

ORGANISATIONAL STRUCTURES AND PROCEDURES FOR THE IMPLEMENTATION OF THE OPERATIONAL PROGRAMME

The organisation of the programme management responds both to the EU-requirement for the period 2007-2013 and the experience in cross-border cooperation in this specific area so far.

For the period 2007-2013, the implementation structures as described in the following chapter have been agreed in partnership between the participating authorities in Slovenia and in Austria.

The structure and relationship of the programme bodies is based on the following overall principles:

- Respect of the partnership principle;
- Efficient and effective structures;
- Clear definition of tasks and responsibilities;
- Balance between structures on national and cross-border level.

According to Article 70 of Council Regulation No 1083/2006, the Member States are responsible that management and control systems are set up, as specified for the Territorial Cooperation programmes in Article 13 to 17 of Council Regulation No 1080/2006, and function effectively. They lay down the rules governing its relations with authorities located on their territory and being involved in the programme implementation.

In the Cross-Border Cooperation Programme Austria-Slovenia 2007-2013, the Member States are represented by the following authorities:

AUSTRIA:

Federal Chancellery
Division IV/4, Coordination – Spatial
Planning and Regional Policy
Ballhausplatz 2
A-1014 Wien

SLOVENIA:

Government Office for Local Self-Government
and Regional Policy
Kotnikova 28
SI-1000 Ljubljana

Organisational structures for the programme implementation

Managing Authority (MA)

The Slovenian and Austrian programme partners agree that the responsibility of the Managing Authority (MA) within the meaning of Article 12 lit. 8 Regulation (EC) No 1080/2006 of the European Parliament and of the Council and Article 59 lit. 1a Council Regulation (EC) No. 1083/2006 will be given to: Government Office for Local Self-Government and Regional Policy (Slovenia), represented by the Department for managing of cross-border programmes Maribor.

According to Article 60 of Council Regulation (EC) No. 1083/2006, the Managing Authority is responsible for managing and implementing the operational programme in accordance with the principle of sound financial management, and in particular for:

- *Ensuring that operations are selected for funding in accordance with the criteria applicable to the operational programme and that they comply with applicable Community and national rules for the whole of their implementation period;*
- *Verifying that co-financed products and services are delivered and that the expenditure declared by the beneficiaries for operations has actually been incurred and complies with Community and national rules; verifications on-the-spot of individual operations may be carried*

out on a sample basis in accordance with the detailed rules to be adopted by the Commission in accordance with the procedure referred to in Article 103(3);

- *Ensuring that there is a system for recording and storing in computerised form accounting records for each operation under the operational programme and that the data on implementation necessary for financial management, monitoring, verifications, audits and evaluation are collected;*
- *Ensuring that beneficiaries and other bodies involved in the implementation of operations maintain either a separate accounting system or an adequate accounting code for all transactions relating to the operation without prejudice to national accounting rules;*
- *Ensuring that the evaluations of operational programmes referred to in Article 48(3) are carried out in accordance with Article 47;*
- *Setting up procedures to ensure that all documents regarding expenditure and audits required to ensure an adequate audit trail are held in accordance with the requirements of Article 90;*
- *Ensuring that the certifying authority receives all necessary information on the procedures and verifications carried out in relation to expenditure for the purpose of certification;*
- *Guiding the work of the monitoring committee and providing it with the documents required to permit the quality of the implementation of the operational programme to be monitored in the light of its specific goals;*
- *Drawing up and, after approval by the monitoring committee, submitting to the Commission the annual and final reports on implementation;*
- *Ensuring compliance with the information and publicity requirements laid down in Article 69;*
- *Providing the Commission with the information to allow it to appraise major projects.*

Beside the responsibilities mentioned in the Council Regulation, the MA is responsible for:

- Contracting ERDF with the lead partners with a standard frame contract on the basis of a partnership agreement between the project partners and the formal performing of all relevant project changes;
- Preparing all relevant standardized forms for project application, evaluation and decision following the decisions of the JMC;
- Collection of the final reports from the lead partners and submission of the cost statement to the CA regarding all EU-regulations.

Joint Technical Secretariat (JTS)

The Managing Authority sets up a Joint Technical Secretariat. According to Article 14 Regulation (EC) No 1080/2006 of the European Parliament and of the Council, it assists the Managing Authority and the Joint Monitoring Committee in carrying out respective duties. The JTS is placed within the MA: Government Office for Local Self-Government and Regional Policy (Slovenia), represented by the Department for managing of cross-border programmes Maribor.

The JTS is in particular responsible for the following joint tasks:

- Drafting of standardised forms for project applications and for project assessments, etc.;
- Receiving project outlines and submit those to programme partners;
- Receiving project applications and register them into the CMS;
- Formal check of project applications in terms of administrative compliance and eligibility;
- Preparation of the quality assessment in cooperation with the MA and programme partners;
- Delivery of project information and summarised information on submitted projects as well as programme budget information to the JMC;
- Preparation of all official bilateral meetings;
- Preparation of the agreements based on a Memorandum of Understanding between the MA and the programme partners;
- Safeguarding the coherence between the ERDF-contract and the contract for national/regional co-financing;

- Collection of progress project reports from the Lead partners in terms of content and costs;
- Preparing changes of ERDF-contracts based on project changes applied from the lead partners in accordance with the regional and national funding authorities.

