

INTERREG VI-A IPA HUNGARY-SERBIA PROGRAMME

PROJECT IMPLEMENTATION MANUAL

Version: 1.0

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*Good neighbours
creating
common future*

TABLE OF CONTENTS

INTRODUCTION	3
1 INSTITUTIONAL SETUP OF THE PROGRAMME	8
2 RESPONSIBILITIES AND TASKS OF THE LEAD PARTNER	9
2.1 The lead partner principle and cooperation among partners within the partnership	9
2.1.1 Partnership agreement	10
3 CONFLICT OF INTEREST.....	11
4 CONCLUDING THE SUBSIDY CONTRACT (SC) FOR EU CONTRIBUTION.....	11
5 ADVANCE PAYMENTS.....	12
6 MONITORING SYSTEM FOR PROJECT IMPLEMENTATION INTERREG + (I+).....	12
6.1 Access to the monitoring system.....	13
7 MODIFICATION OF THE SUBSIDY CONTRACT, OTHER PROJECT CHANGES AND ADMINISTRATIVE CHANGE.....	14
7.1 Modification of the Subsidy Contract (Addendum to SC)	15
7.2 Other project changes (OPC)	18
7.3 Administrative changes	18
8 MODIFICATION PROCESS ALGORITHM.....	19
9 MONITORING VISITS	21
10 REPORTING AND REIMBURSEMENT PROCESS OF THE EU FUNDS.....	22
11 REPORTING DEADLINES.....	22
12 PROJECT REPORT.....	22
12.1 Reporting about horizontal and „Do No Significant Harm” principles	23
12.2 Preparation and content of the Project Report, procedures.....	24
12.3 Completion	27
12.4 Revalidation.....	27
12.5 Rejection.....	27
12.6 Preparation and content of the application for reimbursement.....	28
12.7 Procedure of reimbursement of EU funding.....	28
12.8 Final Project Report	28
13 ELIGIBILITY, PROCUREMENT RULES AND IRREGULARITY	29
14 PROCUREMENT RULES	29
15 PROJECT CLOSURE.....	31
15.1 Retention of project documents, audit trail and adequate archive	31

IPA Hungary - Serbia

16	USE OF RESULTS AFTER PROJECT CLOSURE	32
17	PROJECT FOLLOW-UP REPORT	32
18	GDPR	33
19	LIST OF ANNEXES	33

INTRODUCTION

The **Project Implementation Manual** of the Interreg VI-A IPA Hungary-Serbia Programme (the Programme) was developed on programme level and based on the followings:

- Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (ERDF Regulation);
- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) 2013/1296, (EU) 2013/1301, (EU) 2013/1303, (EU) 2013/1304, (EU) 2013/1309, (EU) 2013/1313, (EU) 2014/223, (EU) 2014/283, and Decision 2014/541 and repealing Regulation (EU, Euratom) 2012/966 (Financial Regulation);
- Regulation (EU) 2021/1060 (CPR) of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy;
- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments;
- Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession assistance (IPA III);
- “(Interreg VI-A) IPA Hungary-Serbia” Programme (approved by the EC on 14 October 2022 by Decision No. C(2022) 7444 with programme reference number CCI 2021TC16IPCB001);
- The Application package (including the Guidelines for Applicants and Eligibility of Expenditures) of the 1st call for proposals (1st CfP) of the Programme under which the Project has been selected and awarded the subsidy (approved by MC Decision 2/2023 on 22 March 2023);
- Experience gained during the implementation of the Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia (2014-2020) and previous programmes between Hungary and Serbia.

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The Project Implementation Manual is intended to guide lead partners (LP) and project partners in the implementation of the projects, more specifically, on questions related to administrative and financial management, monitoring, reporting and control procedures, and other programme related requirements.

Should there be any amendments of the manual due to legislative changes or other requirements which influence implementation of already approved projects, they will be available on the official website of the Interreg VI-A IPA Hungary-Serbia Programme: www.hungary-serbia.eu.

For specific problems related to your project please contact the JS, or JSA for advice. You can find the contact details of individual JS and JSA programme managers on the above mentioned website.

We wish you success in the implementation of your project!

Abbreviations

AA	audit authority
AF	Application Form
AfR	Application for Reimbursement
BL	budget line
CA	certifying authority
IP	Interreg programme – the programme document
DOVE	Declaration on Verification of Expenditures
ERDF	European Regional Development Fund
EC	European Commission
EU	European Union
CB	Control Body
FPR	Final Project Report
IPA	Instrument for Pre-accession Assistance
JS	joint secretariat
JSA	joint secretariat antenna
LP	lead partner
MA	managing authority
MC	monitoring committee
I+	Interreg + monitoring system
NA	national authority
OLAF	European Anti-Fraud Office (from French: Office européen de lutte antifraude)
PA	Partnership Agreement
PP	project partner
PR	Project Report
PPR	Project Partner Report
PF	Project Form
SC	Subsidy Contract

Glossary of terms

audit

The term “audit” is used for the second level audit performed by the audit authority (Group of Auditors) or by external auditors on behalf of the audit authority in compliance with Art. 77 of CPR (EU) Regulation 2021/1060. Second level audit covers the verification, on a sample basis, of already verified and approved project expenditure.

budget heading

Main lines from the project budget: Staff costs, Office and administration, Travel and accommodation, External expertise and services, Equipment, Infrastructure and works.

cross-border cooperation

The collaboration between adjacent areas across borders. The main aim is to reduce the negative effects of borders as administrative, legal and physical barriers, tackle common problems, and exploit untapped potential. Through joint management of programmes and projects, mutual trust and understanding are strengthened, and the cooperation process is enhanced.

DOVE – Declaration on Verification of Expenditures

Document issued by the national controller containing the amount of verified expenditure of a Project Partner Report (PPR) submitted by a project partner. By issuing this document, the controllers declare the legality and regularity of the expenditure according to EU and national regulations.

eligible area

The Hungarian and Serbian counties and regions located in the border area, as mentioned in the Interreg VI-A IPA Hungary-Serbia Programme approved by the European Commission.

flat rate

A simplified cost option. Specific categories of eligible costs which are clearly identified in advance are calculated by applying a percentage fixed ex-ante to one or several other categories of eligible costs. Flat rates involve approximations of costs and are defined based on fair, equitable and verifiable calculation methods.

lead partner

Project participant taking the overall responsibility for the development and the implementation of a project. Each lead partner shall conclude the Partnership Agreement (with its project partners) and the Subsidy Contract (with the MA), ensures a sound crossborder project management as well as the project implementation, and transfers the due EU contributions to the project partners.

legal representative

A person authorised to sign binding documents (e.g., PA, SC) on behalf of an organisation.

national legislation

The legislation of the state on whose territory the partner is located.

own contribution

Amount with which the relevant partners have to contribute to the total eligible amount of their own project budget. It depends on the national legislation whether a partner has to provide own contribution or not.

Partnership Agreement (PA)

Agreement signed by all project partners which states the rights and obligations of the partners related to the activities to be implemented within the project and other issues to be settled in order to properly implement the project. Contract signed between the lead partner and all project partners containing all duties and responsibilities of each project partner before, during and after the project implementation.

