in par. 2.2.2. will also form the basis for responding to the deficiencies by choosing effective and proportionate anti-fraud measures from the list of recommended mitigating controls (see Annex 2 of EGESIF_14-0021-00). These last measures consist of a unique <b>anti-fraud action plan</b> providing timing, appropriate techniques and fraud indicators, and a clear allocation of responsibilities among MA, CA and AA. The anti-fraud action plan shall be implemented by the MA and monitored by the AA. Details on specific provisions for “follow-up” steps are indicated in the the anti-fraud and irregularities manual developed by the Programme. Once a case of suspected fraud has been detected and reported the MA will implement correction and prosecution actions by carrying out targeted anti-fraud measures, depending to each single phase of Programme implementation where the fraudulent behavior has been detected.</p> <p>In case the fraudulent behavior/practice should emerge during the project assessment phase and it affects seriously:</p>	<p>assessment of risks of corruption and its management” referred to year 2016</p> <p>Regional Government Resolution n. 11 of the 17 the January 2017 “Attuazione Legge 6 novembre 2012, n.190 recante "Disposizioni per la prevenzione e la repressione della corruzione e dell'illegalità nella pubblica amministrazione", art. 1, par. 8: “definizione degli obiettivi strategici in materia di prevenzione della corruzione e trasparenza” (Veneto Region Official Bulletin n. 15 of the 7 of February 2017)</p>
--	--	--





	<p>a) the lead applicant: the AF shall be rejected;                  b) a project partner: it will be excluded from the project proposal; in case the exclusion of such partner leads to non-fulfillment of the minimum partnership requirements this will cause the rejection of the project proposal.</p> <p>In case of recovery of undue payments from the beneficiaries which spent the EU funds in a fraudulent manner, the MA and CA shall put in place a process of recovering of funds followed by civil and criminal proceedings as necessary.</p> <p>If an investigation should be opened, recovery and criminal prosecution should ensue by the competent authorities, the MA must transmit the case to the competent National Authority in the participating Member State for investigation and sanctions accordingly to the art. 122 of the CPR.</p> <p>In Italy the MA shall report suspected fraud and other irregularities which have been the subject of a primary administrative or judicial finding, without delay, to the Italian Anti-fraud Committee (COLAF) which operates, according to Presidential Decree n. 91 of May 14th 2007, Art. 3 and Law n. 234 of December 24th, 2012, Article n. 54, at the Department for European Policies.</p> <p>Moreover, the MA will keep the National Authorities of the Republic of Italy and Croatia informed of the progress of administrative and legal proceedings.</p> <p>Full cooperation with investigative, law enforcement or judicial authorities shall be ensured, in particular by keeping files concerning fraud cases in safe places and ensure a proper</p>		<p>Croatian Guidelines for management of irregularities in ETC Programmes for 2014-2020 period, Version1.0, September 2017.</p>
--	--	--	---





	<p>handover in case of staff mobility.</p> <p>The fraud risk self assessment will be completed every two years as a general rule, during the whole programming period, or on an annual basis depending to the frequency of the reported cases of fraud and in case the level of risk identified is very low and no instances of fraud were reported during the preceding year. In the first place, the fraud risk self assessment will be made no later than six months after the designation of the MA.</p> <p>The anti-fraud check shall be made by October of each financial year and anyhow in time to allow the AA to present the audit report related to the previous closed accounting period at the date of 30th of June.</p> <p>Once a fraud investigation has been concluded by competent authorities, or handed over to the relevant authorities for pursuit, the MA conduct a review of any internal process, procedure or control connected to the potential or actual fraud.</p>		
<p><b>2.2 Organisation of the MA</b></p>			
<p>2.2.1 Organisation chart and specifications of the functions of the units</p>	<p><b>MA</b></p> <p>The MA is established within the organizational structure of the Veneto Region which is a regional public body located in the north east of Italy.</p> <p>The Administrative structure of Veneto Region is organised in 6 main Areas, each Area comprises different Directorates and each Directorate is structured in Organisational Units.</p>	<p>ANNEX 2 - MA Organisation Chart</p>	<p>Regional Law 54/2012 "Legge regionale per l'ordinamento e le attribuzioni della Giunta regionale in</p>





	<p>The functions of the Managing Authority are assigned to the Organisational Unit named “AdG Italia-Croazia” / “MA of Italy-Croatia Programme” which is included in the Directorate for “Joint Programming” of the “Area for Human Capital, Culture and Programming of European Funds”.</p> <p>As described in Section 5 of the Cooperation Programme, the Managing Authority (MA) carries out the functions described in art. 125 of CPR and art. 23 of ETC Regulation.</p> <p>Moreover the MA, also in order to perform the functions mentioned above, carries out the following main activities:</p> <ul style="list-style-type: none"> <li>• <u>Programming</u>: Management of the process of drafting and modifying the Cooperation Programme based on the indications of the Programme Partners Member States and of MC decisions, including the official submission of the document through the SFC2014; Support to the management of Programme MC activities; Link with the Italian and Croatian National Authorities; Managing of the relations with the European Commission.</li> <li>• <u>Coordination with other European initiatives</u>: Networking with EU Strategy for the Adriatic and Ionian Region (EUSAIR), European Macro-strategies and other MAs of the European Territorial Cooperation Programmes.</li> <li>• <u>Defining and updating of the Programme organizational structure</u>: Definition of the organizational structure of the MA; Coordination with other Programme Authorities; Set up</li> </ul>	<p>ANNEX 13 - Management and Control System Processes (all)</p> <p>ANNEX 8 - MA Manual of Operations</p>	<p>attuazione della legge regionale statutaria 17 aprile 2012, n. 1 “Statuto del Veneto” (and consequent modifications)</p> <p>Regional Government Resolutions No. 228 and No. 230 of 24/02/2015, No. 619 of 21/04/2015, No. 40 of 19/01/2016 and No. 1994 of 06/12/2016, No. 1354 of 01/09/2016, No. 409 of 6/04/2017 on the establishment and organisation of the MA</p> <p>Regional Government Resolutions No. 435/2016, 802/2016, 803/2016, 1224/2016 on the re-organisation of the Regional</p>
--	--	--	--







	<p>of JS and update of its organizational structure; Logistic support for the functioning of the JS; Fulfillments regarding the MC establishment and modification of the MC composition.</p> <ul style="list-style-type: none"> <li>• <u>Ensuring First Level Control (FLC) systems</u>: Ensure that a FLC system is set up for Italian beneficiaries; Collection of information from Croatian National Authority on the FL control system set up for Croatian beneficiaries; Check that the expenditure of each beneficiary participating in an operation has been verified by a designated controller; Contribution, with JS support, to ensure a smooth functioning of the control system through the organization of dedicated training sessions and coordination meetings, drafting of common manuals on control procedures in order to ensure equal and impartial controls towards beneficiaries of both territories; Carrying out, with the assistance of the Joint Secretariat, targeted controls on the project financed.</li> <li>• <u>Set up of the Information System for managing and monitoring the Programme</u>: Ensure Analysis and scheduling for the development of the Programme management and monitoring Information, through the adaptation of the regional software "Sistema Informativo Unificato - SIU" to the specific needs of the Programme, including testing and start-up activities; Take care of constant upgrade and operational management of the System.</li> <li>• <u>Implementation of the Programme</u>: Overall coordination of Programme management activities; Public procurement for the assignment of the services required for Technical</li> </ul>	<p>administration</p> <p>Regional Government Resolution No. 1014 of 04/07/2017 on the administrative organisation of the Regional Government</p> <p>Regional Government Resolutions No. 40 of 19/01/2016, No. 360 of 24/03/2016 and No. 1439 of 15/09/2016 on the establishment and organisation of JS</p> <p>Head of MA Decrees No. 1 of 22/01/2016, No. 4 of 11/04/2016, No. 7 of 04/05/2016, No. 13 and 14 of 17/06/2016, No. 7 of 02/09/2016, No. 8 of 02/09/ 2016, No. 31, 32, 33, 34, 35 of 02/12/2016</p>
--	--	--





	<p>Assistance activities of the Programme; Drafting, with the support of the Joint Secretariat, of Guidelines, preparation and management of calls for proposals; Support to the implementation and monitoring of approved projects; Coordination with the other Programme Authorities and with JS, support to the MC activities.</p> <ul style="list-style-type: none"> <li>• <u>Communication and information and partnership involvement</u>: Activities, through the support of the Joint Secretariat, relating to the Communication of the Programme; Information and involvement of the Programme Partnership and Stakeholders; Organization and participation in events related to the Programme, including the preparation of documentation, the dissemination of information, the set up and management of an official Programme web site.</li> <li>• <u>Monitoring and evaluating of the Programme</u>: Activities related to the monitoring and evaluation of the Programme, including annual reports, providing data for Italian e-cohesion unified monitoring system, ongoing and environmental evaluations, periodic and on-demand reporting.</li> <li>• <u>Financial Management of the Programme</u>: Definition of the financial plans concerning the Programme, management of incoming and outgoing financial flows; Management of budget commitments, payments settlement and related controls; checks and monitoring activities on financial operations.</li> <li>• <u>General activities</u>: Secretarial management, archiving and</li> </ul>		
--	--	--	--





	<p>documents official registration; Institutional monitoring of financial and administrative activities connected to the role of the MA as an internal unit in the Veneto Regional public administration; Other activities of general coordination, planning and organization; Compulsory fulfillments with regard to safety, privacy, anti-corruption, statistics, etc.; Activities connected with Staff management .</p> <p><b>MA organisation</b>                  The MA consists of 3 units reporting to the Head of MA and dealing with Administrative coordination, Financial coordination and Technical Assistance Coordination A secretary service is also established. The MA is located in Venice, in the same premises of the JS headquarters.</p> <p><u>Head of MA (1 FTE):</u> defines the goals and job priorities; coordinates, with the support of the Unit managers, the activities of the offices and evaluates the results. In particular, the Head of MA supervises:</p> <ul style="list-style-type: none"> <li>- The programming activities, ensuring adequate support, also with the JS, to MC activities, verifying the correct implementation of MC decisions, ensuring an adequate coordination with the Italian and Croatian National Authorities and reporting to the European Commission;</li> <li>- the structuring and functioning of the organizational structure of the Programme, the establishment of the JS, including the signature of the JS contracts, the management of public procurement procedures for the assignment of</li> </ul>		
--	--	--	--





	<p>service contracts related to the Technical Assistance activities of the Programme;</p> <ul style="list-style-type: none"> <li>- the definition of the Management and Control System (Si.Ge.Co.), the setting up and management of the Programme Information System;</li> <li>- the implementation of the Programme, including in particular the opening and management of calls for project financing;</li> <li>- the management of communication and information activities, including the Programme website, participating, whenever possible, as a spokesperson of the Programme at events of information and dissemination of results;</li> <li>- monitoring and evaluation of the Programme, ensuring compliance with the timeline indicated by the European regulations and the Programme;</li> <li>- managing of the financial flows of the Programme, highlighting any critical issue in order to identify solutions in a timely manner.</li> </ul> <p><u>Secretary</u> (1 FTE) is in charge of the following activities:</p> <ul style="list-style-type: none"> <li>• Inbound and outbound mail handling (official registration system, institutional e-mail address management);</li> <li>• Management of the archives (files and papers);</li> <li>• Support for management and archiving of the acts;</li> <li>• management, on the dedicated online platform, of presence / absence registrations of the Organizational Unit staff;</li> <li>• Support to the organizational and authorization process of the job travel of MA and JS staff;</li> </ul>		
--	---	--	--





	<ul style="list-style-type: none"> <li>• Management of stationery and consumable materials, logistical support;</li> <li>• General secretarial activity (e.g. telephone calls, agenda, mail drafting).</li> </ul> <p><u>Administrative Coordination Unit</u> (2 FTE) is in charge of the following activities:</p> <ul style="list-style-type: none"> <li>• Support to the management and coordination of administrative activities, including the drafting of the regional government resolution proposals/Director decrees concerning the Programme implementation;</li> <li>• Support to the definition of organizational structure of MA and JS - including the selection procedures for staff recruitment and the drafting of the contracts - support to the definition of general organization of other Authorities of the Programme;</li> <li>• Support to the drafting of the documents for the implementation of the Programme;</li> <li>• Support to the management of public procurement procedures, including management of procedures for verifying the general requirements for the purpose of contract assignment, compliance of privacy and transparency rules;</li> <li>• Administrative support to meetings and events organization;</li> <li>• Support to secretarial activities, if necessary.</li> </ul> <p><u>Financial Coordination Unit</u> (2 FTE) is in charge of the following activities:</p>	<p>ANNEX 11 - JS Manual of Operations</p> <p>ANNEX 12 - JS Recruitment procedures document</p>	
--	---	--	--





	<ul style="list-style-type: none"> <li>• Support to the drafting of administrative acts related to financial issues and programming and in general for the achievement of sound financial management;</li> <li>• Budget management, budget revisions, management of incoming and outgoing financial flows; management of budget commitments, payments settlements and related fulfillments;</li> <li>• Financial management and accounting of Axis 5 “Technical Assistance”;</li> <li>• Drafting of Programme financial documents;</li> <li>• Support to the CA for the preparation of requests for reimbursement to the EC on the basis of the information, supplied by the JS, on the procedures and checks carried out on costs for their certification;</li> <li>• Monitoring, with the JS support, of the ERDF Programme budget.</li> </ul> <p><u>Technical Assistance</u> (3 FTE) is in charge of the following activities:</p> <ul style="list-style-type: none"> <li>• Analysis, testing, updating and management of the dedicated Information System;</li> <li>• Overseeing on planning, developing and updating of the Programme website;</li> <li>• Technical support to meetings and events organization;</li> <li>• Contribution to the drafting of Programme documents and to the revision of the Programme;</li> <li>• Information to potential beneficiaries and information</li> </ul>		
--	---	--	--





	<p>meetings;</p> <ul style="list-style-type: none"> <li>• Indicators, physical monitoring and evaluation of the Programme;</li> <li>• Drafting annual reports, Programme and statistic reports.</li> </ul> <p><b>JS</b></p> <p>The JS, set up by the MA in compliance with art. 23 (2) of ETC Regulation, is in charge of assisting the MA and the MC in carrying out their functions, providing information to potential beneficiaries about funding opportunities under the Programme and assisting the beneficiaries in the implementation of operations.</p> <p>The JS assists the MA in the following tasks:</p> <ul style="list-style-type: none"> <li>• secretary services and administrative activities;</li> <li>• day-to-day management and implementation of the Programme;</li> <li>• drafting and implementing the communication strategy in accordance with art. 116 of CPR and in compliance with the communication requirements;</li> <li>• preparing all the documents for submission of the proposals (e.g.: application form, guide for filling in the application form, Programme manual, guideline for the accounting expenses, contract framework between MA and Lead Applicants, and between LP and PPs, etc.);</li> <li>• coordinating the assessment process of the received project proposals in accordance with the criteria approved by the MC;</li> </ul>		
--	--	--	--





	<ul style="list-style-type: none"> <li>• presenting the results of the assessment process to the MC in charge of the approval for funding;</li> <li>• updating information on the monitoring system, at Programme and operation level;</li> <li>• drawing up reports on the implementation of the Programme.</li> </ul> <p>The support of the JS to the MC consists in the following activities:</p> <ul style="list-style-type: none"> <li>• secretary services, organization of the meetings, preparing agenda and keeping the minutes;</li> <li>• preliminary analysis of proposals on the basis of the standards indicated by the MC;</li> <li>• carrying out the assessment process of the received project proposals in accordance with the criteria approved by the MC;</li> <li>• drawing up documents to support the MC in the evaluation of the proposals, also liaising with designated experts, and preparing the draft documents for the approval of the operations.</li> </ul> <p>The JS assists Programme beneficiaries in the following activities:</p> <ul style="list-style-type: none"> <li>• help desk office, as first contact point for information about the Programme to potential beneficiaries and then to beneficiaries during the implementation of the operations;</li> <li>• If defined by the call procedures, preliminary evaluation of the proposals to be submitted for funding, in order to verify their formal eligibility and that all the due documents are</li> </ul>		
--	--	--	--







	<p>included;</p> <ul style="list-style-type: none"> <li>• monitoring of the development of the activities and expenses.</li> </ul> <p><b>JS organisation</b></p> <p>The JS consists of 4 units reporting to the Head of JS: the Institutional Unit, the Financial Unit, the Evaluation and Monitoring Unit and the Communication Unit. Each unit is coordinated by a Senior Manager liaising with the Head of JS. The JS is based in three different locations: Venice (main office), Zadar and Dubrovnik (branch offices).</p> <p><u>Head of JS: 1 FTE – located in Venice</u></p> <ul style="list-style-type: none"> <li>• assists the MA in representing the Programme towards the MC, the European Commission, other Programmes and institutions according to the needs;</li> <li>• coordinates the preparation of calls for proposals (in cooperation with the MA and the MC);</li> <li>• coordinates the projects selection procedures;</li> <li>• coordinates the monitoring of the projects, prepares reports to the MC and the MA;</li> <li>• coordinates the drawing-up of relevant documents (e.g.: Manuals, Plans, Budgets, Annual Implementation Report, Statistics for the MA and MC);</li> <li>• supervises the updates and amendments of Programme documents;</li> <li>• ensures that documents produced are in line with the</li> </ul>		
--	--	--	--





	<p>regulations and relevant decisions and with the Programme internal procedures;</p> <ul style="list-style-type: none"> <li>• coordinates the implementation of the Programme evaluations;</li> <li>• supports the MC, in particular with regard to the organization of its meetings;</li> <li>• ensures the follow-up and implementation of decisions;</li> <li>• supports the development, the maintenance and the usage of the Programme information and monitoring system;</li> <li>• coordinates the organization of meetings and events and the implementation of the Programme communication strategy.</li> </ul> <p><u>Institutional Unit:</u> 3 FTE – located in Venice</p> <p>Programme Management (2 FTE):</p> <ul style="list-style-type: none"> <li>• supporting the Head of JS for the general office coordination including the staff; supporting the MA, also through the coordination of the work of the E&amp;M Unit, in drafting acts, documents and reports, defining the day-to-day handling of Programme procedures, the drafting of the relevant documents (Programme manual, guidelines, etc.);</li> <li>• contributing to the monitoring of the Programme;</li> <li>• supporting to the organization and participation in events at Programme level;</li> <li>• elaborating thematic reports and annual reports;</li> <li>• supporting the preparation of calls for proposals, selection procedures and monitoring of the projects;</li> <li>• supporting the MC in its work and organisational and</li> </ul>		
--	--	--	--





	<p>operational support during MC meetings.</p> <p>Legal issues (1 FTE):</p> <ul style="list-style-type: none"> <li>• supporting the MA for legal aspects concerning the drafting of Programme documents, including calls for proposals and selection procedures;</li> <li>• supporting administrative aspects concerning the implementation of the Programme and the application of EU regulations;</li> <li>• supporting the drafting of contracts and the handling of complaints;</li> <li>• supporting the MA and the beneficiaries regarding the application of Italian administrative law, public procurement, state aid, privacy.</li> </ul> <p><u>Evaluation and Monitoring Unit</u>: 8 FTE – located in Venice, Zadar and Dubrovnik</p> <ul style="list-style-type: none"> <li>• drafting acts, documents and reports necessary for the sound Programme implementation;</li> <li>• defining and day-to-day handling of Programme procedures;</li> <li>• preparing calls for proposals from the procedures for selection to the monitoring of the projects;</li> <li>• evaluating the project proposals submitted;</li> <li>• setting up and day-to-day functioning of the IT managing and monitoring system of the Programme (coordinated by the MA and the JS Finance Unit);</li> <li>• organizing MC meetings and ensuring their follow-up (logistics coordinated by the MA and the JS Communications</li> </ul>		
--	--	--	--





	<p>Unit);</p> <ul style="list-style-type: none"> <li>• monitoring of the Programme with a specific focus on indicators and physical implementation;</li> <li>• organizing and participating in events at Programme level for supporting potential applicants and beneficiaries;</li> <li>• preparing specific tools and documents for disseminating information to potential applicants and stakeholders;</li> <li>• elaborating thematic reports and annual reports.</li> </ul> <p><u>Financial Unit:</u> 2 FTE – located in Venice</p> <ul style="list-style-type: none"> <li>• supporting the MA in drafting administrative acts related to financial issues and programming and in general for the achievement of sound financial management;</li> <li>• supporting the preparation of decisions of the MC regarding project budget reallocations and any other major changes in financial issues at project level;</li> <li>• supporting the MA and coordinating at JS level the setting up and day-to-day functioning of the IT managing and monitoring system of the Programme;</li> <li>• ensuring timely information in order to support the CA in the preparation of requests for reimbursement to the EC providing all necessary information on the procedures and checks carried out on costs for their certification;</li> <li>• supporting the regular investigation of administrative and accounting documents in order to process the reports of financial and procedural progress requested for audit activities;</li> </ul>		
--	---	--	--





