Interreg
Danube Transnational Programme
ISTER

ISTER WP1 PROJECT MANAGEMENT PLAN

Work Package Title	Management
Activity No. and Title	A.M1 Project Coordination and Reporting
Deliverable	D.M1.1 Project Management Plan
Deliverable Responsible	MNIT
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Reviewed by: Name and Partner Acronyms	All PPs
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1. Glossary of project terminology

1.1 List of expressions for project coordination

Activity Leader (AL)	A leader of a certain activity that is responsible for the overall coordination and implementation of this activity
Addendum to the Partnership Agreement	An annex to the Partnership Agreement in case any changes are necessary during project implementation
Application for Reimbursement (AfR)	A document submitted by the Lead Partner to the Joint Secretariat every 6 months in order to claim ERDF and IPA contribution on the basis of validated expenditure, submitted together with the Progress Report
Application Form (AF)	An already approved document, submitted to the Joint Secretariat in the phase of project preparation, defining project activities, outputs and budget
Associated Strategic Partner (ASP)	Partners not directly financed by the programme but “sponsored” by an ERDF partner that is bearing the responsibility for their participation to the project
Budget Line	A cost category (e.g. staff costs, office and administration costs, travel costs, external expertise and services costs, equipment, infrastructure and works etc.)
Contributing partners	Partners contributing to the implementation of a certain activity but not leading an activity or a work package
Control Certificate	A document issued by the Controller to the ERDF and IPA Project Partners containing the amount of validated expenditure for the reporting period concerned. One original has to be sent together with the validated Partner Report to Lead Partner.
Eligible area	Geographical area covering 9 EU countries and 5 non-EU countries of the Danube Transnational Programme that are eligible for financing
Eligible expenditure	Expenditures in the approved Application Form
First Level Control (FLC)	A body at the national level, implementing the first level audit of the Partner Reports and partners’ costs in each reporting period
Ineligible expenditure	Expenditures not included in the approved Application Form or not in line with the Danube programme eligibility rules
Joint Secretariat (JS)	A body, supporting the Managing Authority in programme coordination and implementation, to which all the Progress reports are sent
Lead Partner (LP)	An actor, chosen among the Project Partners with full financial and administrative responsibility for ERDF and IPA contribution for the entire duration of the project
Managing Authority (MA)	A body responsible for management and implementation of the Danube programme in accordance with the respective regulations
Monitoring Committee (MC)	The main decision-making body of the Danube programme
National Contact Point (NCP)	A contact point for project applicants at the national level

Output factsheet	A document summarising and presenting the main characteristics of an output delivered by the project. For each delivered output the LP has to prepare a separate output factsheet.
Partnership Agreement (PA)	A basic agreement, laying down responsibilities of all Project Partners
Partner Report (PPR)	A report, submitted to the respective national controller by each Project Partner at the end of each reporting period
Progress Report (PR)	A joint report, summarizing all data from Partner Reports, submitted to the JS 3 months after the end of each reporting period by the Lead Partner
Project Partner (PP)	An actor which commits himself to implement a project part according to the Application Form as approved by the Monitoring Committee
Project Participant	Lead Partner, ERDF Project Partner, IPA Project Partner
Quality Management Board (QMB)	Main body for the internal evaluation of project results
Quality Report	A document which is validating and proving the quality of a delivered project output prepared by the Quality Assurance Manager. The Quality Report has to be prepared separately for each single finalised output.
Request for project modification	A document which has to be submitted to the JS by the Lead Partner in case of substantial changes in the project
Reporting period	A 6-month period, at the end of which all reports have to be submitted
Sponsoring partner	An ERDF Project Partner, sponsoring an Associated Strategic Partner
Steering Committee (SCOM)	The main body which will manage the project, consisting of representatives of Work Package leaders.
General Communication and Capitalisation Board (CCB)	An operational structure consisting of technical and transversal partners, experts and the ASPs Network
Subsidy Contract (SC)	A contract which determines the rights and obligations of the Lead Partner and the MA/JS

