

# National Complementary Requirements

**19<sup>th</sup> September 2018**



**INTERREG ITALIA-MALTA PROGRAMME,  
INTERREG EUROPE and INTERREG MED Programmes**  
Programmes part financed by the European Union  
European Regional Development Fund (ERDF)  
Co-financing rate: 85%/75% EU Funds; 15%/25% National Funds



# **Malta's participation in Territorial Cooperation Programmes**

- Interreg Italia Malta Programme
- Interreg Med Programme
- Interreg Europe Programme
- ENI CBC Med Programme
- Interact III Programme

# **Role of the Territorial Cooperation Unit**

- National Contact Point
- Organises bilateral kick-off meetings and other regular meetings to monitor project implementation
- Organises training (launch of calls, financial)
- Facilitate correct disbursement and verification of expenses.

# **Programme requirements vs National requirements?**

- Both requirements should be adhered to when compiling a claim for reimbursement purposes
- Applies for all cost categories and principles (e.g. procurement, filing etc)
- Applies also for any publicity
- Partners should see that these are followed and controllers should confirm that all requirements have been adhered to

# **Cost categories**

# Preparatory costs

- Costs which are linked to the compilation of the Application Form and with the elaboration of the project itself
- The method to claim such costs as well as the amount allowed to be claimed may differ according to the Programme
- Project partners should also consult the programme guidelines / manuals of the respective programme.

# Staff costs

- Partner Declaration of Staff Costs
- Letter of Assignment / Mission Letter
- Employment contract
- Detailed Timesheets, which should include list of duties carried out
- Pay slips in connection with period of claim

# Staff costs

- List of staff working on the project
- Documentary evidence of fixed allowances if these are being included in the calculation of hourly rate;
- Proof of payment to the employee e.g. a copy of the relevant documentation showing the transfer of funds from the Treasury in case of public entities and bank statements in case of non-public organisations
- Maximum number of hours which may be claimed per day is 8



# Staff costs

- If staff costs are calculated on a flat rate basis as a percentage of direct costs, beneficiaries are not required to submit supporting documentation related to staff (e.g. timesheets) however the following are still required:
  - employment contracts or any other legal agreements;
  - a document setting out the percentage of time to be worked on the project per month
  - a document identifying the real salary costs (i.e. payslips) and proof of payment.
- Note: certain programmes also require access to a time-registration system

# External expertise and services

- Public call / requests for quotation/expression of interest
- Proof of transparency in the selection of the company / individual (e.g. copies of the newspaper adverts, quotations, tenders depending on the thresholds)
- Evaluation Committee report outlining the selection process and final award

# **External expertise and services**

- Letters of Acceptance
- Contracts / Letters of Offer
- Invoices and receipts
- Proof of payment to the expert / external company

# Travel

- Agenda or invitation to the meeting if the agenda is not available
- Quotations in connection with air tickets
- Boarding passes and travel tickets
- Invoice/s issued by the travel agent and the respective receipts
- The travel report

# Per diem

- Copy of Funds Transfer Report and copy of Debit Advice from CBM (in case of public officers) or any other commercial bank account (representing the amount credited to the payee's account);
- A signed declaration by the person who received the per diem stating that the money has been received;
- All other receipts such as taxi / bus / metro receipts in connection with contingency expenses;
- Subsistence statement of expenditure
- Hotel invoices and receipts

# Local travel expenses

- Expenses incurred for local travel [e.g. fuel expenses, scheduled bus / taxi fares] are **not eligible** for reimbursement purposes.
- Other local travel costs such as Gozo ferry tickets for project specific events and / or events such as Monitoring Committees / Steering Committees may be considered eligible.

# Organisation of conferences / workshops

- Agenda and a signed attendance sheet;
- Any quotations / tenders and their documented selection process to verify transparency in the procurement process;
- Contracts [where relevant] together with invoices and receipts

# **Administration costs**

- Such costs may be claimed according to different methods, which may include flat rates or real costs according to the respective Programme.
- Reference to the respective programme manual should be made.



