

**European Territorial Cooperation Programme "Greece - Bulgaria 2007-2013"**  
**Description of the First Level Control System according to Article 16 of Regulation (EC) 1080/2006**

European Territorial Cooperation Programme "Greece - Bulgaria 2007-2013"  
 CCI 2007CB163PO059

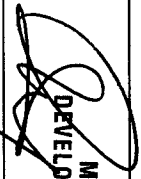
SECTION	DESCRIPTION
<b>1. General</b>	
1.1. Member State	Bulgaria
1.2. Contact point (name, position, address, telephone, email)	Hristo Dimitrov – Head of CBC Internal Borders Department, DG "Territorial Cooperation Management" (National Authority), Ministry of Regional Development and Public Works, Sv. sv. Kiril i Metodii St. 17 – 19, 1202 Sofia, Bulgaria +3592 9405 686; <a href="mailto:hdimitrov@mnrtd.government.bg">hdimitrov@mnrtd.government.bg</a>
1.3. The information provided describes the situation on?	January 2010
<b>2. System Structure</b>	
What kind of system did you opt for?	Decentralized control system.
<ul style="list-style-type: none"> <li>- <u>a centralized control system: a control body appointed at central level to carry out the control for all beneficiaries on the territory</u> (Please continue with question 2.1)</li> </ul>	
or <ul style="list-style-type: none"> <li>- <u>a decentralized control system: the beneficiaries proposes a controller who is authorized by a central MS body or selects a controller from a short list provided by the MS</u> (Please continue with question 2.2)</li> </ul>	
<b>2.1 Centralized Control System</b>	
<b>2.1.1 Description of the system</b>	
Please describe the system trying to answer the following questions: <ul style="list-style-type: none"> <li>- Is the control carried out by civil servants or by an external audit firm appointed for this specific mission?</li> </ul>	

<ul style="list-style-type: none"> <li>- If the control is carried out by civil servants, which Body do they belong to?</li> <li>- If the control is carried out by an external audit firm, how is this appointed? By whom?</li> </ul>	
<p><b>2.1.2 Contact details of the controller</b></p> <p>Please provide the contact details of the designated body actually carrying out the control.</p>	
<p><b>2.1.3 Contact details supervisory body</b></p> <p>If the control is carried out by an external audit firm, please specify the body fulfilling the supervisory duties and the contracting it.</p>	
<p><b>2.1.4 Controller's qualification</b></p> <p>Please indicate the minimum requirements (degrees, work experience, national qualifications, and/or registration in professional organisations) that a controller under the centralized system described fulfils</p>	
<p><b>2.2 Decentralized Control System</b></p> <p><b>2.2.1 Description of the System</b></p> <p>Please describe the system trying to answer the following questions:</p> <ul style="list-style-type: none"> <li>- Will the beneficiary select a controller from a list of several public and/or private control bodies established on MS level beforehand?</li> <li>or</li> <li>- will the beneficiary propose an independent controller (internal or external), who is then authorized at central level before the first ex-</li> </ul>	<p>Beneficiaries request a controller through the Lead Beneficiary and the JTS and the Ministry of Regional Development and Public Works will nominate respective controllers from a shortlist of external controllers established at national level beforehand (available on <a href="http://www.bgregio.eu/Content.aspx?menu=right&amp;pid=56">http://www.bgregio.eu/Content.aspx?menu=right&amp;pid=56</a> ).</p> <p>The Ministry of Regional Development and Public Works - functioning as Central Ap-probation Body, launched in the beginning of 2008 a call for controllers (physical persons) and, after the selection procedure, has drawn up a list of controllers as a database of eligible professionals who can be selected and contracted for the verification procedure.</p> <p>The procedure for the selection of the controllers for first-level control in the imple-</p>