1.2 List of abbreviations

AF	Application Form
AL	Activity Leader
AfR	Application for Reimbursement
ASP	Associated Strategic Partner
CA	Certifying Authority
CCB	Communication and Capitalisation Board
CM	Communication Manager
DTP	Danube Transnational Programme
EC	European Commission
ERDF	European Regional Development Fund
EU	European Union
FM	Financial Manager
FLC	First Level Control
GA	General Assembly
IPA	Instrument for Pre-accession Assistance
JS	Joint Secretariat
JS PO	Project Officer at the Joint Secretariat
LP	Lead Partner
MA	Managing Authority
MC	Monitoring Committee
NCP	National Contact Point
PA	Partnership Agreement
PM	Project Manager
PP	Project Partner
PPR	Partner Report prepared by each Project Partner and submitted to First Level Control
PR	Progress Report prepared by the LP on the basis of input from partners and submitted to the JS
QMB	Quality Management Board
QAM	Quality Assurance Manager
RCH	Roman Cultural Heritage
SC	Steering Committee
WP	Work package
WPL	Work Package Leader

2. Project organization

2.1 ISTER Project structure

The ISTER project is divided into **8 WORK PACKAGES (WP):**

- 2 technical WPs (WP M_Management & WP C_Communication);
- 4 implementation WPs (WP T1_Baseline screening and policy framework, WP T2_Joining, activating and tutoring, WP T3_Mapping and promoting Roman Network of Routes and Settlements, WP T4_Exploitation and long-lasting effects);
- 1 investment WP (WP I_Small-scale investment);
- 1 preparatory WP (WP P_Preparation which only includes activities that were already performed in the project preparation phase).

Each work package is led by a **Work Package Leader (WPL**). Each WP is divided into **ACTIVITIES** (Act.): E.g.: Act. 3.1, 3.2, 3.3. Each activity is led by an **Activity Leader (AL).** The tasks are defined by the Activity Leader and carried out by the **contributing partners**. Further details about the roles and responsibilities of partners are described in this chapter.