Certifying Authority (CA)

The Slovene and Austrian programme partners agree that the responsibility of the Certifying Authority (CA) within the meaning of Article 59 lit. 1b Council Regulation (EC) No 1083/2006 is given to the Public Fund for Regional Development (Slovenia).

In accordance with Article 61 of Council Regulation (EC) No 1083/2006, the Certifying Authority is responsible for:

- *Drawing up and submitting to the Commission certified statements of expenditure and applications for payment;*
- *Certifying that: the statement of expenditure is accurate, results from reliable accounting systems and is based on verifiable supporting documents and that the expenditure declared complies with applicable Community and national rules and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the programme and complying with Community and national rules;*
- *Ensuring for the purposes of certification that it has received adequate information from the managing authority on the procedures and verifications carried out in relation to expenditure included in statements of expenditure; Taking account for certification purposes of the results of all audits carried out by or under the responsibility of the audit authority;*
- *Maintaining accounting records in computerised form of expenditure declared to the Commission;*
- *Keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the general budget of the EU prior to the closure of the operational programme by deducting them from the next statement of expenditure.*

Beside the responsibilities mentioned in the Council Regulation, the CA is responsible for:

- Collection of the cost statements submitted by the MA;
- Checking requests and releasing funds;
- Receiving the ERDF funds from the EC and transferring the co-financing to the lead partner through the paying unit.

Audit Authority (AA)

The function of the Audit Authority responsible for verifying the effective functioning of the management and control system within the meaning of Article 59 lit. 1c and Article 62 of Council Regulation (EC) No 1083/2006 will be performed by the Ministry of Finance (Slovenia), represented by Budget Supervision Office, Ministry of Finance.

The Audit Authority will be assisted by a representative of the Federal Chancellery (Austria), Division IV/3.

In accordance with Article 62 of Council Regulation (EC) No 1083/2006, the Audit Authority is responsible for:

- *Ensuring that audits are carried out to verify the effective functioning of the management and control system of the operational programme;*
- *Ensuring that audits are carried out on operations on the basis of an appropriate sample to verify expenditure declared;*

- *Presenting to the Commission within nine months of the approval of the operational programme an audit strategy covering the bodies which will perform the audits referred to under subparagraphs a) and b), the method to be used, the sampling method for audits on operations and the indicative planning of audits to ensure that the main bodies are audited and that audits are spread evenly throughout the programming period;*
- *By 31 December each year from 2008 to 2015 submitting to the Commission an annual control report setting out the findings of the audits carried out during the previous 12 months period ending on 30 June of the year concerned in accordance with the audit strategy of the operational programme and reporting any shortcomings found in the systems for the management and control of the programme.*
- *By 31 December each year from 2008 to 2015 issuing an opinion, on the basis of the controls and audits that have been carried out under the responsibility of the Audit Authority, as to whether the management and control system functions effectively, so as to provide a reasonable assurance that statements of expenditure presented to the Commission are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular;*
- *By 31 December each year from 2008 to 2015 submitting, where applicable under Article 88, a declaration for partial closure assessing the legality and regularity of the expenditure concerned;*
- *Submitting to the Commission at the latest by 31 March 2017 a closure declaration assessing the validity of the application for payment of the final balance and the legality and regularity of the underlying transactions covered by the final statement of expenditure, which shall be supported by a final control report.*

The Audit Authority ensures that the audit work takes account of internationally accepted audit standards. The Audit Authority is functionally independent of the MA.

Central Monitoring System (CMS)

In line with the meaning of Article 60 lit. (c) of Council Regulation 1083/2006, the MA will ensure a system for recording and storing accounting records for each operation under the operational programme in computerised form and that the data on implementation necessary for financial management, monitoring, verifications, audits and evaluations are collected. On behalf of the MA a Central Monitoring System for the collection of data according to Article 12 of Regulation (EC) No 1080/2006 of the European Parliament and of the Council will be established. The technical framework as well as the structure and content of reporting to the CMS will be agreed by the programme partners on the basis of given EU standards.

The JTS will immediately report all the necessary data to the CMS and confirm the correctness of data. The data sent to the CMS shall be considered as official data. The information that deviates from the official data in the programme implementation may be used for controlling purposes, but shall not be valid for official reports.

The monitoring data shall be available to the MA, programme partners, JTS, EC, as well to the financial control authorities on a regular basis.

Regional Coordination Bodies (RCB)

The following authorities, henceforth called Regional Coordination Bodies, are covering all programme partners and bring in their regional competence and institutional resources for the support of developing and implementing of projects – thus taking over the task of “primary contact” vis-à-vis the project partners

support requests (coming from their region) during project development and implementation (with the exception of projects related to Technical Assistance at the levels of the MA and the JTS):

These authorities will have an agreement with the Managing Authority, in which the following responsibilities will be fixed:

- Information about the programme and the national/regional specific requirements in cooperation with the MA;
- Organisation of project development support
- Organising the assessment of the compliance with national/regional strategies and national/regional co-financing;
- Implementing of independent CU based on the statement of costs and content reports in national language;
- Preparation of projects changes in cooperation with the JTS and MA.

