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EUROPEAN UNION

Danube Transnational Programme



Information on the Control Systems in the Partner States of the Danube Transnational Programme

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1. Control procedure in the Danube Transnational Programme

- 1) Each Project Partner as well as the Lead Partner (in this case the Lead Partner is also considered as Project Partner) has to submit a Partner Report to declare its expenditure relevant for a reporting period for validation to the responsible Controller through the electronic data exchange system of the Programme. **Each project partner as well as the Lead Partner is responsible separately for having its expenditure validated by the responsible Controller in its Partner State.** The Lead Partner is not requested to appoint a controller for checking the expenditure declared by the project partners, thus the Controller of the Lead Partner does not issue a Control Certificate covering the entire validated expenditure of the whole partnership.
- 2) **The Controller verifies the expenditure** declared by the Project Partner/Lead Partner in the system, on the basis of the invoices or accounting documents of equivalent probative value, verifies the delivery of the products and services co-financed, the soundness of the expenditure declared, and the compliance of such expenditure with EU rules and relevant national rules.
- 3) After verification, **the Controller issues the Control Certificate** generated by the system.
- 4) After the verification is finalised by the Controller in the system, **the Project Partner has to submit the Partner Report and the Control Certificate to the Lead Partner** through the system.
- 5) **The Lead Partner based on the Partner Reports submitted prepares the Progress Report in the system.** The Lead Partner also prepares the **Application for Reimbursement**, the expenditure verified by the Controllers (i.e. financial data of the Control Certificate) is automatically aggregated to project level providing the data of the Application for Reimbursement.
- 6) The Lead Partner has to submit the **Progress Report and the Application for Reimbursement** to the MA/JS **within a period of 3 months from the end of each reporting period** through the system.

2. Control Systems in the Partner States

According to Article 23 (4) of the Regulation EC No 1299/2013 (ETC Regulation) each Partner State shall set up a control system to validate the expenditure at national level. For this purpose each Partner State shall formally designate the Controller responsible for verifying the legality and regularity of the expenditure declared by each project partner participating in the project (the “Controller”).

The control system is **centralised in 9 Partner States** of the Danube Transnational Programme, including **Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Montenegro, Romania, Serbia, Slovakia and Slovenia**, and a **decentralised control system** is set up in 4 Partner States including **Austria, Bulgaria, Germany and Moldova**.

The control costs are financed by national public sources in case of centralised control systems except Croatia, therefore the verification of expenditure is ensured free for the project partners coming from these Partner States. In case of the decentralised systems and centralised system in Croatia, the control costs are planned to be paid by the project partners from their project budget.

Partner State: AUSTRIA

Which model of Control System is set up by AUSTRIA?	DECENTRALISED CONTROL SYSTEM
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Designated Controller (Control coordination body):	
Name of the institution:	Federal Chancellery of Austria Department IV/4 – Coordination - Spatial Planning and Regional Policy
Address:	Ballhausplatz 2, 1010 Vienna, Austria
Responsible person:	Georg Schadt (Head of department)
Phone:	
Email:	Georg.schadt@bkg.gv.at
Contact person (to be contacted by the project partners):	Luise Fasching / Sandra Jovic
Phone:	+43 1 53115 202915 / +43 1 53 115 202912
Email:	luise.fasching@bka.gv.at / Sandra.jovic@bka.gv.at

DESCRIPTION OF THE CONTROL SYSTEM
<p>Austria has chosen to implement a decentralised control system. The “15a-Agreement” (the Agreement between federal and regional level pursuant to Art. 15a of the Federal Constitutional Act on the Management and Control System in Austria for the Structural Funds period 2014-2020) constitutes the legal basis for the organisation of the control system in Austria. In Art. 7(2), the allocation of project partners to first level controllers is regulated according to the beneficiaries’ legal status, their legal and/or management control body or according to national public co-financing.</p> <p>A list of nominated first level controllers is established at national level. From this list the project partners will be able to see which first level controller they can refer to.</p> <p>Further information and the list of nominated first level controllers can be found under the following link: http://www.oerok.gv.at/eu-kooperationen/info-service-oesterreich/finanzkontrollsystem-in-oesterreich.html</p>

CONTROL COSTS

The control costs have to be borne by the Lead Beneficiary/Project partner and can be reported as eligible cost within the project under Budget line 4 “External expertise and service costs” providing that these costs were budgeted and approved in the subsidy contract by the Managing Authority.