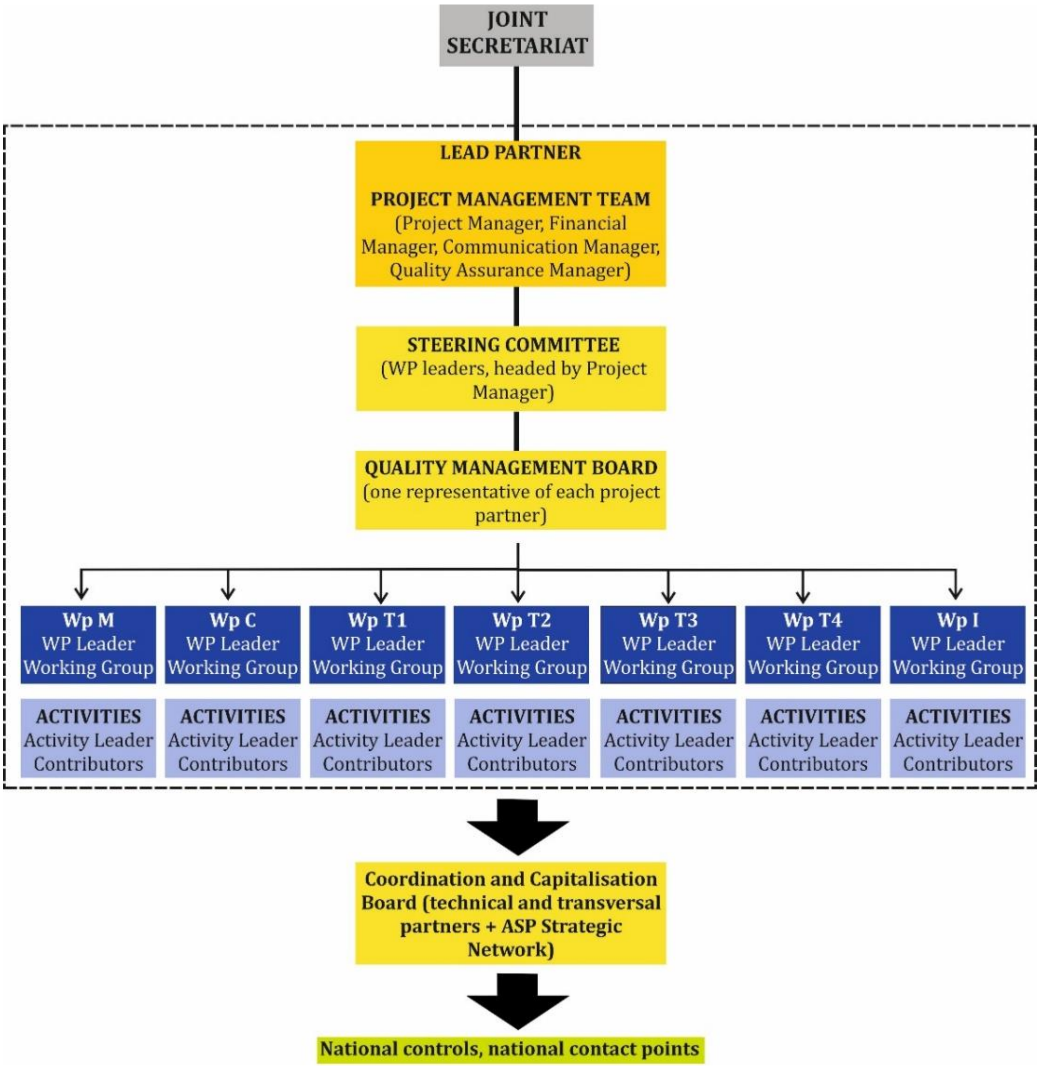

Figure 1 - ISTER project organizational structure

2.2 Roles and responsibilities of project partners

The specific roles, activities and obligations of the **Lead Partner** and **Project Partners** relating to the contractual obligations are laid down in the **Application Form**, the **Subsidy Contract** and in the **Partnership Agreement**.

ISTER project consortium consists the following partner categories: :

- 1 Lead Partner;
- 13 ERDF Project Partners;
- 2 IPA Project Partners;
- 10 Associated Strategic partners.

Furthermore, beside the classical division, ISTER project has also defined four types of partners, in accordance with their specific competencies and their role in the project, as it follows:

- **Territorial partners** – consisting mainly of partners representing a territorial unit (either a museum and its owned surroundings or a public administration), the territorial partners will have the crucial role of ensuring a proper understanding of the ISTER message and also maintain a continuous collaboration with the local/regional stakeholders in each pilot area. They will be the mediators between the local community and the consortium and will lead the on-site activities.

The partners which are part of this category are: LP MNIT, PP2 AIM, PP5 VMJV, PP6 MGML, PP7 ZRS BISTRA PTUJ, PP10 RVOW, PP12 APC, PP13 PVM, PP14 RADEI and PP15 RAUSK .

- **Thematic partners** – the so-called 'knowledge providers', thematic partners are represented by museums holding significant experience and knowledge in the field of Roman Cultural Heritage. They will actively contribute at the project's outputs and overall process with feedback, especially in what concerns the preservation and management of RCH, but also in developing the inventory of roman routes and settlements.

  The thematic partners of ISTER are: LP MNIT, PP6 MGML, PP12 APC and PP14 RADEI.

- **Transversal partners** – they have to create synergies between the territorial, thematic and technical partners, thus having an integrating role at consortium level. Being specialized in different fields such as urban and territorial planning, policy design, participatory planning tools and processes or holding significant experience in communication and dissemination processes, transversal partners will support the other partners in putting all the pieces together and in properly delivering the ISTER message to the wider audience.

