

ENI CBC Black Sea Basin Programme 2014-2020

Expenditure and revenue verification - Q&A

October 2021

Question	Answer
In case of promotional materials (elaboration, printing and supply). How should be treated such contracts? Supply contract or service contract, as they have 2 components: service and supply, as well?	<p>This particular example may be considered a supply contract, as the elaboration and printing operations made for the promotional materials may be assimilated to the supplies themselves and not be considered as separate services.</p> <p>In general, the type of contract should be determined on the basis of the main component in terms of value, or the main purpose of the contract.</p>
<p>Concerning the question in the Annex 5 - Control check-list "The requirements of program Communication & Visibility Manual and the Grant Contract are respected" - how deep the controllers should analyse this issue and what criteria of conformity are reasonable for applying "yes / no" answer?</p> <p>For example, if not all Communication & Visibility requirements have been respected (only one logo of programme has been displayed, but other elements, such as disclaimers, not, or if a beneficiary has produced a specific promotional clip about the program's objectives and posted it on a YouTube channel, but has not inserted all necessary visual elements, prescribed by Communication & Visibility Manual), are such expenditures treated as ineligible?</p>	<p>According to Article 8 of the Grant Contract, <i>eligible costs are actual costs incurred by the Lead Beneficiary and/or the Beneficiaries which meet all the following criteria:</i></p> <p>...</p> <p><i>f) they are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency, and with the visibility requirements;</i></p> <p>Accordingly, if the visibility requirements have not been respected, even if only partially, the expenditure should not be considered eligible.</p>
In case of procurements, if we have a budget, for example of 2000 Euro, to buy an equipment and at the time of the purchase we did not exceed the budget of 2000 euro, but when the report was sent to FLC the exchange rate decreased and the price for the equipment became 2100 Euro, is the difference of 100 euro ineligible?	Yes, the difference is due to exchange rate fluctuations and is ineligible.
Can the Partner delete any uploaded previously attachments in the section Personal Data Attachment?	The documents uploaded in this section cannot be deleted by Beneficiaries after the reports are submitted to the FLC. Not even in the case the reports are reverted by controllers, the Beneficiaries cannot delete the

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	<p>attachments. Following a request, only the MA can delete the indicated documents from the Personal Data Attachment section.</p>
<p>Which are those mandatory deliverables that the controller should issue and upload to eMS?</p>	<p>All the control work is performed in the eMS, excepting the Control check list, Annex 5 to MA Instruction 15/2018, which should be filled in, signed, scanned and uploaded in the eMS.</p> <p>Moreover, in exceptional cases, the Report on suspected and/or established fraud or corruption (Annex 6 to the MA Instruction 15/2018) should also be filled in, signed and send following the procedure described by the Instruction.</p>
<p>Regarding the on the spot checks - should we issue a report regarding this visit? Is there a template of such a report that has to be filled in by the controllers?</p>	<p>The methodology of the on-the-spot verification, its results, findings, conclusions and recommendations should be embedded within the report issued by the controller (FLC certificate) as requested by the eMS format. Correspondingly, the Control check-list (Annex 5 to MA Instruction 15/2018) must reflect the type of verification performed, by filling in the requested information in its designated sections.</p>
<p>The beneficiary of a project from the Republic of Moldova made a payment in the amount of 2000 Euro from the Euro account (the account in which he received the financing) to a Romanian provider for certain services. The Romanian supplier issued the invoice in Romanian lei (the invoice indicated the amount in Romanian lei and the equivalent amount in Euro). Following the submission of the report by the Beneficiary to the FLC, the question arose, what currency is indicated in the eMS?</p> <ol style="list-style-type: none"> 1. The amount in MDL at the exchange rate on the day of the transfer of 2000 Euro; 2. The amount in Euro; 3. The amount in RO of the invoice; 	<p>It should be reported exactly the spent amount in RON from the invoice.</p>
<p>Concerning the verification of Final Report, may the expenditure be incurred before the end date of the project, paid after the end date, but before the submission for certification? May this apply to all expenditure (budget lines)?</p>	<p>Article 8 (1) from the Grant Contract stipulates that: <i>eligible costs are actual costs incurred by the Lead Beneficiary and/or the Beneficiaries which meet all the following criteria:</i></p> <ol style="list-style-type: none"> a) they are incurred during the implementation period of the project;

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	<p>An exception from this rule concerns the costs relating to final reports, only for expenditure verification and, if the case, final evaluation of the project. These costs may be incurred after the implementation period of the project, provided they are paid until the request for verification of the expenditure.</p>
<p>The eligibility of administrative cost. Are admin costs accepted as eligible based on a lump-sum basis or these should be supported with documents?</p>	<p>According to Article 8.3 of the Grant Contract, this flat-rate funding does not need to be supported by documents by the Beneficiaries. This means that no justifying documents proving the expenditures incurred under this category have to be provided during the interim and final reports.</p> <p>Controllers only check, once they receive the reports, that no office and administration costs have been declared under any other budget line and that the approved amount for office and administration costs has not been exceeded by the Beneficiary.</p> <p>However, the Beneficiaries should keep the documents and record them in the accounting system.</p>