Project Form (PF)

It is a form that summarises the project. The project form includes changes in the application form that are agreed between the project partnership and the JS before the conclusion of the SC.

project outcomes

Expected project results that are achieved by completion of group of activities and measured by indicators.

project partner

Any applicant whose application has been approved for financing.

Project Partner Report

The PPR is filled out by each project partner, including the lead partner. It contains both activity and financial information. The PPR is submitted by each project partner to their national controller in the monitoring system.

Project Report (PR)

The Project Report is the report to be submitted by the lead partners to the JS at the end of each reporting period (usually every 4 months), outlining performed activities within the period as well as associated eligible expenditure. The report documents the progress of the project and serves as reimbursement claim. In some documents PR is referred to as PR & AfR.

real costs

It is the form of reimbursement where the partner must document that expenditure has been incurred and paid out.

EU contribution

The EU part of the eligible expenditure of a project that is financed by the European Union.

indicators

Indicators measure whether the project achieved the planned outcomes. They are used to track progress, reflect change or assess project performance. There are two types of indicators: Output (to measure whether the planned activities took place and monitor the quality of conducted activities) and Result (to provide information on the results and impact of the activities in the project).

irregularity

Any breach of applicable law, resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the budget of the Union by charging unjustified expenditure to that budget; according to Art. 2 (31) of Regulation (EU) 2021/1060.

monitoring committee (MC)

The countries involved in the Programme (Hungary and Serbia) set up the MC for the Interreg Programme, in accordance with relevant EU regulations. The MC performs the duties that are defined in Art. 30 of the Interreg Regulation 2021/1059.

monitoring system

INTERREG+ monitoring system is an online system covering the full project life cycle within one monitoring tool containing all records of a project. Lead applicants must create an account and use the system to submit project applications. If the project is approved, INTERREG+ will be used for reporting on the progress of project implementation (both content-wise and financially). National control will confirm the eligibility of expenditure and the joint secretariat will monitor the projects using the monitoring system.

national co-financing

The non-EU contribution to the projects' budget provided either by the State budget of each partner country or provided as own contribution by the project partners.

Interreg programme (IP)

Document submitted by the partner countries and adopted by the European Commission, setting out a development strategy with a coherent set of priorities, to be carried out with the aid of a Fund, or, in the case of Interreg VI-A IPA Hungary-Serbia Programme with the aid of the IPA III and ERDF.

Subsidy Contract for EU Contribution (SC)

It is a grant agreement between the managing authority and the lead partner.

1 Institutional setup of the Programme

The European Commission is the donor of the IPA and ERDF funds, establishing the IPA and ERDF regulations.

The managing authority (MA) of the Programme is the Ministry of Foreign Affairs and Trade in Hungary, bearing overall responsibility for the management and implementation of the Programme towards the European Commission.

The body carrying out the accounting function, also known as certifying authority (CA) of the Programme is the Hungarian State Treasury, responsible for submitting applications for payment and annual accounts to the European Commission.

The audit authority (AA) of the Programme is the Directorate General for Audit of European Funds (DGAEF) in Hungary, as a functionally independent body from the MA, the CA and the Control Bodies, responsible for verifying the effective functioning of the management and control system.

The joint secretariat (JS) is the main contact of lead partners both in Hungary and in Serbia in relation with the implementation of their projects. It is set up within Széchenyi Programme Office Non-profit LLC (SZPO) in Budapest with an office in Szeged, the JS assists the lead partners during project development, application, contracting and project implementation. The JS also assists the MA, CA, AA, the MC and the National Authorities in carrying out their respective duties.

For each project contracted under the Programme, a responsible Programme manager (PM) is nominated within the JS, to provide assistance during the project implementation.

The joint secretariat antenna (JSA) contributes to the implementation of tasks delegated to the JS. The JSA is set up in Subotica, Serbia in order to ensure a geographically balanced implementation of the Programme through serving Applicants' needs in the Serbian border area as well. This also includes that colleagues working at the JSA can act as fully responsible Programme Managers.

Contact data of the JS:

Joint secretariat of the Interreg VI-A IPA Hungary-Serbia Programme
Széchenyi Programme Office Non-profit LLC
Budapest: 2 Szép Str., H-1053 Budapest.
Szeged: 34 Szenthéromság Str., H-6722 Szeged
E-mail: info@hungary-serbia.eu

JS Antenna of the Interreg VI-A IPA Hungary-Serbia Programme
Subotica: 17 Matije Korvina (HKPC Galleria, 1 floor) 24000 Subotica, Serbia
Tel.: +381 24 55 97 97
E-mail: relja.burzan@mei.gov.rs; dejan.vujinovic@mei.gov.rs

National Authorities: Besides the above mentioned structures, the Deputy State Secretariat for Regional and Cross-Border Economic Cooperation within Ministry of Foreign Affairs and Trade in Hungary and the Ministry of European Integration (MEI) of the Government of the Republic of Serbia bear responsibility – among others – for setting up the control system in order to verify the expenditures at national level and in case of Hungary also for ensuring national state co-financing.

Control Bodies: Set up in Regional Control Units of SZPO with Territorial Offices in Szeged and Békéscsaba, Hungary and within the Department for Contracting and Financing of EU Funded Programmes (CFCU) of the Ministry of European Integration of the Republic of Serbia the respective Control Bodies are responsible for verifying expenditure at national level in accordance with EU and national rules.

2 Responsibilities and tasks of the lead partner

2.1 The lead partner principle and cooperation among partners within the partnership

All projects must follow the lead partner Principle:

In each project, one of the partners must be appointed to act as lead partner. The lead partner is the formal link between the project and the MA/JS in accordance with Article 26 of Regulation (EU) 2021/1059. The lead partner takes on the responsibility for management on behalf of the partnership and mediates the whole project towards the programme management bodies.

The lead partner (hereinafter referred to as LP) is solely responsible towards the managing authority (MA) for the implementation of the SC for EU contribution (hereinafter referred to as Subsidy Contract or SC) including the timely and correct reporting towards the JS.

The appointed LP coordinates the project implementation process, and the work of the partnership, and fulfils administrative and professional tasks. The cooperation between partners (within the partnership) is established in the Partnership Agreement (hereinafter referred to as PA) in order to implement project activities successfully.

The LP makes sure that all partners within the partnership understand and are aware of the activities that have to be accomplished. Also, the LP's task is to find and develop the most efficient way and source of communication.

The overall tasks of the LP are the following:

- Conclusion and, if deemed necessary, modification of the SC;
- Overall project coordination (including other project changes);
- Activities linked to project management;
- Continuous contact with the partners within the partnership and with the JS;
- Preparation of project reports (PR);
- Preparation of Applications for Reimbursement (AfR);

- Submission of the PR and AfR through the INTERREG + to the JS and fulfilling requests for completion or clarification;
- Receiving the EU contribution – including the advance payment – and transferring the relevant amounts to the partner(s);
- Follow-up of the project results following project implementation (including submitting follow-up reports, if relevant).

The aim of this main programme-level principle is to contribute to the proper and effective functioning of cross border partnerships, to emphasize the sustainable cross-border cooperation leading to sustainable actions, results and impacts.

2.1.1 Partnership Agreement

The Partnership Agreement is a document laying down provisions that guarantee sound financial management of funds allocated to the project; establishing cooperation principles, which regulate the rights and responsibilities of project partners for a successful implementation of project activities. As for the EU funding, the SC establishes a legal basis between the managing authority and lead partner and the PA establishes the legal basis between the partners including the lead partner. The PA is annexed to the SC.