  The transversal partners of ISTER project are the following: PP1 US, PP3 BEF, PP4 DDTG, PP7 ZRS BISTRA PTU and PP11 pakora.

- **Technical partners** – having significant experience with GIS tools and ICT tools, technical partners will complete the ISTER constellation by bringing proper technical solutions for facilitating a coherent and user-friendly transnational approach. By leveraging on both partners and stakeholders inputs, they will develop a set of interactive tools that will gather and promote essential data on Roman Cultural Heritage at Danube Region level.

  The technical partners are PP8 GI, PP9 BOKU.

This constellation of partners will be enriched with the Associated Partners inputs, that will have a crucial role in sharing best practices and transferring knowledge purposes with the consortium.

Regarding the organisational structure and roles of partners the project is organised in the following way:

➢ Lead Partner

According to the Danube Transnational Programme the projects funded under this programme follow the **Lead Partner Principle**. The Lead Partner is formally the final beneficiary of the ERDF funding and the only direct link between the project partnership and the Danube programme. The Lead Partner signs the Subsidy Contract with the MA/JS and is the contact institution for the Joint Secretariat on behalf of the partnership. The LP is responsible for setting the internal project management rules and procedures, for ensuring the implementation of the entire project, and responsible for the sound financial management of the project.

At the beginning of the project, a **General Project Management Team** is set at consortium level, comprising of representatives of the Lead Partner Members of the General Project Management Team are:

- Project Manager
- Financial Manager
- Communication Manager.

Role of the **General Project Management Team**:

- responsible for the coordination and monitoring of the whole project;
- works with WP Leaders in ensuring the overall quality of the project outputs;
- responsible for the overall content of the project;
- cooperates with WP Leaders in setting the detailed work plan of specific work packages;
- cooperates with WP Leaders and Activity Leaders in setting the work plan for individual activities;
- responsible for final check over the quality of project outputs and results;
- responsible that the project follows its goals and vision and responds quickly and effectively to any barriers or external factors that might cause issues or delays.

Beside the General Project Management Team, each project partner will define an internal management structure and will appoint staff members to comply with the following roles: a project manager, a financial and a content manager, as well as communication manager at partner level. Please keep in mind that the same person can have multiple roles, being for instance a financial and content manager at the same time. The important thing is that each partner establishes clear roles in its corresponding team.

➢ **Project Manager (PM)**

Project Manager is the representative of the LP and heads the Steering Committee (SC)and the General Assembly (GA), As the leader of the Project Management Team he is responsible for the overall quality of the project outputs and results.

Role of the General Project Manager:

- is the contact person between the project and the JS/ PO,
- follows the overall management and coordination of the project implementation,
- monitors daily the project progress with the support of Work Package Leaders and Activity Leaders,
- compiles the content parts of the Progress Reports and timely submits it, thereof, achievement of project objectives within the planned period of time and quality control of delivered outputs,
- keeps close contact with the Joint Secretariat and the partners.

➢ **Financial Manager (FM)**

Financial and administrative management of the project is monitored by a **Financial Manager**. The Financial Manager is responsible for having an overview of the activities related to the reporting, finance and common administrative activities and communicates with partners directly regarding these issues.

Role of the Financial Manager:

- is responsible for coordination of reporting obligations,
- is responsible for coordination of the overall financial project management,
- prepares instructions for reporting for all project participants,
- oversees and consults on the preparation of Partner Reports,
- gathers Partner Reports and checks the joint Progress Reports for the JS,
- communicates directly with partners regarding all technical issues,
- cooperates tightly with the rest of the members of the Project Management Team.

➢ Communication Manager (CM)

The overall communication is managed by the the leader of WP C Communication (PP3 Bulgarian Economic Forum), but each financed partner assigns a Communication Manager at partner level.

