**ENI CBC MEDITERRANEAN SEA BASIN PROGRAMME 2014-2020**

**Control check-list**

**[Project Acronym and ref. number]**

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| **Audit firm/Public officer organisation responsible for issuing the expenditure and revenue verification report:** | | | |
| **Reporting period:** from *dd Month yyyy* to *dd Month yyyy* | | | |
| **Name of the Lead Beneficiary/Partner organisation:** | | | |
| **Role in the project:** | **Lead beneficiary** | | **Project partner n. ........** |
|  | | | |
| **Request for examination:** | **Date of request for examination:**  *dd Month yyyy* | **Date of receipt of documents for verification (desk-based check):**  *dd Month yyyy* | |
| **General remarks of the auditor/public officer (if any):** | | | |

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| **Name of the auditor/public officer(s)[[1]](#footnote-1):** |
| **Date and Signature(s):** |

**SUMMARY OF AMOUNTS AND TYPE OF VERIFICATION**

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| Expenditure declared by the Lead Beneficiary / Project Partner | EUR <x,xxx.xx> |
| Expenditure verified  *(please indicate only direct costs)* | EUR <x,xxx.xx>  Expenditure Coverage Ratio <xx.xx%>[[2]](#footnote-2) |
| If less than 100% is verified, please indicate for which budget headings a sample has been applied and describe the sampling method. | *(Provide the full list of the concerned budget headings)* |
| Expenditure complying with requirements set in the expenditure verification procedures | EUR <x,xxx.xx> |
| Expenditure not complying with requirements set in the expenditure verification procedures | EUR <x,xxx.xx> |
| [If applicable] Total revenue and contributions by third parties verified  NB: the ENI CBC Grant cannot be considered a revenue or a contribution by third parties | EUR <x,xxx.xx> |
| [If applicable, and only in the final report] The profit deriving from a surplus of income over expenditures is: | EUR <x,xxx.xx> |
| [If applicable] Interest accrued on funds paid by the MA: | EUR <x,xxx.xx> |
| Type of the verification: | Only desk-based check  Includes on-the-spot verification |
| On-the-spot verification(s) | Date: *dd Month yyyy*  Place(s):  premises of the beneficiary<indicate address>  place of project outputs<indicate address>  other (please indicate) <indicate address> |
| Expenditure verified on-the-spot: | EUR <x,xxx.xx> |
| Format in which documents were made available | original (including electronic)  copies (including electronic) |

**FORMAL CHECKS**

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| **Checks** | **YES/NO**  **N.A.** | **Comments** |
| Description of the Project, Budget and Logical Framework in force, as approved by the JMC are available, electronically or paper based |  | *these documents must be available in order for the auditor to have a knowledge of the applicable rules;*  *the auditor shall answer YES or NOT, N.A. is not an option* |
| Grant Contract signed by both parties (MA/JTS and Lead Beneficiary) is available, electronically or paper based |  | *these documents must be available in order for the auditor to have a knowledge of the applicable rules;*  *the auditor shall answer YES or NOT, N.A. is not an option* |
| Partnership Agreement signed by all project partners is available, electronically or paper based |  | *these documents must be available in order for the auditor to have a knowledge of the applicable rules;*  *the auditor shall answer YES or NOT, N.A. is not an option* |
| Narrative report of the Lead Beneficiary / Project partner concerning the activities undertaken during the reporting period is available |  | *in order to check the necessity of expenditures and their consistency with the activities implemented*  *the auditor shall answer YES or NOT, N.A. is not an option* |
| Addendum of any modification of the Grant Contract is available |  | *these documents must be available in order for the auditor to have a knowledge of the applicable rules;* |
| Financial report of the Lead beneficiary/partner is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The total project budget in force is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The individual budget in force for the Lead Beneficiary/partner is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Additional documents and clarifications were requested during the control procedure (please describe) |  |  |