<p>penditure is reported and confirmed?</p> <p>In both cases, please explain the procedure for establishing the shortlist or authorizing the controller.</p> <p>If appropriate, please give also examples of types of possible control bodies.</p> <p>In case of use of shortlist of controllers, please provide the list (if not available yet, please indicate date of publication of shortlist).</p>	<p>mentation of projects under territorial cooperation's programmes, in which the Republic of Bulgaria participates, is headed by the Minister of Regional Development and Public Works (the Minister) or by an authorized by him person. The Minister or the authorized person makes the decision for the conduct of the procedure for the selection of controllers. The Minister or the authorized person signs a framework agreement with the controllers for the conduct of a first-level control. The Minister or the authorized person selects the controllers from the approved list for the conduct of first-level control in the implementation of particular projects.</p> <p>All documents related to the procedure for the selection of controllers are kept in the archives of General Directorate Programming of Regional Development.</p> <p>If necessary, the procedure for the selection of controllers is carried out until the necessary number of experts is appointed. If it is necessary to update the database, it will be updated in compliance with the adopted procedure for the selection of controllers for first-level control.</p> <p>The first level controllers will perform the technical and financial verification in a proportion of 100% of the expenditures incurred within the projects. The verification shall cover administrative, financial, technical and physical aspects of operations. Verifications shall ensure that expenditure declared is real, that the products and services have been delivered, and that the operations and expenditures comply with relevant Community and national rules.</p> <p>The verifications according to the abovementioned responsibilities and tasks of the controllers shall be carried out compulsorily for each project.</p> <p>Verifications shall include the following procedures:</p> <ul style="list-style-type: none"> <li>- administrative verifications in respect of each application for reimbursement by beneficiaries;</li> <li>- on-the-spot verifications of individual operations at the premises of each beneficiary.</li> </ul> <p>The originals of the documents (invoices, etc.) related to the FLC will be kept by the partners.</p>
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<p><b>2.2.2 Contact details of the central approbation body</b></p> <p>Please indicate the contact details of the central body in charge of establishing the shortlist of selected control bodies or the body in charge of authorizing the controller proposed by a project partner.</p>	<p>Petar Genov – Chief Expert, CBC Internal Borders Department, DG Territorial Cooperation Management (National Authority), Ministry of Regional Development and Public Works, Sv. Kiril i Metodii St. 17 – 19, 1202 Sofia, Bulgaria Tel./fax: +3592 9405 687; pgenov@mirtb.government.bg</p>
<p><b>2.2.3 Controllers' qualification:</b></p> <p>Please indicate the minimum requirements for a controller to act as project partner/Lead partner controller (e.g. degrees, work experience, national qualifications, and/or registration in professional organisations).</p>	<p><b>Education:</b></p> <ul style="list-style-type: none"> <li>• university degree in Economics (Finance, Financial Control, Accounting, etc.);</li> <li>• fluent in English and one of the official languages of participating countries in speaking and writing;</li> <li>• very good computer skills;</li> </ul> <p><b>Professional experience</b></p> <ul style="list-style-type: none"> <li>• minimum of three years of professional experience in financial control activities related to public funded projects;</li> </ul> <p><b>Assets:</b></p> <ul style="list-style-type: none"> <li>• professional experience in financial control activities related to public funded projects</li> <li>• familiar with the EU and national regulations concerning financial management of Territorial Cooperation Programmes;</li> <li>• authorized to carry out the checks in compliance with the National Regulations of the countries concerned;</li> <li>• knowledge of both official languages of the participating countries;</li> <li>• ability to organize, plan and implement work assignments, to work under pressure of frequent and tight deadlines;</li> </ul>

	<ul style="list-style-type: none"><li>• strong communication and interpersonal skills, ability to establish and maintain effective working relations.</li></ul>					
<b>3. Separation of Functions</b> Please explain how your Member State will ensure a clear separation of functions between the bodies having responsibilities in the management and control of a project and/or the programme. If appropriate, please provide an organisation chart to document the separation of functions between the bodies or units in charge of	<table><tr><td></td><td></td><td></td><td></td><td></td></tr></table> <p>The staff of DG "Territorial Cooperation Management" is split to two basic strands:</p> <ul style="list-style-type: none"><li>- Phare Programme</li><li>- Territorial Cooperation Management (TCM)</li></ul> <p>and:</p> <ul style="list-style-type: none"><li>- General Structures serving both Phare and TCM strands.</li></ul> <p>This structure ensures an appropriate separation of the bodies responsible for the management and control of the programmes (an organisation chart of the National Authority is attached).</p> <p>For optimum effectiveness in the exercise of the operations selection role, a Joint Steering Committee shall be set up having the exclusive responsibility for selecting the operations to be funded under the OP. According to Article 19(3) of Regulation (EC) No 1080/2006, the Joint Steering Committee shall report to the Joint Monitoring Committee.</p>					
<ul style="list-style-type: none"><li>- project activities and finances</li><li>- the verification of the project expenditure and delivery of the products and services (so-called "first level control" according to Article 16 of Regulation 1080/2006)</li><li>- the sample checks on operations (the so-called "second level audit" according to Article 14 (2) of Regulation 1080/2006 and Article 62 of Regulation 1083/2006)</li><li>- and project approval/Monitoring Committee representation (according to Article 63 of Regulation 1083/2006)?</li></ul>						
<b>4. First Level Control Delays</b> How do you ensure that the Controllers validate expenditure in due time bearing in mind that the progress report has to be submitted by the Lead partner according to the Call for Proposals ?	This will be stipulated in the contract provisions, which will observe the conditions of the Call for proposals.					
<b>5. Quality Assurance/Guidance to FLC bodies</b>						
<b>5.1 Guidance</b> The programme will establish <ul style="list-style-type: none"><li>- control guidelines</li><li>- a template for a FLC checklist</li></ul>	MA and NA agree with common guidelines, template for FLC checklists, Table of verified expenditure, etc.					

Name, Title and Organisation of Signatory for the MS	Place, Date and Stamp
Hristo Dimitrov Head of CBC Internal Borders Department DG Territorial Cooperation Management Ministry of Regional Development and Public Works	Sofia, 15 January 2010   MINISTRY OF REGIONAL DEVELOPMENT AND PUBLIC WORKS POST CODE 1202