This contractual arrangement provides an overview of each partner's role in the project, activities to be fulfilled, timeframe of the activities, and relationship between the partners as well as the procedure used in case of disputes. The agreement covers all the special situations that might occur during project implementation phase as well as necessary steps to be taken. Therefore, partners should agree on - among others - the ownership of the project results; the methods to achieve and maintain project results and risk management procedures.

The PA serves as a mutually binding contract and ensures that each partner accepts and carries out its assigned tasks.

The PA in general lays down provisions regarding:

- a) The partners' responsibilities and contributions to the project;
- b) The requirements, both internal and external, related to the reporting;
- c) The provisions for ensuring sound financial management, including separate accounting and documentation obligations;
- d) Provisions and deadlines for transferring EU funds by the LP to all partners;
- e) Provisions for retaining documents required for an adequate audit trail;
- f) Internal arrangements for recovering EU amounts unduly paid;
- g) The ownership of project results (provisions regarding the industrial and/or intellectual property rights, and regarding dissemination rights);
- h) if state aid is relevant, revenues after project closure;
- i) Applicable law, place of jurisdiction, procedures for litigation.

It is important to point out that the PA can be modified by the partners as long as it is in line with the SC.

3 Conflict of interest

Project partners must undertake all necessary precautions to avoid conflict of interest and must inform the JS/MA authority without delay about any situation constituting or likely to lead to any such conflict. A conflict of interest exists where the impartial and objective exercise of the functions of any person involved in the project is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another person.

4 Concluding the Subsidy Contract for EU Contribution

Following the MC decision, the Subsidy Contract will be concluded between LP and MA. The MA/JS will send a letter on award of subsidy to the LP containing all relevant information, conditions and deadlines essential for contracting.

After the decision on award of subsidy and before the contracting a technical meeting is taking place between the lead partner and JS. This meeting is about the clearing of project budget, indicators and activities in order to update the project without prejudice to the main objective of the original application.

If deemed necessary, the JS can decide to carry out site visits at the premises of the lead partner (and the partners, if needed) or in other location(s) of implementation. The main purpose of the site visits is to check whether the activities have already started and whether they are in line with the content of the approved project form (PF).

A site visit can be carried out by the JS on the date agreed with the lead partner. During the visit minutes of the meeting is taken containing the observations of the JS staff.

The SC guarantees, on the one hand, the rights and obligations of the LP, and on the other, the rights and duties of the MA for the appropriate use of EU contribution within the framework of the Programme.

The SC containing the PF serves as a basis for the monitoring of activities, and it is a core document in the event of settlement of disputes.

The SC enters into force on the date when the last of the contracting parties signed it. The implementation of the project starts on the date indicated in the SC, which can be before or after the signature of the SC. In case of Hungarian lead partners, E-signature is applicable.

5 EU Advance payments

In line with the SC, projects will receive the amount of EU advance payment specified in the SC - EU advance payment of 15% of the maximum EU contribution of the project. The amount of EU advance of partners determined at the time of concluding SC are not subject to change during the project implementation. Re-allocation between project partners or additional EU contribution for the project does not affect the EU advance amount. The transfer of the EU advance payment is done automatically, within 60 days from the date of signature of the Subsidy Contract (subject to availability of EU funds on the Programme's single bank account). The LP is responsible for transferring the respective amounts of EU advance specified in the SC to the partners within the timeframe agreed in the PA. The received pre-financing shall be deducted from the payment of EU contribution of approved PRs during the implementation period, in line with the provisions of the SC.

6 Monitoring system for project implementation - Interreg + (I+)

Beside the submission of the project proposal, monitoring system ensures:

- a) Data integrity and confidentiality;
- b) Avoidance of submission of identification data more than once when fulfilling reporting documents;
- c) Data storage: relevant data and documents in particular with regard to eligibility of expenditure and related audit trail must be uploaded in I+ and be available to all bodies involved in monitoring, control, verification of expenditure, audit, implementation and evaluation activities, thus to reduce the administrative burden for the partners in sending the same information more than once to the different bodies, unless it reveals being outdated.

During the process of signing the SC, each lead partner will receive online access to the Front Office of the Programme's monitoring system. This surface will enable the lead partners to submit PRs and applications for reimbursement and modification requests on behalf of the partnership. Upon LP's approval of their role requests, project partners also gain access to the Front Office of the Programme's monitoring system, where they will be able to see the content of their project part and submit PPRs.

The monitoring system is the main communication and monitoring tool along project implementation: all information must always be updated by the lead partner, as the JS/MA shall make reference to those data to proceed with the requests for payment.

Monitoring system for project implementation - Interreg + (I+) is in line with Regulation (EU) No 2016/679 - General Data Protection Regulation, GDPR - which introduces rules on data protection.

6.1 Access to the monitoring system

Once a project is contracted, the reporting section in I+ becomes available to project partners.

All PPs must become I+ user through registration: recording and signatory user roles will be provided on level of project partner and project level, as only assigned users can create, modify and submit PPRs and PRs.

The lead partner requests the I+ user roles from the JS. After the user role was granted, the lead partner recording user provides access upon request to all project partners. The usernames and passwords to access project's data, PPRs and PRs must be considered as confidential data. The lead partner and project partner(s) must create their own PPRs. Also, the lead partner has an obligation to prepare and submit the PR on behalf of the partnership. Only users assigned to the lead partner can view PPRs from all project partners, as those users are responsible to prepare and sign the PR. Other project partners have access only to their reports.

For more information to access the monitoring system, details on adding, removing and changing different types of users please see the User manual for Front Office users of the INTERREG+ system.

7 Modification of the Subsidy Contract, Other Project Changes and administrative change

Even if well planned and prepared, a project might need modifications during the implementation due to various reasons. The deviations from any aspect of project implementation defined in the SC and its Annexes have to be reported to the JS. To seek an approval for changes, the LP fills in the modification request in cooperation with project partner(s) and submits it to the JS.

As a general rule:

- LP has to notify the JS maximum 15 calendar days from the time after the change occurred, or with the submission of the PR at the latest.
- Only one modification (either addendum or OPC) can be requested during a reporting period (four months).
- Prolongation request has to be initiated at least 45 calendar days before the project end date.

The basic rule is that the modifications affecting the basic purpose of the project as approved by the MC are not allowed.

The following types of modifications can be differentiated:

1. Modification of the SC
2. Other project changes (OPC)
3. Administrative changes
4. Withdrawal - “Declaration of Withdrawal” of the partner leaving the project
5. Termination of the SC

The following modifications can be requested:

1. Change of the partners and contact persons;
2. Substantial changes in the overall project objectives;
3. Prolongation of the duration of the project;
4. Change of value of indicators;
5. Budget reallocation;
6. Change of activities (either introducing new activities or replacing old ones);
7. Project team modifications.

As a general rule, the following modifications are not possible:

1. Change of the lead partner
2. Budget reallocations between partners

3. Reallocation to a budget line which was decreased according to the decision of the MC
4. Budget reallocation under 100 EUR
5. Budget reallocation within those budget headings, which are calculated based on flat rate.

The following modification does not need to be approved:

Modifications between budget items within one budget line do not need to be requested within a modification process. The INTERREG+ monitoring system tolerates these differences while reporting.