**GENERAL ELIGIBILITY CRITERIA**

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| **Checks** | **YES/NO**  **N.A.** | **Comments** |
| All expenses have been actually incurred and paid by the Lead Beneficiary/partner, and they can be verified on the basis of adequate original supporting documents |  | *the auditor shall answer YES or NOT, N.A is not an option* |
| All expenses are directly related to the project, necessary for its implementation, and they are in accordance with the approved budget |  | *the auditor shall answer YES or NOT, N.A is not an option* |
| All expenses have been **incurred[[3]](#footnote-3) and paid between the** date of start of the project and the end date of the relevant reporting period or end of implementation period, with the following exceptions:   * preparatory costs incurred after the publication of the call for proposals and before the submission of the proposal; * expenditure verification and final evaluation of the project, which may be incurred after the implementation period of the project and paid after the submission of the Final report (the expenses to be paid afterwards are listed in the final report together with the estimated date of payment) |  | *the auditor shall answer YES or NOT, N.A is not an option* |
| All expenses have been incurred in the Programme eligible area, with the exception of activities (such as the participation in meetings and events) out of the Programme eligible territories that were already foreseen in the description of the project or specifically authorised by the MA |  |  |
| All expenditures incurred in national currency/currencies have been reported in the same currency[[4]](#footnote-4) |  | *the auditor shall answer YES or NOT, N.A is not an option*  *If not, please specify and apply the proper deduction* |
| Are there expenditures incurred in different currencies? |  | *If yes, please specify and verify the correct application of the rules reported in the footnote (4) or apply the proper deduction* |
| Any ineligible expenditure, including contributions in kind, has been identified in the declared expenditure, included in the list of findings and in the MIS |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
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| Expenses are reasonable, justified and in accordance with the principles of sound financial management, in particular regarding economy and efficiency |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Expenses comply with the requirements of applicable tax, labour and social legislation |  | *the auditor shall answer YES or NOT, N.A. is not an option*  *If not, specify which applicable legislation is not respected* |
| Expenses are verified to detect any duplication (e.g. multiple invoices with the same amount, invoice numbers, etc.) or falsifications. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Does the Lead Beneficiary /partner reports taxes and VAT? |  | *the auditor shall answer YES or NOT, N.A. is not an option*  *the auditor shall check Annex 1 to DMCS published in the enicbcmed.eu website* |
| If yes, are taxes and / or VAT eligible according to the applicable national legislation, Programme rules and practices in the country concerned?[[5]](#footnote-5) |  | *If not, please quantify the not eligible amount and indicate it in the List of findings.* |
| Has the LB/Partner obtained tax exemption from the relevant national authority? |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Does the reported expenditure include other special taxes/contributions (such as IRAP in Italy, contribution to *AGEFIPH* in France and to *Bonificación Seguridad Social del personal investigador* in Spain)? |  | *The auditor shall answer YES or NOT, N.A. is not an option*  *If yes, please specify and quantify them.* |
| If yes, are these special taxes eligible according to the applicable national legislation, Programme rules and practices in the country concerned? |  | *If not, please quantify the not eligible amount and indicate it in the List of findings.* |

**ALLOCATION TO ACTIVITIES AND BUDGET LINES**

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| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Expenses have been correctly allocated to the relevant Work Packages |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The Lead Beneficiary/partner’s budget by WPs, Partners and budget lines fixed in the approved Budget has been respected |  | *Please note that reported expenses going over the total of the budget line will not be cut, unless they exceed the threshold of the minor amendment (i.e. 20% per cost category or per partner).*  *However, as the underestimated budget lines shall be adjusted before the subsequent report, please provide a recommendation* |

**ELIGIBILITY OF EXPENDITURE BY BUDGET LINES**

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| Preparatory Costs | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| They are incurred after the publication of the call for proposals and before its closure. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| They are limited to travel and subsistence costs of staff employed by the beneficiaries. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| They do not exceed 10.000 €, the maximum amount fixed at programme level. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Proof of payment is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