The control costs include an one-time basic flat-rate plus a fixed percentage calculated on the reported costs by the project partner per reporting period **plus 20% VAT**. The basic flat-rate can be maximum € 2.000; the percentage a maximum of 7%.

Partner State: BOSNIA AND HERZEGOVINA

Which model of Control System is set up by BOSNIA AND HERZEGOVINA?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Ministry of Finance and Treasury of BiH
Address:	Trg BiH 1, 71 000 Sarajevo, Bosnia and Herzegovina
Responsible person:	Vera Letica
Phone:	+387 33 703 026
Email:	vletica@mft.gov.ba
Contact person (to be contacted by the project partners):	Vera Letica
Phone:	+387 33 703 026
Email:	vletica@mft.gov.ba

DESCRIPTION OF THE CONTROL SYSTEM
<p>Bosnia and Herzegovina set up a centralised control system. Sector for financing of EU Programmes and Projects - Central Financing and Contracting Unit (CFCU) within the Ministry of Finance and Treasury is the designated Controller.</p>
CONTROL COSTS
<p>Control activities provided by CFCU will be free of charge for the Bosnia and Herzegovina's project partners.</p>

Partner State: BULGARIA

Which model of Control System is set up by BULGARIA?	DECENTRALISED CONTROL SYSTEM
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Designated Controller (Control coordination body):	
Name of the institution:	Ministry of Regional Development and Public Works
Address:	17-19 Kiril and Metodii Str., Bulgaria, Sofia - 1202,
Responsible person:	Maria Duzova, Director General of "Territorial Cooperation Management" Directorate General
Phone:	+ 359 2 94 05 487
Email:	MDuzova@mrrb.government.bg
Contact person (to be contacted by the project partners):	Irina Rangelova, state expert in "European Territorial Cooperation and Neighbourhood Programmes" Department, Territorial Cooperation Management" Directorate General
Phone:	+359 2 9405 596
Email:	IRangelova@mrrb.government.bg

DESCRIPTION OF THE CONTROL SYSTEM
<p>Republic of Bulgaria has chosen to implement a decentralised control system.</p> <p>The "Control coordination body" is the Ministry of Regional Development and Public Works, Directorate General "Territorial Cooperation Management". The general features of the Bulgarian control system are outlined in "Manual of DG Territorial Cooperation Management for management of the programmes within the internal borders of the EU and multinational programs" (approved with Order RD 02-14-1142/30.09.2015 and its subsequent amendments).</p> <p>In accordance with Government decree № 247/2014 the Minister of Regional Development and Public Works selects external controllers who will perform the first level control of the programme for verification of the expenditures of Bulgarian project partners and establishes a shortlist of controllers.</p> <p>Based on a submitted request from Bulgarian Partner, the controller will be designated from a short list of external independent controllers established beforehand and authorised by the "Territorial Cooperation Management" Directorate General (DG TCM) within the Ministry of Regional Development and Public Works (MRDPW) and then contracted by the Bulgarian project partner.</p>

CONTROL COSTS

The control costs will be borne by the Lead Beneficiary/Project partner and thus reported as eligible cost within the project under Budget line 4 “External expertise and service costs”.

The control costs could not exceed 102.27 EUR per month or 613.59 EUR for a 6 month reporting period.¹

The contract between the project partner and the Controller determines the exact remuneration payable by the partner to the controller for the control exercised for each specific project.