Special type of modification is the termination of SC by MA, see the Annex I. to the SC Article 11. (General Terms and Conditions).

As a general rule, all types of modifications shall be requested by the LP through the INTERREG+ monitoring system. For technical help regarding how to submit a modification request within the system, please see the Front Office user manual for project modification on the programme's website.

The only exception is merging the reporting periods, because that shall not be requested, the LP has only the obligation to inform the JS in the name of the partnership. Since merging the reporting periods has an effect on the reimbursement of EU funds, the merge is only possible if the whole partnership agrees on it.

7.1 Modification of the Subsidy Contract (Addendum to SC)

If the LP requests substantial project changes, then it requires a request for the modification of the Subsidy Contract. Such request must be approved by the MC or the MA. After the approval of the request, the MA and the LP are signing an addendum to the SC.

The following changes require modification of the SC:

- a) Change or withdrawal of partners:

As a general rule, the project lead partner cannot be changed, only project partners. This type of request for project modification requires the approval of the MA or MC, depending on the reason for change. If the MC approves the requested change, the addendum of the SC is signed by the MA. However, in case of merger/fusion with legal continuity/successor in partner or lead partner organisation, without a change of tax number, which can be proved by legal documents of succession, the addendum to the SC is not necessary, unless the MA decides differently. In such instances, it is enough that the lead partner informs the JS by

submitting the necessary documents. Nevertheless, in case that the partner's national tax number changes, the change must be approved by the MA, i.e. it will be a SC modification.

The following changes of partners are possible:

- A withdrawn partner is replaced by another partner, already present within the partnership, which takes over the remaining activities

Project partner replacement can be done if a PP(s) already present in the partnership - meaning activity and financing involvement of a certain partner is higher. The change is preferably located in the same partner state so that the overall EU contribution part of the project budget stays the same. Eligibility requirements must be ensured. In case the withdrawn project partner has already received EU contribution payments related to preparation costs and/or expenditure incurred and verified, it retains its share of paid EU amount, unless it did not implement any activity during the project implementation. The withdrawn project partner must respect the obligations of documents retention for the time duration as reported in the SC/PA and solve all pending situations (e.g. repayment of undue EU funds). The replacing project partner(s) shall take over the left budget of the withdrawn project partner; it must demonstrate to have sufficient skills and expertise to efficiently implement the remaining tasks left by the withdrawn PP.

- Withdrawal of partner without replacement

In case a PP is withdrawn from the implementation without any replacement, it must be confirmed that the partnership still meets the eligibility requirements. If this circumstance takes place, the planned activities linked to this PP must be deleted from the project and its budget revised accordingly. Budget decrease must be mirrored in the budget spending plan following the period when the MA/JS received the communication of withdrawn sent by the LP. The partnership must demonstrate that the withdrawn PP does not jeopardize the effectiveness of the project and that planned outputs and goals shall be ensured. In case the withdrawn PP already received EU contribution payments related to preparation costs and/or expenditure incurred and verified, it retains its share of preparation costs and/or paid EU amount, unless it did not implement any activity during the project implementation. The withdrawn PP must in any case respect the obligations of documents retention for the time duration as mentioned in the SC and PA.

- A withdrawn partner is replaced by a new partner, which takes over the remaining activities;

The withdrawn PP can be replaced by a new institution which takes over the remaining activities, upon condition that eligibility requirements are fulfilled. PP replacement can be done through the inclusion of a new PP located in the same partner state by keeping unchanged the overall EU contribution part of the project budget shares. The new identified PP must demonstrate to have sufficient skills and expertise to efficiently implement the remaining tasks. The new total EU contribution part of the PP budget is the difference between what initially planned for the withdrawn PP and what already spent and paid. The

withdrawn PP must respect the obligations of documents retention for the time duration as mentioned in the SC/PA and solve all pending situations (e.g. repayment of undue EU funds).

- b) The lead partner/partner is experiencing a structural or legal change, such as legal status change and legal succession.

The legal change is possible on condition that the new entity takes over all duties and obligations of its predecessor (e.g. retention of document, respect of internal audit trail, eventual follow-up of irregularities etc.) and eligibility rules are respected. Legal change can effect the subsidy structure of the respective partner. All documents affecting the modified legal status or legal change must be provided to MA/JS.

- c) Substantial changes in the overall project objectives:

Since this type of change can have fundamental effects on the project content, the JS may use the help of quality assessors with the decision on the modification request. In case the request for modification is deemed necessary and well justified, the JS forwards it to the MC/MA for decision. If the MC/MA approves the requested change, the Addendum of the SC is signed by the MA and the LP.

- d) Substantial decrease of the target value of a programme-level output or result indicators

In case a substantial decrease of the value of a programme-level output or result indicators is requested, the PM may consult with the MA to jointly determine if this modification requires SC modification. If not, the JS decides on the modification (as OPC modification).

- e) Prolongation of the project duration.

As a general rule, the request for modification requires the approval of the MA, but in case the project duration exceeds the maximum duration set in the Guidelines for Applicants of the respective Call for Proposals, the approval of the MC is necessary. If the MC approves the requested change, the Addendum of the SC is signed by the MA and the LP.

Any request for modification of the SC has to be justified and submitted by the LP to the JS.

The JS checks the request for modification and in cases described above submits it for approval to the MA or to the MC depending on the type of the requested modification.

Upon approval of the MA/MC, the finalized Addendum to the SC has to be signed by both contracting parties.

7.2 Other project changes (OPC)

For project changes not listed above – which do not require the amendment of the SC – the modification requires the approval of the JS, and the modification is considered as an other project change (OPC). The LP has to notify the JS maximum 15 calendar days from the time after the change occurred, or with the submission of the PR at the latest.

Other project changes may be:

- a) Change in the project team;
- b) Decrease of output and result indicators or their increase due to budget reallocation or change of activities (NOT exceeding 20% of the original indicators);
- c) Budget reallocation between budget headings;
- d) Budget reallocations between budget lines within one budget heading (for example: 5.5 -> 5.8, or 6.2->6.1). Changes in the budget description;
- e) Changes in activities (e.g. reformulation of the activity, joining of activities, description change, etc.). However, moving activities between reporting periods is not considered as an OPC, it is enough that the LP reports about it in the next PR, unless requested otherwise by the PM;
- f) Not-substantial decrease of programme-level indicator target value ;
- g) Any decrease of project-level indicators
- h) Other (e.g. change of legal representative, change of separate project bank account etc.)

All changes in the project have to be in line with the rules of the Guidelines for Applicants of the relevant Call for Proposals, as well as the Eligibility of Expenditures, (e.g. if a limit for a certain type of cost was set in the Guidelines for Applicants, the proposed change must respect the limit as well).

Furthermore, requested changes have to be in line with the decision of the MC, i.e. if the MC decision contained any conditions for contracting, those have to be respected throughout the implementation of the project, the modification(s) of the project cannot be contradictory to the conditions.