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| Staff Costs | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The full list of staff working in the project is available with the report  *The list shall be used to answer to the questions below* |  | *the auditor shall answer YES or NOT, N.A. is not an option*  *Names of the HR not complying with all the checks below shall be written down and the applicable deduction included in the list of findings* |
| The list gives evidence of internal and externally contracted staff |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The internal staff has signed the code of conduct and/or specific declarations on absence of conflicts of interest. |  |  |
| The designation or secondment order of internal staff contains:   * the assignment of the person for the project and its tasks within the project * start date and end date of the assignment * the indication of exclusive or partial work on the project |  |  |
| For external staff: HR selection has been carried out respecting the principles of transparency, equal opportunity:   * Are there transparent recruitment procedures? * Do the recruitment procedures include measures to assess the skills of the candidates? |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The external staff has signed the code of conduct and/or specific declarations on absence of conflicts of interest. |  |  |
| Work contracts / any similar type of contract according to national rules / designation or secondment order of civil servant for all project staff is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Contracts of external staff contain:   * the job description * start date and end date of the assignment * the remuneration |  |  |
| Monthly timesheets for staff partially devoted to the project are:   * available * sufficiently detailed (name of the employee, date, time and description of the daily activity) * signed both by the employee and the employer |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Working time spent on the project does not exceed the normal working hours, according to the national legislation in force. Overtime is reported only for staff entirely devoted to the project. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The calculation of staff costs, that is the actual cost of the actual time devoted, is correct |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The method for calculating the hourly/daily rates and the calculation of the staff costs are available and correct |  |  |
| The calculation of staff costs is based on real costs (real gross salary proved by payslips) and real worked hours/days (time spent on the project proved by timesheets) |  |  |
| Any fringe benefits, rewards over the monthly salaries are excluded from the hourly/daily rate |  |  |
| Additional charges besides the social contribution charges (obligatory according to national rules) are excluded from the hourly/daily rate |  |  |
| Proof of payment of the salary is available (payslips or other) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Proof of payment of the social charges and taxes, if reported, is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

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| Travel and Accomodation Costs | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Travel costs are directly related to the project |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Only travel costs of the project staff or other persons taking part in the project are declared |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Travel costs of the beneficiary/partner employees/associated partners and final beneficiaries are budgeted |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Travels are performed within the eligible area. When the travel incurred outside the eligible area of the Programme, destinations were already foreseen in the description of the project or specifically authorised by the MA |  |  |
| Authorisations for travel are available (if obligatory according to national/ institutional rules) |  |  |
| Mission reports signed by the travelling persons are available (if obligatory according to national/ institutional rules) |  |  |
| All supporting documents are available (invitation, agenda, list of participants, minutes, pictures, etc.) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Train/bus tickets, plane tickets, boarding cards, etc. are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The most economical way of transport is used, in accordance with the internal procedures of the organisation (‘economical’ does not mean the ‘cheapest’ but the best value/price ratio) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| In case of use of own car or company car, calculation sheets prepared according to national or institutional rules stating at least the distance, the unit rate and the total costs of the travel, are available |  |  |
| If costs are directly paid by the institution, proofs of payment are available |  |  |
| If costs are paid by the person going on mission / an advance is paid by the institution to the person going on mission, the documents on the reimbursement of costs are available |  |  |
| For staff working in public institutions as well as in units subordinated or coordinated by such institutions, the expenses with subsistence costs are compliant with the national legislation and internal regulation in force applicable for public institutions |  |  |
| For staff working in other legal entities than those mentioned in the previous category, subsistence costs do not exceed neither the costs normally paid by the beneficiary according to its rules and regulations nor the rates published by the Commission at the time of the mission if reimbursed on the basis of lump sums, unit costs or flat rate financing:  [*Please*](http://www.ec.europa.eu/europeaid/work/procedures/index_en.htm) *check the per diem rates published in the site ec.europa.eu* |  |  |
| Proof of payment of subsistence costs are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Proof of payment of travel medical insurance, visas are available |  |  |

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| Investments or Infrastructures[[6]](#footnote-6) | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The building permit is issued on behalf of the Lead Beneficiary/partner |  |  |
| Handover of the site and floor plan of the investment terminals containing topographic positions is dated, signed (with the name mentioned in the clear) and stamped by all persons mentioned in program tracking and quality control work |  |  |
| The program tracking and quality control work is covered by the relevant public supervising body, signed by the legal representative / project's technical designer and contractor |  |  |
| Date of issue of commencement order of work predates any analysis bulletins, the minutes of the hidden works and minutes on determined phases |  |  |
| Quality reception minutes, minutes for hidden works and decisive phases are developed in accordance with and quality control of works from the technical project, are signed and stamped by all participants to its elaboration |  |  |
| Payment statements of works and centralized payment statements are signed with the name mentioned in clear and dated by the legal representative / technical representative, the tutor / supervisor inspector (with attesting certificate) and contractor |  |  |
| The total amount of payment statements for work matches the value of the centralized work situation |  |  |
| Work execution is in accordance with the time schedule of works |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Analysis reports for incorporated materials and certificates of quality / compliance of materials used in construction were verified by the auditor/public officer during the site visit |  |  |
| Type and quantities of works performed and reflected in the payment statements are found on site |  |  |
| Analysis reports are issued by authorized laboratories and their authorization is valid (has not expired) |  |  |
| Unit prices from payment situations are less than or equal to those from the winning bid unit prices which is attached to the contract execution |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Calculations for each category of works (quantity, unit price and value) are correct |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Works are executed according to the time schedule and don’t exceed the contracted budget |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Invoice and proof of payment are available |  |  |