	<ul style="list-style-type: none"> <li>• supporting the MA in monitoring the ERDF Programme budget and alerting on the risk of de-commitment;</li> <li>• drawing up documents related to certification and verification of the Programme with particular reference to the financial aspects;</li> <li>• supply and updating of economic and financial data in the management and monitoring system of the Programme;</li> <li>• supply of statistical analysis related to quantitative and qualitative indicators and to financial progress of the projects to be submitted to the actors of the Programme;</li> <li>• supporting the functioning of First Level Control systems of the Programme;</li> <li>• participating in external events and seminars as it is necessary.</li> </ul> <p><u>Communication Unit: 2 FTE – located in Venice</u></p> <ul style="list-style-type: none"> <li>• develops, updates, coordinates and monitors the implementation of the Communication Strategy and Communication Plan of the Programme according to the Programme strategy, in coordination with concerned Programme actors;</li> <li>• collects, organizes, edits and disseminates efficiently the information on the Programme;</li> <li>• actively participates in the network of communication officers of ETC Programmes;</li> <li>• develops and updates Programme communication tools such as the website, newsletters, publications, etc.;</li> </ul>		
--	---	--	--





	<ul style="list-style-type: none"> <li>• coordinates and contributes to the production of Programme publications (online and paper based);</li> <li>• supports beneficiaries in their activities for dissemination of information about projects (through online support guidance, communication trainings);</li> <li>• conceives and organizes Programme events (international conferences, thematic workshops, trainings, etc.);</li> <li>• promotes and represents the Programme and its projects at external events, on the basis of the needs.</li> </ul> <p><b>JS recruitment</b>                  JS staff working in Venice is hired by Veneto Region and JS staff working in the two branch offices in Croatia is hired by Croatian Programme partners (Agency for Regional Development under the Croatian Ministry of Regional Development and EU Funds). Branch offices are an integral part of JS, working in close cooperation with JS members in Venice and jointly managing the activities under the coordination of the Head of Joint Secretariat.</p> <p>Each staff member is hired in line with the national regulations in force according to the workplace and on the basis of remuneration provided for the proper level; all the contracts include specific provisions by which staff commits to avoiding situations of conflict of interests and applying impartiality principles in day-to-day activities, in the preliminary stage of the projects application and in communications with beneficiaries and stakeholders.</p> <p>The Head of JS and staff are selected by a Joint Selection Committee</p>		
--	--	--	--





	<p>with a transparent procedure open to European citizens; representatives of both Countries are involved in the entire selection procedure: from the drafting of job profile to the assessment of CVs, from eventual written tests to interviews. Call announcement, application forms, tests and interviews are in English language; the recruitment procedure is advertised on the Programme website and other information channels suggested by Programme participating Countries.</p> <p>In the event of a JS staff member being absent for an extended period, the MA or the Agency for Regional Development in coordination with the MA will proceed with the recruitment of new personnel in line with the National legislation in force. In the meantime, other staff members take on the staff member’s duties or distributes them within the Unit.</p> <p><b>JS training</b> A general plan to assess training needs of the staff is prepared by the Head of JS at the end of each year for the following one. Training plan is generally based on the services offered by Interact and does foresee the participation of all staff members in indicatively 2 courses per staff member each year. Moreover, a basic training is ensured to all staff members from both internal staff (Head of JS, Senior Managers) or by means of external courses (e.g. courses for beginners organised by INTERACT).</p>		
<p>2.2.2 Framework to ensure that an appropriate risk</p>	<p>In line with the provisions of Annex XIII of CPR, the MA ensures appropriate risk management in relation with all the procedures included in the description of the management and control system.</p>	<p>ANNEX 13 – Process P – Sub-process P1 “The risk</p>	





<p>management exercise is conducted, in particular in the event of major modification to the management and control system</p>	<p>In order to guarantee a sound financial management and effective Programme implementation, the MA ensures the identification of:</p> <ul style="list-style-type: none"> <li>• Actions and measures for risk prevention;</li> <li>• Potential risks related to specific activities.</li> </ul> <p>Consequently, the risk assessment is carried out by taking into consideration different risk levels (low, medium, high) and whether the risk is internal or external to the MA. It shall be highlighted that the risk assessment includes the fraud risk assessment as specified in paragraph 2.1.4.</p> <p>In order to assess the impact and likelihood of any potential risk the MA adopts an official risk assessment procedure targeting key processes in the implementation of the Programme.</p> <p>The selected relevant <b>key areas</b> considered to be most exposed to specific risks are:</p> <ul style="list-style-type: none"> <li>• the selection of operations;</li> <li>• the adequate information provided to beneficiaries and potential beneficiaries;</li> <li>• the management of controls on approved operations;</li> <li>• the storage and archiving of relevant documentation;</li> <li>• the collection, recording and storing in a computerized form data on each operation;</li> <li>• the anti-fraud prevention and management;</li> <li>• the certification of expenditure;</li> </ul>	<p>assessment”, Sub-process P2 “The risk management”</p>	
--	---	--	--







	<ul style="list-style-type: none"> <li>• the drawing-up of the management declaration and annual summary of the final audit reports and of controls carried out.</li> <li>• the internal control environment;</li> <li>• the drafting of documentation of the “assurance package”</li> </ul> <p>This risk assessment shall be carried out by an ad hoc <b>Committee</b> established by the MA as a <b>self-assessment team</b> and composed by four members: one representative from the MA, one from the JS, one representative from the CA, one representative of the Agency for Regional Development of the Republic of Croatia, hosting the FLC team. The Committee is a technical body, whose members are selected according to their specific experience in the field. As the AA will audit the completed risk assessment, it is recommended that it does not take a direct role in deciding on the level of risk exposure, but it could be envisaged to participate in the assessment process in an advisory role or as an observer. The Committee shall take into account risks across the whole Programme area by requesting eventual support from National Authorities of the two participating countries. The members of the Committee may appoint a delegate for the participation to the Committee’s meetings, provided that it falls in the same Organization.</p> <p>The end output of the risk assessment exercise is a <b>risk self assessment report</b> with the identification of those specific risks whose likelihood or impact must be reduced to an acceptable level. The Committee shall have clear reporting mechanisms ensuring sufficient coordination with the MA, the AA. This reporting on the results of effective risk prevention and management measures and</p>		
--	--	--	--





	<p>will be part of the annual report of the MA to the EC.</p> <p>Risk assessment and related measure will be implemented by the MA in compliance with the relevant Italian and Veneto Regional Laws and Regulations:</p> <ul style="list-style-type: none"> <li>the Regional Government Decree n. 39 of the 27th of January 2017 “Adozione del Piano triennale della prevenzione della corruzione 2017-2019 della Giunta Regionale del Veneto, in attuazione della Legge N. 190 /2012, recante "Disposizioni per la prevenzione e la repressione della corruzione e dell'illegalità nella pubblica amministrazione" (Veneto Region Official Bulletin n. 22 of the 24th February 2017);</li> <li>the Regional Government Decree n. 11 of the 17 the January 2017 “Attuazione Legge 6 novembre 2012, n.190 recante "Disposizioni per la prevenzione e la repressione della corruzione e dell'illegalità nella pubblica amministrazione", art. 1, par. 8: “definizione degli obiettivi strategici in materia di prevenzione della corruzione e trasparenza” (Veneto Region Official Bulletin n. 15 of the 7th of February 2017).</li> </ul> <p>Veneto Region annual anti-corruption plan and specific measures envisaged by the MA will be taken into due account by the Committee established to carry out the risk assessment at Programme level.</p>		
<p>2.2.3 Description of the procedures provided in</p>	<p>Procedures that are followed by the staff of MA and JS are collected together with their annexes, in a common file server archiving</p>	<p>ANNEX 8 - MA Manual of</p>	





<p>writing to the staff of the MA</p>	<p>system, to be always available to all staff members. Procedures provided in writing to the staff of MA and JS can be distinguished into the following categories:</p> <ul style="list-style-type: none"> <li>• <u>internal procedures established for Programme implementation</u>: these are detailed in MA and JS Manuals of Operations and accompanied by a set of process sheets that identify each step of the procedure and related body in charge;</li> <li>• <u>procedures established for the beneficiaries</u>: these are included in Programme factsheets, and supporting documents made available by the Programme on its website; the framework documentation provided for beneficiaries contains procedural information and dispositions which are followed, where relevant, also by internal staff;</li> <li>• <u>general procedures applicable to regional units and offices</u>: these are defined by Veneto region and made available in the intranet in the form of written guidelines;</li> <li>• <u>specific internal rules</u>: these are circulated via e-mail by the MA to MA staff and to the JS.</li> </ul>	<p>Operations ANNEX 11 - JS Manual of Operations ANNEX 13 - Management and Control System Processes (all) ANNEX 16 – Audit trail scheme ANNEX 14 - Programme Factsheets and Assessment Manual</p>	
<p>2.2.3.1 Procedures to support the work of the MC</p>	<p>According to art. 47 of CPR, the MC was set up within three months from the date of notification to the Member States of the Commission decision adopting the Cooperation Programme.</p> <p><b>Composition</b> MC composition was agreed by the Member States participating in the Programme and includes their relevant representatives. MC composition is in accordance with art. 5 (2) of CPR and with the requirements set forth by the Commission Delegated Regulation</p>	<p>ANNEX 15 - Rules of procedure of the Monitoring Committee ANNEX 13 - Process A “Monitoring Committee (MC)</p>	<p>Regional Government Resolution No. 257 of 08/03/2016 on establishment of MC Head of MA Decree No. 3 of 17/03/2016 on appointment of MC members and</p>





	<p>(EU) No. 240/2014 – Code of Conduct; representatives of the economic and social partners and bilateral non-governmental organisations, bodies representing civil society (e.g.: environmental partners, non-governmental organizations) are involved in accordance with art. 10 (2) of Code of Conduct.</p> <p>The MC also includes representatives of:</p> <ul style="list-style-type: none"> <li>• European Commission, in advisory capacity</li> <li>• MA, in advisory capacity</li> <li>• JS, in advisory capacity and with role of secretarial support to the Monitoring Committee</li> <li>• AA as an independent observer.</li> </ul> <p>The CA participates by invitation of the MC Presidency, where necessary.</p> <p>The list of members of the MC is published on the Programme website ( <a href="http://www.italy-croatia.eu/monitoring-committee-composition#a">http://www.italy-croatia.eu/monitoring-committee-composition#a</a>); other arrangements on the transparency of MC decisions are indicated in the Rules of Procedure.</p> <p><b>Chair</b></p> <p>The MC is chaired by a Member State according to a rotation principle described in the Rules of Procedure, whereas the MA acts as co-chair to ensure continuity. the MC draws up and approves its Rules of Procedure, which contain a detailed description of the Committee tasks, composition and voting right.</p> <p><b>Decision-making</b></p> <p>In principle, decisions of the MC is taken by consensus, whereby</p>	<p>functioning” – Sub-processes A1,A2,A3,A4,A5</p> <p>ANNEX 13 - Process B “Revision of Cooperation Programme” – Sub-process B1</p>	<p>substitutes</p> <p>Head of MA Decrees No. 3 of 17/03/2016, No. 39 of 09/12/2016, No. 42 of 07/04/2017, No. 79 of 19/06/2017 on identification and replacement of MC voting members</p> <p>Head of MA Decrees No.10 of 20/05/2016, No. 24 of 22/11/2016, No. 43 of 07/04/2017, No. 59 of 18/05/2017, No. 78 of 19/06/2017 on identification and replacement of MC non-voting members</p>
--	--	---	--





	<p>each Member State has one vote. The MC meets at least once a year. Decisions may also be taken through written procedure, with the exclusion of strategic relevance ones for which decisions adopted during joint meetings are required. Decisions of the MC are free from bias and must not be influenced by any partial personal or organisational interests of any of its individual members.</p> <p><b>Tasks</b> According to art 49 of CPR, the MC is in charge of reviewing the implementation of the Programme and the progress made towards achieving its objectives, as well as of examining all issues that affect its performance. In order to do that, each meeting agenda contains a general update on Programme implementation provided by MA and JS; this includes also a feedback on the handling of problems and weaknesses identified by the MC. It is consulted and gives an opinion on any amendment of the Programme proposed by the MA. Moreover, it may make observations with regard to the implementation and evaluation of the Programme, including actions related to the reduction of the administrative burden. In addition to the tasks reported in art. 110 of CPR, the MC shall act in accordance with art. 7, 21, 49, 50, 56, 116 of CPR and art. 12 of ETC Regulation.</p> <p><b>Transparency</b> MC composition and main decisions assumed during MC meetings are made available and regularly updated on the Programme website.</p>		
--	--	--	--





<p>2.2.3.2 Procedures for a system to collect, record and store in computerised form data on each operation necessary for monitoring, evaluation, financial management, verification and audit</p>	<p>In order to to collect, record and store in computerised form data on each operation necessary for monitoring, evaluation, financial management, verification and audit, the Veneto Region has developed, for 2014-2020 period, a unified electronic system for all ESI funds. The web application is named “SIU” (Unified Information System) and it is also used to support the Programme; details are given in chapter 4.</p>		
<p>2.2.3.3 Procedures for the supervision of the functions formally delegated by the managing authority</p>	<p>The MA has not formally delegated any function.</p>		
<p>2.2.3.4 Procedures for appraising, selecting and approving operations and for ensuring their compliance, for the entire implementation period, with applicable rules</p>	<p><b><u>PART 1 – PROJECTS UNDER PRIORY AXES 1,2,3,4</u></b></p> <p><b>Calls for Proposals</b></p> <p>The MA, supported by the JS, drafts the calls for proposal and the application package. All the relevant documentation is approved by the MC and afterwards made publicly available on the Programme website and through other National channels.</p> <p>Standard procedures for submission, supporting technical documentation and guidance is provided to applicants. The calls for proposals specify the type of expected projects, the conditions and requirements for the submission, the selection procedure (including scoring criteria), rights and obligations of beneficiaries, any</p>	<p>ANNEX 11 - JS Manual of Operations</p> <p>ANNEX 15 - Rules of procedure of the Monitoring Committee</p> <p>ANNEX 29 -</p>	<p>Regional Government Resolution No. 254 of 07/03/2017 on the opening of the first Call for Proposals and approval of Programme factsheets</p>





	<p>complaint procedures. Applications shall be submitted electronically to the MA/JS by the lead beneficiary via the SIU system, which registers all applications on receipt and supports the JS handling and managing the appraisal and selection phase.</p> <p><b>Assessment unit</b>                  All regularly submitted project proposals are duly and officially received by the MA through the Regional record system registration, for the subsequent assessment phase, which will be performed by the JS.                  The JS (Evaluation and Monitoring Unit) is tasked with the appraisal of applications and drafting assessment reports. According to each Call for Proposals specific provisions, the JS might benefit from external support (thematic experts or State Aid experts).</p> <p>After the submission, the assessment is composed of four steps to be carried out:</p> <ol style="list-style-type: none"> <li>1. <u>Admissibility check</u> of applications to be performed by JS on the basis of admissibility requirements, which are knock-out criteria; some checks are done automatically by the SIU system (e.g. the Application Form – AF- and annexes are submitted via the SIU system and before the Call’s deadline) while other checks are performed by the JS (e.g. the AF has been filled in in English, the AF and the LP annexes are signed by the Legal Representative or Person in Charge of Signature);</li> <li>2. <u>Eligibility check</u> on the basis of eligibility criteria which are</li> </ol>	<p>Template of declaration of impartiality and confidentiality (for assessors)</p> <p>ANNEX 14 – Programme Factsheets (in particular ANNEX 14/e, Factsheet n. 5 “Project Selection”) and ANNEX 14/h, Assessment Manual</p> <p>ANNEX 16 – Audit trail scheme</p>	
--	--	---	--





	<p>knock-out criteria, to be carried out by the JS; some checks are done automatically by the SIU system. Eligibility check is aimed at verifying that the submitted proposals comply with the requirements of the Call for Proposals and relevant EU Regulations (e.g. no evidence of double-financing, respect of horizontal principles, application of cooperation criteria).</p> <p>3. <u>Quality check</u> on the basis of the whole set of quality assessment criteria, to be carried out by JS (with possible support from thematic external experts). The quality check is based on the following sets of criteria:</p> <ul style="list-style-type: none"> <li>i. strategic criteria (project context; cooperation character; project's contribution to objectives; partnership)</li> <li>ii. operational criteria – to verify the administrative, financial and operationa capacity to carry out the project (management, communication, workplan; budget)</li> <li>iii. specific criteria per Specific Objective</li> </ul> <p>A Minimum quality thresholds can be applied both to the strategic and operational checks while an overall minimum quality threshold is always applied.</p> <p>4. <u>State Aid check</u> for projects proposals recommended for funding, to be carried out by JS (with possible support from State Aid external experts).</p> <p>When participating in the assessment, JS and external assessors have to sign a Declaration of Impartiality and Confidentiality.</p>	<p>ANNEX 13 - Process J "Project selection"</p>	
--	--	---	--







	<p><b>Selection procedure</b></p> <p>The Monitoring Committee, in compliance with Art. 12 (1) of ETC Regulation, is responsible for the selection of projects; in carrying out its tasks, is supported by the MA and JS.</p> <p>In line with its Rules of Procedure and as far as the selection of operations is concerned, the Monitoring Committee shall:</p> <ul style="list-style-type: none"> <li>• examine and approve the methodology and criteria to be used for selection of operations and approve any revision of those criteria in accordance with the Programme needs; criteria are drafted according to art. 123 (3) of CPR;</li> <li>• approve calls for proposals, application package and all documents necessary for the implementation of the Programme and projects (guidelines, manuals, templates, reports);</li> <li>• select operations to be financed by the Programme.</li> </ul> <p>In particular, concerning the different steps of the Assessment, the Programme bodies are involved as described here below.</p> <p>The MC formally delegates the MA (through the JS) to carry out the admissibility check and inform Lead Applicants of the outcomes.</p> <p>As for the eligibility check, the outcomes are handled to the MA by the JS. The MA acknowledges this outcome and sends it out for MC approval. After MC approval Lead Applicants are duly informed.</p> <p>As a result of the quality assessment, each proposal gets a final score to be proposed for approval to the MC. Projects proposals scoring less than the overall quality threshold will be proposed for rejection. A distinct ranking list for each call is then generated with</p>	<p>– Sub-processes J1, J2, J3</p> <p>ANNEX 13 - Process K “Project contracting” – Sub-processes K1, K2</p> <p>ANNEX 13 - Process L “Project modifications” – Sub-processes L1, L2, L3</p>	<p>Italian Legislative Decree n. 33 of 14/03/2013 on</p>
--	---	---	--





	<p>the help of the SIU system. Each ranking list is subdivided in:</p> <ul style="list-style-type: none"> <li>• applications not reaching the minimum threshold for funding in any of the quality criteria and not recommended for selection;</li> <li>• applications reaching the minimum threshold for funding but not in a ranking position useful for selection on the basis of the budget available for the specific call;</li> <li>• applications reaching the minimum threshold for funding and in a useful ranking position, thus recommended for funding.</li> </ul> <p>Applications recommended for funding are then assessed in order to verify the compliance of the proposal with the European State Aid legislation according to Art. 107(1) of the Treaty.</p> <p>At the end of the whole assessment, Overall Evaluation Reports are produced by JS and handled to the MA. The Overall Evaluation Report contains the outcome of assessment, comments and motivations for each application as well as the State Aid check. The MA transmits to the MC for discussion and approval the ranking lists as well as the Overall Evaluation Report of each proposal. Moreover, also the AFs and all other documents useful for the selection of operations are made available to MC members.</p> <p>After discussion, the MC makes its decision on the lists of projects to be selected (each Call, corresponding to a specific budget allocation, shall have its own separate approved ranking list).</p> <p>After MC decision, a project proposal can consequently be classified as:</p> <ul style="list-style-type: none"> <li>• Approved to be financed;</li> <li>• Approved under conditions: the proposal is considered</li> </ul>		<p>publicity, transparency and information duties for Public Administrations (and subsequent modifications)</p>
--	---	--	---