# Equipment / durable goods

- Core equipment: full cost may be charged to the project in one amount
- Supplementary equipment: (e.g. required for project management but not core) is eligible however depreciation should be applied. Hence, only the depreciation, which corresponds to the period covered by each progress report, may be declared
- If the goods being purchased are supplementary goods which may be used for other purposes (e.g. PCs, laptops) the depreciation costs should be apportioned accordingly

# Equipment / durable goods

- Evidence of compliance with the applicable procurement rules
- Invoice providing all relevant information in line with the applicable accountancy rules
- Calculation of depreciation
- Proof of payment

# Equipment / durable goods

- IMP to keep a signed inventory, in line with MF Circular No 14 / 99, listing any items bought in connection with the project
- This should be held at the respective entity and updated regularly
- To include publicity requirements

# Procurement

- All partners, including non-public entities, are to follow the principles of transparency, equal treatment and non-discrimination – avoid direct orders!
- Reference to EU public procurement guidelines, LN 352 /216 and any internal rules – the strictest should be applied.
- Claim should include all relevant documents – starting from the call for quotations and ending with receipts (refer to p. 25 for list of documents).

# Consumables

- Whenever consumables are being charged to the project, stock-taking procedures, should be in place identifying:
  - the stock which has been bought in connection with the project
  - how much is being used periodically during the project lifetime

# Control costs

- Decentralised system
- Either internal or external as long as independence from the project's activities and implementation is respected
- Documentation to be provided include:

Proof of transparency in selection of auditor;

Approbation certificate issued by the FPD;

Contract between partner and service provider;

Invoice and receipts;

Proof of deliverables carried out by service provider.

# VAT

- Article 69 of Reg 1303 / 2013: Vat shall not be eligible for reimbursement purposes except where it is non recoverable under national VAT legislation
- Entities such as Ministries and Departments that operate their day-to-day operations through the DAS should not consider VAT as an eligible expense
- Other entities could be considered as being VAT eligible, however this depends on the status of the respective organisation as endorsed by the VAT Dept (Annex 1 – VAT Status Form).

# Financial charges

- Opening of a separate bank account for each project is highly recommended; bank charges for the opening and administering the account may be eligible
- Charges for transnational financial transactions and the cost of guarantees provided by a bank or other financial may also be eligible.
- Charges related to the distribution of the funding among national project partners, e.g. shared costs and fees, charges for national financial transactions, debt interest and losses are not eligible.
- Similarly, fines and financial penalties are not eligible.



# Legal fees

- Legal consultancy fees and notarial services fees are eligible, if they are directly linked to the project and are necessary for its preparation or implementation.
- However, expenditure on legal disputes and litigation is not eligible.

# **Horizontal principles**

# **Durability of operations**

- Physical deliverables are kept in place in good working condition for a period of at least 5 years following the final payment to the beneficiary, in line with Article 71 of Regulation 1303 / 2013.

# Retention of documents

- All partners are requested to retain the project's documentation at their end at least as indicated by the respective Programme or for a two year period from 31 December following submission to the EC of the Programme's Annual accounts in which the expenditure of the claim of expenditures for the last progress report is included, in line with Article 140 of Reg 1303 /2013
- Note that in the case of public organisations, the National Archives Act applies.

# Publicity requirements

- Maltese flag and EU flag
- Logo of the Ministry for European Affairs and Equality
- EU funds for Malta logo
- Co-financing text (reference to the Programme, the funds and co-financing rate should be made)
- Programme logo, if required by the Programme. Any third party logos should feature adjacent to the Programme logo.



# Links

- <https://eufunds.gov.mt/en/Pages/Home.aspx#>
- EU Territorial Programmes
- Key Documents and Downloads
- Manual and annexes
- Careful: use programme annexes if these are available

# Contact details

- Italia-Malta: Mr. Anthony Meli
- Interreg Med: Ms. Maria Catania
- Interreg Europe: Mr. Carmel Vella
- ENI CBC Med: Ms. Astrid Fenech (till the end of this month)



# Thank you for your attention



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