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| Equipment[[7]](#footnote-7) | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The equipment purchased or rented is necessary for the project implementation and is foreseen in the approved Grant Contract |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The equipment is used exclusively for project implementation |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Documents on the selection of the suppliers are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The contract or purchase order is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The evidence of the purchase of equipment is available (e.g. inventory, photos of the equipment purchased, on the spot verification). |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The actual equipment provision and its consistency with the conditions of the supply contract, the Grant Contract and its annexes have been verified. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Invoice and proof of payment are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

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| External Expertise and Services[[8]](#footnote-8) | | |
| 1. **EXTERNAL EXPERTISE**   (Persons working under a service contract are considered as service suppliers and reported under “external services”) | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Services provided by the external suppliers are directly related to the project, the related activities are explicitly stated in the approved Grant Contract |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Documents on the selection of the service supplier are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Lead Beneficiary/partners of the same project or any affiliated entity are not contracted as service suppliers or sub-contractors. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The contract laying down the services to be provided is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The evidence of the services provided is available (studies, researches, analysis, etc.), as well as the acceptance of the services. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The deliverables respect the information and publicity requirements of the Programme |  |  |
| The actual provision of the services and their consistency with the conditions of the service contracts, the Grant Contract and its annexes has been verified. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Invoice and proof of payment are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| 1. **Meetings and Events** | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Meetings and events are directly related to the project, the related activities are explicitly stated in the approved Grant Contract |  |  |
| Documents on the selection of the service providers are available |  |  |
| The contract laying down the services to be provided is available |  |  |
| The expiring date of the contract has been respected (absence of irregular extensions / renewals / amendments). |  |  |
| The evidence of the work carried out by the service provider is available (invitation, agenda of the meeting, list of participants, photos of the event, etc.) |  |  |
| The promotional materials produced in the framework of the event respect the information and publicity requirements of the Programme |  |  |
| For costs of catering, a list of participants is available |  |  |
| Invoice and proof of payment are available |  |  |
| 1. **Promotion Costs** | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Promotion costs are directly related to the project and have not been declared on other budgeted lines. |  |  |
| The evidence of the work carried out by the service provider is available (brochures, project website, etc.) |  |  |
| According to this evidence, the information and publicity requirements of the Programme are respected |  |  |
| Invoice and proof of payment are available |  |  |
| 1. **Other Service contracts** | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Costs are directly related to the project and the related activities are mentioned in the approved Grant Contract |  |  |
| Documents on the selection of the service providers are available |  |  |
| The contract laying down the services is available |  |  |
| Beneficiaries/partners of the same project or its affiliated entities are not contracted as service providers or sub-contractors |  |  |
| The evidence of the activities carried out by the service provider is available |  |  |
| Invoice and proof of payment are available |  |  |
| 1. **Financial Charges and Guarantee Costs** | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| All costs are real, directly related to the project and have not been declared under other budget lines |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Only eligible expenditure according to the Grant Contract are declared   * charges for transnational financial transactions; * bank charges for opening and administering the account or accounts where the implementation of a project requires a separate account or accounts to be opened; * the cost of guarantees provided by a bank or other financial institution to the extent to which the guarantees are required by national or Community legislation; * legal consultancy fees, notarial fees if they are directly linked to the project and are necessary for its implementation |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Invoice and proof of payment are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