	<p>approved provided that the LP and/or PP satisfy specific conditions within a given deadline. These conditions may be: technical (concerning the work plan proposed for the project and possible adjustments), legal (concerning special contractual clauses or conditions required for the project), or financial (concerning the budget and the Programme contribution, timing of reporting etc.);</p> <ul style="list-style-type: none"> <li>• Approved but not financed for lack of funds;</li> <li>• Rejected: project proposals below minimum scoring within quality assessment will be rejected.</li> </ul> <p><b>Notifying beneficiaries of decisions</b>                  After MC decision, the JS on behalf of MA, prepares a letter informing the applicant of the Monitoring Committee’s decision, outlining potential conditions and options for appeal.                  The notification letter is either digitally seigned, either signed and scanned by the MA, then sent by certified e-mail or, if not available, by e-mail to the project Lead Partner. In parallel, the notification is registered in the SIU system.</p> <p>For rejected projects, reasons for exclusion are provided to the Lead Applicant.</p> <p><b>Public information</b>                  At the end of the whole assessment procedure as approved by the MC, the ranking lists of the assessed project proposals with evidence of financed projects shall be published on the Programme website. In line with Delegated Regulation (EU) No. 821/2014 and Italian</p>	<p>ANNEX 14 – Programme Factsheets (in particular ANNEX 14/f, Factsheet n. 6 “Project Implementation”)</p> <p>ANNEX 25 – Template of Subsidy Contract</p> <p>ANNEX 26 – Template of Partnership Agreement</p>	
--	---	---	--





	<p>Legislative Decree n. 33 of 14/03/2013 and subsequent modifications, the list of beneficiaries and granted public contribution shall be published.</p> <p><b>Pre-contracting</b> Following the final MC approval, the selected projects will undergo a pre-contracting procedure. This process is performed individually between each LP and MA/JS, to consolidate the information provided in the Application Form. In most cases this will focus on the consolidation of contact information and if needed to correct small formal technical incoherencies in the Application Form. At this stage MA/JS will request any information and documentation needed to prepare the Subsidy Contract.</p> <p>In the case of conditionally-approved applications, any potential stages of amendments to the Application Form, submission of additional documents and/or their updating, must be completed before beginning the contracting procedure and within 30 days from the receipt of the letter from MA notifying MC decision. During this stage, the JS works with the Lead Partner to meet all the conditions set out by the MC. Once the amendments are agreed, the JS invites the Lead Partners to modify details of the Application Form using the SIU system.</p> <p>The JS also organises seminars for Lead Partners to ensure that the Programme-related obligations have been properly understood by the Lead Partners, and that they quickly become operational.</p>	<p>ANNEX 13 – Process F “Programme communication” – sub-process F4</p>	
--	--	--	--





	<p><b>Contracting procedures and start of the projects</b></p> <p>Lead Partners of approved projects sign a <b>Subsidy Contract</b> with the MA.</p> <p>The Lead Partner signs a <b>Partnership Agreement</b> with all the partners of the approved project.</p> <p>In both cases, the MA provides standard models of these documents in English.</p> <p>The LP must submit the signed Subsidy Contract to the MA within 90 days from the date of receiving the MA notification letter of the project approval.</p> <p>As from the date of signature of the Subsidy Contract by the Managing Authority the contract enters into force and several deadlines apply:</p> <ul style="list-style-type: none"> <li>• the project shall start within 30 days;</li> <li>• LP has to lay down the Partnership Agreement to be signed by all PP's and sent to the MA as attachment to the first Progress Report (unless an advance payment is requested by the partnership and, in this case, the signed Partnership Agreement shall be made available to the MA together with the request of advance payment);</li> </ul> <p>The LP must keep an original of the Subsidy Contract and the Partnership Agreement as part of the audit trail of the project. Copy of these documents is also made available to all PPs.</p> <p>The main rules on the modifications of the Subsidy Contract are outlined in the Subsidy Contract itself. Amendments to the Subsidy Contract are required in case of major modifications, which are</p>		
--	---	--	--





	<p>considered to be substantial deviations from the approved AF; these are considered as exceptional cases, which need the previous decision of the MC, based on thorough justification of the partnership. In case such change is approved by the MC, the Subsidy Contract and the AF of the project are to be modified accordingly.</p> <p>An amendment of the Subsidy Contract is required in the following cases:</p> <ul style="list-style-type: none"> <li>• Modification of budget (reallocation above the allowed flexibility rules and reallocations between PPs);</li> <li>• Changes in the content of the project (including additional or reduced project activities, deliverables and outputs), main characteristics of planned outputs and investments, project objectives and results (going beyond a mere adjustment of the work plan);</li> <li>• Changes in the partnership (e.g. withdrawal, replacement of a partner);</li> <li>• Prolongation of the project duration.</li> </ul> <p><b>PART 2 – PROJECTS UNDER PRIORITY AXIS 5</b></p> <p>Actions implemented under the TA budget refer to the two Specific Objectives in PA 5, and consisting of the following:</p> <ul style="list-style-type: none"> <li>• Specific Objective 5.1. – To assure efficiency and effectiveness in the management and implementation of the Cooperation Programme.</li> <li>• Specific Objective 5.2. – To assure the support to strengthen the involvement of relevant partners in the Programme</li> </ul>	<p>ANNEX 10 - Manual for the management of the Technical Assistance budget (TA Manual)</p> <p>ANNEX 13 – Process D “Technical Assistance (TA)” – Sub-process D1, D2, D3, D4</p>	<p>Regional Government Resolution No. 1790 of 07/11/2017 on minor modifications to the CP and TA multiannual indicative plan</p>
--	---	---	--





	<p>implementation.</p> <p>The key element of the Italy – Croatia CBC TA management system is the TA project management approach:</p> <ul style="list-style-type: none"> <li>• all financed activities are detailed in the project plan of the given TA project;</li> <li>• there is a specific TA budget allocated per each TA project;</li> <li>• co-financing sources per TA projects are clear and defined;</li> <li>• responsibilities of the TA beneficiaries are detailed and agreed.</li> </ul> <p>The TA budget will be divided into projects according to different Programme bodies.</p> <p>The overall distribution of the TA budget respects the national co-financing shares for PA5 (IT 83% - HR 17%). In order to avoid additional financial flows (i.e. transfer of national co-financing) between the MA and the Croatian Ministry/Agencies and simplify the overall TA management, Croatia will entirely manage and co-finance its TA ERDF share as specific TA projects.</p> <p>Croatian authorities will be in charge of TA projects, coordinated by each Programme body involved, whose activities will be reimbursed of its ERDF (85%) from MA while the remaining 15% will be covered by the coordinators themselves.</p> <p>The “Manual for the management of the Technical Assistance budget” (TA Manual) describes the system and details the rules for a transparent and efficient management system to monitor the use of the TA resources of the Programme.</p>		
--	--	--	--





<p>2.2.3.5 Procedures to ensure the provision to the beneficiary of a document setting out the conditions for support for each operation</p>	<p>Various information and supporting documents remind Lead Partners and their partners about the duties and obligations concerning co-financing conditions:</p> <ul style="list-style-type: none"> <li>• prior to submitting project proposals, in the Programme Factsheet n. 3,;</li> <li>• while submitting project proposals, when the Lead Partner signs the Application Form;</li> <li>• while submitting project proposals, when the Lead Partner/ Project Partner signs the declaration;</li> <li>• before signing the Subsidy Contract, as Lead Partners of approved projects are invited to take part in a Lead Partners seminar on administrative and financial procedures;</li> <li>• at the signature of the Subsidy Contract;</li> <li>• at the signature of the Partnership Agreements;</li> <li>• by the JS with its attendance to project meetings.</li> </ul> <p>In particular, contractual documents of the Programme explicitly remind LP/PPs that European aid provided by the Programme is dependent on the partner accepting commitments regarding:</p> <ul style="list-style-type: none"> <li>• the funding conditions (including the obligations related to the reporting activity, de-commitment, advance payment and financial guarantee, revenues, assignement and legal succession);</li> <li>• implementation of operations accordingly to the legal framework and the terms of funding;</li> <li>• supplying information to the MA/JS and relevant National</li> </ul>	<p>ANNEX 14 – Programme Factsheets (in particular ANNEXES 14/c and 14/g – Factsheets n. 3 “Project Development”, n. 8 “Project Communication”)</p> <p>ANNEX 14 – Programme Factsheets (in particular ANNEX 14/f, Factsheet n. 6 “Project Implementation”)</p> <p>ANNEX 27 – Template of LP and PP Declarations</p> <p>ANNEX 28 – Template of off-line Application form</p>	
--	---	--	--







	<p>authorities on the delivery of the project (implementation start-up, progress reports, data on progress to meeting delivery and achievement indicators, projections concerning funding take-up and modifications to projects);</p> <ul style="list-style-type: none"> <li>• keeping separate accounting systems or adequate accounting code for all transactions relating to the project;</li> <li>• undergoing first-level and second-level controls, administrative checks by the MA/JS and National authorities, and any other type of control set up at National or European level;</li> <li>• compliance with European policies, especially competition rules, State Aid, environmental protection, gender equality, non-discrimination and sustainable development principles;</li> <li>• production of publicity on European participation according to the provisions set out in CPR (particularly Appendix XII), Delegated Regulation (EU) No. 821/2014 and in Programme factsheet n. 8;</li> <li>• archiving for auditing purposes at any time, of all financial, legal and commercial documents on standard data storage media, as well as all supporting documents for expenditure incurred for the part of the operation the partner is responsible for. This must be kept in a secure and ordered manner for a period of 4 years after the project closure, or for a longer period if so deemed by national legislation. These documents must either be originals or certified copies of the originals, produced on commonly accepted media;</li> <li>• durability and ownership of project outputs and results;</li> <li>• preserving the confidentiality of all documents, information,</li> </ul>	<p>ANNEX 25 - Template of Subsidy Contract</p> <p>ANNEX 26 - Template of Partnership Agreement</p> <p>ANNEX 13 - Process K "Project contracting" - Sub- processes K1, K2</p> <p>ANNEX 13 - Process L: Project Modifications - Sub- processes L1, L2, L3</p>	
--	---	---	--





	<p>or other materials in direct relation with the purpose of the Subsidy Contract that are duly deemed confidential;</p> <ul style="list-style-type: none"> <li>• preventing the risk of conflicts of interest that could prevent the impartial delivery and aim of the operation;</li> <li>• respecting the “zero tolerance” principle in terms of combatting fraud and corruption.</li> </ul>		
<p>2.2.3.6 Procedures for the verifications of operations</p>	<p>According to Art. 23 (4) of CPR and considering that the MA will not carry out verifications under Art. 125 (4) (a) of CPR throughout the whole Programme area, each Member State designates the bodies responsible for carrying out such verifications in relation to the beneficiaries on its territory (FLCs).</p> <p>Participating States must ensure that their management and control systems comply with the provisions stipulated in the regulations and that they work effectively.</p> <p>In each Member State participating in the Programme, controllers responsible for the verification of expenditure of the project partners located on their territory shall be designated; the control systems set in place by each Member State shall ensure that the expenditure of a beneficiary can be verified within a period of three months from the submission of the documents by the beneficiary concerned in line with art. 23 (4) of ETC Regulation.</p> <p>There are two main categories of FLCs systems:  <u>Centralised systems:</u> the Member State appoints one body to perform the verification of expenditure of all beneficiaries located in its territory; beneficiaries submit their expenditure for verification to this body.  <u>De-centralised systems:</u> each beneficiary appoints its own</p>	<p>ANNEX 17 – Italian control system                  ANNEX 18 – Croatian control system                  ANNEX 9 – CA Manual Procedures</p>	<p>IGRUE Manuals and related annexes (including control checklists): Manuale per la rendicontazione ed i controlli in relazione alla spesa dei programmi di Cooperazione territoriale Europea” and “Caratteristiche generali del sistema nazionale di controllo dei programmi dell’obiettivo cooperazione territoriale europea 2014-2020” ver. 1.1 December 2016</p>





	<p>controller, according to instructions/procedures/requirements set in place.</p> <p>For the organisation of FLC in Italy and in Croatia see Section 2.1.3.</p> <p>Croatian National authority shall ensure timely updated information to the MA on any changes in their control system. The MA shall contribute to ensure a smooth functioning of the control system through the organization of dedicated training sessions and coordination meetings. In any case, the MA will satisfy itself that common rules are applied in both countries in order to ensure equal and impartial controls towards beneficiaries of both territories. In particular, the MA ensures proper supervision, coordination and training to the selected controllers developing specific tools and control manuals. Moreover, specific reporting mechanisms between FLCs in Italy and in Croatia and the MA are put in place by means of periodic reports which are provided to the MA by Italian FLC Validator and Croatian FLC.</p> <p>The MA will also satisfy itself that the expenditure of each beneficiary participating in an operation has been verified by a designated controller.</p> <p>In accordance with the EGESIF_14-0012_02 all controllers, whether they act according to a centralized or decentralized system, have to carry out administrative verifications to be performed on 100% of the expenditure claimed. Moreover, controllers have to carry out on-the-spot verification during the project life: Italian controllers are requested to perform at least one on-the –spot verification during</p>	<p>ANNEX 31 – HIT Template of Certificate of Verified Expenditure</p> <p>ANNEX 16 – Audit trail scheme</p>	
--	---	--	--





	<p>the project life; Croatian controllers adopt a sample method to identify the projects to be subject to on-the-spot verification.</p> <p>During on-the-spot verifications controllers verify at least that:</p> <ul style="list-style-type: none"> <li>• the expenditure presented by the beneficiary constitutes the implementation costs for the project as stated in the approved and consolidated application form and that these costs would not have been incurred without its implementation;</li> <li>• compliance with Programme eligibility rules and national rules (as appropriate);</li> <li>• the expenses are true and have been properly paid by the partner within the anticipated timeframe;</li> <li>• the expenditure conforms with the terms of the subsidy contract;</li> <li>• the accuracy of the calculation of the Applications for Reimbursement and the amount of aid requested (level of co-funding);</li> <li>• the method for simplified costs has been correctly applied (as appropriate);</li> <li>• there is no double funding;</li> <li>• the existence of proof of payment and supporting documents complying with the audit trail;</li> <li>• compliance with European and national rules for public procurement and, as appropriate, Programme recommendations to this effect;</li> <li>• compliance with State aid rules;</li> <li>• correct revenue accounting;</li> </ul>	<p>ANNEX 13 – Process M “Disbursement to beneficiaries” – Sub-processes M1, M2, M3, M4</p> <p>ANNEX 13 – Process N “Management of irregularities” – Sub-processes N1</p> <p>ANNEX 13 - Process Q “Complaints management” – Sub-process Q2</p> <p>ANNEX 20 – Guidelines on control and anti-fraud / irregularities (to be developed)</p>	
--	--	---	--





	<ul style="list-style-type: none"> <li>• compliance with terms and conditions for obligations to publicise European aid;</li> <li>• the payment of external co-funding, as appropriate;</li> <li>• compliance with horizontal principles (sustainable development, equal opportunities and non-discrimination, gender equality);</li> <li>• the physical progress of the project and output of deliverables in line with project goals, specific Programme indicators and, when applicable, indicators for expected outcomes and micro-data;</li> <li>• products and/or services are delivered in accordance with the subsidy contract terms and conditions and the approved Application Form.</li> </ul> <p>On-the -spot verifications of individual projects are carried out by FLCs at the premises of the controlled Lead Partner/Project Partner and/or in any other place where the project is being implemented (e.g. infrastructure, provision of services, etc.). The method of verification and the related checklists are described in a specific Control Manual, developed by the Programme. As previously mentioned, FLCs have to perform at least one on-the-spot visit during the project implementation.</p> <p>With the exception of simplified costs, certification of expenditure must be carried out on all the supporting documents justifying expenditure. Applications for Reimbursement are processed according to the procedure described in section 2.2.3.7. Expenditure submitted by a beneficiary to its FLC should be verified</p>		
--	---	--	--





	<p>in its entirety.</p> <p>The documentation (“control documents”) of the control work carried out by the FLC occurs through the filling-in and issuing of the following documents:</p> <ul style="list-style-type: none"> <li>• <u>Certificate of Verified Expenditure</u>: the document certifying the compliance of the expenditure verified by the controller with the principles of eligibility, legality and relevance. The Certificate of Verified Expenditure must be signed by the authorized controller;</li> <li>• <u>Control Checklist</u>: the document in which the controller gives evidence of the verifications performed;</li> <li>• <u>List of expenditure</u>: the list of all expenditure incurred by the PP or LP in the considered Reporting Period which are submitted to the FLC for verification and validation;</li> <li>• <u>FLC report</u>: the document in which the controller describes the methodology used for the verifications, including an assurance that controls covered 100 % of expenditure, explanation of the nature of the documents tested, of National and EU rules checked, etc. If applicable, the ineligible expenditure found during the verifications also need to be described, including the reasons leading to this judgment; this document can be drafted in the National language of the controller.</li> </ul> <p>The templates of the Certificate of Verified Expenditure, Control Checklists and List of expenditure are developed by the Programme involving the competent National Authorities and their use by the FLCs is compulsory.</p>		
--	---	--	--





	<p>The verification of expenditure is performed by the FLC of each beneficiary (LP and PP) on incurred expenditure to be included in each Partner Report. This is done through administrative verifications (desk-based) as well as on-the-spot verifications. Each beneficiary has to enclose the Certificate of Verified Expenditure, the Control Checklists and the List of expenditure to its Partner Report which is then handled to the LP through the internal communication means that each project will define autonomously. In each Partner Report, the concerned PP provides the necessary information on performed activities and deliverables achieved in the reporting period as well as on costs incurred and verified by the FLC. Following, the LP has to provide a comprehensive Progress Report and upload it onto SIU, as explained in ph. 2.2.3.7.</p> <p><b>MA and JS administrative checks</b> The JS systematically checks all Applications for Reimbursement, including Progress Reports, regularly sent by the Lead Partner. Lead partners draft and send their Applications for Reimbursement and Progress Reports to the JS via the SIU system using standard templates provided by the Programme as describes in ph. 2.2.3.7.</p> <p><b>Targeted Controls (sample checks)</b> The so called Targeted Controls performed by the MA with the support of the JS are to be regarded as complementary to the verification of expenditure carried out by the FLCs. Targeted controls are organised by MA with the support of JS using a sampling process of partners and/or Lead Partners based on a</p>		
--	---	--	--





	<p>mapping exercise of identified risks. The MA shall maintain a record describing and justifying the sampling method used as well as an archive of the minutes of the sampling processes carried out. The internal manual of controls will contain all useful information for the management of targeted controls. The targeted controls are performed during the project implementation. The method for the identification of risks, basis of the sample process, is described in the control manual, developed by the Programme.</p> <p>The purpose of the targeted controls is to verify the quality of the FLC work by checking:</p> <ul style="list-style-type: none"> <li>• that the project funded is being properly implemented;</li> <li>• the real nature of declared expenditure;</li> <li>• that there is no double funding;</li> <li>• compliance with publicity obligations;</li> <li>• that separate accounting systems are kept;</li> <li>• consistency in monitoring conditions for the operation and archiving of supporting documents;</li> <li>• the physical reality of implementing the project.</li> </ul> <p>A signed and dated report is produced by MA/JS for each visit and signed by MA/JS and by the beneficiary; an electronic copy is sent to the lead beneficiary and one copy is kept by the MA. When appropriate, financial corrections can be made on the basis of conclusions from these visits.</p> <p><b>Ex-post verifications</b> The MA, with the support of the JS, performs on-site visits on a sample basis after project closure (ex-post verification), in order to</p>		
--	---	--	--







	<p>verify the durability of project activities and the maintainance of long-term commitments.</p> <p><b>Technical Assistance (TA) projects</b> The procedures for verification of expenditure for TA projects are described in the TA Manual and, for the TA project where the MA is beneficiary, the procedure ensure the separation of functions.</p>		
<p>2.2.3.7 Description of the procedures by which applications for reimbursement are received from beneficiaries, verified, and validated, and by which payments to beneficiaries are authorised, executed and accounted for</p>	<p>As a general principle, the implementation of the operations must be pre-financed by the beneficiaries. As stated in the Subsidy contract, in compliance with the art.s 81 par. 2 and 132 of CPR and subject to the availability of funds by the Programme, an advanced payment from the ERDF for an amount up to 10 per cent of the overall ERDF contribution can be requested to the MA. For the purposes of this advance payment an official Application for Reimbursement is needed from the LP on behalf of all PPs. Applications for Reimbursement can be sent to the MA only after the MA receives the signed Subsidy Contract and the Partnership Agreement. In order to limit the financial risks linked to unrecovered amounts, in compliance with EU or National compulsory rules, the LP shall require to its private PPs to provide an adequate financial guarantee to cover their respective share of the advance payment. The advanced payment will be deducted during the implementation period of the Contract.</p> <p><b>The Partner Report</b> The first step in the reporting procedure is the information made available at partner level. A specific template called "Partner</p>	<p>ANNEX 13 – Process M “Disbursement to beneficiaries” – Sub-processes M1, M2, M3, M4 ANNEX 13 – Process N “Management of irregularities” – Sub-processes N1 ANNEX 13 - Process Q “Complaints management” – Sub-process Q3 ANNEX 30 - HIT Template of</p>	