Slovenia

Government Office for Local Self-Government and Regional Policy, Department for support for cross-border programmes Maribor, Svetozarevska 6, 2000 Maribor, Slovenia

With a representative in

Government Office for Local Self-Government and Regional Policy, Kotnikova 28, 1000 Ljubljana, Slovenia

Austria

R M B - Regionalmanagement Bgld GmbH
Marktstraße 3, Technologiezentrum Eisenstadt, A-7000 Eisenstadt

Amt der Steiermärkischen Landesregierung
Abt. 16 - Landes- und Gemeindeentwicklung
Stempfergasse 7, A-8010 Graz

KWF Kärntner Wirtschaftsförderungsfonds
Heuplatz 2, 9020 Klagenfurt

In cooperation with

Amt der Kärntner Landesregierung
Abt. 20 – Landesplanung

Joint Monitoring Committee (JMC)

The composition of the Monitoring Committee is determined in accordance with the provision of Article 11 and 63 of Council Regulation (EC) No 1083/2006, provision in cooperation with the social partners and the regional authorities responsible for labour market, equal treatment and environmental issues.

The Monitoring Committee shall satisfy itself as to the effectiveness and quality of the implementation of the operational programme, in accordance with the following provisions:

- *It shall consider and approve the criteria for selecting the operations financed within six months of the approval of the operational programme and approve any revision of those criteria in accordance with programming needs;*
- *It shall periodically review progress made towards achieving the specific targets of the*

operational programme on the basis of documents submitted by the managing authority;

- *It shall examine the results of implementation, particularly the achievement of the targets set for each priority axis and the evaluations referred to in Article 48(3);*
- *It shall consider and approve the annual and final reports on implementation referred to in Article 67;*
- *It shall be informed of the annual control report, or of the part of the report referring to the operational programme concerned, and of any relevant comments the Commission may make after examining that report or relating to that part of the report;*
- *It may propose to the managing authority any revision or examination of the operational programme likely to make possible the attainment of the Funds objectives referred to in Article 3 or to improve its management, including its financial management;*
- *It shall consider and approve any proposal to amend the content of the Commission decision on the contribution from the Funds.*

The JMC is regarded as the bilateral platform for steering and monitoring the programme implementation. Modalities of the JMC work will be defined in the Rules of Procedure. The Monitoring Committee adopts its Rules of Procedure in agreement with the Managing Authority in order to exercise its missions in accordance to the present Regulation.

The constitution of the JMC and the distribution of voting rights shall be agreed on by mutual consent by the programme partners. Decisions will be taken in consensus; one vote for each country.

- Receives summarised information on submitted projects and programme budget information from the MA, prepared by the JTS;
- Decides on the ERDF contribution for each project and relevant project changes; (the JMC serves as the only decision-making body in respect to ERDF commitments - the decision cannot be delegated);
- Decides on common publicity measures on the programme level;
- Is allowed to invite external experts to get inputs for improving the programme implementation;
- Coordination with other relevant regional and national programmes;
- Organises an ongoing evaluation of the programme implementation.

The JMC consists of:

Permanent members

Observers

Advisors

Meetings will be held alternatively in both member states.

Procedural regulations governing the programme implementation (procedural organisation)

Lead beneficiary (Lead partner principle)

In compliance with Article 20 of Regulation (EC) No 1080/2006 of the European Parliament and of the Council,, the responsibilities of the lead beneficiary and the other beneficiaries are as follows.

The beneficiaries appoint a lead beneficiary for each operation among themselves. The lead beneficiary assumes the following responsibilities:

- *It shall lay down the arrangements for its relations with the beneficiaries participating in the operation in an agreement comprising, inter alia, provisions guaranteeing the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;*
- *It shall be responsible for ensuring the implementation of the entire operation;*
- *It shall ensure that the expenditure presented by the beneficiaries participating in the operation has been incurred for the purpose of implementing the operation and corresponds to the activities agreed between those beneficiaries;*
- *It shall verify that the expenditure presented by the beneficiaries participating in the operation has been validated by the controllers;*
- *It shall be responsible for transferring the ERDF contribution to the beneficiaries participating in the operation.*

Beside the responsibilities mentioned in the Regulation, the Lead beneficiary is responsible for:

- Collecting the information from the project partners, cross-checking the certified activities with the progress of the project and submitting the reports to the JTS;
- Signing the ERDF contract;
- Harmonizing the project changes with the RCB and formally submitting those via the JTS to the MA for approval.

Each project partner participating in a project needs to:

- *Assume responsibility in the event of any irregularity in the expenditure which it has declared;*
- *Inform the Member State in which it is located about its participation in an operation in the case that this Member State as such is not participating in the operational programme concerned.*

- Send the statement of costs and content report to the CU-unit;
- Submit the certification of costs and information to the lead beneficiary.