7.3 Administrative changes

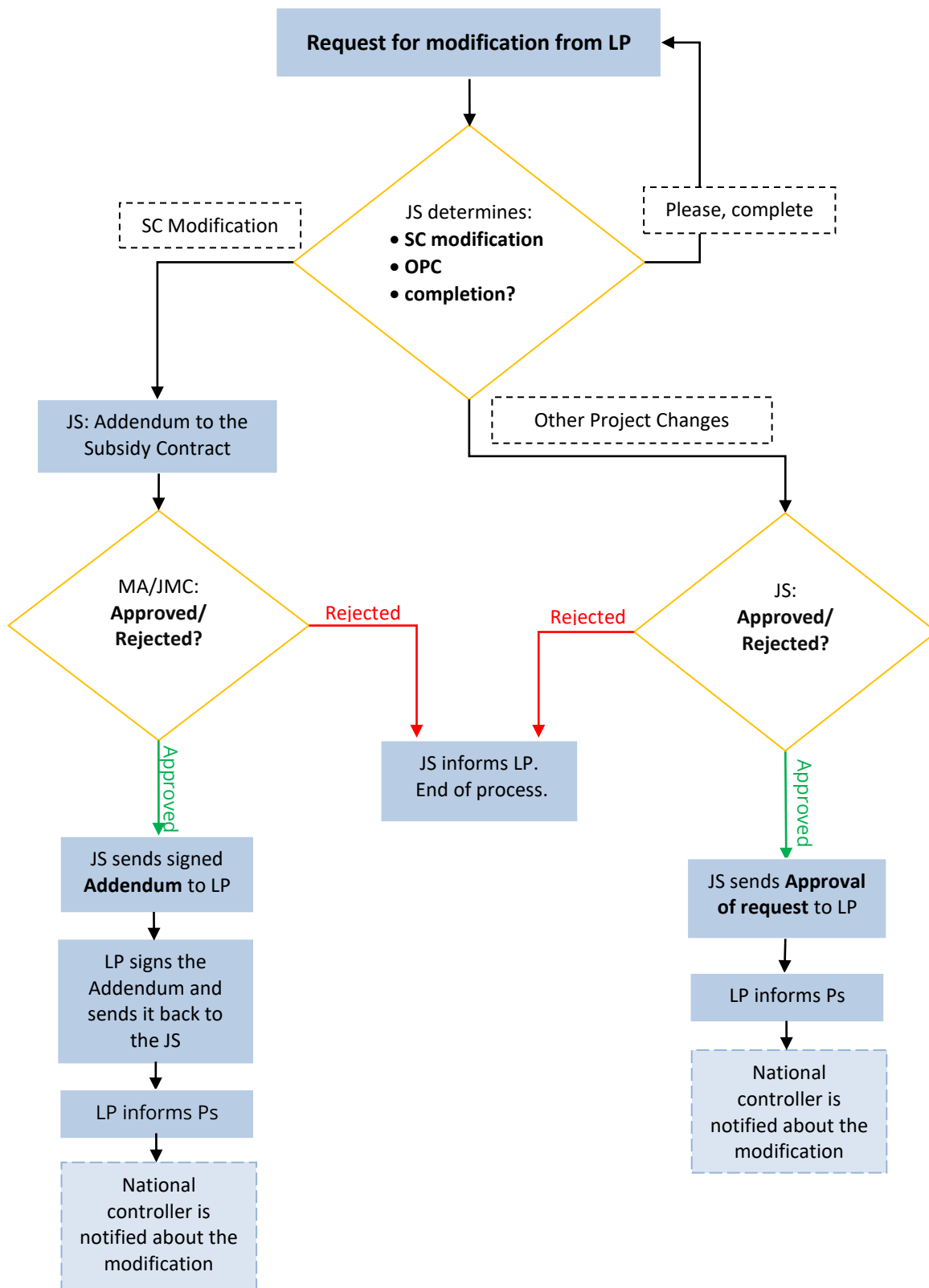
Smaller administrative changes such as, changing postal address or the address of the headquarters, contact person, contact data (phone number, e-mail address) of the contact person or the legally authorised representative;

8 Modification process algorithm

The LP submits a request for modification to the JS through the monitoring system.

Upon receiving the request the PM of the JS checks the request.

- It is determined that the request is an Addendum to the SC
 - JS prepares an Addendum with supporting documents and sends it to the MA
 - MA decides on the Addendum
 - MA determines that the SC modification is acceptable, it is approved
 - MA signs and sends the signed Addendum back to the JS
 - JS forwards the Addendum to the LP
 - National controller is notified
 - LP signs the Addendum and sends it back to the JS
 - MA determines that the SC is not acceptable, it is rejected
 - MA informs the JS
 - JS informs the LP
- It is determined that the request is an Other Project Change (OPC)
 - JS determines that the OPC is acceptable – it is approved
 - JS approves and sends the approval to the LP
 - LP informs the partners
 - National controller is notified
 - JS determines that the OPC is not acceptable – it is rejected
 - JS informs the LP of the rejection
- It is determined that the request needs to be completed
 - JS sends the request back for completion to the LP
 - LP resubmits completed request



9 Monitoring visits

In order to have a more direct contact between the programme management bodies and the partnership of individual projects and to get a closer, more real view of the project implementation, the work being carried out, the progress and the achievements, the JS visits contracted projects at least once during the implementation period and in case it is considered necessary, additional visits might be needed based on the project financial and technical performance.

Project partners should be prepared for these visits and ready to provide all required information and documents. The focus of the review and meeting will be on the progress of activities, their timely implementation and the related reported and verified costs, the progress towards project objectives and indicator targets, management and communication of the project, potential risks, problems, delays and their possible solutions, and a realistic forecast for the remaining implementation. It is to be based on a constructive dialogue between the programme management and the project partnership to get direct feedback on both sides about the status and perspectives of the project.

The JS (including members of JSA) or the MA may carry out monitoring visits in order to check the status of the project implementation. In general, the JS notifies the LP prior to the monitoring visit about the proposed date, although unannounced visits are also possible, especially if there is a suspicion of irregularity. The visit may be linked to a project event. In addition, JS monitoring visit provides an opportunity for partners to consult the JS. The monitoring visit is not considered as an audit and is not a pre-requisite for the approval of the PR and the Application for Reimbursement. However, the JS/MA can use the information gathered during the visit as a basis to propose specific actions, including suspending EU contribution payments or even withdrawal from the SC (in case the project implementation significantly deviates from the objectives indicated in the SC or there is a suspected irregularity).

The aim of the monitoring visit can be:

- On-the-spot monitoring of the project implementation (e.g. in case of any delay) and personal consultation if problems occurred;
- To clarify and collect more information about professional/technological changes that occurred in the project (e.g. to gain sufficient information about the reasons for modification of the SC);
- The clarification of information included in the PR, final PR and Follow-up report in case they contain errors or a further clarification is deemed necessary;
- To visit an important event of the project (e.g. opening or closing conference).

In case of investment projects a site visit can be organized prior to conclusion of the SC, in order to check the present situation.

All observations made and the results of the monitoring visit will be included in the minutes to be acknowledged and signed by all the participants.

10 Reporting and reimbursement process of the EU funds

The payment of EU funds (except for the advance payments described before) is connected to the submission and approval of PR. The aim of the PR is to describe the progress in the implementation of the project and the way partners acted in order to obtain these results. The PR furthermore underpins the content of the Application for Reimbursement, i.e. links between the incurred costs and the tasks and activities stipulated in the PF. Each PR submitted to the JS has to be prepared by the LP and shall be accompanied by an AfR, which indicates the total amount of EU funding to be reimbursed. An essential condition for the transfer of EU funding is the timely submission of the PR together with the necessary supporting documents/annexes containing correct information.