	<p>Report” is made available by the Programme. This is to be filled in by each PP individually. Each PP (including the LP) reports on the progress made in the relevant reporting period compared to what was planned in the AF.</p> <p><b>Submission of expenditure to FLCs</b> The eligibility of activities and costs is confirmed by the FLC of each partner. The supporting documents needed by the FLC to perform its checks will have to be provided to the FLC separately. PPs should be aware that expenditure can only be reported if its eligibility has been confirmed by the relevant FLC.</p> <p><b>Reporting of verified expenditure to the LP</b> PPs have to submit to the LP via the means agreed by the partnership (not via SIU system) their Partner Reports together with the FLC Certificate of Verified Expenditure signed by the authorised controller, the List of expenditure and the Control Checklists within the deadlines set in the Partnership Agreement. PPs also have to submit to the LP proof of project deliverables (copies, photos, documents etc.)</p> <p><b>LP verifications</b> The LP bears the overall responsibility for ensuring the implementation of the project, which includes ensuring that the expenditure presented by all PPs have been verified by the controllers. LP also has the responsibility to check that the control documents are correct and complete.</p>	<p>Confirmation and Application for Reimbursement</p> <p>ANNEX 16 – Audit trail scheme</p> <p>ANNEX 32 – HIT Template of Progress Report</p> <p>ANNEX 20 – Guidelines on control and anti-fraud / irregularities (to be developed)</p>	
--	--	--	--





	<p><b>Progress Report</b></p> <p>The Lead Partner prepares a Progress Report which collates the information include by all PPs in their Partner Reports and which is then sent to the MA/JS every six-months, as set out in the Subsidy Contract.</p> <p>The Lead Partner shall also provide to MA/JS: the Certificate of Verified Expenditure, the List of expenditure and the Control Checklist for LP and all PPs. Moreover, proof of project deliverables shall also be attached. Finally, an Application for Reimbursement, shall be submitted by the LP to the MA via SIU.</p> <p>Each partner must retain original invoices and methodologies justifying the calculation of simplified costs and make them available to the Lead Partner and all the Programme authorities for any controls.</p> <p>The Progress Report and its annexes have to be submitted by the LP via SIU to the MA/JS. As far as the last implementation period is concerned, longer or shorter reporting periods might be set in place.</p> <p>The Progress Report consists of:</p> <ul style="list-style-type: none"> <li>• <u>Activity Report</u> (including communication) that provides information on the achievements of activities, deliverables and outputs;</li> <li>• <u>Financial Report</u> which provides information on the operation expenditure verified by National controllers.</li> </ul> <p><b>Assessing Applications for Reimbursement by the JS</b></p> <p>The JS receives and assesses the Progress Reports and its annexes and the Application for Reimbursement.</p>		
--	---	--	--





	<p>For each Progress Report and related Application for Reimbursement, the JS:</p> <ul style="list-style-type: none"> <li>• checks compliance between outputs and the signed Subsidy Contract concerning expenditure, funding and the eligibility of expenditure;</li> <li>• checks the reality of expenditure declared by the partners upon receiving copies of Certificates of Verified Expenditure signed by the controllers of each partner and the List of expenditure;</li> <li>• ensures that each partner’s expenditure has been verified by an appointed controller, and is in compliance with the control system set up by each of the two Member States participating in the Programme;</li> <li>• ensures compliance with European policies;</li> <li>• ensures the reality of output with certain items appended to the report;</li> <li>• checks publicity requirements for European funding (photographs, communication tools, press art.s, etc.);</li> <li>• ensures compliance with the limit of expenditure incurred outside the Programme area;</li> <li>• checks the achievements of indicators, especially output indicators;</li> <li>• checks the accuracy of Applications for Reimbursement submitted and determines the amount to be paid in relation to Subsidy Contract provisions (level of co-funding and maximum amount of grant) and in relation to the total</li> </ul>		
--	---	--	--





	<p>amount of verified and certified expenditure;</p> <ul style="list-style-type: none"> <li>• checks that actions to be delivered in the event of irregularities or income are followed up on.</li> </ul> <p>In addition, the JS verifies the following on SIU:</p> <ul style="list-style-type: none"> <li>• financial monitoring of funds (EU and national co-funding);</li> <li>• monitoring of indicators.</li> </ul> <p>When appropriate, the JS takes into account the conclusions provided by on-the-spot visit reports.</p> <p><b>Payment to beneficiaries</b></p> <p>Once the JS finalises the checks of the Progress Reports and related annexes, the MA transfers the amounts through the internal body in charge U.O. Ragioneria, that after a technical regularity check, gives order to the Regional Treasurer to pay.</p> <p>In case of Italian Lead Partners, the MA transfers to the Lead Partner the ERDF together with the Italian national co-financing, when due; in case of Croatian Lead Partners, the MA will reimburse the ERDF to the Lead Partner and the Italian national co-financing, when due, to the Italian partner. LP transfers the ERDF funds and, when due, the Italian national co-financing to PPs according to the provisions set in the Partnership Agreement.</p> <p>The MA guarantees to the Croatian institutions timely information on the payment of ERDF funds.</p>		
<p>2.2.3.8 Identification of the authorities or bodies</p>	<p>The flowchart annexed to this manual indicates all the bodies involved in the processing of the Application for Reimbursement, which are:</p> <ul style="list-style-type: none"> <li>• Project Partners</li> </ul>	<p>ANNEX 5 - Flowchart indicating all bodies involved in the processing of the</p>	





<p>carrying out each step in the processing of the application for reimbursement, including a flowchart indicating all bodies involved</p>	<ul style="list-style-type: none"> <li>• Lead Partners</li> <li>• First Level Controllers</li> <li>• Joint Secretariat</li> <li>• Managing Authority</li> <li>• Certifying Authority</li> <li>• IGRUE</li> <li>• European Commission</li> </ul>	<p>application for reimbursement</p>	
<p>2.2.3.9 Description of the procedure followed by the Managing Authority to send the information to the Certifying Authority</p>	<p>In compliance with CPR, the MA guarantees that all the information needed by the CA to perform its tasks and the activities in accordance with the Community regulations is provided. In relation to the information flows between MA and CA, the MA makes available to the interested Programme authorities all information via SIU system, which allows the registration of accounting documents and the archiving of all data related to Programme implementation for its monitoring, financial management, control and certification. In particular, the coordination of tasks related to the preparation of documents to be submitted to the EC by February 15, in line with art. 59 of regulation 966/2012, as well as to the management of irregularities is considered a significant activity in the exchange of information between MA and CA.</p>		<p>POR FESR 2014-2020 "Relazione sui Sistemi Informativi adottati dall'ADG" version1, 09/06/2017</p> <p>REGULATION (EU, EURATOM) No 966/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2012 on the financial rules applicable to the general budget of the Union</p>
<p>2.2.3.10 Description of the procedure followed</p>	<p>In compliance with CPR, the MA guarantees that all the information needed by the Audit Authority to perform its tasks and the activities</p>		<p>POR FESR 2014-2020 "Relazione sui Sistemi</p>





<p>by the Managing Authority to send the information to the Audit Authority</p>	<p>in accordance with the community regulations is provided. Specific communications and exchange of documents are done via SIU, which allows the AA to have under constant monitoring the verifications carried out on the Applications for Reimbursement. In particular, the coordination of tasks related to the preparation of documents to be submitted to the EC by February 15, in line with art. 59 of regulation 966/2012, as well as to the management of irregularities is considered a significant activity in the exchange of information between MA and AA. Moreover, In relation to the information flows between MA and AA, the MA informs in due time the AA about the results of the activities on the risk assessment and management and, in particular, related to anti-fraud measures.</p>		<p>Informativi adottati dall'ADG" version1, 09/06/2017</p> <p>REGULATION (EU, EURATOM) No 966/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2012 on the financial rules applicable to the general budget of the Union</p>
<p>2.2.3.11 Eligibility rules defined and applicable to the CP</p>	<p>As with all INTERREG Programmes, three levels of eligibility rules apply to the Programme. These are stipulated in the Programme factsheets:</p> <p>Eligibility of expenditure is to be considered through different levels of rules:</p> <p>1. <b>European level:</b> EU regulations and in particular all the general rules on eligibility of expenditure for structural funds apply and, in particular:</p> <ul style="list-style-type: none"> <li>• Regulation (EU, Euratom) No. 966/2012 (financial regulation) on the financial rules applicable to the general budget of the Union;</li> </ul>	<p>ANNEX 14 Programme Factsheets (in particular ANNEX 14/c, Factsheet n. 3 "Project Development")</p> <p>ANNEX 14 Programme Factsheets</p>	<p>Decree of Italian Republic President of 3 October 2008, n. 196 "Regolamento di esecuzione del regolamento (CE) n. 1083/2006 recante disposizioni generali sul fondo europeo di sviluppo regionale, sul fondo sociale europeo e sul fondo</p>





	<ul style="list-style-type: none"> <li>• CPR, including Art.s 6 and 65 to 71, setting out specific provisions on current regulations and eligibility of expenditure;</li> <li>• Regulation (EU) No. 1301/2013 (ERDF regulation), including Art. 3, setting out specific provisions on the eligibility of ERDF activities;</li> <li>• ETC Regulation, including Art.s 18 to 20, setting out specific provisions on the eligibility of expenditure applicable to European Territorial Cooperation Programmes;</li> <li>• Delegated Regulation (EU) No. 481/2014 of the Commission with regard to specific rules on eligibility of expenditure for cooperation Programmes.</li> </ul> <p>2. <b>Programme level:</b> specific rules on eligibility of expenditure set for the Programme and approved by the MC, and particularly rules on eligibility in time and simplified cost options. Project budgets must be built using the following budget line categories, in compliance with Regulation (EU) No. 481/2014:</p> <ul style="list-style-type: none"> <li>• Preparation costs</li> <li>• Staff costs</li> <li>• Office and administration</li> <li>• Travel and accommodation</li> <li>• External expertise and services</li> <li>• Equipment</li> <li>• Small scale infrastructure and construction works</li> </ul> <p>Details on calculation methods or the type of eligible</p>	<p>particular ANNEX 14/f, Factsheet n. 6 "Project Implementation")</p>	<p>di coesione" REGULATION (EU, EURATOM) No 966/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2012 on the financial rules applicable to the general budget of the Union</p>
--	--	--	--







	<p>expenditure under each budget line mentioned above, are provided in the Programme factheets. Any amendment to eligibility rules defined by the Programme will be effective from date of approval by the MC.</p> <p>3. <b>National level:</b> National rules applicable in each Member State; these rules apply to matters which are not covered by the EU and Programme rules of eligibility mentioned above. In particular, for Italy respect of Decree of the President of the Italian Republic n. 196 of 03/10/2008;</p> <p>4. <b>Partner institutional level:</b> internal rules applicable to each partner organisation.</p> <p>Generally speaking, to be eligible at project level, costs must:</p> <ul style="list-style-type: none"> <li>• relate to activities foreseen in the Application Form, be necessary for carrying out these activities and achieve the project's outputs and results, and be included in the estimated budget;</li> <li>• be reasonable, justified, consistent with the applicable internal rules of the partner, National, Programme and EU rules and in accordance with the principles of sound financial management;</li> <li>• be identifiable, verifiable, plausible and determined in accordance with the relevant accounting principles;</li> <li>• be incurred and paid by the partner organisation, debited from its bank account no later than 30 days after the project end date, be substantiated by proper evidence allowing identification and checking.</li> </ul> <p>In case of expenditure being reimbursed on the basis of a lump sum</p>		
--	--	--	--





	<p>or flat rate the latter two principles do not apply.</p> <p>In accordance with the scope of support of the Regulation (EU) No 1301/2013 the following activities <b>shall not be supported</b>:</p> <ol style="list-style-type: none"> <li>a) the decommissioning or the construction of nuclear power stations;</li> <li>b) investment to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC;</li> <li>c) the manufacturing, processing and marketing of tobacco and tobacco products;</li> <li>d) undertakings in difficulty, as defined under Union State Aid rules;</li> <li>e) investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.</li> </ol> <p>Without prejudice to the specific Programme rules, the following expenditure is considered <b>as not eligible</b> (reference to art. 69 of CPR and art. 2 of Delegated Regulation (EU) No 481/2014):</p> <ul style="list-style-type: none"> <li>• in kind contributions (in the form of provision of works, goods, services, land and real estate for which no cash payment supported by invoices, or documents of equivalent probative value, has been made);</li> <li>• costs for gifts, except those below the amount of 50€ per item and related to promotion, communication, publicity or information;</li> </ul>		
--	--	--	--





	<ul style="list-style-type: none"> <li>• costs related to fluctuation of foreign exchange rate;</li> <li>• charges for national financial transactions;</li> <li>• interest on debt;</li> <li>• value added tax (VAT), except where it is not recoverable under national VAT legislation;</li> <li>• fines, financial penalties and expenditure on legal disputes and litigation.</li> </ul> <p>Furthermore, the Programme takes advantage of the INTERACT HIT (application form, reporting forms, administrative, eligibility and assessment criteria, etc.) also for the eligibility of expenditure.</p>		
<p>2.2.3.12 Procedures to draw up and submit to the Commission annual and final implementation reports</p>	<p>In accordance with Art. 14 of ETC Regulation, the MA submits to the EC the implementation reports in line with the requirements of Art. 50 of CPR.</p> <p>The JS drafts the report providing descriptions, indicators data and financial figures. For the parts of the report which concern problems, issues to be raised or to be communicated to the Commission, the JS and the MA organise a few meetings to discuss the contents to be included. Once the report and the citizen summary are completely filled in, it is handled by the Head of JS to the MA. The MA verifies the information included and prepares the final version of the report and citizen summary. Following, these documents are presented to the MC. The MC discusses and approves the implementation reports before these are sent to the EC through the SFC system uploaded by JS and validated by MA. A final report on implementation is submitted to the EC by 31 December 2023.</p>	<p>ANNEX 13 - Process B "Programming and reporting" - Sub-process B2</p>	





	<p>The closure of the Programme is carried out in compliance with Art. 141 of CPR by the competent Programme bodies.</p>		
<p>2.2.3.13 Procedures for drawing up the management declaration</p>	<p>In line with art. 125 (4e) of CPR and art. 59 of the Financial Regulation - Reg. (UE, EURATOM) n. 966/2012,, the MA transmits to the EC as well as to the CA and the AA, its accounts on the expenditure incurred, during the relevant reference period, in the execution of its tasks. Those accounts shall include pre-financing and sums for which recovery procedures are underway or have been completed. They shall also be accompanied by a management declaration confirming that, in the opinion of those in charge of the management of the funds:</p> <ul style="list-style-type: none"> <li>(i) the information is properly presented, complete and accurate;</li> <li>(ii) the expenditure was used for its intended purpose, as defined in the sector-specific rules;</li> <li>(iii) the control systems put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.</li> </ul> <p>In line with the “ Guidance for Member States on the Drawing of Management Declaration and Annual Summary (EGESIF_15_0008_3) the MA satisfies itself of the effective and compliant functioning of the Monitoring and Control System in relation to a number of key elements: appropriate treatment in the accounts of irregularities detected, including in the case of an on-going assessment of the legality and regularity of expenditure; data relating to indicators, milestones and progress of the programme; effective and proportionate anti-fraud measures; lack of undisclosed matters which could damage the reputation of cohesion policy. This is ensured through the data present in SIU and the input data are automatically and/or manually verified.</p>	<p>ANNEX 13 – Process O “Certification of expenditure” - Sub process O2</p>	<p>EGESIF_15_0008-03 Version of 19/08/2015 Guidance for Member States on the Drawing of Management Declaration and Annual Summary</p> <p>Commission Implementing Reg. (EU) 2015/207 of 20 January 2015 laying down detailed rules implementing Regulation (EU) No 1303/2013 as regards the models for the progress report, submission of the information on a major project, the joint action plan, the implementation reports for the Investment for</p>





	<p>For this purpose, the MA, with the support of JS, develops a proper internal procedure in order to review and document the proper functioning of all the procedures involved in the Management of the Programme, also through an internal “quality review” checklist.</p> <p>The terms for the transmission of the management declaration are set by art. 59 of the Financial Regulation (by 15 February of the following financial year with respect to the reference period)..</p> <p>In line with art. 59, ph. 5, l. b), of Reg. (UE, EURATOM) n. 966/2012, The MA prepares a first draft of the management declaration, based on the the template of annex VI of Reg. 207/2015, together with the annual summary (see ph. 2.2.3.14), that provides a global picture of audits and controls performed during the accounting year. It is one of the main foundations on which the management declaration rests and it complements the information included in the accounts. The MA forwards the documents to the CA and to the AA, in due time to fulfil the respective examinations, for a first preliminary opinion.</p> <p>On the basis of the potential observations received, the MA transmits the final version of the documents to the CA and the AA by 31 December; after the Audit Opinion and the Audit Annual Report, issued by the AA, the accounts will be submitted by the 15 February of the following year.</p>		<p>growth and jobs goal, the management declaration, the audit strategy, the audit opinion and the annual control report and the methodology for carrying out the cost-benefit analysis and pursuant to Regulation (EU) No 1299/2013 as regards the model for the implementation reports for the European territorial cooperation goal</p>
<p>2.2.3.14 Procedures for drawing up the annual summary of the final audit reports and of controls carried out, including an</p>	<p>In line with art. 59, ph. 5, l. b), of Reg. (UE, EURATOM) n. 966/2012, the accounts are accompanied by an annual summary of the final audit reports and of controls carried out, based on the template provided in annex 1 of that EGESIF note 15_008-03. including an analysis of the nature and extent of errors and weaknesses identified in systems, as well as corrective actions taken or planned.</p>		<p>EGESIF_15_0008-03 Version of 19/08/2015 Guidance for Member States on the Drawing of Management</p>





<p>analysis of the nature and extent of errors and weaknesses identified in systems, as well as corrective action taken or planned</p>	<p>The annual summary is prepared by JS and validated by MA.</p>		<p>Declaration and Annual Summary</p>
<p>2.2.3.15 Procedures concerning the communication to staff of the above procedures, as well as an indication of training organised/foreseen and any guidance issued</p>	<p>All the processes and standard documents included in the present description are drawn up on the basis of internal consultation. The various processes and JS and MA manuals of operations will be made available to all MA and JS officers and any relevant information will be forwarded to the rest of the Programme stakeholders, as appropriate. The processes and manuals will be kept in electronic format on the MA/JS shared folder. The processes will be disseminated and presented to all those involved in managing the Programme and to new JS/MA staff members or MC members (when relevant). Processes can be introduced, altered or abandoned upon the initiative of those in charge of the process as well as the MA in terms of risk management procedures and consideration of the results of controls at all levels. Whenever appropriate, the MA will validate the amendments made to the processes and the JS will be tasked with disseminating them and archiving.</p>	<p>ANNEX 13 - Management Control System Processes (all) ANNEX 11 - JS Manual of Operations ANNEX 8 - MA Manual of Operations</p>	
<p>2.2.3.16 Description of the procedures of the MA in relation to the scope, rules and</p>	<p>The Programme sets up a complaint procedure in order to find an amicable and mutually acceptable solution avoiding any form of litigation between the MA and the LP. In the event of a dispute over decisions made by the MA/JS or MC, the project LP as representative of the partnership, officially submit</p>	<p>ANNEX 13 - Process Q "Complaints management" - Sub-processes Q1, Q2, Q3</p>	





<p>procedures concerning the effective arrangements set out by the MS for the examination of complaints concerning the ESI Funds</p>	<p>a complaint to the MA/JS.                  Prior to filing a complaint, the LP is strongly recommended to request additional technical or legal information by sending an e-mail to the MA/JS (<a href="mailto:js.italy-croatia@regione.veneto.it">js.italy-croatia@regione.veneto.it</a>) within the timeframe of 10 working days after the receipt of the communication by the MA on which the LP intends to make a complaint.                  Submission of requests of information interrupts the deadline for submitting a complaint until the day of the reply by the MA/JS to the LP.                  The Programme adopts standardized procedures differentiated as follow:</p> <ul style="list-style-type: none"> <li>a) Complaints related to the assessment and selection process;</li> <li>b) Complaints related to decisions made during the project implementation (during contracting and implementation phase related to the Subsidy Contract);</li> <li>c) Any other complaint (complaints related to audit and control bodies, any other complaints outside the responsibility of the MA/JS).</li> </ul> <p>Letter a)                  the complaint procedure is limited to the eligibility, quality and state aid checks (no complaint procedure can be activated against any MA/JS decision taken during the admissibility check). In case of eligibility and quality check LA will be informed in writing about the reasons why its application was not considered as eligible or quality relevant for approval.</p>	<p>ANNEX 25 -                  Template of Subsidy contract</p>	
--	---	---	--