¹ For any up-dated information, the Control Coordination Body can be contacted.

Partner State: CROATIA

Which model of Control System is set up by CROATIA?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Agency for Regional Development of the Republic of Croatia/ Directorate for Financial Management and Accounting
Address:	Vlaška 108, 10 000 Zagreb, Croatia
Responsible person:	Nataša Kulakowski Kramarić
Phone:	+385 (0)1 64 00 694
Email:	natasa.kulakowski@arr.hr
Contact person (to be contacted by the project partners):	Andrijana Jurin Vidović
Phone:	+385 (0)1 48 11 285
Email:	andrijana.jurinvidovic@arr.hr

DESCRIPTION OF THE CONTROL SYSTEM
<p>Croatia has set up a centralised control system.</p> <p>In centralised control systems, a central body is appointed to carry out the control activities in accordance with article 23 (4) of the ETC Regulation No 1299/2013 and with reference to article 125 (4, 5 and 6) of the CPR Regulation No 1303/2013.</p> <p>In the financial perspective 2014-2020, the control tasks are carried out by the Croatian Control Body – Agency for Regional Development of the Republic of Croatia (ARD). The control tasks are carried by the first level controllers, permanently employed staff contracted by the ARD.</p> <p>The first level controllers are responsible for verifying the legality and regularity of the expenditure declared by each lead partner and/or project partner participating in the project located on its territory. Following the completion of the control, Control Body issues a signed Control Certificate on the eligible and validated expenditures to the lead beneficiary/project partner.</p>

CONTROL COSTS

Control costs will be borne by the Lead partner/Project partner and thus reported as eligible cost within the project under Budget line 4 “External expertise and service costs”.

It is envisaged that the fee for verification of the progress report will be 510.00 EUR while cost of OTSC control will be 290.00 EUR.²

Invoicing process is defined in the following manner: Beneficiaries will pay fee for certification in the instalments (after issuing of the Control Certificate). Certification cost will then be included in the following Control Certificate. Mentioned procedure will be applied until penultimate Control Certificate when beneficiary will have to make payment for the last two certification fees in advance. Only this way, final progress report can contain all paid costs (including fee for certification).

² For any up-dated information, the Control Coordination Body can be contacted.

Partner State: CZECH REPUBLIC

Which model of Control System is set up by CZECH REPUBLIC?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Centre for Regional Development of the Czech Republic (hereafter referred to as "CENTRE CR")
Address:	U Nákladového nádraží 3144/4, 13000 Prague, Czech Republic
Responsible person:	Mr Jiří Jansa, Head of the Unit
Phone:	+420 225 855 309
Email:	jansa@crr.cz
Contact person (to be contacted by the project partners):	Ms. Markéta Weingärtnerová
Phone:	+420 225 855 231
Email:	weingartnerova@crr.cz

DESCRIPTION OF THE CONTROL SYSTEM
<p>First level control system in the Czech Republic is centralised. The FLC body is CENTRE CR which is based in Prague. The FLC system is free of charge for the beneficiary. For the control of transnational cooperation programmes are available 2 regional branches – Hradec Králové and Ostrava, where will be performed the FL control of all CZ PP participating in Interreg DANUBE programme.</p>
CONTROL COSTS
<p>FLC system is financed by the State - The FLC system in the Czech Republic is free of charge for the project partners and thus no finances will be charged from the project partners to cover control costs.</p>