EU funding will be transferred directly to the LP's bank account (sub-account) opened exclusively for the purpose of the project. The LP is responsible for transferring the respective EU amounts to the partners within the timeframe agreed in the PA.

PRs need to be submitted on a regular basis by the deadlines specified in the SC. The reporting period, in general, covers four months of the project implementation, starting from the starting date of the Project.

11 Reporting deadlines

By signing the PA and SC the project partners respect the deadlines of reporting which is 15 days for project partners (30 days in case of the final report) and 90 days for lead partners after the end of the reporting period.

In cases of passive project implementation or considerable delay in reporting without notifying the JS, the MA is entitled to consider a deduction of the management costs.

12 Project Report

At the end of each 4-month reporting period, the lead partner prepares and submits a PR to the JS via the Front Office of the monitoring system. For technical help regarding how to submit a PR within the system, please see the Front Office user manual for PRs on the programme's website. The purpose of the PR is to inform the JS and the programme management bodies about the activities, which were carried out and the expenditures incurred in the given reporting period. In order to compile a comprehensive report, the lead partner gathers necessary data and documents from all partners of the project.

Each partner prepares their own PPR concerning the activities they implemented and justifying their own expenditures. The partners shall be aware of the fact that this might be a time and resource consuming process and the timely preparation of the documents is essential for the successful reimbursement process.

The PR (which includes both, narrative and financial report) is accompanied by the Application for Reimbursement, which is generated by the monitoring system based on the Declaration on Verification of Expenditures (DOVE) issued by the responsible Control Bodies to each partner for the given period, as well as other compulsory annexes and relevant supporting documents.

The template of the PR is attached as Annex I and the template of the AfR as Annex II of the present Project Implementation Manual. Both documents are automatically generated by the monitoring system (and saved under 'Documents' datasheet) upon the completion and online submission of the PR. (The annexes are attached for your information only, they are approximations of the forms generated by the system, so, please, do not use them for reporting).

The deadline for submission of the PR and AfR to the JS is 90 days from the end date of the respective 4-month reporting period. The project start date, the reporting periods and the actual deadlines for submission are indicated in the PF and also available in the monitoring system.

The PR is prepared by the LP, but each PP must contribute to the compilation of the PR by preparing and submitting their PPRs. PPs have to provide adequate information to the LP concerning the activity and financial progress of their project part via the PPR in relation to a certain reporting period. It is important that the LP describes the progress of the project implementation in sufficient details and quality. In the PR, the LP is expected to regularly present the progress in achieving the project outcomes, implementing the activities and reaching the deliverables, including the progress towards reaching the indicators' target values. Following submission of the PR, the report is verified by the JS..

12.1 Reporting about horizontal and „Do No Significant Harm” principles

All projects financed by the Programme must respect the horizontal principles of the Programme including „do-not-significant harm” (DNSH) principle which states that the activities implemented within a project may not cause any significant harm to the environment.

However, some projects may contribute to one or more Programme's horizontal principles (equality between men and women, equal opportunities and non-discrimination and sustainable development including environmental sustainability). Such projects were awarded points during the assesment of project proposals which they need to justify in the project implementation. In case the project planned to promote and strengthen any of three horizontal principles, the contribution should be explained and proved in the PRs and, if relevant, in PPRs.

In PPRs and PRs the partners should explain their contribution with specific actions to the above mentioned principles and always prove with quantitative data, supporting documents and other sources of verification. Those specific actions relevant to both principles will be

closely monitored by the Programme bodies. For more information, please visit Guidelines for Applicants Chapter 7. p.41-48)

12.2 Preparation and content of the Project Report, procedures

The PR shows the progress of the implementation of project activities in a given period of time. The PR provides an overview of the project implementation and also shows deviations in comparison to the activity plan presented in the PF. The PR consists of two main parts: narrative and financial part.

The **narrative part** requires descriptions about the steps taken in a given reporting period.

Under the **Achievements chapter**, updates are provided by answering the following questions:

1. Progress towards the Main Objective

The partnership explains the progress of the project towards the Main Objective – an updated description of the project progress from start till end of present reporting period.

2. Progress made towards the Outcomes

The partnership explains the progress of the project towards the planned outcomes – provide a description about the progress towards specific objectives listed as Outcomes. For each report, the partnership provides an updated description from start till end of present reporting period for each Outcome.

3. Achievements in the project

The partnership explains the achievements of the project from the start of the project till the end of this reporting period. Partnership provides an update on activities, indicators and any other results and achievements of the project.

4. Impact on the target groups of the project

The partnership explains how the activities and the achievements of the project impacted the target groups of the project.

5. Horizontal principles, resiliency and other effects of the project

The partnership explains the active contribution of the project – if any – towards the Horizontal principles and explains which specific activities contributed. In this section, the partnership reflects on the environmental impact of the project activities, possible environmental resiliency of the results of the project and the way the project contributed to other EU, national or regional strategies and principles.

Under the **Outcomes, Indicators, Infrastructure chapters** updates are to be provided regarding progress in the specific reporting period:

- progress of specific **outcomes**,
- progress with specific **activities** within the Outcomes - including differences and deviations in comparison to the original activity plan, progress on **communication** related activities

IPA Hungary - Serbia

- progress of reaching all **indicator** targets
- progress on **works/infrastructure** related activities etc.

Please note that the Narrative part must be clear, coherent, relevant and time-related compared to PF. In case of deviation (especially in deliverables and outputs), clarification/justification shall be provided.

The MA/JS might reject submitted deliverables or outputs that are of low quality or do not comply with the project form, requesting the project to solve detected issues.

The **financial part** contains information and provides general overview of the expenditures related to the project activities performed in the reporting period. The report must contain the lists of expenditures for all partners, verified by the respective Control Body in the form of DOVES.

The LP must ensure that the expenditures presented for reimbursement by all partners are not double financed; are in compliance with the principle of sound financial management; and were included in the budget of the project approved by the MC.

The financial part of the PR summarizes the costs incurred and paid on partner level based on several different aspects. The PR contains the financial summary by budget lines and by sources, the overall financial progress in the total budget and in the EU contribution separately, and revenues gained (if applicable in case of state aid) in the reporting period. This part also contains information about the settlement of the EU advance and also about the transfer of the EU funding by the lead partner to the partners (accompanied by the bank statement proving the transfer).

Supporting documents/annexes for PR are the following:

- DOVE of each partner including lead partner;
- A scanned copy of procured study, research, database, book, publication etc.;
- A proof of information and publicity activities carried out in the reporting period (published brochures, leaflets and other promotional material radio and TV recordings, newspapers articles, web publications, social networks posts, photographs and attendance lists of events, etc.);
- If relevant, photo documentation;
- A scanned copy of bank statement proving the transfer of EU funds;
- Documents proving the reported progress of the indicators.

Project Partner Reports closed without verification, Project Reports with merged reporting periods

In case a project partner had no expenditures incurred in a certain reporting period, it is possible to merge that reporting period with the following one upon notifying the JS. In this special case, no request shall be submitted through the INTERREG+ system, the LP only needs to inform the JS via e-mail. The merging of reporting periods shall apply to the whole

project, therefore it will affect all project partners. Thus two reporting periods can be merged only upon agreement of the whole partnership.