	<p>Any complaint related to this phase shall be addressed by the LA on behalf of the entire partnership, and sent to the MA not later than 10 working days after the receipt of the concerned communication (eligibility check), or under the terms and conditions as established in the MA communication (quality check).</p> <p>The MA will submit the complaint and the provided information for examination to a Complaint Committee (CC) composed by members identified by MC within the voting members (both Countries) and by representatives of the MA/JS. The MA will provide its position regarding the merit of the complaint and will adopt the definitive act on the basis of the final decision of the CC.</p> <p>Letter b) any complaints against acts, omissions and/or decisions of the MA/JS during project implementation or against any MC decision on the basis of the Subsidy Contract shall be submitted by the LP, on behalf of the partnership, or by the concerned partner to the MA for the examination not later than 10 working days after the receipt of the communication by the MA on which the LP intends to make the complaint.</p> <p>A confirmation of receipt of any written complaint is sent by the MA/JS to the complainant within 3 working days from the date the complaint was received.</p> <p>The MA, if the case cannot be solved by MA itself, will involve the CC in order to find appropriate response.</p> <p>The MA will provide its position regarding the content of the complaint and will adopt the final act (on the basis of the decision of</p>		
--	---	--	--







	<p>the CC, if it is the case).</p> <p>Letter c)                  complaints against acts, omissions and/or decisions of control and audit bodies related to the national control system. LPs or the interested PPs can file a complaint to the National Authority in charge of these matters, in accordance with national regulations: MA will receive the complaints (for Italy) and the Agency for the audit of EU Programmes implementation system (for Croatia). Other complaints, including those submitted by citizens or NGOs, will be received by MA and, if the case cannot be solved by MA itself, the CC will be involved in order to find an appropriate response. MC will be duly informed.</p> <p>Any other complaints outside the responsibility of the MA/JS have to be directed to the employing or contracting institution or competent administrative or criminal offices.</p> <p>The MA/JS informs the Monitoring Committee of developments in the case at any time.</p> <p>For all the three cases as above described, complaint must be sent via certified e-mail or via e-mail to the MA/JS within 10 working days after the receipt of the communication by the MA on the MC decision.</p> <p>The complaint should include:</p> <ul style="list-style-type: none"> <li>• name and address of the Lead Partner (or the concerned</li> </ul>		
--	--	--	--





	<p>partner);</p> <ul style="list-style-type: none"> <li>• reference number of the application which is a subject of the complaint;</li> <li>• clearly indicated reasons for the complaint, including listing of all elements of the assessment which are being complaint and/or failures in adherence with procedures limited to those criteria mentioned previously;</li> <li>• date, signature and stamp of the legal representative of the claimant;</li> <li>• any supporting documents</li> </ul> <p>If a complaint includes an incomplete description of a case that does not allow for a thorough assessment by the MA/JS or CC, further information may be requested at any time of the procedure. If the information requested is not provided within the period of time as specified by the MA (at least 3 working days) the case shall be closed without further investigation.</p> <p>The MA/JS examines complaints based on information submitted by the LP and on supporting information received.</p> <p>The MA must notify the LP of its decision on the aforementioned complaint within two calendar weeks.</p> <p>The decisions taken after each complaint procedures will be final, binding to all parties and not subject to any further complaint proceedings within the Programme if the complaint is based on the same grounds. The complaint procedure is without prejudice to any</p>		
--	--	--	--





	<p>mechanism or process for legal redress, in particular with regard to unsuccessful applicants. In this case the legal proceedings will take place in Italy following the Italian laws.</p> <p>Against a decision taken by the MA/MC at every step of the selection and implementation phase, an official litigation process could start and in this case the legal proceedings will take place in Italy. The venue is the Civil County Court in Venice. The Italian laws regulating the statute of limitations (suspension or interruption) shall not be affected by the present complaint procedure.</p>		
<p><b>2.3 Audit trail</b></p>			
<p>2.3.1 Procedures to ensure an adequate audit trail and archiving system including with respect to the security of data</p>	<p>In line with art. 25 of Regulation 480/2014, the audit trail has several objectives:</p> <ul style="list-style-type: none"> <li>• to reconstitute the management history of a case;</li> <li>• to justify the information featured in the accounting documents through data from assessment, selection and programming, payment mandates, certification and programming procedures (and vice versa between each of these procedures);</li> <li>• to ensure the link between each stage of the management process, from origin of task until completion, and without data loss or inconsistency;</li> <li>• keep track of each verification performed (by whatever body) and the related results as well as of the follow-up;</li> <li>• keep track of where and by whom are supporting documents related to expenditure and audits being kept.</li> </ul> <p>To secure the audit trail throughout the duration of a case, it is</p>		<p>Commission Delegated Reg.(UE) No. 480/2014 of 3 March 2014 laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund</p>





	<p>essential to understand, describe and set:</p> <ul style="list-style-type: none"> <li>• the key stages of the process;</li> <li>• the role and contributions of each organisation involved;</li> <li>• the IT tools and their potential interfaces and obligations to re-enter data;</li> <li>• the arrangements for storing/archiving data and documents;</li> <li>• controls undertaken and corrective measures applied.</li> </ul> <p><b>For beneficiaries and First Level Controllers</b></p> <p>Partners are informed that is compulsory to archive and keep documents in the Programme factsheets, in the contractual documents and through support provided by the JS project managers and their participation and contributions to project Steering Committee meetings. In particular the Programme factsheets provide detailed information of audit trail requirements per each specific budget line including list of supporting documents or methods suggested for simplified costs, flat rates and lump sums.</p> <p>In accordance with the principles of Art. 122 (3) of CPR, preference will be given to electronic systems for data and exchange between beneficiaries and the Programme authorities, as well as between Programme bodies.</p> <p>Further and detailed information on the audit trail rules will be given, in order to ensure effective understanding and monitoring of the established audit trail, when the MA/JS organise training events for beneficiaries and FLCs and when the JS takes part in project meetings.</p>	<p>ANNEX 13 – Management Control System Processes (all)</p> <p>ANNEX 16 – Audit trail scheme</p>	
--	---	--	--





	<p><b>For the MA/JS</b>                  Process schemes have been produced internally for each key stage in implementing an operation. They provide details on stakeholders involved, actions to be undertaken and follow-up. Each process scheme also specifies the audit trail documents to be stored in hard copy and/or electronic format, as well as use of the SIU system, or secure internal server for storing documents.</p> <p><b>Security of data</b>                  The Programme favours the use of electronic data and information exchange between those involved in its implementation. Further information are detailed in chapter 4.                  The lack of a consistent approach between the two countries participating in the Programme on the use of digital signatures currently constitutes a limitation to this process.</p> <p>Finally, the Programme has introduced a series of measures to reduce administrative burdens for beneficiaries. This includes the use of simplified cost options to reduce the number of supporting documents to be provided, in accordance with CPR (Art. 67) and (EU) 481/2014.</p>		
<p>2.3.2 Instructions given on keeping supporting documents available by beneficiaries /MA</p>	<p>The Programme provides instructions on keeping supporting documents available in particular in its factheets as well as in the rules of the Subsidy Contract signed by MA and Lead Partners of funded projects.</p>		





<p>2.3.2.1 Indication of the period during which documents are to be held</p>	<p>Instructions given for keeping documents are as follows:</p> <p><b>For beneficiaries</b>                  Beneficiaries are informed in the Programme factsheets and in the contractual agreements that they have to ensure that all project documentation (e.g.: Progress Reports, Certificates of Verified Expenditure, etc.) shall be kept available for a period of four years following the project closure or otherwise required by the specific legislation (e.g.: State Aid). The time period referred to shall be interrupted either in the case of legal proceedings or by a duly justified request of the Commission.                  Precise information on the exact locations of documents which are kept by beneficiaries are provided to the Programme in the Subsidy Contract and in the Partnership Agreement.</p> <p><b>For the MA/JS</b>                  The same rules apply to documents kept by MA/JS. Moreover, the MA/JS also comply with the obligation to keep administrative, technical and financial documentation of the Programme for 10 years after the final payment to beneficiaries, as foreseen by the National fiscal legislation (art. 2220 of the Italian Civil Code) and to make it available for any control purpose.</p>		
<p>2.3.2.2 Format in which the documents are</p>	<p>Instructions given for keeping documents are as follows:</p>		





<p>to be held</p>	<p><b>For beneficiaries</b>                  Instructions given to store/archive documents are detailed in contractual documents and in the Programme factsheets and comply with the following principles:</p> <ul style="list-style-type: none"> <li>• the Lead Partner must retain the original versions or contractual documents concerning the project, as well as any exchange or notification from the Programme;</li> <li>• all partners must retain an electronic copy of contractual documents for the project;</li> <li>• retaining documents for auditing purposes must be done using the usual data storage media;</li> <li>• all financial, legal and commercial documents related to the period of the operation, as well as all supporting documents for expenditure that the partner has incurred for the part of the operation for which they are responsible, must be stored in a secure and orderly manner;</li> <li>• documents must either be originals, or certified copies of originals in commonly accepted media formats.</li> </ul> <p>Before project approval the LP/PPs have to confirm the acceptance of the mandatory obligations on keeping and making available to Programme bodies the project documents whose respect has to be verified during on-the-spot verifications and targeted controls.</p> <p><b>For the MA/JS</b>                  The Veneto Region, in line with Legislative Decree n. 82/2005 on the digitalisation of the Public Administration's procedures, applies the principles of dematerialisation substitution of paper-form documents</p>		<p>Italian Legislative Decree n. 82/2005 on the digitalisation of the Public Administration's procedures (and subsequent modifications)</p>
-------------------	---	--	---





	<p>by electronic documents) and the storage of documents in electronic format whenever possible.</p> <p>Each process sheet specifies which audit trail documents must be kept, either as hard and/or electronic copies, as well as using the SIU system or secure internal server to store documents.</p> <p>Project contractual documents, documents related to project assessments and monitoring, as well as GoA and Programme Committee documents are stored by the JS in hard copy and/or electronic formats.</p> <p>The SIU system enables the Programme and beneficiaries to meet obligations of data storage on deliverables related to projects and their implementation. The system also helps retaining information and provides various control bodies with qualitative monitoring as well as administrative and financial information on operations.</p>		
<p><b>2.4 Irregularities and recoveries</b></p>			
<p>2.4.1 Description of the procedure on reporting and correction of irregularities and their follow-up</p>	<p>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.</p> <p>The MA is the body in charge of collecting each warning concerning suspected irregularities (verified or suspected fraud cases included), that may come from Bodies institutionally in charge of notifying</p>	<p>ANNEX 13 - Process N “Management of irregularities” – Sub-processes N1</p> <p>ANNEX 6 - Flowchart on notification of irregularities</p>	<p>Regulation (Eu, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the</p>







	<p>different type of irregularities or from any other individual (e.g.citizen, stakeholder).</p> <p>In line with art. 72, 74 and 122 of CPR, control and management systems put in place by Programme bodies are aimed at preventing, detecting and correcting any possible irregularity and fraud as well as at promptly pursuing the recovery of unduly paid amounts to beneficiaries, together with any interest on late payments. It is, in particular, adopted a comprehensive approach in the monitoring and follow-up of irregularities and in the management of recoveries of unduly paid amounts which is based on the relevant National and European legislation.</p> <p>The MA is in charge of collecting information in terms of irregularities, to carry out a verification of the available data, to register the irregularities on information system SIU, to transmit the information on irregularities that exceed 10.000 euros to the Presidency of the Council of Ministries.</p> <p>Following the transmission of the information on the irregularities, the MA proceeds to the adoption of subsequent acts (suspension, recovery, withdrawal) in case of suspected or proven fraud and to any other procedure aimed at securing the safeguard of the general budget of the Union.</p> <p>Once the acts are prepared, the MA informs the CA on the sum to be deducted. The CA is in charge of the recovery of unduly paid ERDF amounts, on behalf of the MA, by deducting them from the subsequent statement of expenditure.</p> <p>The project Lead Partners and Partners are informed about their financial responsibilities and obligations at each stage of the audit</p>	<p>European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999</p> <p>Regulation (Eu, Euratom) 2015/1929 of the European Parliament and of the Council of 28 October 2015 amending Regulation (EU, Euratom) No 966/2012 on the financial rules applicable to the general budget of the Union</p> <p>Commission Delegated Regulation (EU) 2015/1970 of 8</p>
--	---	--





	<p>trail by standard mandatory documents, via the Subsidy Contract and the Partnership Agreement. Moreover, in line with art. 27 of ETC Regulation the Managing Authority shall ensure that any amount paid as a result of an irregularity is recovered from the lead or sole beneficiary. Beneficiaries shall repay to the lead beneficiary any amounts unduly paid. If the lead beneficiary does not succeed in securing repayment from other beneficiaries or if the MA does not succeed in securing repayment from the lead or sole beneficiary, the Member State on whose territory the beneficiary concerned is located or, in the case of an EGTC, is registered shall reimburse the MA any amounts unduly paid to that beneficiary. The MA, supported by the CA, shall be responsible for reimbursing the ERDF amounts concerned to the general budget of the Union, in accordance with the apportionment of liabilities among the participating Member States as laid down in the Cooperation Programme.</p> <p>In case of Italian beneficiaries, the MA, supported by the CA, shall also recover unduly paid amounts of National co-financing. Subsequently, the CA shall reimburse the reimbursed amounts of National co-financing to IGRUE.</p>		<p>July 2015 supplementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council with specific provisions on the reporting of irregularities concerning the European Regional Development Fund, the European Social Fund, the Cohesion Fund, and the European Maritime and Fisheries Fund</p>
<p>2.4.2 Description of the procedure to comply with the obligation to notify irregularities to the Commission</p>	<p>In compliance with Article 122 (2) of Regulation (EU) 1303/2013, Member States must notify the Commission on a quarterly basis (at least) of any irregularities in excess of €10.000,00 of funding contributions, and shall keep the Commission informed of progress in related administrative and legal proceedings.</p> <p>In line with art. 3 of EU 2015/1970 irregularities relating to operational Programmes under the European Territorial Cooperation goal shall be reported by the Member State in which</p>	<p>ANNEX 6 - Flowchart on notification of irregularities</p>	<p>Agreement of the Unified Conference of 20/09/2007 on the notification to the Commission of frauds and irregularities</p>





	<p>the expenditure is paid out by the beneficiary in implementing the operation.</p> <p>The Member State shall inform the MA, the CA and the AA.</p> <p>Qualifying irregularities are to be reported to the Commission by the Member State within 2 months of the end of the quarter in which a primary administrative finding has been made, using the Irregularity Management System (IMS) provided by the Commission. Follow-up reports are to be entered on the system by the Member State.</p> <p>For Italy, the procedure for the notification of irregularities was established by communication of 12 October 2007 of the Presidency of the Council of Ministries, Department for EU Policies (based on the agreement of the Unified Conference of 20/09/2007) and subsequent modifications and integrations. As described above, the MA detects the irregularity, verifies the information available and provides the information to the Presidency of the Council of Ministries, Department for EU Policies.</p> <p>The MA liaises with the Italian Anti-fraud Committee (COLAF) established at the Presidency of the Council of Ministries, Department for EU Policies. The COLAF is in charge of monitoring the flow of information on undue European funds and on their recovery in case of misuse.</p> <p>For Croatia, the management of procedures related to irregularities/fraud mandatory to the Control Body are proscribed by the Guidelines for managing irregularities for 2014-2020 ETC programmes (Irregularity Guidelines), developed by Independent Service for Combating Irregularities and Fraud (ISCIF) within the</p>	<p>Communication of 12 October 2007 of the Presidency of the Council of Ministries, Department for EU Policies</p>
--	---	--





	<p>Croatian Ministry of Finance.</p> <p>An Irregularity Register is kept and sent to the ISCIF within 15 working days after the end of every quarterly reporting period. NA and AA are sent a copy; NA duly informs the MA.</p> <p>The person responsible for handling irregularities and registering them into the Irregularity Register is the Irregularity Officer (IO), placed within the Service for quality control and technical assistance. IO is officially appointed by the Director of ARD in accordance with official Irregularity Officer Appointment document. A code of conduct for anti-fraud measures is foreseen and described in the Guidelines. In case of suspicion of fraud, the Irregularity Officer sends an official letter and all relevant supporting documentation to State's Attorney Office of the Republic of Croatia. Irregularity Officer then informs the National Authority and Service for Combating Irregularities and Fraud within the Ministry of Finance of the Republic of Croatia.</p> <p>Ineligible cost items and deficiencies found by the controller and deducted from the report are documented in the electronic system used by the programme as well as in the internal tool Irregularity Register.</p> <p>In all other cases, particularly those preceding bankruptcy, or in the case of suspected fraud, the irregularities detected must be reported to the Commission, together with the corresponding preventive and corrective measures.</p>		
<p><b>3.1 CA – Main Functions</b></p>			





<p>3.1.1 The status of the certifying authority (national, regional or local public body) and the body of which it is part</p>	<p>With resolution No 1994/2016, the Regional Government by following the previous DGR No 1001/2014, confirmed the identification of Certifying Authority (CA) in the person of pro-tempore “Head of Area for Instrumental Resources”, located in the Veneto Region regional public body.</p> <p>The CA is independent from the MA. Although part of the same public administration, the two authorities are located in separate areas and are functionally independent from each other. The principle of a clearly hierarchical and functional separation of the CA and the MA from the AA, stated in art. 123 (4) of CPR, is respected by the attribution of the AA role to the Agency for Payments in Agriculture of the Veneto Region (AVEPA), an instrumental entity set up by the Veneto Region characterized by administrative, organizational, accounting and asset autonomy and located outside the Veneto Region regional public body.</p>		
<p>3.1.2 Specification of the functions carried out by the CA</p>	<p>According to art. 24 of ETC Regulation the CA carries out all the functions as defined in art. 126 CPR and in the delegated and implementing acts subsequently adopted.</p> <p>In particular the CA is responsible for the following tasks:</p> <ul style="list-style-type: none"> <li>• drawing up and submitting payment applications to the Commission, and certifying that they result from reliable accounting systems, are based on verifiable supporting documents and have been subject to verifications by the managing authority;</li> <li>• drawing up the accounts referred to in point (a) of art. 59(5) of the Financial Regulation 966/2012;</li> </ul>	<p>ANNEX 9 – CA Manual of Procedures</p>	





	<ul style="list-style-type: none"> <li>• certifying the completeness, accuracy and veracity of the accounts and that the expenditure entered in the accounts complies with applicable law and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the operational Programme and complying with applicable law;</li> <li>• ensuring that there is a system which records and stores, in computerized form, accounting records for each operation, and which supports all the data required for drawing up payment applications and accounts, including records of amounts recoverable, amounts recovered and amounts withdrawn following cancellation of all or part of the contribution for an operation or operational Programme;</li> <li>• ensuring, for the purposes of drawing up and submitting payment applications, that it has received adequate information from the managing authority on the procedures and verifications carried out in relation to expenditure;</li> <li>• taking account when drawing up and submitting payment applications of the results of all audits carried out by, or under the responsibility of, the audit authority;</li> <li>• maintaining, in a computerised form, accounting records of expenditure declared to the Commission and of the corresponding public contribution paid to beneficiaries;</li> <li>• keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the budget of the Union prior to the closure of the operational Programme by deducting them from the</li> </ul>		
--	---	--	--





	<p>subsequent statement of expenditure.</p> <p>For this purpose the CA:</p> <ul style="list-style-type: none"> <li>ensures, on the basis of statement of expenditure sent by the MA and on the basis of the Certificate of Verified Expenditure issued by FLC and all other relevant documents available on SIU (FLC checklist, list of expenditure, etc) which demonstrate that checks on the proper execution of the management procedures and on the eligibility of expenditure were carried out, that all expenses incurred were properly accounted and were subjected to the first level control;</li> <li>ensures that the expenditure presented by the MA are clearly referable to the amounts resulting from the computerized system to record and store accounting data on each operation. For this purpose, the CA has access to all the accounting and management data and to the documents relating to the operations and carries out random checks on the information system data and on the administrative documentation and supporting documents relating to operations accounted by the MA;</li> <li>takes into account, for the purposes of certification, the results of all audits carried out by the AA or under its responsibility. For this purpose the CA will use a reporting system to monitor the outcome of the checks and of any recovery and deduction procedures that may follow;</li> <li>maintains, in a computerized form, accounting records of expenditure declared to the Commission, recording and</li> </ul>		
--	--	--	--