Role of the Communication Manager:

- Contributes to the development and implementation of the Communication Plan, regarding both internal and external communication,
- prepares information material, project publications and updating information on their social media channels, as well as during other events and conferences
- communicates within the partnership through the internal communication tools, follwoing internal communication rules and monitoring tools.

➢ Quality Assurance Manager (QAM)

According to the Danube Transnational Programme quality assurance of the project outputs is mandatory for all projects. For this reason, the quality assurance management in ISTER project is made by a Quality Management Board, led by a quality assurance manager. The Quality Manager Board is headed by PP1 Urbasofia, but different project partenrs will assign a quality manager, according to the roles detailed through the Quality Management Plan,. Therefore, the quality managers who will be part of the Quality Management Board are responsible for fulfilling their tasks, such as proof reading, analyzing and reviewing the project outputs from a qualitative point of view, according to the peer-review methods explained in the Quality Management Plan. Furthermore, he/ she has to assure that all the project outputs are going through this process of proof reading before being sent to the Joint Secretariat. Finally, the head of the Quality Management Board is responsible for assuring that all the members of the Quality Management Board are fulfilling their tasks, such as proof reading, analyzing and reviewing the project outputs from a qualitative point of view

➢ Work Package Leaders (WPL)

Work Package Leaders are responsible for organizing the activities within their respective work packages. Together with the Project Management Team the WPL prepare a plan for implementing the WP activities and are responsible for the overall coordination of the work package.

Role of Work Package Leader:

- prepares the work plan for the WP and consults it with the Project Management Team;
- participates at all the Steering Committee meetings;
- communicates the plan to Activity Leaders and coordinates the work of Activity Leaders;
- gathers outputs from Activity Leaders and is responsible for the joint WP outputs;
- reports to Project Management Team about project progress;
- prepares output factsheet for each output in the led WP which is checked by the LP;
- cooperates with Quality Assurance Manager;
- monitors the achievement of outputs and results within the WP,
- sends gathered outputs to the Project Management Team together with the Partner Report.

➢ Activity Leaders (AL)

Each activity is led by the Activity Leader who is responsible for the overall coordination and implementation of a single activity. The role of the AL is to prepare the work plan for each activity, to distribute the work into tasks and to assign the roles among the partners involved in the activity. The proposed plan of work for the implementation of an activity is reviewed and confirmed in cooperation with the Project Management Team and WP Leader.

Role of Activity Leader:

- prepares the detailed plan for carrying out the activity: content, tasks, results, deadlines, responsibilities, roles and tasks of partners involved in the activity,
- consults on the plan with the Project Management Team and the WP Leader before sending it to partners,
- gathers information, documents, reports and prepares the final joint output,
- reports to WP Leader on progress of activity,
- communicates with partners directly about all actions related to the activity,
- monitors the achievement of outputs within their activities,
- gathers final deliverables from contributing partners (where relevant) and sends them to WP Leaders at a time of submission of the Partner Report.

*Table 1 - ISTER activities and responsible partners**

Role	Name	Project Partner
Project Management Team		
Project Manager	Anca Virginaș	LP MNIT
Financial Manager	TBD	LP MNIT
Communication Manager	Stefania Dogarel	LP MNIT
Quality Assurance Manager	Pietro Elisei	PP1 Urbasofia
WP M Leader	Felix Marcu	LP MNIT
AM.1 Leader	Felix Marcu	LP MNIT
AM.2 Leader	Felix Marcu	LP MNIT
AM.3 Leader	Felix Marcu	LP MNIT
WP C Leader	Christina Zlatanova	PP3 BEF
AAC.1 Leader	Christina Zlatanova	PP3 BEF
AAC.2 Leader	Christina Zlatanova	PP3 BEF
AAC.3 Leader	Christina Zlatanova	PP3 BEF
AAC.4 Leader	Christina Zlatanova	PP3 BEF
AAC.5 Leader	Christina Zlatanova	PP3 BEF
WP T1 Leader	Danilo Ceh	PP7 SRC Bistra Ptuj
AT1.1 Leader	Danilo Ceh	PP7 SRC Bistra Ptuj
AT1.2 Leader	Natalia Onesciuc	PP1 URBASOFIA
WP T2 Leader	Miruna Draghia	PP1 URBASOFIA
AT2.1 Leader	Miruna Draghia	PP1 URBASOFIA
AT2.2 Leader	Sebo Santa	PP4 DDTG
AT2.3 Leader	Miruna Draghia	PP1 URBASOFIA
WP T3 Leader	Blaz Barboric	PP8 GI
AT3.1 Leader	Felix Marcu	LP MNIT
AT3.2 Leader	Blaz Barboric	PP8 GI