Partner State: GERMANY

Which model of Control System is set up by GERMANY?	DECENTRALISED CONTROL SYSTEM
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Designated Controller (Control coordination body):	
Name of the institution:	Audit Unit acting on behalf of the Audit Authority - EU-Financial Control (EFK): Name of the institution: Oberfinanzdirektion Karlsruhe Responsible unit: Independent public audit unit for EU-Structural Funds, Mr. Christian Debach (Head of the Audit Unit)
Address:	Postfach 10 02 65, 76232 Karlsruhe
Responsible person:	Mr. Christian Debach (Head of the Audit Unit)
Phone:	+49(0)711 6673 4161
Email:	Christian.Debach@ofdka.bwl.de
Contact person (to be contacted by the project partners):	Sarah Kretschmann / Gerhard Hagenbuch
Phone:	+49(0)711 6673 4161 / +49(0)7041 816 946
Email:	Sarah.Kretschmann@ofdka.bwl.de Gerhard.Hagenbuch@ofdka.bwl.de

DESCRIPTION OF THE CONTROL SYSTEM
<p>Germany has set up a decentralised control system. In order to secure the control system with a high standard of quality, the German control system is organised the following way:</p> <p>The project partner is free to appoint its controller, but the controller must be authorised at central level. Thereby the project partner has two options: The controller can be</p> <ul style="list-style-type: none"> ➤ Appointed internally, within the beneficiary organisation (as long as he/she is independent from the unit in charge of project finances and activities) ➤ External <p>Procedures to be followed by beneficiaries for identifying their controllers:</p>

➤ Internally:

There have to be an organisational chart of the beneficiary showing that he/she is independent (organisationally and functionally) from the unit in charge of the project finances and activities. Further the controller has to fulfil certain qualifications. The controller confirms this in written form in the Controller Confirmation Form for Germany (CCF) sent to the Coordination Body Germany (CB).

➤ External:

The beneficiaries have to obey the rules for public procurement for the selection of their national controller. Further the controller has to fulfil certain qualifications and has to be independent from the beneficiary. The controller confirms this in written form in the CCF sent to the CB.

CONTROL COSTS

As Germany has a decentralised control system, **the control costs will be borne by the partner** and thus reported as eligible cost within the project. The basis for the payment depends on the sector the controller corresponds to.

The payment of an external controller is generally based on a service contract. The control costs for an internal controller are basically grounded on the amount of hours worked verified by time records.

Partner State: HUNGARY

Which model of Control System is set up by HUNGARY?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company (Széchenyi Programme Office Nonprofit Llc)
Address:	1053 Budapest, Szép utca 2. IV. emelet, Hungary
Responsible person:	Ms Márta Gordos
Phone:	+36 1 224 32 10
Email:	gordos.marta@szpi.hu
Contact person (to be contacted by the project partners):	Ms Rita Szelényi
Phone:	+36 1 457 55 18
Email:	rszelenyi@vati.hu

DESCRIPTION OF THE CONTROL SYSTEM
<p>Hungary has a centralised control system. Control activities related to the Danube Transnational Programme are carried out by the Széchenyi Programme Office Nonprofit Llc., which is a national public body owned by the Prime Minister's Office in accordance with provisions laid down in Government Decree Nr. 396/2015. (XII. 12.).</p>
CONTROL COSTS
<p>National control activities fulfilled by Széchenyi Programme Office Nonprofit Llc. will be financed by central governmental sources and they are free of charge for Hungarian beneficiaries.</p>

Partner State: MOLDOVA

Which model of Control System is set up by MOLDOVA?	DECENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Ministry of Finance
Address:	7 Constantin Tanase str, Chisinau, MD-2005, Republic of Moldova
Responsible person:	Eugen Cozmulici, Head of International Cooperation Directorate
Phone:	+373 22 262822
Email:	eugen.cozmulici@mf.gov.md
Contact person (to be contacted by the project partners):	Eugen Cozmulici, Head of International Cooperation Directorate
Phone:	+373 22 262822
Email:	eugen.cozmulici@mf.gov.md