	<p>storing in electronic form on the information system the accounting data for each operation and managing all the data required for drawing up payment applications and the accounts;</p> <ul style="list-style-type: none"> <li>• keeps an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation, ensuring that the amounts recovered will be repaid to the budget of the Union prior to the closure of the operational Programme by deducting them from the subsequent statement of expenditure;</li> <li>• takes into account the management declaration referred to art 125(4) of CPR and the annual summary referred to in point (b) of art 59(5) of the Financial Regulation, evaluating the errors and weaknesses identified in systems and the following corrective actions taken.</li> </ul>		
<p>3.1.3 Functions formally delegated by the certifying authority, identification of the intermediate bodies and the form of the delegation under Art. 123(6) of Regulation (EU) No 1303/2013</p>	<p>The CA has not formally delegated any function.</p>		
<p><b>3.2 Organisation of the CA</b></p>			







<p>3.2.1 Organisation chart and specification of the functions of the units</p>	<p>The CA has been identified in the pro-tempore Head of “ Area for Instrumental Resources” who in carrying out its functions will avail itself of the personnel on duty at the Organizational Unit (OU) "Instrumental Resources of the Area and European Structural Funds and the National Development and Cohesion Fund Certifying authority", consisting of a total of 4 units, 3 of which are engaged on the CP. In particular, the staff dedicated to activities related to CP is constituted by two Administrative Managers (Senior) and by an Administrative Assistant.</p> <p>In accordance with EU regulations, the personnel assigned to the above mentioned Organizational Unit possess a suitable professionalism and the necessary linguistic, administrative and technical skills to perform the CA duties. The Senior staff are Veneto Region employees with experience and capacities in carrying out the CA activities gained during previous programming periods, while the administrative assistant is employed specifically with definite duration contracts and having proved experience in the management of EU funds. Furthermore, the CA possesses an adequate managerial authority with reference to the Veneto Region organisation.</p> <p>The CA staff is composed by the staff having the described tasks:  <b>Administrative Manager (Senior)</b>                  Responsibilities:</p> <ul style="list-style-type: none"> <li>• drawing up, periodic review and update of the Manual of Procedures and checklists concerning CA’s tasks in accordance with art 126 of CPR, with particular reference to the activities for drawing up and submitting payment</li> </ul>	<p>ANNEX 4 – CA organisation chart</p>	
---	--	--	--





	<p>applications and the accounts referred to in point (a) of Art. 59(5) of the Financial Regulation;</p> <ul style="list-style-type: none"> <li>• acknowledgment and verification of the declarations of expenditure submitted by the MA;</li> <li>• acknowledgment of the procedures and of the administrative and on-the spot verification of the operation carried out by the MA/JS in relation to costs included in statements of expenditure;</li> <li>• performing financial consistency checks in preparation for the drawing up and submission of certification of expenditure;</li> <li>• check and monitoring of results and outcomes of all audits carried out by the AA or under its responsibility;</li> <li>• recording and storing of all expenditure declared to the Commission and the corresponding public contribution paid to beneficiaries in a computerized form;</li> <li>• drawing up of the interim and final applications for interim payment;</li> <li>• preliminary activities relating to the drawing up of the accounts referred to point a) in art 59 (5) of the Financial Regulation;</li> <li>• data entry in SFC2014 of certified statements of expenditure and payment applications;</li> <li>• check and monitoring of the refund of the amounts of the accrued contribution for the CP requested as pre-financing, interim payment and balance;</li> <li>• participation in the technical working group for operational</li> </ul>		
--	---	--	--





	<p>analysis, preparation, updating and maintenance of the information system.</p> <p><b>Administrative Manager (Senior)</b> Responsibilities:</p> <ul style="list-style-type: none"> <li>• collaboration to periodic review, updating and formalization of amendments to the CA manual of procedures;</li> <li>• drawing up and updating of checklists relating to its own checks;</li> <li>• execution of on-desk and documentary checks by sampling, on the information system data and administrative/supporting documentations related to operations accounted by beneficiaries to the MA;</li> <li>• drawing up and transmission of communications, procedural guidelines and provisions aimed at improving the verification activities to be carried out before the submission of payment applications and accounts;</li> <li>• check and monitoring of results and outcomes of all audits carried out by the AA or under its responsibility;</li> <li>• drawing up and submitting the accounts referred to in point a) art 59 (5) of the Financial Regulation;</li> <li>• check and submission of the forecast of the amount for which Member States expect to submit payment applications for the CP for the current financial year and the subsequent financial year;</li> <li>• recording and storing in computerized form of amounts recoverable, amounts recovered and amounts withdrawn</li> </ul>		
--	---	--	--





	<p>following cancellation of all or part of the contribution for an operation or operational Programme;</p> <ul style="list-style-type: none"> <li>with reference to the submission of the accounts referred to in point a) art 59, (5) of the Financial Regulation, processing of the information concerning the amounts recovered and amounts withdrawn and amounts to be recovered.</li> </ul> <p><b>Administrative Assistant</b> Responsibilities:</p> <ul style="list-style-type: none"> <li>support and collaboration in carrying out the CA's tasks. In particular: support for verification activities to be carried out before the drawing up of the certification of expenditure and the corresponding payment applications;</li> <li>update, implementation and monitoring of the withdrawals and recoveries register;</li> <li>check and monitoring of results and outcomes of all audits carried out by the AA or under its responsibility;</li> <li>check and monitoring of outcomes of the carried out control activities;</li> <li>execution of on-desk and documentary checks by sampling, on the information system data and administrative documentation related to operations accounted by beneficiaries to the MA;</li> <li>recording, storing and updating, in a computerized form, of a summary of the outcomes of checks carried out;</li> <li>bookkeeping of deducted expenses not related to irregularities.</li> </ul>		
--	---	--	--





<p>3.2.2 Description of the procedures to be provided in writing to the staff of the certifying authority</p>	<p>To ensure the fulfilment of its tasks, the CA draws up its own Manual of Procedures as well as its own checklists to be filled in during the verifications to be carried out before the submission of the interim and final applications for interim payment to the Commission and of the accounts referred in point a) art 59 (5) of the Financial Regulation.</p> <p>Those are tools that can be updated, amended and completed, in compliance with regulatory constraints. The CA Manual and its annexes are approved by Head of Asset management Area decree. Any changes to these documents are approved by decree of the Head of Area for Instrumental Resources and communicated, for information, to the MA, JS and AA. After approval, the document is published within the regional intranet into dedicated CA's area. The frontispiece and pages of the document will be updated with the indication of review status.</p>	<p>ANNEX 9 - CA Manual of Procedures</p> <p>ANNEX 13 - Process C "Definition and revision of management and control documents and tools" – Sub-process C3</p>	
<p>3.2.2.1. Procedures for drawing up and submitting payment applications</p> <p>- description of arrangements in place for the certifying authority to access any information on operations, necessary for the purpose of drawing up</p>	<p>Following the submission of a Progress Report, an Application for Reimbursement and Control documents by the beneficiaries, verified by the first level controllers, the MA draws up a declaration of expenditure including the amount of the eligible expenditure for each project.</p> <p>The certification procedure carried out by the CA is based on processing of the data contained in the declaration of expenditure submitted by the MA, the latter obtained by the sum of the individual expenditure statements submitted by beneficiaries.</p> <p>The submission of the declaration of expenditure must be accompanied by specific supporting documentation (checklists, audit reports, Certificates of Verified Expenditure, etc.) for ensuring compliance with European, national and regional legislation. The</p>	<p>ANNEX 13 - Process O "Certification of expenditure" – Sub-process O1</p> <p>ANNEX 13 - Process O "Certification of expenditure" - Sub-process O4</p>	





<p>and submitting payment applications, including the results of management verifications (in line with Art. 125 of Regulation (EU) No 1303/2013) and all relevant audits</p> <p>- description of the procedure by which payment applications are drawn up and submitted to the Commission, including procedure to ensure sending of the final application for interim payment by 31 July following the end of the previous accounting year</p>	<p>declaration of expenditure, broken down by priority axis, includes the total amount of eligible expenditure referred to in Art.. 65 of CPR, incurred by the beneficiary and paid by implementing projects, as well as the total amount of the corresponding public expenditure, as recorded in the CA accounting system. The eligible expenditure in a payment application shall be supported by receipted invoices or documents of equivalent probative value, except for forms of support under points (b), (c) and (d) of the first subparagraph of Art. 67(1), under Art. 68, Art. 69(1) and Art. 109 of CPR.</p> <p>In the case of State Aid under Art. 107 TFEU, the statement of expenditure may also include advances paid to the beneficiaries by the body granting the aid, if the following cumulative conditions are met (art. 131 (4) of CPR):</p> <p>(a) those advances are subject to a guarantee provided by a bank or other financial institution established in the Member State or be covered by a facility provided as a guarantee by a public entity or by the Member State;</p> <p>(b) those advances do not exceed 40% of the total amount of the aid to be granted to a beneficiary for a given operation;</p> <p>(c) those advances are covered by expenditure paid by beneficiaries in implementing the operation and supported by receipted invoices or accounting documents of equivalent probative value at the latest within three years following the year of the payment of the advance or on 31 December 2023, whichever is earlier, failing which the next payment application shall be corrected accordingly.</p> <p>The procedure for drawing up and submitting the application for an interim payment and the final application for an interim payment is the same and it is described under Process P, sub-process P1. The</p>		
---	---	--	--





	<p>submission of the final application for interim payment by 31 July following the end of the previous accounting year is ensured by the adoption, at the beginning of every accounting year of a time schedule for the reference period in agreement with the other programme authorities.</p> <p>Based on the planned and agreed with the MA deadlines for the accounting reference period, the CA shall give notice to the MA of the deadline for submission of the documentation required to draw up applications for interim / final application for interim payment and simultaneously provides also to asks MA to transmit or make available the following documents:</p> <ul style="list-style-type: none"> <li>- declaration of eligible costs actually incurred by the beneficiaries and the total amount of public expenditure on the implementation of operations, broken down by priority axis, distinctly broken down by the Community share and the national (public and private) along with the indication of any additional information relating to financial engineering instruments (art. 41 of CPR) and advances paid within the framework of state aid under Art. 131, (5) of CPR as required by Annex VI of the Commission implementing Regulation (EU) 1011/2014;</li> <li>• checklists and reports relating to administrative and on-the-spot checks made by first level controllers relating to all the expenditure presented by the beneficiaries;</li> <li>• checklists and reports relating to administrative and randomly on-the spot checks carried out by the MA/JS and their results and any follow-up;</li> <li>• a summary of any follow-up and corrective action taken in relation to the results of audits carried out by the AA, during</li> </ul>		
--	--	--	--





	<p>the accounting year;</p> <ul style="list-style-type: none"> <li>• a summary of the recognized and recorded irregularities within the Information System stating the recoveries effected pursuant to art. 71 of CPR;</li> <li>• the management and control systems Manual and the Audit Trail, in the case of changes/updates occurred after what has already been transmitted to the CA;</li> <li>• a summary of "Other deduction" regarding non irregular expenditure made since the previous certification of expenditure.</li> </ul> <p>The CA examination of the documentation provided at each statement of expenditure checks the following:</p> <ul style="list-style-type: none"> <li>• completeness of the documentation received compared to what required;</li> <li>• sample checks to verify that the expenditure declared by the MA are consistent with the information contained in the information system;</li> <li>• acknowledgment of the results of administrative checks carried out on each request of payment submitted by the beneficiaries and on-the-spot audits of operations;</li> <li>• feedback, at the individual project level, of any adjustments in decrease made to the data already subjected to previous certification of expenditure, on the basis of communications received by the MA in order to the outcomes of the first level controls, of control activities carried out by AA or by any other entity;</li> </ul>		
--	---	--	--







	<ul style="list-style-type: none"> <li>• compliance with the rates of co-financing provided by the Commission decision adopting the CP.</li> </ul> <p>The findings of all the above mentioned checks on documentation received are reported in a specific checklist available within the information system. CA communicates the results of the controls, including any findings and or recommendation to MA. When criticalities are detected, CA activates the appropriate procedures defined in its own Manual in order to monitor the implementation of recommendations and manages the potential contradictory phase with MA. If, at the end of this process, the CA considers that for certain expenses there are no conditions to carry out the certification, notifies it to the MA, suspending the relevant certification. These reductions will be highlighted in the report "Spending Certification" and the same will be summarized into the report called "Summary of non-certified amounts", providing to indicate the reasons.</p> <p>In addition to checks carried out on received documentation, for the purpose to assure the quality of information received, before the submission of payment applications, sample on-desk checks on the expenditure proposed for certification and related to operations are carried out via the information system. These checks are aimed at verifying the correspondence of the amounts notified to the European Commission with the individual expenditure records in the Information System and its supporting documentation. On that occasion it also verifies the conformity of administrative and accounting documentation with the requirements of the Call for Proposals. The result of these checks are documented in the</p>		
--	--	--	--





	<p>checklist called "Desk checks" and will be available within the information system. For a detail of this procedure please see Process O, Sub-process O4.</p> <p>Interim and final applications for interim payment, drawn up on the basis of Annex VI to Implementing Regulation (EU) 1011/2014, are processed and sent through the Information System SFC 2014 to "Italy" node (Lead Authority Fund) the which, upon validation, send it to the European Commission. During the accounting year the CA submits applications for interim payments in accordance with the provisions of art. 135 (1) of CPR based on the amounts recorded in its accounting system.</p> <p>In compliance with the provisions of the second paragraph of the aforementioned art., the final application for an interim payment shall be submitted by 31 July following the end of the previous accounting period and in any case before the first application for interim payment for the next accounting period.</p> <p>Interim payments are made by the European Commission with 90% refund of the amount derived by applying the co-financing rate for priority axis to the eligible costs of the interim payment applications, and in case will proceed to the payment of any balance of the accounting period following the calculation carried out in accordance with art. 139 (6) of CPR.</p> <p>Once the payment application is submitted, the CA notifies it to:</p> <ul style="list-style-type: none"> <li>• MA and JS;</li> <li>• AA;</li> <li>• Budget and Accounting Department (responsible for the</li> </ul>		
--	---	--	--





	<p>accounting of collections of interim payments and the eventual payment of the balance).</p> <p>Such checks are a prerequisite for the preparation of the accounts (point a) of art. 59 (5) of the Financial Regulation) in order to ensure the completeness, accuracy and veracity of the accounts and that the expenditure entered in the accounts complies with applicable law and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the operational Programme and complying with applicable law.</p>		
<p>3.2.2.2. Description of the accounting system used as a basis for certification of expenditure accounts to the Commission (Art. 126(d) of Regulation (EU) No 1303/2013)</p> <p>- arrangements for forwarding aggregated data to the certifying authority in case of a decentralised system</p> <p>- the link between the accounting system and the information system</p>	<p>The management of the Veneto Region’s budget is implemented within the Nu.Si.Co information system. Through NU.SI.CO, following accounting procedures are managed:</p> <ul style="list-style-type: none"> <li>• budgetary procedures ;</li> </ul> <p>revenues and expenditure The financial management of the EU resources for the CP is maintained through NU.SI.CO. In particular, revenues from European installments and from the national co-financing shares are registered in a specific accounting system through dedicated budget items. Nu.Si.Co. ensures that all Programme related payments are recorded.</p> <p>For the management of physical and financial data related to the interventions covered by the Regional Unitary Programming 2014-2020, the Veneto Region, has developed a new Unified Information System of the Unitary Programming (SIU).</p> <p>The SIU will enable the MA to register the data necessary for monitoring, evaluation, financial management, verification and audit.</p>		





<p>described under paragraph 4.1</p> <p>- identification of European Structural and Investment Fund transactions in case of a common system with other Funds</p>	<p>The link between the projects managed in SIU and the accounting records in Nu.Si.Co is made through the project code, generated in SIU for each project and linked to expenditure commitment, the expense liquidations, the investigations and the collection orders. Inside SIU, at each single operation level, all relevant data are recorded, with particular reference to the CA functions:</p> <ul style="list-style-type: none"> <li>• the drafting of the statement of expenditure by the MA;</li> <li>• the drafting of the certification of expenditure and interim and final applications for interim payment, by the CA;</li> <li>• the preparation of the accounts referred to point a) of Art. 59, (5) of the Financial Regulation;</li> <li>• keeping records of the amounts recovered and amounts recoverable and of withdrawn amounts.</li> </ul> <p>For the drawing up and submission of payment applications to the European Commission, the CA uses the IT system SFC2014. The CA validates the payment applications through SFC2014 and forwards them to the Italian Node by Fund, which, upon validation, submits it to the European Commission.</p> <p>A similar procedure is provided for the drawing up and submission of the accounts referred to point a) of art. 59 (5) of the Financial Regulations.</p> <p>The system also allows the storage of certified statements of expenditure, payment applications and accounts.</p> <p>The CA also verifies the reimbursement occurred as required by their payment applications and following the presentation of the accounts.</p>		
<p>3.2.2.3. Description</p>	<p>The accounts are prepared by the CA in accordance with art. 137 of CPR and art. 59, (5) of the Financial Regulation 966/2012 and to the</p>	<p>ANNEX 13 - Process O "Certification of</p>	





<p>of the procedures in place for drawing up the accounts</p>	<p>accounts model attached to the Regulation 1011/2014. The accounts cover the accounting year and show at priority axis level:</p> <ul style="list-style-type: none"> <li>a) the total amount of eligible expenditure entered into CA's accounting systems which has been included in payment applications submitted to the Commission in accordance with Art. 131 and Art. 135(2) by 31 July following the end of the accounting year, the total amount of the corresponding public expenditure incurred in implementing operations, and the total amount of corresponding payments made to beneficiaries under Art. 132(1);</li> <li>b) the amounts withdrawn and recovered during the accounting year, the amounts to be recovered as at the end of the accounting year, the recoveries effected pursuant to Art. 71, and the irrecoverable amounts;</li> <li>c) the amounts of Programme contributions paid to financial instruments under Art. 41(1) and advances of State aid under Art. 131(4);</li> <li>d) for each priority, a reconciliation between the expenditure stated pursuant to point (a) and the expenditure declared in respect of the same accounting year in payment applications, accompanied by an explanation of any differences.</li> </ul> <p>For the purposes of the preparation of the accounts referred to point a) of art. 59, (5) of the Financial Regulation, the CA must ensure that it has received adequate information by the MA on the procedures and verifications carried out in relation to the expenses object of certification. Before the presentation of the accounts, the</p>	<p>expenditure" – Sub-process O2</p> <p>ANNEX 4 - CA organisational chart</p>	
---	--	---	--





	<p>CA shall ask the MA to transmit, in the annex to the statement of expenditure, or makes available for the CA, the following documentation:</p> <ul style="list-style-type: none"> <li>• statement of expenditure actually incurred by different beneficiaries divided by Priorities Axes, distinctly broken down by the European and national (public and private) share, with the indication of any additional information relating to financial engineering instruments (art. 41 of CPR and advances paid within the framework of state aid under Art. 131, (5) of CPR as required by Annex VI of the Commission implementing Regulation (EU) 1011/2014 of the Commission, net of all any reductions or suspensions detected and operated after the filing date of the final application for interim payment;</li> <li>• minutes of the on-the spot audits of operations carried out by the MA, shown with their results and any follow, occurred after the submission of the final application for interim payment, on charges or projects already accounted for in the reporting period;</li> <li>• check-lists and reports relating to administrative and accounting checks, occurred after the final application for interim payment presented by the MA on expenses already included in the interim payment applications of the reporting accounting year of reference;</li> <li>• a summary of spotted and recorded irregularities within the Information System during the accounting year of reference (withdrawals, recoveries, amounts awaiting recovery, irrecoverable amounts);</li> </ul>		
--	---	--	--





	<ul style="list-style-type: none"> <li>• a summary of the "other deduction" regarding non irregular expenditure;</li> <li>• a summary of the "suspension" of expenditure for which the MA, as a result of in-depth analysis, considers appropriate to suspend the certification;</li> <li>• a summary of the actions and any measures taken following the results of all audits carried out by the AA;</li> <li>• a summary of the amounts divided by Programme paid to financial instruments in accordance with Art. 41 (1) of CPR, since the Programme started;</li> <li>• a summary of the advances paid in the framework for State aid pursuant to Art. 131, (5) of CPR, cumulatively since the Programme began.</li> </ul> <p>In order to ensure compliance with the requirements of art. 126 of CPR, on the above mentioned documentation, before presentation of the accounts, the CA shall carry out the following checks:</p> <ul style="list-style-type: none"> <li>• formal correctness and completeness of the documentation received from the MA with respect to what required;</li> <li>• checks, through random sampling, of eligible expenditure data resulting from the checklist of administrative verification, with respect to Applications for Reimbursement submitted by the beneficiaries and the amount reported in CA's accounting system;</li> <li>• comparison between the findings highlighted in the reports following the on-the-spots audits of the operations with recordings present within the information system SIU (any</li> </ul>		
--	---	--	--