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| Subgrants | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The call for subgrants and all its annexes are available |  |  |
| The subgrantees’ selection has been carried out respecting the principles of transparency, equal treatment and publicity |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The following limit is respected:  Maximum amount of the sub-grant per each third party is € 60.000 |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Sub-grants are compliant with the State Aid provisions by applying the de minimis rule set by the regulation (EC) 1407/2013 |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The content of the call for subgrants is compliant with the Programme rules and Guidelines:   * The Contracting Body is clearly indicated * The scope of the call is clearly indicated (type of eligible activities to be carried out by sub-grantees, which must contribute directly to the project goals) * The maximum duration of the activities to be carried out is clearly indicated * The profile of the subgrantees is clearly described (type of eligible organisations or persons, which may apply) * Geographical eligibility of the sub-grantees and the activities are clearly indicated   The maximum amount of the sub-grant is specified together with the prevision of a possible co-financing by the sub-grantee |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The sub-grant call included clear, non-discriminatory and not prejudicial to fair competition awarding criteria:   * Relevance and consistency of the planned activities according to the objectives of call for sub-grants * Efficiency of the project (high impact / budget ratio) * Quality of design * Sustainability and cost-effectiveness |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The applications have been assessed by an ad-hoc evaluation committee with adequate technical capacity and complete independence from the potential sub-grantees |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Records on the evaluation of subgrants’ applications are available |  |  |
| The contract laying down the sub-grants to be provided is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Beneficiaries/partners of the same project or its affiliated entities are not contracted as sub-grantee |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Each subgrantee got just one sub-grant per project (no cumulative awards) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Financed activities have not commenced prior to the award of the subgrant (no retroactivity of the subgrants) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The subgrantees reported the expenditures on a real cost basis |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| All expenses have been actually incurred and paid by the subgrantee, and they can be verified on the basis of adequate original supporting documents |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The sub-grant accounting shows a reliable and easy to follow audit trail of the expenditure and revenue |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Expenditures related to the subgrant, are compliant with the eligibility requirements of the Programme and included in the categories accepted in the call for sub-grants, according to the submitted budget |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Expenditures related to the subgrant, follow the programme rules in what concerns the eventual revenue deriving from the sub-grant activities |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| De minimis declarations (also self-declaration) signed by the subgrantees are available |  |  |
| The evidence of the activities carried out by the subgrantee is available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Proof of payments are available |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The expenditures declared by the subgrantees and the supporting documents have been verified |  |  |

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| 8. Other costs | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The reported costs meet the general eligibility criteria indicated in art. 14 of the Grant Contract |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The reported costs do not clearly fall under the other six cost categories of the budget (i.e. Equipment and Supplies) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| All expenses are directly related to the project, necessary for its implementation, clearly indicated into the e-form and they are in accordance with the last approved budget. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| All expenses have been actually incurred and paid by the Lead Beneficiary/partner, and they can be verified on the basis of adequate original supporting documents, both on the side of the expenditure and payment |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| All expenses have not already been reported under the Administrative Indirect Costs |  |  |
| 1. **Office Costs** | **Yes/No**  **N.A.** | **Comments** |
| Costs allocated for premises rented especially for the implementation of the project activities to be included into the following:   * Offices rent; * Offices supplies (consumables), furniture and other endowments that are directly related to implementation of the project’s activities; * Internet and fax/phone calls and other running costs (electricity, heating, water etc.);   *(Purchase of office equipment, IT hardware and software, and furniture and fittings cannot be included under this budget line; the cost must be reported as equipment and supplies expenditure)* |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The contract laying down the rent of the office is available |  |  |
| Proof of payment is available |  |  |
| The visibility Programme requirements are respected |  |  |
| 1. **Vehicles** | **Yes/No**  **N.A.** | **Comments** |
| Costs for rent, lease or purchase a vehicle exclusively devoted to the project’s activities implementation |  |  |
| Documents on the selection of the suppliers are available |  |  |
| The contract laying down the rent/lease/purchase of the vehicle is available |  |  |
| The evidence of the purchase of vehicle is available (e.g. photo, on the spot verification). |  |  |
| Invoice and proof of payment is available |  |  |
| The visibility Programme requirements are respected |  |  |

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| Indirect Administrative Costs | | |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Indirect administrative expenses - do not exceed the percentage specified in the Grant contract, up to 7% of total direct eligible costs. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The calculation method of the amounts indicated in the “administrative cost calculation file” which was submitted together with the E-form is correct (if not please indicate the correct percentage to be applied |  | *the auditor shall answer YES or NOT, N.A. is not an option*  *Please see the instructions on the calculation of the administrative costs (i.e. the auditor shall check the correspondence of the declared data with the balance sheets (Profit) and/or financial statements (Non‐Profit) used as reference (year before the call for proposal).* |
| Is the Lead Beneficiary / Partner receiving an “operating grant” that forbids to claim other administrative costs? |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