AT3.3 Leader	Manfred Schrenk	PP9 CEIT RESEARCH NETWORK
WP T4 Leader	Torsten Beck	PP11 pakora
AT4.1 Leader	Sebo Santa	PP4 DDTG
AT4.2 Leader	Gabriela Popescu	PP2 AIM
AT4.3 Leader	Torsten Beck	PP11 pakora
WP I Leader	Felix Marcu	LP MNIT
A.I1.1 Leader	Anca Virginas	LP MNIT
A.I1.2 Leader	Gabriela Popescu	PP2 AIM
A.I1.3 Leader	Renata Kiss	PP5 VMJV
A.I1.4 Leader	Tamara Bregar	PP6 MGML
A.I1.5 Leader	Mirjana Nenad	PP7 ZRS Bistra Ptuj
A.I1.6 Leader	Emily Rall	PP10 RVOW
A.I1.7 Leader	Rafael Pupovac	PP14 RADEI
A.I1.8 Leader	Dijana Dedic	PP15 RAUSK
A.I1.9 Leader	Marina Brandtner	PP12 APC
A.I1.10 Leader	Tibor Szabo	PP13 PVM

** This table only reflects the initial situation of persons from each project partner responsible for each ISTER work package and activity. Further changes might occur, and they will be communicated directly to the Lead Partner, via an official announcement email.*

➢ **Contributing partners**

The contributing partners are partners carrying out the tasks of an activity. The contributing partners are the partners that are not responsible for leading an activity/work package, but still have to contribute with content and feedback to all the project deliverables and also be present at the General Assembly meetings and at the kick-off, mid-term and final conference.

Role of contributing partners:

- give comment and feedback on the work plan of the activity,
- give comment and feedback on the tasks that are appointed to them by the Activity Leader,
- are responsible for carrying out their tasks,
- report to Activity Leaders/WP Leaders on progress of their work,
- deliver the tasks in line with the deadlines set by the Activity Leader/WP Leader,
- are responsible for the sound financial management of the funds allocated to their project part,
- are responsible for maintaining either a separate accounting system or an adequate accounting code for all transactions relating to the project.

➢ **Associated Strategic Partners (ASPs)**

ASPs are not directly financed by the Programme, but financially supported by an ERDF Partner that is bearing the responsibility for their participation in the project, covering their travel and accommodation expenses.

Role of Associated Strategic Partners:

- are invited to partner meetings and project events,
- are encouraged to give input to project deliverables,
- are invited to give feedback on the outputs and results,
- do not carry out and are not responsible for any specific task within the Activity,
- receive funds for attending project meetings and other project events (sponsoring partner covers only travel and accommodation).

2.3 Project decision-making bodies

➢ **Steering Committee (SCOM)**

The Steering Committee (SCOM) comprises one representative of each Work Package leader and is the main body which manages the project. SCOM acts as a coordination board at WP level, therefore taking decisions with regard to the general strategy for the implementation of the activities and providing the involved partners the necessary guidance and support.

The Steering Committee decides on the management issues – it seeks consensus on project direction and resolves any administrative or contractual issues, including partnership instability. It is chaired by the Project Manager (a representative of the Project Management Team).