	<p>irregularities detected and detuctions made);</p> <ul style="list-style-type: none"> <li>• acknowledgment of all irregularities notified by the MA with what is recorded in the CA's register of withdrawals and recoveries;</li> <li>• detection of all "other deductions", not attributable to irregularities and communicated by the MA, and comparison with the amount recorded in the section "other deduction" in SIU;</li> <li>• acknowledgment of the "suspension" carried out or suggested by the MA, and comparison with what was recorded within the CA's accounting system;</li> <li>• checks of the action and any measures taken following the results of all audits carried out by the AA, with recordings made in the CA's accounting system.</li> </ul> <p>In order to ensure that the accounts take into account all the amounts recovered, withdrawn, or otherwise deducted as a result of verifications carried out, the CA verifies, within the information system SIU, the correspondence between what was communicated by the MA in order to recoveries made, the amounts withdrawn and to other amounts deducted, with what is recorded in the information system itself.</p> <p>In particular, the following checks are carried out:</p> <ul style="list-style-type: none"> <li>• verification, at the individual project level, that the findings highlighted in administrative checks and in on-the spots audits of operation reports, particularly with regard to cases reported as "irregularities", have been recorded by the MA within the SIU information system, under the appropriate sections;</li> </ul>		
--	---	--	--







	<ul style="list-style-type: none"> <li>• comparison, at the individual project level, between the amounts included in the accounts with what have been certificated with the final application for interim payment, in order to verify that the recovered, withdrawn, or otherwise deducted amounts, have been effectively deducted from the accounts;</li> <li>• verification, even by the information system "Nu.S.I.Co", of the collection of any amounts recorded as "amounts awaiting recovery".</li> </ul> <p>If the CA finds that MA has failed to perform the above-mentioned deductions, it will directly cut the amounts at the level of a single project, giving evidence within SIU in the appropriate section dedicated to certified expenditure. Expenses not included in the accounts will be communicated to MA with a precise indication of the reasons why they have not been included in the accounts.</p> <p>Before the submission of the accounts, the CA examines, in the SIU information system, within the Control section, all final or interim audit reports, and verifies any measures taken by the MA, suspending certification in the accounts for those projects which the control is not yet completed or for the part of irregular expenditure not yet deducted by MA.</p> <p>The findings of these checks are documented in the checklist called "Accounts submission" and will be available within the information system.</p> <p>In addition to these checks, during the accounting period and before the submission of the accounts, the CA carries out documentary checks on the information system data and</p>		
--	---	--	--





	<p>administrative/supporting documentations related to operations accounted by beneficiaries to the MA and included in previous payments applications. For this purpose CA may ask the lead partner or project partner through the MA/JS, with a notice of not less than <b>15 days</b>, a copy in electronic format of the original invoices, proof of expenses or other supporting documentation relating to the operations accounted for by the beneficiaries to the MA as described in Process O Sub-process O4. The results of this check is documented in the checklist called "Documentary checks" and will be available within the information system.</p> <p>At the end of the above mentioned checks, the CA submits provisional accounts by October the 31<sup>st</sup> to AA, which will carry out audits of its own competence.</p> <p>Following the contradictory procedure and taking into account any findings and/or recommendations made by AA, the CA will include the latest audit findings in the final provisional accounts sent to AA by December 31<sup>st</sup>. The submission to the European Commission of accounts will take place via the SFC 2014 information system by the end of February the 15<sup>th</sup>.</p>		
<p>3.2.2.4. Description, where applicable, of the procedures of the certifying authority</p>	<p>Not applicable as complaints and disputes are handled directly by MA/JS as specified in par. 2.2.3.16 of this document.</p>		
<p><b>3.3. Recoveries</b></p>			





<p>3.3.1. Description of the system for ensuring prompt recovery of public assistance, including Union assistance</p>	<p>Based on point h) of art. 72 (1) of CPR, Management and Control Systems include, <i>inter alia</i>, the prevention, detection and correction of irregularities, including fraud and recovery of unduly paid amounts, including, where appropriate, interest on late payments. The recovery obligation in favor of the Commission is limited to recoveries by the beneficiary that arise from irregularities and which amounts have been already certified to the Commission and included in the payment applications submitted to the European Commission.</p> <p>If the irregularity concerns an expenditure already certified to the Commission and the related contribution has already been paid to the beneficiary, as provided for in Art. 27 (2) ETC, the MA initiates recovery procedures against the beneficiary of irregular sums and provides the necessary information to the CA.</p> <p>More specifically, point h) of art. 126 of CPR commits the CA to "keep an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation". The amounts recovered are returned to the European Union's general budget before the end of the CP by deducting them from the subsequent statement of expenditure.</p> <p>For the purpose of proper certification of expenditure, the CA is responsible for keeping the accounts of amounts recoverable and amounts withdrawn following cancellation of all or part of the contribution for an operation.</p> <p>Following the transmission of the information on the irregularities detected during the audits carried out by the control bodies (both internal to the CP management and control system and external</p>	<p>ANNEX 13 - Process N "Management of irregularities" – Sub-process N2</p>	
---	--	---	--





	<p>ones, for example: European Commission, European Court of Auditors, etc.) the MA proceed to checks the elements and if necessary to adopt the subsequent acts of Financial corrections, cancelling all or part of the public contribution to an operation and fills in the "Irregularity Section" on SIU, where all the irregularities detected are recorded. MA communicates to CA the recorded irregularities not later than the submission of the next payment application for the purpose to deduct it through withdrawal or recovery from subsequent interim payments and the accounts.</p> <p>As soon as CA receives the above-mentioned communication from MA, the CA records the recoverable, withdrawn or non-recoverable amounts in the "Register of recoveries and withdrawals" under development in SIU.</p> <p>For this purpose, the CA can access, for the audit activity of its own competence, to the "Control section" within SIU where the results of administrative checks, on-the-spot checks and audits of operations are recorded.</p> <p>Before the drawing up and submission payment applications to the Commission and prior to the drawing up of the accounts referred to in point (a) of Art. 59(5) of the Financial Regulation, the CA shall carry out a series of checks to ensure that:</p> <ul style="list-style-type: none"> <li>• amounts recovered have been returned to the general budget of the European Union by deducting them from the next payment application after the beneficiary repays the contribution, or from the accounts if the repayment does not take place prior to the submission of the final application for interim payment;</li> <li>• amounts withdrawn have been deducted from the</li> </ul>		
--	---	--	--





	<p>subsequent statement of expenditure if they have already been the subject of a previous payment application;</p> <ul style="list-style-type: none"> <li>amounts deducted in any case have been deducted in the next payment application or in the accounts if the deduction is made after the submission of the final application for interim payment;</li> </ul> <p>all "other declarations" not attributable to irregularities have been deducted in the next payment application, or in the accounts if the deduction occurs after the submission of the final application for interim payment.</p>		
<p>3.3.2. Procedures for ensuring an adequate audit trail by maintaining accounting records in computerised form</p>	<p>As part of the management and control procedures for the operations co-financed by Structural Funds, in order to ensure greater efficiency and transparency in the process of using financial resources, art. 72 of CPR provides for the adoption, within the CP's Management and Control System, of an adequate Audit Trail, as an instrument to provide a clear description of the financial flows, of the supporting documentation and of related checks.</p> <p>The minimum requirements for the Audit trail, as regards the accounting documents and the supporting documentation to be stored, are provided for in art. 25 of Commission Delegated Regulation (EU) 480/2014 of 3 March 2014.</p> <p>In this respect, the CA will include a description of the procedures within the Audit Trail Scheme and its own Manual. With particular reference to the storage in electronic format of the accounting data, including those relating to recovered, recoverable or withdrawn amounts from a payment application, irrecoverable amounts and amounts relating to suspended operations due to a lawsuit or an administrative appeal with the effect of suspension, the detailed</p>	<p>ANNEX 9 - CA Manual of procedures</p> <p>ANNEX 16: Audit Trail Scheme</p> <p>ANNEX 13 - Process</p>	





	<p>description of the procedures for accessing the accounting data for the single operation will be included in CA’s Manual of procedures. Regarding CA’s functions, the Audit Trail, guarantees electronic recording and storage, in SIU, of all the data required for the preparation of payment applications and accounts.</p> <p>It also outlines procedures to enable the reconciliation of expenditure declared to the Commission with statements of expenditure received from the MA.</p> <p>CA communicates any changes that may occur to its own functions and process that affect the Audit Trail to MA, JS, AA.</p> <p>. With refence to the procedures to enable the reconciliation of expenditure, the CA controls the correspondence between the eligible expenditure resulting from the MA’s declaration of expenditure and the data available on SIU. Furthermore CA verifies that the declaration of expenditure takes into account the withdrawals, recoveries and all other cancellations. This procedure is detailed in the CA Manual of procedures</p>	<p>C “Definition and revision of management and control documents and tools” – Sub-process C3</p>	
<p>3.3.3. Arrangements for deducting amounts recovered or amounts to be withdrawn from expenditure to be declared</p>	<p>In accordance with art. 122 (2) of CPR, Member States prevent, detect and correct irregularities and shall recover amounts unduly paid, together with any interest on late payments. They also shall notify the Commission of irregularities that exceed EUR 10.000,00 in contribution from the funds.</p> <p>About this, in SIU’s relevant "Irregularity" section, data on found irregularities and on amounts to be recovered, detailed between amounts awaiting recovery, amounts recovered, amounts withdrawn and irrecoverable amounts are recorded.</p> <p>In the case of irregularities that exceed EUR 10.000,00 on the</p>	<p>ANNEX 13 - Process N “Management of irregularities” – Sub-process N2</p>	





	<p>general budget of the European Union, a special section is filled in with references to the OLAF forms issued. In accordance with art 3 of EU delegated regulation 2015/1970 irregularities related to CTE operational programme are reported to the European Commission by the Member State in which the expenditure is paid out by the beneficiary in implementing the operation. The Member State shall inform the MA, the CA and the AA.</p> <p>On the occasion of the presentation of the accounts referred to point a) of art 59 (5) of the Financial Regulation, the CA presents to the Commission a summary of the amounts withdrawn and recovered during the accounting period, the amounts to be recovered at the end of the accounting period, recoveries made in accordance with Art. 71 and irrecoverable amounts.</p> <p>For the calculation of these amounts, the CA uses the data summarized in CA's "Register of recoverable amounts and amounts withdrawn", in SIU. The register allows to provide data on withdrawn and recovered amounts in the accounting year of reference, deducted from the statement of expenditure and in addition to the amounts of the accounting year of reference to be recovered.</p> <p>The CA, through the features developed in SIU, verifies the correspondence between the recovered amounts, the amounts withdrawn and amounts awaiting recovery reported by the MA with what is recorded in the Information System.</p> <p>In particular, the following checks are made:</p> <ul style="list-style-type: none"> <li>• Comparison, at the level of a single operation, between the amounts under certification and the ones already certified with the previous payment applications, in order to verify</li> </ul>		
--	---	--	--





	<p>that the recovered or withdrawn amounts are effectively reduced in the MA's new statement of expenditure;</p> <ul style="list-style-type: none"> <li>• Verification of the correct recording in SIU, at level of a single operation, of the information relating to the irregularity found;</li> <li>• Verification of the correct recording in SIU, at the level of a single operation, of the acts for income returning;</li> <li>• Verify, also through the Nu.Si.Co. regional accounting and budgeting system, of the collection of amounts to be recovered.</li> </ul> <p>Based on the information above, for the purpose of keeping an account of amounts recoverable and of amounts withdrawn, the CA updates the Register of amounts recoverable and amounts withdrawn, developed in SIU.</p>		
<p><b>4.1 Description of the information system including a flowchart for:</b></p>	<p>According to art. 125, par. 2, letter d), the Managing Authority must "establish a system to record and store in computerised form data on each operation necessary for monitoring, evaluation, financial management, verification and audit, including data on individual participants in operations, where applicable".</p> <p>The Veneto Region has developed an unified electronic system named "SIU" (Unified Information System) to support the implementation of all ESI funds Programmes having the Region as Managing Authority. The system is designed to support submission and management of the project proposals as well as monitoring tasks.</p>	<p>ANNEX 23 - Description of SIU system (including flow chart)</p> <p>ANNEX 22 - Information System Users Management (GUSI) Manual</p>	<p>Commission Delegated Reg.(UE) No. 480/2014 of 3 March 2014 laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime</p>







	<p>The software, which is based on the evolution and re-use of the system used by the Veneto Region during the programming period 2007-2013, was upgraded and improved in order to meet the requirements set out in CPR (articles 122 (3) and 125 (2)).</p> <p>The software allows to manage all the interactions via electronic data exchange for the entire Programme cycle, starting from the drafting and submission of the applications, to their assessment, the financial management and control as well as the monitoring requirements. It allows to manage efficiently the administrative mandatory steps, also by using web services for data exchange with certified database or with other e-services (such as the software for formal registration of documents receipt or the regional accounting electronic system).</p> <p>The electronic system ensures that all interactions between beneficiaries and the Managing Authority and between the MA and the CA and AA are carried out only by electronic means (no additional paper document exchange is foreseen).</p> <p>In order to optimize the management of the information system and data flows, including management of the data center and system support, the same system is to be used by the Italy-Croatia CBC Programme.</p> <p>Since the system was originally developed for mainstream programmes, therefore with Italian and mostly local users, some adaptation of the software was necessary to develop the English language version as well as some customizations to make it suitable to the typical needs of a CBC Programme.</p> <p>The choice to develop a unified system to support all ESIFs was</p>	<p>ANNEX 21 - SIU Application Process User Manual</p> <p>ANNEX 13 - E "Management and monitoring system (SIU) - Sub-process E1, E2, E3</p>	<p>and Fisheries Fund Reg.(UE) No. 1011/2014 Commission Implementing Regulation (EU) No 1011/2014 of 22 September 2014 laying down detailed rules for implementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council as regards the models for submission of certain information to the Commission and the detailed rules concerning the exchanges of information between beneficiaries and managing</p>
--	---	--	---





	<p>based on the many advantages foreseen by the full digitalization and high automation of processes linked to Programme implementation and the benefits gained from the perspective of transparency and efficiency.</p> <p>The main advantages of an unified system can be identified in the following:</p> <ul style="list-style-type: none"> <li>• <i>Administrative simplification:</i> it is strongly hoped that the administrative management of similar practices and controls can be managed in a cross-cutting way across the various funds. This requires to identify a common path to different processes while retaining the flexibility of configuration according to the specific needs of the various funds. The management of a standardized process should also ensure administrative simplification. In this context, SIU allows to take advantage of information already held by the Administration since it is integrated with other available databases.</li> <li>• <i>Automation and interaction with external database:</i> as defined in the CPR, computerization of all the information flows of the entire administration is required, fostering the use of digital identity and dematerialisation of documents and guaranteeing the full administrative tracing. In this context, the automation of interactions with external archives is also expected.</li> <li>• <i>Efficiency in monitoring, reporting and evaluation:</i> by delivering a fully digital and unified system, the aim is to increase the availability of information in order to improve</li> </ul>	<p>authorities, certifying authorities, audit authorities and intermediate bodies</p> <p>Regional Government Resolution No. 456 of 07/04/2015 on the approval of the realisation of the new Unified Information System (SIU)</p> <p>IGRUE/SOGEI Report on Information System of MA ERDF ROP Veneto Region 19 – 20 June 2017</p> <p>EGESIF 14-0013 - final Annex 3</p>
--	--	---





	<p>the efficiency in monitoring, reporting and evaluation processes. In this context, will be further developed the existing Monitoring System, based on the Business Intelligence and Data Warehouse tools, in order to provide validated and complete information and to provide timely responses to the requests of Programme Authorities and Bodies and third parties (such as the Community European Court of Auditors, ...).</p> <ul style="list-style-type: none"> <li>• <i>Access control and skills</i>: the system must ensure the access authorization and profiling of the users, in line with the respective role. The system is integrated with the regional identity management system and profiles manager.</li> <li>• <i>Unique archive of subjects and personal data</i>: the aim is to create a data base of beneficiaries, managed at the regional level. This database is the single point of collection of validated information about the beneficiaries and leads to a simplification of the process of collecting and updating the information itself.</li> <li>• <i>Transparency</i>: the aim of the Public Administration, and of the Veneto Region, is to ensure administrative transparency vis-à-vis beneficiaries and citizens. With the launch of Programming 2014-2020, more and more attention is being paid to the transparency of data and information, which is of fundamental importance for proper and effective management of the structural funds. The SIU is intended to achieve the fullest transparency for the beneficiaries also providing a unique access point to information.</li> </ul> <p>A brief description of the SIU system is provided in ANNEX 24; for</p>	<p>EGESIF 14-0013 - final Annex 4</p>
--	--	---------------------------------------





	<p>more details, see reference documentation in SIU.</p> <p>The main modules which compose the SIU, grouped per type, are the following:</p> <p><i>Crosscutting modules:</i></p> <ul style="list-style-type: none"> <li>• M1 – Users and access authorisation management</li> <li>• M2 –web services for integration, de-materialisation and notice</li> </ul> <p><i>Modules for the management of applications:</i></p> <ul style="list-style-type: none"> <li>• M3 – Application submission</li> <li>• M4 – Admissibility/eligibility checks and eligibility for financing</li> <li>• M5 – Payments admissibility checks and payment settlement</li> <li>• M6 – Progress management</li> </ul> <p><i>Modules for controls, expenses certification and audit:</i></p> <ul style="list-style-type: none"> <li>• M7 – Management of irregularities</li> <li>• M8 – Certification of expenses</li> <li>• M9 – Management of controls</li> <li>• M10 – Audit</li> </ul> <p><i>Modules for monitoring purposes and BI:</i></p> <ul style="list-style-type: none"> <li>• M11 – Monitoring data exchange towards IGRUE</li> <li>• M12 – Data Warehouse and Business Intelligence</li> </ul> <p><i>Modules for transparency</i></p> <ul style="list-style-type: none"> <li>• M13 –Transparency</li> </ul> <p><i>Integrated modules:</i></p> <ul style="list-style-type: none"> <li>• Personal data registration data base (“Anagrafe Unica”): centralised regional database for the registration of pesonal</li> </ul>	<p>ANNEX 24 – SIU timeline</p>	
--	---	--------------------------------	--





	<p>data</p> <ul style="list-style-type: none"> <li>• Regionar registry system and document management (archiving of requests and assessment documentation);</li> <li>• Regional accounting system “NuSiCo” for the management of commitments, payments, recoveries and other financial requests.</li> </ul> <p>With reference to M1, Programme users are registered in the Veneto Region logging system named “GUSI”. This system is fully automatic for users with digital signature, whilst for manually-signed requests a validation step is needed. The extension to non-Italians users has been entirely developed and put into operation.</p> <p>With reference to M3, SIU allows applicants to enter data and to submit applications. The applicants are led by the system to enter project data according to a logical order. Throughout the application process, applicants can view data collected and a final confirmation is request by the system before submission. The system supports many consistency checks in order to avoid submission of not valid applications.</p> <p>With reference to M4, SIU allows assessors to view submitted project data and to enter, record and store assessment data.</p> <p>From M5 onwards, SIU customization to the needs of the Programme is still on-going, starting from the already developed and operational mainstram Programmes SIU version, according to the proposal of SIU timeline ANNEX 24.</p> <p>A description of the SIU system as implemented for the ERDF Regional Operationa Programme is provided in ref. document.</p> <p>When fully operational, SIU will be accessible to different</p>	<p>ANNEX 23 - Description of SIU system (including flow chart)</p>	<p>POR FESR 2014-2020 “Relazione sui Sistemi Informativi adottati dall’ADG” version1, 09/06/2017</p>
--	---	--	--