DESCRIPTION OF THE CONTROL SYSTEM
<p>The Republic of Moldova has chosen to implement the decentralised control system. In this context, the Ministry of Finance has been appointed as Control Contact Point (CCP).</p> <p>The controllers are selected directly by the beneficiaries/partners from the list established at the national level by the National Authority (NA) and CCP, which is in charge of accrediting the auditors (controllers) and of ensuring the quality of their work.</p> <p>The procedure to establish the list of auditors (controller) and the selection of the controller will be as following:</p> <p>Step 1. Organisation of a training on the procedures to be followed within the DTP</p> <p>The training for the auditors will be organised by NA and CCP. In this respect, the NA and CCP will announce a “Call for interest” for the audit companies willing to participate in the training. Based on this, a list of companies and certified auditors will be drafted and published on the website of the Ministry of Finance and National Authority. The list will be updated periodically following annual trainings and will be endorsed by the National Authority and presented to the Managing Authority.</p> <p>Step 2. Selection of the controller. Once the list will be published, the beneficiaries should select an audit company to undertake the verification of expenditures within their projects. The beneficiaries are obliged</p>

to inform the National Authority (via the Office for CBC Programmes) on the selected company. The CBC Office is in charge to check if the selected controller was selected from the official list of the trained auditors. The CBC Office will inform the Managing Authority and the beneficiary on the approval of the audit company as controller for the project.

Step 3. Signature of the contract. The beneficiary will then conclude a contract with the selected controller, in conformity with the Programme rules.

CONTROL COSTS

The control costs **will be borne by the partner** and thus reported as eligible cost within the project.

Partner State: MONTENEGRO

Which model of Control System is set up by MONTENEGRO?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Ministry of Finance of Montenegro
Address:	Stanka Dragojevića 2, Podgorica
Responsible person:	Marija Radenović
Phone:	+382 20 230 630
Email:	marija.radenovic@mif.gov.me
Contact person (to be contacted by the project partners):	Tamara Marković
Phone:	+382 20 230 643
Email:	tamara.markovic@mif.gov.me

DESCRIPTION OF THE CONTROL SYSTEM
<p>Montenegro will set up a centralised control system. Control activities will be carried out by the Directorate for Finance and Contracting of the EU Assistance Funds (CFCU) in the Ministry of Finance (in cont. of the text: the Controller). The Controller will carry out verification of expenditures (desk based and on-the-spot checks) and will be responsible for issuing Control Certificates according to the Danube Programme Control Guidelines.</p>
CONTROL COSTS
<p>Control activities provided by Montenegrin Controller will be free of charge for Montenegrin project partners.</p>

Partner State: ROMANIA

Which model of Control System is set up by ROMANIA?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Ministry of Regional Development and Public Administration
Address:	12 Libertatii Blvd, Room 410, 040129 Bucharest, Romania
Responsible person:	Lorant PARA
Phone:	+40 749 196 388
Email:	lorant.para@mdrap.ro
Contact person (to be contacted by the project partners):	Lorant PARA
Phone:	+40 749 196 388
Email:	lorant.para@mdrap.ro

DESCRIPTION OF THE CONTROL SYSTEM
<p>Romania has set up a centralised control system.</p> <p>The Directorate for First Level Control - Unit for EDRF & IPA Expenditure Verification - within the Ministry of Regional Development and Public Administration is in charge with the control activity.</p> <p>The director coordinates the First Level Control activity and approves the validation of the expenditures, whilst the Head of the Unit for EDRF & IPA Expenditure Verification checks the activity of the controllers (civil servants employed, according to national law, through open competition) and endorses the validation of the expenditures.</p> <p>The controllers performing within the Unit for EDRF & IPA Expenditure Verification are responsible for the administrative, technical and financial verification of the expenditures, as well as on-the-spot check of delivery of products and services sub-contracted by the Romanian partners during the lifetime of the projects. The aim of this verification is to ensure an efficient utilisation of the Community and the state budget co-financing funds, in accordance with the subsidy contract, final application, EU-regulations and with the Romanian legislation in force.</p>
CONTROL COSTS
<p>Presently, the expenditures generated by the first level control activity for Romanian beneficiaries are covered by the Ministry of Regional Development and Public Administration.</p>