! All representatives of the Steering Committee have the obligation to sign a Declaration of acceptance of the ISTER SCOM member's role (Annex 12).

Table 2 - ISTER members of the Steering Committee

Role	Project Partner	Name
WP M leader	MNIT	Anca Virginas/Felix Marcu
WP C leader	BEF	Christina Zlatanova/George Tabakov
WP T1 leader	ZRS Bistra Ptuj	Danilo Ceh
WP T2 leader	URBASOFIA	Miruna Draghia/Natalia Onesciuc
WP T3 leader	GI	Blaž Barborič
WP T4 leader	pakora	Torsten Beck
WP I leader	MNIT	Anca Virginas/Felix Marcu
QAM	URBASOFIA	Pietro Elisei

** This table only reflects the initial situation of persons from each project partner responsible for each ISTER work package and activity. Further changes might occur, and they will be communicated directly to the Lead Partner, via an official announcement email.*

- **General Assembly (GA)**

The General Assembly (GA) monitors, steers and makes strategic decisions with regard to the overall project implementation or adjustments in case of unforeseen situations, consisting of one representative of each financing project partner. It is the main body which manages the project.

The General Assembly decides on the management issues – it seeks consensus on project direction and resolves any administrative or contractual issues, including partnership instability. It is chaired by the Project Manager (a representative of the Project Management Team). The GA is legally convened when the majority (50%+1 member of the appointed) of GA Members is present (9). The general rule is that the decision making in the GA is by consensus among the GA Members present at the meeting (according to the principle "one partner, one vote"). If consensus cannot be reached, GA will decide according to the majority rule. Majority means the highest number of votes. Votes cannot be delegated to other partners.

The General Assembly shall meet 6 times during the project at regular intervals. The participation at meetings is obligatory for all Participating Partners and any absence from meetings needs to be justified. In case Project Partners are not attending the meeting, they lose the right to vote that would take place at the meeting.

Table 3 - ISTER members of the General Assembly

Project Partner	Name
LP MNIT	Anca Virginas
ERDF PP1 URBASOFIA	Miruna Draghia/Natalia Onesciuc
ERDF PP2 AIM	Gabriela Popescu
ERDF PP3 BEF	Christina Zlatanova/Radostina Medvedeva
ERDF PP4 DDTG	Kata Csordás
ERDF PP5 VMJV	Renata Kiss
ERDF PP6 MGML	Tamara Begar
ERDF PP7 ZRS Bistra Ptuj	Danilo Ceh
ERDF PP8 GI	Blaž Barborič
ERDF PP9 BOKU	Manfred Schrenk
ERDF PP10 RVOW	Emily Rall
ERDF PP11 pakora	Torsten Beck
ERDF PP12 APC	Marina Brandtner
ERDF PP13 PVM	Antal Szabo
IPA PP1 RADEI	Rafael Pupovac
IPA PP2 RAUSK	Jasmina Džigumović

** This table only reflects the initial situation of persons from each project partner responsible for each ISTER work package and activity. Further changes might occur, and they will be communicated directly to the Lead Partner, via an official announcement email.*

- **Quality Management Board (QMB)**

The Quality Management Board comprises representatives of Project Partners and it is led by the Quality Project Manager; it is the main body for the internal evaluation of project results. It will mainly be responsible for proofreading, analysing and reviewing project outputs from the qualitative point of view throughout the project planned timeframe. A Quality Management Plan will be adopted, in order to plan in advance quality assessment based on certain qualitative result indicators. The QMB will be in charge of submitting quality reports alongside the progress reports, on a 6-months basis.

Role of the Quality Management Board:

- prepares a detailed peer-review plan as part of the Quality Management Plan to assign each deliverable and output one or several responsible reviews (among the project partners not directly involved in deliverable production to give their qualitative review)
- evaluates and confirms the content of the project (assesses project outputs and deliverables against the quality and quantity standards),
- is chaired by the Quality Manager (appointed by PP1 URBASOFIA, head of the QMB),
- prepares proposals on project content for the General Assembly,
- presents the work at General Assembly meetings,
- meets 6 times during the project (meetings coincide with General Assembly meetings).