PPR without any reported expenditure can also be submitted to Control Body with proper explanation about reasons and causes of underperforming. The Control Body will close the verification without issuing DOVE.

Partners of the project with weak performance will be invited by MA/JS to targeted meetings, to provide further clarifications on the project implementation state of play and to define a road map to catch up or to adopt specific countermeasures.

As a general rule supporting documents for the PR have to be submitted only in electronic form via the monitoring system.

If applicable, documents containing confidential and protected personal information of participants, such as patient data, medical history (anamnesis) of individuals, filled in surveys and questionnaires, transcripts of interviews and similar can be submitted if their submission does not infringe laws protecting privacy, confidentiality or ethical guidelines for research with participation of human subjects (in academic/ scientific/ research institutions). Personal information of individuals gathered for the purpose of implementing measures of equal opportunities can be submitted only if the partners obtained prior written consent of the individuals. For the purpose of verification of the implemented activities and incurred expenditures during the reporting, these documents can be submitted only if there is no other reliable source of verification and only if identification data of individuals is deleted or the data is aggregated and impersonalized. Please find more details in GDPR section.

The PR is filled in, which also includes the upload of all necessary supporting documents, and submitted electronically through the front office of the monitoring system. The AfR is generated by the monitoring system. The language of the reporting is English: the PR, the AfR and the DOVEs are prepared in English. Accompanying documents which were made in Hungarian and Serbian languages shouldn't be translated.

Verification process by JS

Following the receipt of the documents, the responsible Programme / Financial Manager at the JS / JSA performs the PR's content verification.

During the verification process, the JS may request additional information or documents if necessary for the proper understanding and approval of the PR. The verification process is suspended until all required documentation and data are provided by the LP.

The verification process is divided into two main stages: verification of the PR and verification of the application for reimbursement.

In order to facilitate the appropriate fill in of PR, please find attached the Checklist of JS for PR and AfR as Annex III of this document.

12.3 Completion

In case the submitted PR is technically incomplete; the content of the report is found unsatisfactory or any of the required supporting documents are missing, the JS programme manager sends a completion letter via monitoring system (submission of additional/missing documents and information).

The lead partner has maximum 10 working days upon receipt of the request to submit the required additional/missing information and documents. The documents are submitted electronically by filling the required fields in the certain sheet(s) of the monitoring system or uploading it to the corresponding folder of the Interreg + monitoring system.

12.4 Revalidation

If any corrections to the amount or to descriptive information of the Declaration on Verification of Expenditures (DOVE) is needed it is sent back by the JS to the Control Body for revalidation.

The DOVE can be reissued due to the following reasons:

- a) ineligible expenditure in the actual PR/AfR;
- b) reported budget items are not in line with the accepted budget of the project part, or rules of project modification are not kept;
- c) inappropriate delivery of planned project outputs and results in terms of quality and content;
- d) differences/deviations concerning the approved project activities;
- e) unjustified, unnecessary, overbudgeted and inappropriate costs;
- f) the cross-border impact of the activities cannot be traced;
- g) minimum communication requirements of the Programme are not kept;
- h) EU horizontal policy requirements of the Programme are not kept.

The lead partner has to resubmit the PR/AfR with the revalidated PPR's DOVE.

12.5 Rejection

If the lead partner does not respond to the request for completion of documents, the PM sends a reminder. If the lead partner fails to reply to the second notice and does not complete the documents, the PR may be rejected. As a general rule, those expenditures, which relate to a rejected AfR can be re-submitted only once and only for the subsequent reporting period. Only in justified cases, later re-submission of those expenditures may be accepted.

12.6 Preparation and content of the Application for Reimbursement

The AfR summarizes the expenditures of the partners in the reporting period, based on the Declarations on Verification of Expenditures (DOVE) issued by the Control Body.

In the verification process of the AfR special attention is paid to the following aspects:

- The EU subsidy requested in the AfR is within the frame of the approved amount of EU subsidy;
- The EU amount of reimbursement is correct and in line with the EU amounts approved in DOVEs;
- EU advance payment is taken into consideration in the amount of transferable EU contribution, as stipulated in article 2. point 3. of the SC.

12.7 Procedure of reimbursement of EU funding

Once the verification of the PR and AfR has been completed, the JS initiates the reimbursement of the EU funding. Following the approval of the MA, the CA transfers the amount of EU contribution stated in the approved AfR to the separate bank account of the lead partner. Upon receipt of the EU funding, the lead partner is obliged to transfer the respective amounts on time and in full to each partner. Timeframe of the reimbursement stated in the PA.

12.8 Final Project Report

The reporting procedure and the form of the final PR are the same as the procedure and form of any PR but a special attention should be paid to the check box in the monitoring system.

The latest possible date for the payment of expenditures incurred within the project is 30 calendar days after the last date of eligibility period. However, the payment is not allowed after the final date of eligibility which is 31 December 2029.

The project is considered fully implemented if carrying out the planned activities and results is successful, moreover by achieving at least 80 per cent of the quantifiable outputs in due time.

Supporting documents for final PR are the following:

- A scanned copy of procured study, research, database, book, publication etc.;
- If relevant, photo documentation (infrastructure/equipment);
- Documents proving the fulfilment of the indicators;
- Valid permission of use (in HU: használatba vételi engedély, in SRB: upotrebna dozvola); record of the technological delivery session (in HU: műszaki átadás-átvételi nyilatkozat, in SRB: zapisnik o izvršenom tehničkom pregledu); Statement of the responsible architectural supervisor (in HU: a felelős műszaki vezető nyilatkozata, in

SRB: Predlog komisije za tehnički pregled za izdavanje upotrebne dozvole;) any other permits prescribed by relevant Regulations;

- Other project specific documents requested by the JS;
- A scanned copy of bank statement proving the last transfer of EU funds.

In addition, lead partners should deliver to the responsible PM samples of information and publicity material produced during the project implementation along with the final PR. Such material includes, but is not limited to: posters, any other printed material – books, booklets, or brochures, as well as promotional branded merchandize used during the project. The Programme will use such material on occasions which promote the Programme, Interreg and EU.

The final reimbursement of the EU funding is made after the conclusion of the project and according to the final AfR as approved by the JS. Please note that in case of unsettled EU advance settlement the remaining amount will be recovered.

Following the approval of the FPR the JS initiates the financial closing of the project in the monitoring system, in order to calculate the exact amount of EU funding to be reimbursed to the LP.

Financial closure cannot be initiated in case other processes related to the project are still on-going (such as irregularity and recovery procedures). After the final payment of EU contribution to the lead partner and transfer the reimbursement to partners, the project is considered as closed.

13 Eligibility

Detailed rules of eligibility of a certain cost are described in the 'Eligibility of expenditures' published on the Programme's website (always check the latest available version).

14 Procurement rules

Procurement rules to be applied at programme level are defined by MA, published on the Program's website, they are available as in the 'Eligibility of expenditures'. National rules and legislation are also to be respected.

15 Suspicion of irregularity and irregularity process

An irregularity may occur at any moment in the project cycle, from programming through to audit, ex post monitoring or evaluation. Checks at any stage of project implementation may indicate that the conditions to be met by a partner after project completion are not being respected.