Partner State: SERBIA

Which model of Control System is set up by SERBIA?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Ministry of Finance – Republic of Serbia, Department for Contracting and Financing of EU Funded Programmes (CFCU), Division for FLC Activities of Projects Financed Under IPA Component Cross-Border and Transnational Cooperation
Address:	11000 Belgrade, 20 Kneza Miloša St., Republic of Serbia
Responsible person:	Nataša Šimšić, Acting Assistant Minister
Phone:	+381 11 20 21 115
Email:	natasa.simsic@mfin.gov.rs
Contact person (to be contacted by the project partners):	Mirjana Ćirić, Head of Division for FLC Activities of Projects Financed Under IPA Component Cross-Border and Transnational Cooperation
Phone:	+381 11 2051 156
Email:	mirjana.ciric@mfin.gov.rs

DESCRIPTION OF THE CONTROL SYSTEM
<p>Republic of Serbia set up a centralised control system.</p> <p>Standard rules and procedures for carrying out the control activities will be defined in the Programme Control Guidelines and other relevant documents.</p> <p>The actual verification of expenditures is performed by the Division for First Level Control Activities of Projects Financed under IPA Component Cross-Border and Transnational Cooperation, within the Department for Contracting and Financing of EU Funded Programmes (CFCU), Ministry of Finance – Republic of Serbia. The Division takes responsibility for verification of expenditures and issuing Control Certificates.</p>

CONTROL COSTS

Control activities provided by First Level Control officers will be **free of charge** for the Serbian project partners.

Partner State: SLOVAK REPUBLIC

Which model of Control System is set up by SLOVAK REPUBLIC?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Government Office of the Slovak Republic Section of operational programs Transnational cooperation projects control unit
Address:	Námestie slobody 1, 813 70 Bratislava
Responsible person:	Michal Blaško
Phone:	+421 2 20925952
Email:	michal.blasko@vlada.gov.sk
Contact person (to be contacted by the project partners):	Rudolf Belohorec
Phone:	+421 2 20925910
Email:	rudolf.belohorec@vlada.gov.sk

DESCRIPTION OF THE CONTROL SYSTEM
The Slovakian control system is centralised . The control activity is carried out at national level by Government Office of the Slovak Republic. Responsible unit: Transnational cooperation projects control unit.
CONTROL COSTS
Control costs are free of charge for Slovakian project partners.

Partner State: SLOVENIA

Which model of Control System is set up by SLOVENIA?	CENTRALISED CONTROL SYSTEM
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Designated Controller (Control body):	
Name of the institution:	Government Office for development and European Cohesion Policy (GODC); Responsible unit: Control Division – ETC, IPA and IFM Programmes
Address:	Kotnikova 5, 1000 Ljubljana
Responsible person:	Ms. Špela Dragar
Phone:	+ 386 (0)1 400 3427
Email:	spela.dragar@gov.si
Contact person (to be contacted by the project partners):	Ms. Mojca Bizjan
Phone:	+ 386 (0)1 400 3494
Email:	mojca.bizjan@gov.si

DESCRIPTION OF THE CONTROL SYSTEM
<p>The Slovenian control system is centralised. The control activity is carried out at national level by Government Office for Development and European Cohesion Policy (GODC); Responsible unit: Control Division – ETC, IPA and IFM Programmes which is the Slovenian national authority for the transnational programmes.</p>
CONTROL COSTS
<p>Control costs are free of charge for Slovenian project partners.</p>

Partner State: UKRAINE

Which model of Control System is set up by UKRAINE?	
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Designated Controller (Control body):	
Name of the institution:	
Address:	
Responsible person:	
Phone:	
Email:	
Contact person (to be contacted by the project partners):	
Phone:	
Email:	

DESCRIPTION OF THE CONTROL SYSTEM
CONTROL COSTS