

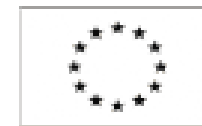
# Updating of Processes

Changes to the Manual of Procedures

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Director Funds



**General Programme Solidarity and Management of Migration Flows**  
European Fund for the Integration of Third Country Nationals (EIF), European Refugee Fund (ERF), European Return Fund (RF), External Borders Fund (EBF)  
Seminar for Beneficiaries financed by the European Union  
Co-financing rate: 100% Technical Assistance of the Four Funds  
***Sustainable Management of Migration Flows***



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## Applicability

**The revised Manual of Procedures will apply to project implemented under the SOLID Funds for the Annual Programmes 2012 onwards.**

**For previously approved projects please follow the previous version of the MOP.**

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## List of the main Changes made to the Manual of Procedures

- Changes to the Procurement Procedures
- Recommendations on the evaluation of tenders
- Breakdown of the Per Diem
- Fraud Awareness

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# Procurement by Contracting Authorities as opposed to that by NGOs

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## Procurement by Contracting Authorities

- When the estimated value of the procurement **does not exceed €2,500 (exc. VAT)**, the supplies, works and services can be procured by the contracting authority directly, by obtaining quotations or direct from the market.

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## Procurement by Contracting Authorities

- When the estimated value of the procurement exceeds €2,500 but does not exceed €6,000, the supplies, works and services can be procured by the contracting authority by means of a departmental tender, or after obtaining quotations or direct from the market. Departmental tenders should be published in the Government Gazette.

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## Procurement by Contracting Authorities

- When the estimated value of the procurement exceeds €6,000 but does not exceed €47,000, the supplies, works and services can be procured by the contracting authority by means of a departmental tender.

Departmental tenders should be published in the Government Gazette.

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## Procurement by Contracting Authorities

- In accordance with Contracts Circular No. 13/2010 tenders of EU projects implemented by public entities, with an estimated **value of €47,000 (exc. VAT) or higher** shall continue to be vetted, published and awarded by the Department of Contracts.



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## Procurement by Organisations not subject to Public Procurement Regulations

- Contracts expected to be **under EUR 5 000** may be awarded on the basis of a single offer without any call for tenders

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## Procurement by Organisations not subject to Public Procurement Regulations

- Contracts with a value of **less than EUR 100 000** may be awarded on the basis of the request of at least three quotations

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## Procurement by Organisations not subject to Public Procurement Regulations

- Contract with a value of **more than 100 000 EUR** shall be awarded following the issuance of a tender with the appropriate publicity in order to ensure compliance with the principles of transparency, non-discrimination and equal treatment

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## Evaluation of Departmental tenders/ quotations

- Unless duly justified the evaluation of tenders should be based on the cheapest technically compliant.
- In case of quotations, where a set of items are to be procured, it is recommended that in the request for quotations is included the beneficiary's right to procure separate items based on their individual prices.

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# Per Diem

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A decorative banner at the bottom of the slide features a blurred background of the European Union flag (blue with yellow stars) and the flag of the Republic of Poland (white and red horizontal stripes).

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## Per Diem Rates

The Per diem rate should be subdivided in the following manner:

- 60% should be allocated to accommodation costs inclusive of breakfast (50% if breakfast is not included)
- 20% for two meals (10% each)
- 20% for sundry expenses

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# Fraud

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# Fraud

Article 310 of the Treaty of the European Union states that Union and the Member states shall counter fraud and any other illegal activities affecting the financial interests of the Union.



## Fraud

- Suspected fraud' is defined in the Implementing Rules of the SOLID funds as:

*An irregularity giving rise to the initiation of administrative or judicial proceedings at national level in order to establish the presence of intentional behaviour, in particular fraud ... on the protection of the European Communities' financial interest.*



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## Fraud

Fraud affecting the European Communities' financial interests shall consist in any intentional act or omission relating to:

- *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 general budget of the European Communities or budgets managed by, or on behalf of, the European communities,*

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## Fraud

- *Non disclosure of information in violation of a specific obligation, with the same effect,*
- *The misapplication of such funds for purposes other than those for which they were originally granted.*

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## Fraud

In terms of establishing and maintaining effective controls, it is generally advisable that:

- *wherever possible, there is a separation of duties so that control of a key function is not vested on one individual*
- *supervisory checks are established in each area of work, and such checks are carried out routinely and periodically by management*

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## Fraud

- *Regulations governing contracts and the supply of goods and services are properly enforced*
- *Accounting records provide a reliable basis for the preparation of financial statements*
- *Operate controls which ensure that errors and irregularities become apparent during the processing of accounting information*

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## Fraud

- *A strong internal audit/control presence*
- *Act immediately on internal/external auditor's report to rectify control weaknesses*
- *All assets are properly recorded*
- *Issue accounts payable promptly and follow-up any non-payments*
- *Set standards of conduct for suppliers and contractors*

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## Fraud

- *Maintain effective security of physical assets; accountable documents (such as cheque books, order books); information, payment and purchasing systems*
- *Query mutilation of cheque stubs or cancelled cheques*
- *Store cheque stubs in numerical order*

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## Fraud

All staff members of the respective authorities and beneficiaries have the responsibility to safeguard national and Community resources. All members of staff within the stakeholders are required to:

- *act judiciously in the handling of resources and management of public funds, whether dealing with cash or payments systems, receipts or when negotiating with suppliers.*



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## Fraud

- *act with caution in dubious situations or suspicious fraudulent transactions;*
- *report details immediately through the appropriate channel if they suspect that fraud has been committed or see any suspicious acts or events;*
- *co-operate fully with whoever is conducting internal checks, reviews or fraud investigations;*
- *Any information provided by staff members should be treated with confidentiality, subject to legal obligations.*

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## Fraud

- Timeliness plays a crucial role when addressing fraud or suspected cases of fraud. Consequently, when identifying cases of potential fraud, the officers' immediate reaction should be that to alert his immediate superior verbally. This claim should be followed up by written report within 24 hours.

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## Fraud

The report should provide the following details:

- *The amount / value, if relevant or established;*
- *The position with regard to possible recovery;*
- *The period over which the irregularity occurred, if known;*
- *The date of discovery and how the suspected fraud was identified;*

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## Fraud

- *The nature of the irregularity and the event leading to it.*
- *Whether the person responsible has been identified;*
- *Whether any collusion is suspected;*
- *Details of any actions taken to date;*
- *Any other information or comments which might be relevant to the report*

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## Fraud

The Responsible Authority may need to carry out an initial enquiry to ascertain the facts. Such enquiry must take into consideration aspects of:

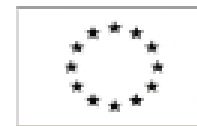
- *The source of the discovery of the suspected fraud;*
- *The authenticity of the information received;*
- *The circumstances involved;*
- *Confidentiality issues;*
- *Protection of evidence and sources of information.*

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# Thank you



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