	<p>Programme Authorities. The system, in fact, will be available to various types of users (beneficiary, person in charge of monitoring / appraisal of projects, AA, CA, etc.). The categories of users enabled to enter data into SIU (and related responsibilities), will be set forth in a specific document.</p> <p>As SIU is integrated with other databases available to Veneto Region officers, it will use information already held by the administration, to apply simplification principles.</p> <p>SIU will contain all information related to the operations financed under the Programme. Each operation will contain all information related to its identification and planning (financial, physical and procedural) as well as on Programme indicators the operation contributes to; subsequently, all the information related to the transactions (financial, physical and procedural, results of the first and second level controls, irregularities, certification) will be included. SIU will allow to record the actions that impose recoveries or withdrawals of contributions following cancellation of all or part of the contribution for an operation.</p> <p>SIU will allow downloading of standardized reports on projects financed by the Programme. SIU Operational Manuals will be the guidance for SIU users.</p>		
<p>4.1.1 Collecting, recording and storing, in a computerized form data on each operation</p>	<p>The SIU - Unified Information System - supports integrated management and monitoring of operations carried out within the Programme.</p> <p>The SIU is composed of several application modules, each of which contributes to the management of operations, recording and storing operational and financial data as described in the previous paragraph.</p>		





	<p>The different modules provide for the collection, registration and computerization of data related to the various types of transactions for the purpose of monitoring, evaluation, financial management, verifying and auditing as provided for in Regulation No. 480/2014, expressly listed in Annex III to the Regulation itself.</p> <p>Access to the SIU is only allowed to the registered and adequately profiled users to limit their action field according to the respective role and competences; the access permit ceases when it is no longer necessary.</p> <p>SIU allows the various types of users (beneficiaries, MA, CA, AA, assessors, etc.) to interface and upload data necessary for the performance of their duties (submitting applications, carrying out administrative and financial audits, certifying expenses, etc.).</p> <p>Each user profile is then enabled to perform specific actions related to its competences within the application modules described and in accordance with what is described in this Description of the Management and Control System.</p>		
<p>4.1.2 Ensuring that the data referred to in the previous point is collected, entered and stored in the system</p>	<p>Correctness, security and reliability of data are guaranteed, in addition to the above-described profiling, logging and data retention policies (non-modifiability of documents digitally signed, periodic and complete backups, system maintenance and upgrades, etc.).</p> <p>The collection, insertion and retention of data concerning indicators are guaranteed by the above procedures.</p> <p>The SIU is also consistent with the unique communication protocol for 2014-2020 programming period set up by the Italian Ministry for Economy and Finance – State General Accounting Institute IGRUE.</p> <p>Managing of data processing activities in SIU is apt to ensure that data are properly filled-in by users, who are supported, where</p>		





	<p>relevant, by appropriate software controls.</p> <p>In the implementation of the SIU, the need to ensure the integrity of data and their rapid recovery in the event of a hardware problem or data loss by human error has been taken into account.</p> <p>For this reason, SIU services have been classified as <i>Mission critical</i>, as they have a significant impact on both public and internal users, and also require a high scalability, availability and recoverability architecture and disaster recovery services.</p> <p>Specifically, the SIU system uses a data security infrastructure consisting of:</p> <ul style="list-style-type: none"> <li>• Oracle database in active/active cluster configuration, to ensure continuity of service;</li> <li>• redundant application component on multiple machines;</li> <li>• balanced web presentation server (multi-machine);</li> <li>• all systems have their own system disks and data disks on a central storage configured with hw redundancy of disks that allows high tolerance to failures.</li> </ul> <p>All application host systems are subject to full weekly system backup and daily incremental backup with retention of 21 days, in order to be able to restore them in case of various problems that may occur. Safeguarding of data is even more stringent: for the database, a full daily backup and an incremental backup every 30 minutes are performed. This allows to meet the recoverability requirements of the data with a maximum loss of 60 minutes in case of disaster. This data protection system is complemented by the Disaster Recovery infrastructure described below.</p> <p><b>Characteristics of Disaster Recovery</b></p>		
--	---	--	--







	<p>The alignment of data between the primary site where SIU is hosted and the Disaster Recovery site occurs through SAN to SAN replication. This mechanism applies to all server system disks and data system disks that support this mode, ensuring data integrity on disk; in the case of SIU this applies to both the Oracle database and application servers.</p> <p>For SIU, the indicators to be respected for DR are:</p> <ul style="list-style-type: none"> <li>• RPO: Recovery Point Objective, maximum amount of data that can be lost. This indicator is placed at one hour.</li> <li>• RTO: Recovery Time Objective, the maximum time that DR system must become operational once the disaster is declared. The maximum value is 24 hours.</li> </ul> <p>The alignment between the primary site and the site of DR is constant through dedicated lines for SAN replication: in case of disaster the two sites are isolated from one another to allow the DR site to become operational because in that site the system starts with the same primary site network addresses.</p> <p>A disaster event management procedure has been developed and consolidated so that decision-makers in charge of the Veneto Region can move to DR in a reasoned manner: once the decision to move to DR is taken, the activity of Start DR site can be implemented with all operating procedures.</p> <p>A DR test site is periodically tested with the aim of verifying:</p> <ul style="list-style-type: none"> <li>• the correct alignment and operation of DR systems;</li> <li>• the correctness of the operating procedures for activating the DR infrastructure;</li> <li>• the knowledge of the operating personnel of the procedures and the ability to meet the RTO requirement;</li> </ul>		
--	---	--	--





	<ul style="list-style-type: none"> <li>• the operation of applications hosted in DR and the fulfilment of the RPO requirement;</li> <li>• the organizational capacity of the working group for DR activation.</li> </ul> <p>Ordinary system management requires that any significant modification of such system or applications implies also the impact on DR's infrastructure in order to understand which activity / operation should be set up in order to maintain the full functionality of the services provided even in case of disaster.</p>		
<p>4.1.3 Ensuring that there is a system which records and stores in a computerized form, accounting records for each operation</p>	<p>SIU allows acquiring financial information and registering them for each transaction. Each payment request submitted by the beneficiary (by way of advance payment, intermediate payment or final payment) is registered in the SIU system as an entity called "Application for Reimbursement". Each Application for Reimbursement shall be accompanied by all the information necessary for the proper and controlled processing of the same by the MA/JS: identification numbers, supporting documents, payments supported by the beneficiaries, controls performed at any level, payments made by beneficiaries, refunds, certified amounts.</p> <p>SIU is integrated with the NuSICo system, regional accounting and budget system for managing revenue and expenditure on regional budget (checks on revenues, collections, commitments, orders, settlements and payments). Through the relation between the single accounting activity, the chapters, the commitments, the mandates, the checks on revenues, the collection orders and the acts deriving from them, it is possible to trace the accounting progress of the activities related to the single transaction.</p> <p>SIU permits the registration of all controls to which the individual</p>		





	<p>operation undergoes (administrative, on-the-spot financial and execution controls carried out by the MA and the AA, and the controls carried out by the CA), in order to provide in real-time the control status to all the Programme Authorities or structures in charge. If an irregularity is detected as a result of a check, it is automatically linked to the Application for Reimbursement with the automatic generation of a correction proposal. Each recovery decision is recorded in the SIU system at the end of a control procedure with the discovery of an irregularity, which is linked to the payment application concerned with the resulting financial correction. Each amount returned by the beneficiary at any rate is recorded in the SIU system for the correction of previously made payments.</p> <p>The link to the Application for Reimbursement both for the recoveries and for all returned amounts allows the calculation at any time of the recovered amount and the one to be recovered.</p> <p>The system has the necessary functions for the CA to process payment applications and allow easy extraction of the information needed to aggregate the data in line with the provisions contained in the templates provided for in Regulation (EU) No 1011/2014 (Annex VII), including the amounts related to recoveries.</p>		
<p>4.1.4 Maintaining accounting records in a computerized form of expenditure declared to the EC and the corresponding public</p>	<p>The SIU information system has the necessary functions needed for the CA to take account of the expenses presented to the European Commission and of the corresponding contribution to the beneficiaries. Through these features, all expenditure statements registered in the SIU system are marked, made unchangeable and historicized for each payment request submitted by the beneficiaries, on which the MA/JS has carried out administrative or</p>		





<p>contribution paid to beneficiaries</p>	<p>on-the-spot verification. The supporting documents are linked to all types of verification, i.e. the controls done on the single operation, including those carried out by the AA. In this way, the system is able to determine for each certification what transactions are carried out with verified costs and what are the eligible amounts recorded at the end of each completed check. No amount for which verifications are in progress is certified.</p> <p>Each advance payment is accompanied by the supporting documents needed to cover it, enabling to identify at any time the total amounts certified as advance payment, the portion already covered by supporting documents and the one not yet covered for which the condition of certifiability are still existing.</p> <p>All expenditure certifications and related amounts are associated with the relevant accounting year and the system provides the MA, CA and AA specific functions for the production of the documents that constitute the annual closure of the accounts (management declaration, annual summary of the final audit reports and of controls carried out). In particular, the system produces in the area dedicated to the CA a summary of the accounts based on the interim and final interim payment applications submitted during the reference accounting year, providing the reports asked for in Annex VII to the EC Regulation 1011/2014.</p> <p>On the basis of the results of all verifications associated with the projects completed by the date of submission of the accounts, the system proposes to the CA the additional adjustments to be made to the accounts with respect to the content of the interim payment applications.</p> <p>The information defined in the spending certification process is</p>		
---	---	--	--





	<p>made available through historic reporting that can reconstruct the certification framework at any time by distinguishing between the different levels of contribution to the Programme.</p>		
<p>4.1.5 Keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation</p>	<p>SIU is adapted to the new certifying rules. The expenditure will be reported per accounting period and shall be confirmed by February 15th of the following year while submitting the accounts. Within each accounting period several interim payment applications can be submitted plus only one final application for an interim payment and the Accounts submission.</p> <p>For each accounting period, in the interim payment application as well as in the final application for an interim payment on 31 July the share of expenditure for the reference period will be included in the report. On 15 February of the following year, at the close of the accounts, the expenditure reported on 31 July can be confirmed.</p> <p>The accounts take into account all adjustments made after the date of submission of the final application for an interim payment. Decreases made by the CA during the drawing up of interim and final interim payment application, determined by irregularities, are recorded as withdrawals or recoveries. All amounts withdrawn made after the final application for interim payments and until the presentation of the accounts, besides being registered in SIU, are drawn up, motivated, summarized in a special report in order to fill out Appendix 8 to the Accounts, Reconciliation of Expenses - Art. 137 (1) (d) of CPR.</p> <p>Payment applications include, for each priority:</p> <ul style="list-style-type: none"> <li>the total amount of eligible expenditure incurred by the beneficiary and paid in implementing operations as recorded in the CA accounting system;</li> </ul>		





	<ul style="list-style-type: none"> <li>• the total amount of public expenditure incurred in implementing operations, as entered in the accounting system of the certifying authority, as recorded in the CA accounting system.</li> </ul> <p>For the purposes of the submission of the accounts, the following information, appropriately recorded in SIU in the financial data and in the controls:</p> <ul style="list-style-type: none"> <li>• the total amount of eligible expenditure recorded and entered into the accounting systems of the certifying authority, which has been included in payment applications submitted to the Commission by 31 July following the end of the accounting period,</li> <li>• the total amount of the corresponding public expenditure incurred in implementing operations,</li> <li>• the total amount of corresponding payments made to beneficiaries in accordance with Art. 132 of CPR, paragraph 1,</li> <li>• amounts withdrawn and recovered during the accounting period,</li> <li>• amounts to be recovered at the end of the accounting period,</li> <li>• recoveries made in accordance with Art. 71 of CPR,</li> <li>• non-recoverable amounts,</li> <li>• amounts of programme contributions paid to financial instruments under Article 41(1),</li> <li>• advances in State Aid under Article 131(4).</li> </ul>		
4.1.6 Keeping records	In the life cycle of an operation, it is possible that a suspension of		





<p>of amounts related to operations suspended by a legal proceeding or by an administrative appeal having suspensory effects</p>	<p>the project occurs. Causes lie in the suspension cases provided for under EU regulatory framework or other reasons, such as:</p> <ul style="list-style-type: none"> <li>• Suspended for legal proceeding (as for example provided for in Art. 87 (1) (a) of CPR);</li> <li>• Suspended for administrative appeal (as for example provided for in Art. 87 (1) (a) of CPR);</li> <li>• Suspended for Major Force Causes (as for example provided for in Art. 87 (1) (b) of CPR);</li> <li>• Suspended for other reasons.</li> </ul> <p>The functionality of the SIU system enables all the Authorities involved (MA, CA and AA) supporting the recording of such information. All information recorded up to the moment is appropriately frozen and historicized.</p> <p>Appropriate corrective procedures will be initiated after appropriate evaluations by the competent authorities with possible consequences for the certification of expenditure as already described in the previous paragraphs.</p>		
<p>4.1.7 Indication as to whether the systems are operational and can reliably record the data mentioned above</p>	<p>SIU has been designed to ensure the security, integrity and confidentiality of the data and the authentication of the user, without any restrictions on access to funding for the beneficiaries.</p> <p>In this regard, the system:</p> <ul style="list-style-type: none"> <li>• ensures the respect of privacy and personal data for individuals and the confidentiality of commercial information for legal persons, in compliance with the Dlgs. n. 196/2003 Annex B</li> <li>• provides protection against the risk of loss or alteration of the integrity of the electronic archive caused by physical agents (temperature, humidity, theft) and computer</li> </ul>		





	<p>(unauthorized access);</p> <ul style="list-style-type: none"> <li>• supports the exchange of data by digital signature or by means of autographed signature for Italian or foreign subjects;</li> <li>• it is interoperable with national (IGRUE) and European frameworks and it allows beneficiaries to submit information once;</li> <li>• It is fully available and operational both in office hours and outside of that time, except for technical maintenance work, and allows to consider the date of electronic submission of information stored in electronic data systems as the official date for submission of documents; all regional servers are synchronized via NTP (Network Time Protocol) protocol with servers that provide this service in an official manner. In particular, the servers to which the Veneto Region refers belong to the following IPs:             <ul style="list-style-type: none"> <li>○ 130.149.17.21: official server hosted at "Technische Universitaet Berlin, D-10587 Berlin, FRG"</li> <li>○ 131.188.3.220: official server hosted at "University Erlangen-Nuernberg, D-91058 Erlangen, FRG"</li> <li>○ 193.67.79.202: official server hosted at "NLnet, Amsterdam, The Netherlands"</li> </ul> </li> <li>• allows data synchronization and transmission;</li> <li>• contains interactive modules and / or modules filled in by the system based on the data stored at subsequent steps of the procedures and allows the production, saving and export of reports based on recorded data;</li> <li>• includes appropriate research tools and supports automated</li> </ul>		
--	---	--	--







	<p>calculations, as appropriate;</p> <ul style="list-style-type: none"> <li>• performs automated controls that reduce, as much as possible, repeated exchanges of documents or information;</li> <li>• generates warning messages that alert the beneficiary of the possibility of performing certain actions;</li> <li>• supports "tracking on line" status that allows the beneficiary to follow the current status of the project;</li> <li>• ensures the availability of all previous data and documents processed by the electronic data exchange system and envisages the migration of the same, of the format and of the IT environment at regular intervals.</li> </ul> <p>Regarding to SIU operability in the version adapted to the Programme needs, on the date of writing this document, the SIU modules related to the management of access autorisation, Application Form filling in and submission and assessment of proposal are activated.</p> <p>It is currently integrated with the MOVE application for audit log modules, certification, and audit controls. Such modules, as well as the remaining modules and integrations of SIU, will be implemented in SIU. SIU Modules for controls, Expense Certification and Audit Controls are implemented through the re-use of MOVE modules.</p>		
<p><b>4.2 Description of the procedures to verify that IT systems security is ensured</b></p>	<p>From the operational management point of view, the information system is hosted at the CED of Veneto Region, located in controlled access areas. The management of the systems provides for appropriate data protection activities from the point of view of security infrastructure management, as described in Section 4.1.2, including data retention activities with retention of data saved for a given period of time. The primary CED has a Disaster Recovery site</p>		<p>EGESIF 14-0013 - final Annex 3</p> <p>EGESIF 14-0013 - final Annex 4</p> <p>Standard ISO/IEC</p>





	<p>such as a disaster recovery backup infrastructure where all “Mission-critical” data and statements are replicated.</p> <p>All services are provided through the adoption of secure protocols such as https.</p> <p>SIU security is guaranteed by subdivision into different levels (as described in the architecture). Each level is placed on a network segment separated by a firewall, bringing the database network to be more secure with double firewalling.</p> <p>Impact penetration tests are also used to prevent intrusion.</p> <p>There is also an Intrusion Detection system in the information infrastructure that also works in mode "Prevention", allowing users to block a whole series of attacks recognized by the system itself.</p> <p>Servers are equipped with antivirus systems and are now hardened to enable the increase of the security level.</p> <p>To access the system, all users must be accredited in advance; for this purpose it will be used the SIU module for managing access authorisations integrated with the service called GUSI. Accreditation can be done in different ways depending on the type of user that needs to be accredited. However the user profiling is always ensured in such a way as to guarantee and protect the data entered.</p> <p>External users, in order to benefit from the services made available by the SIU, must apply for accreditation to the information system where, once the data of the request have been entered and confirmed, they must:</p> <ul style="list-style-type: none"> <li>• When using digital signatures, download the form already filled in from the system, digitally sign it, re-attach it to the application, read the privacy information and proceed with the submission of the request. The request at this point is</li> </ul>	<p>27001 ("Information technology - Security techniques - Information security management systems - Requirements") of 2013</p> <p>Standard ISO/IEC 27002 ("Information technology - Security techniques - Code of practice for information security controls") of 2013</p>
--	--	--





	<p>charged by the system and automatically registered. Finally, the system automatically validate the practice and notify the applicant by mail of the SIU access authorization.;</p> <ul style="list-style-type: none"> <li>• In the case of an autographed signature, print the form, sign it manually, scan it and attach it to the application, read the privacy information and proceed with the submission of the application. In this case, the system will automatically record it, but for the validation of the request a prior check by an operator will be required on the regularity of the attached documents (duly signed application form and valid identity document). Once this check is carried out, the operator will manually validate the required users, to which the notification emails will be sent with the SIU access authorisation.</li> </ul> <p>For internal users, the request for access to the SIU system is managed by the Management Authority, which through the support of regional ICT service provides the appropriately profiled access credentials.</p>		
<p><b>4.3 Description of the current situation as regards implementation of the requirements of art. 122 (3) of CPR</b></p>	<p>SIU allows all exchanges of information between Beneficiaries and Programme Authorities to be carried out through electronic data exchange. The information system, aligned with the 2014-2020 programming protocol, allows the transmission of data to the National Monitoring System for the subsequent forwarding to the European Union.</p>		





### List of Appended documents to the Description of Management and Control System

- 1) ANNEX 1 – General Programme Flowchart
- 2) ANNEX 2 – MA organisation chart (specifying members and units)
- 3) ANNEX 3 – JS organisation chart (specifying members and units)
- 4) ANNEX 4 – CA organisational chart
- 5) ANNEX 5 – Flowchart indicating all bodies involved in the processing of the application for reimbursement
- 6) ANNEX 6 – Flowchart on notification of irregularities
- 7) ANNEX 7 – List of NUTS III Regions participating in the Programme
- 8) ANNEX 8 – MA Manual of Operations
- 9) ANNEX 9 – CA Manual of Procedures
- 10) ANNEX 10 – Manual for the management of the Technical Assistance budget (TA Manual)
- 11) ANNEX 11 – JS Manual of Operations
- 12) ANNEX 12 – JS Recruitment procedures document
- 13) ANNEX 13 – Management and control system processes





- 14) ANNEX 14 – Programme factsheets (n.1, 2, 3, 4,5,6,8) and Assessment Manual
- 15) ANNEX 15 – MC Rules of Procedure
- 16) ANNEX 16 – Audit trail scheme
- 17) ANNEX 17 – Description of the Italian FLC system
- 18) ANNEX 18 – Description of the Croatian FLC system
- 19) ANNEX 19 – Control checklists
- 20) ANNEX 20 – Guidelines on control and anti-fraud / irregularities (to be developed)
- 21) ANNEX 21 – SIU application process user manual
- 22) ANNEX 22 – Information System Users Management (GUSI) Manual
- 23) ANNEX 23 – Description of SIU system
- 24) ANNEX 24 – SIU timeline
- 25) ANNEX 25 – Template of Subsidy Contract
- 26) ANNEX 26 – Template of Partnership Agreement
- 27) ANNEX 27 –Template of LP and PP Declarations
- 28) ANNEX 28 – Template of off-line Application Form





- 29) ANNEX 29 – Template of declaration of impartiality and confidentiality (for assessors)
- 30) ANNEX 30 – HIT Template of Confirmation and Application for Reimbursement
- 31) ANNEX 31 – HIT Template of Certificate of Verified Expenditure
- 32) ANNEX 32 – HIT Template of Progress Report
- 33) ANNEX 33 – HIT Template of JS Checklists for Progress Report