**PUBLIC PROCUREMENT[[9]](#footnote-9)**

|  |  |  |
| --- | --- | --- |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The procedure applied for the procurement of services, equipment or investments/infrastructure is adequate according to the Grant Contract, national and community rules |  | *the auditor shall answer YES or NOT, N.A. is not an option*  *The auditor shall check in particular publicity, time limits, selection and award criteria, technical specifications* |
| The contracts have not been artificially split |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Public procurements are documented (e.g. award criteria, requests for offers, offers, reports from evaluation committee, contracts are available) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| * Bids have been submitted and kept (until the deadline expires) in a way that the principle of secrecy is respected |  |  |
| * The tender prices are in line with market prices |  |  |
| * There are no situations of control or connection among bidders of the same tender |  |  |
| * No bid rigging or collusion among bidders has been detected |  |  |
| * In case of negotiated procedure, the invited bidders are included in a list or in any case their existence is verified by checks of public registers |  |  |
| * All financial flows are tracked with the indication of the name of the programme and the project |  |  |
| * The offers are complete and regular |  |  |
| All the persons involved in the tender launching, processing and evaluation have signed declarations on absence of conflict of interest |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Rules of nationality is respected, that is, there is no restriction for participation in tenders for reason of nationality of the tenderer[[10]](#footnote-10) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| All supplies and materials purchased for contracts above 100.000€ are originated in the eligible countries for the European Neighbourhood Instrument[[11]](#footnote-11) |  |  |
| In case of direct award, verification of the compliance with the rules and conditions (thresholds, negotiated procedures) has been carried out |  |  |
| In case of contract modification, the total amount of the contract does not exceed the reference threshold of the tender procedure implemented |  |  |
| The risk indicators listed in annex[[12]](#footnote-12) have been taken into account. If yes, please specify. |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

**REVENUES**

|  |  |  |
| --- | --- | --- |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The Lead Beneficiary / project partner reports revenues |  | *the auditor shall answer YES or NOT, N.A. is not an option*  *Where revenue is not the ENI contribution* |
| The revenues are real and adequately recorded |  |  |
| At the final report, there is no surplus of receipts over costs (non-profit) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

**INFORMATION AND PUBLICITY**

|  |  |  |
| --- | --- | --- |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| The visibility Programme requirements are respected |  | *the auditor shall answer YES or NOT, N.A. is not an option* |

**AUDIT TRAIL AND ACCOUNTING SYSTEM[[13]](#footnote-13)**

|  |  |  |
| --- | --- | --- |
| **Checks** | **Yes/No**  **N.A.** | **Comments** |
| Specific accounting codes or other transparent methods are used for the project in the accounting system which allow the identification of costs allocated to the project |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Expenses are identifiable and verifiable and accounted in accordance with accounting standards |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Computerised list of project expenditure and revenue can be obtained from the accounting system (except for staff and administrative costs) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The accounts kept by the Beneficiary / Partner for the implementation of the Project are accurate and up-to-date |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The Lead Beneficiary/ Project Partner has a double-entry book-keeping system |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The accounts provide details of interest accrued on funds paid by the MA |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The expenditure declared corresponds to the accounting records and supporting documents held by the Lead Beneficiary/ Project Partner |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| The accounting system is an integrated part of the Beneficiary’s / Partner’s regular system |  |  |
| The accounting system is an adjunct or external to the Beneficiary’s / Partner’s regular system |  |  |
| The accounting system is running in accordance with the accounting and bookkeeping policies and rules that apply in the country concerned |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Is the information in the Financial Report reconciled to the Lead Beneficiary’s / Partner’s accounting system and records? (See Article 16.2 of the Gran Contract) |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| Is the information in the Financial Report reconciled to the Lead Beneficiary’s / Partner’s bank statement(s)? |  | *the auditor shall answer YES or NOT, N.A. is not an option* |
| In case of cash payments:  - the copy of the cashbook has been verified;  - the balances given in the bank statements tally with the accounting records  - are the thresholds for cash payments respected? (according to national legislation and the Programme rules) |  | *auditors have to perform cash-flow reconciliations to ensure that cash/bank transactions tally with the bank balances* |
| In case of payments by cheques:   * the amount paid has been cashed |  |  |

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*Auditor's signature Date and place*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Name of Auditor signing**(Official stamp)*