Irregularity suspicions can be detected by the Control Body, JS, MA, CA, NA, AA, EC, European Court of Auditors, European Anti-Fraud Office (OLAF), whistle-blowers, lead partners, project partners, other bodies authorised to carry out financial verifications on projects, or other bodies and individuals, including anonymous ones. The investigation of irregularity suspicions and decision making about irregularities belongs to those country's NA, of which the affected partner is located (or in case of EGTC, the EGTC is registered).

The following mechanisms for identifying irregularities may be used:

- detailed checking of PRs,
- on the spot checks and ad hoc controls by any of Programme bodies,
- monitoring visits,
- cross checks and follow up checks,
- notification by other grant recipients,
- local knowledge (press / members of the public),
- national and Commission audit reviews.

a) Recovery of EU funds from running projects

Where recoveries shall be performed in running projects, all unduly paid out EU funds must be deducted from the next reimbursement due or, where applicable, from reimbursement which is still under examination by the Programme bodies or remaining EU payments can be suspended. In order to ensure a proper audit trail of such deductions, these financial corrections will be managed and stored through the monitoring system (INTERREG+). Depending on how the amounts unduly paid out have been detected, different requirements must be met:

- 1) in cases where they have been identified by the controller of the project partner (e.g. during on-the-spot checks), the relevant controller must provide the necessary information to the JS/MA/NA so that the financial correction can be made;
- 2) in cases where they have been identified by other level controllers (JS, MA, CA, audit authority, European Commission), the MA/JS will promptly inform the lead partner, the concerned partner and the national authority. Possibility of involving the responsible CB at national level, will be undertaken whenever necessary.

b) Recovery of EU funds from closed projects

For already closed projects, or in cases when deduction from the next reimbursement cannot be made fully, a recovery procedure towards the lead partner must be launched.

For cases in which the project has already received the last EU fund instalment, the MA shall demand from the lead partner repayment of EU subsidy in whole or in part. In case the EU amounts unduly paid out refer to a project partner, it will be up to the concerned project partner to repay the lead partner any EU amounts unduly paid in accordance with the agreement existing between them (PA).

In any cases of financial corrections the LP shall ensure that, if applicable, the concerned PP repays the LP any EU amounts unduly paid, as provided for in the PA. If the LP does not

succeed in securing repayment from other PP(s), the LP shall inform the MA via the JS in written form within the deadline for repayment.

If the MA does not succeed in securing repayment from the LP, the partner state on whose territory the partner concerned is located (or in case of EGTC, the EGTC is registered). shall reimburse the MA any EU amounts unduly paid to that PP. As a consequence of that, the affected partner state shall be entitled to claim the unduly EU funds from the PP concerned. The MA shall be responsible for reimbursing the EU amounts concerned to the general budget of the Union, in accordance with the apportionment of liabilities among the participating partner states as laid down in the Interreg Programme.

c) Double funding

One of the important elements to be taken into account when participating in EU funded projects is the need for implementing measures to avoid double funding from different co-financing sources for the same expenditure item. In practice, this means that the expenditure that has already been supported by other EU or national funds is not eligible. In case of co-financing from other funds, the cost can be deemed eligible only for the part of the cost not covered by subsidy. Whereas analytical accounting systems help in this respect, more straightforward measures must also be foreseen. More information in the SC art.6 and in national rules (if relevant).

16 Project closure

16.1 Retention of project documents, audit trail and adequate archive

The audit trail is a comprehensive set of documents, which provides a complete history of a project and evidence that proper procedures have been applied and outcomes achieved. It is a compulsory requirement both for the LP and PPs and legally foreseen both in the SC and in the PA. Linked to the audit trail it is the need of ensuring the creation and regular update of a project archive where to store all relevant data, documents, pictures etc. related to the project implementation and of setting in place a separate accounting system or a separate accounting code. Please note that relevant documents necessary for PR must be uploaded in the monitoring system as well. The audit trail allows the recording of all documentary evidence of the steps undertaken by the partners during the project implementation.

Documents part of the audit trail can be originals, certified true copies of the originals, or electronic versions stored on commonly accepted data carriers (including electronic only) in accordance with the respective LP and PPs national rules. Electronic archives must comply with the relevant necessary security standards in accordance with the national law and that can be considered as reliable for verifications and audit purposes. These documents shall be made available for any audit, control or verification after project closure.

All the supporting documents related to the project must remain available at the premises of each LP/PP at the appropriate level for a 5-year period from 31 December of the year in which the last payment by the managing authority to the LP is made according to Article 82

(1) of CPR (EU) Regulation 2021/1060. In case of state aid relevance, different rules can apply.

Right after the last day of implementation, the project's retention period starts. For the entire retention period, all bodies in charge of performing controls and audits are entitled to access the LP and PPs premises to check all relevant project documentation and invoices or other accounting documents with equivalent probative value value.

17 Use of results after project closure

The project partners should retain ownership of results (investments, equipment, other deliverables) during both the implementation period and follow-up period of the project according to the article 11 and 14 of the PA.

If there is a need to transfer rights of use of project outputs described and approved in the PF to a third party to maintain the results, the lead partner should notify the JS. The project partner has to obtain the prior written consent of the MA. The request for the consent to transfer rights of use of outputs of the project should be submitted with well defined justification, supporting documents and draft of written agreement with the third party. In case MA approves the request, the written agreement with the third party can be signed.

18 Project Follow-up Report

According to the SC, the project results have to be maintained for a period of minimum 5 years after the date of the final payment to the lead partner. This means that the project result shall not undergo a substantial modification. In addition, partners have to fulfil some obligations towards the Programme, namely keeping all the project documentation in a safe place for audit purposes and preparing and submitting project follow-up reports even when all the activities were implemented, expenditures reimbursed and paid and the project was closed. Additional financial controls and audits can be expected during the entire Programme period. Until then, the partners should be able to provide without delay all documentation related to their respective project parts.

The Follow-up Report covers minimum 12-month periods (except for the Final follow-up report), starting from the date of the final payment to the lead partner. It is submitted upon JS request in monitoring system, before the set deadline. In case that LP does not submit the follow-up report within 15 days following the expiry of the deadline, LP will receive a reminder letter.

If the content/format of the Follow-up report is not appropriate, the JS requests a completion. The LP should submit the clarifications and/or missing documents within 10 days after receiving the notice.

19 GDPR

The EU General Data Protection Regulation's (GDPR) purpose is to harmonize data privacy laws across Europe, to protect and empower all EU citizens' data privacy, and to reshape the way organizations across the region approach data privacy. GDPR applies to all handling of personal data, such as how to collect, handle, store and delete the data. The Regulation 2016/679 (General Data Protection Regulation – GDPR) introduces strict rules on data protection. Interreg VI-A IPA Hungary-Serbia Programme are obliged to collect some personal data necessary for project monitoring with full respect of GDPR.

20 List of Annexes

Annex I.: Project Report and Application for Reimbursement (PR&AfR) template
Annex II.: Project Report and Application for Reimbursement (PR&AfR) checklist
Annex III.: Modification checklist template
Annex IV.: Monitoring visit template

NOTE: The PR&AfR form and PR&AfR and modification checklists (Annex I, II, III) are visual representations of on-line forms that will be used within INTERREG+ system during the different stages of implementation. The actual printed grid forms (if their printing becomes necessary), may differ from the listed annexes.