**ANNEX -** **RISK INDICATORS PROCUREMENT**

* Inconsistencies in the dates of the documents or illogical sequence of dates. Examples:
  + Offer dated after the award of contract or before the sending of the invitations to tender
  + Offer of the winning tenderer dated before the publication date of the tender or dated significantly later than offers of other tenderers
  + Offers of different candidates participating in the same tenders all having the same date
  + Dates on documents not plausible/consistent with dates on accompanying documentation (e.g. date on the offer not plausible/consistent with the postal date on the envelope; date of a fax not plausible/consistent with the printed date of the fax machine)
* Unusual similarities in offers of candidates participating in the same tender. Examples:
  + Same wording, sentences and terminology in offers of different tenderers
  + Same layout and format (e.g. font type, font size, margin sizes, indents, paragraph wrapping, etc) in offers of different tenderers
  + Similar letterhead paper or logos
  + Same prices used in offers of different tenderers for a number of subcomponents or line items
  + Identical grammatical, orthographical or typing errors in offers of different tenderers
  + Use of similar stamps and similarities in signatures
* Financial statement or other information indicating that two tenderers participating in the same tender are related or part of a same group (e.g. where financial statements are provided, the notes to the financial statements may disclose ultimate ownership of the group. Ownership information may also be found in public registers for accounts)
* Inconsistencies in the selection and award decision process. Examples:
  + Award decisions not plausible / consistent with selection and award criteria
  + Errors in the application of the selection and award criteria
  + A regular supplier of the beneficiary/partners participates as a member of a tender evaluation committee
    - Other elements and examples indicating a risk of privileged relationship with tenderers:
  + A same tenderer (or small group of tenderers) is invited to different tenders with unusual frequency
  + A same tenderer (or small group of tenderers) wins an unusually high proportion of the bids
  + A tenderer is frequently awarded contracts for different types of goods or services
  + The winning tenderer invoices additional goods not foreseen in the offer (e.g. additional spare parts invoiced without clear justification, installation costs invoiced while not foreseen in the offer).
* Other documentation, issues and examples indicating a risk of irregularities:
  + Use of photocopies instead of original documents
  + Use of pro-forma invoices as supporting documents instead of official invoices
  + Manual changes on original documents (e.g. figures manually changed, figures "tippexed", etc)

Use of non-official documents (e.g. letterhead paper not showing certain official and/or compulsory information such as commercial registry number, company tax number, etc.).

1. Name of the person(s) who performed the verification. [↑](#footnote-ref-1)
2. The Auditor ensures that the overall ECR is 100% for EU and Lebanese Lead beneficiaries/partners.

   Concerning the other MPCs Lead beneficiaries/partners, the requirements are:

   • at least 65% of expenditure verified per each cost category

   • an overall ECR of 100% for all procurement procedures above 60.000 Euros.

   If the Auditor finds an exception rate of less than 10 % of the total amount of expenditure verified (i.e. 6.5 %) he/she finalises the verification procedures and continues with reporting. If the exception rate found is higher than 10 % the Auditor extends verification procedures until the ECR is at least 85 %. The Auditor then finalises the verification procedures and continues with reporting regardless of the total exception rate found. [↑](#footnote-ref-2)
3. “Costs relating to services and works shall relate to activities performed during the implementation period” (article 48 of ENI CBC IR). [↑](#footnote-ref-3)
4. In accordance with Art. 67 of the Implementing Rules as specified in par. 4.8.3 of the JOP expenditure made in currencies different than the Euro is automatically converted by the MIS using the monthly official accounting exchange rate of the European Commission for the month during which the expenditure was submitted for examination to the auditors for its verification at each payment claim [↑](#footnote-ref-4)
5. « Duties, taxes and charges, including VAT, except where non-recoverable under the relevant national tax legislation, unless otherwise provided in appropriate provisions negotiated with CBC partner countries; » [↑](#footnote-ref-5)
6. In case costs for infrastructures are reported, the section « Public Procurement », and the list of contracts shall be filled in as well. [↑](#footnote-ref-6)
7. In case costs for equipment are reported, the section « Public Procurement », and the list of contracts shall be filled in as well. [↑](#footnote-ref-7)
8. In case costs for External services are reported, the section « Public Procurement », and the list of contracts shall be filled in as well. [↑](#footnote-ref-8)
9. The auditor shall check carefully the Programme guide on procurement, the TESIM national guides, the Guidelines on findings, financial corrections and penalties – Annex X to the EVR Pack [↑](#footnote-ref-9)
10. In accordance with articles 8.2 of Regulation 236/2014 [↑](#footnote-ref-10)
11. In accordance with articles 8.4 and 9 of Regulation 236/2014 [↑](#footnote-ref-11)
12. See list annexed to the check list. [↑](#footnote-ref-12)
13. In accordance with article 16 of the Grant Contract [↑](#footnote-ref-13)