General Communication and Capitalisation Board (CCB)

Communication and Capitalisation Board (CCB) will consist of at least one responsible from each technical partner, thematic partner and external experts and the ASP network, as well as a Communication Manager from each project partner and it will be mainly responsible for communication, dissemination and capitalization It is defined as an operational structure, accumulating content and constantly preparing communication posts and other dissemination events and activities., The CCB will be coordinated by WP Communication leader, PP3 BEF, which will be in charge of establishing a Communication Plan, defining the main directions for a proper and adequate dissemination of project activities and results at all levels (local, regional, national and transnational).

2.4 How do we communicate within the partnership?

In order to ensure and facilitate the communication flow within the partnership, the following **communication principles** are applied within the project:

- the official **language** of the partnership is **English**. All official correspondence within the partnership should be made in English, as well as all common project outputs, promotion materials etc. For local events and promotional activities, the partners can translate the materials into their local language in line with the budget allocated to translations into local languages.
- the preferential form of written communication is **electronic mail**; all **written communication is to be clearly marked with the acronym ISTER** in the referrer, including the name of the corresponding WP and a short description of the content.
- the following communication channels will be used: email, telephone, skype, zoom (or other digital platforms), project meetings and bilateral meetings.

A more detailed description of the communication within the partnership will be made in the Communication and Dissemination Plan (part of WP Communication).

<u>**Communication flow within the partnership**</u>

There will be two types of communication in the project:

- communication regarding content-related issues;
- communication regarding administrative, technical and financial issues.

For communication of content-related issues, the hierarchy is the following: Project Partners should communicate **directly with Activity Leaders**. Activity Leaders then communicate with WP Leaders and WP Leaders with the <u>Project Manager (LP) and Project Management Team</u>. For administrative and financial purposed communication, project partner shall address directly to the Lead Partner.

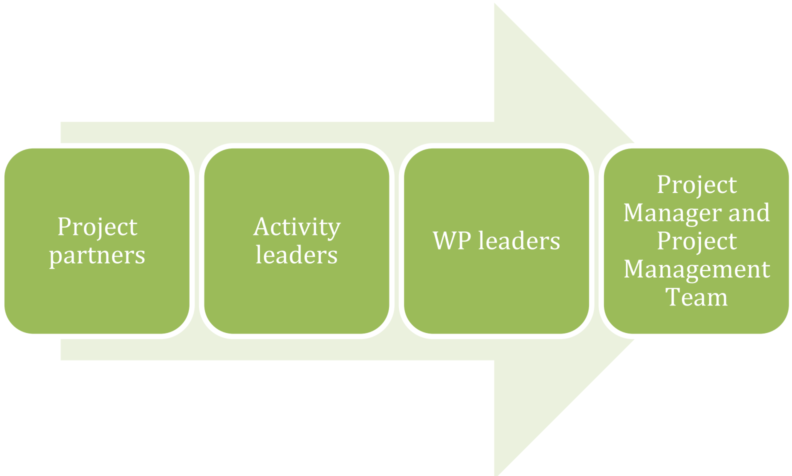

Figure 2 - ISTER hierarchy of internal communication

! <u>Project Manager, Financial manager and WP leader</u> should be <u>in copy of all e-mails</u>.

WP Leaders must report the achievement of outputs and results directly to the Project Management Team.

Only in the case of unavailability of Activity Leaders, Project Partners can communicate directly with the WP Leader; if WP Leader is unavailable, Project Partners can communicate to the Project Manager (LP).

In what concerns the <u>**financial and administrative project management**</u> at project level, the Financial Manager will communicate directly with Project Partners. **Project Partners should contact the Financial Manager directly** in cases related to project changes, budget, reporting, eligibility of costs etc.

<u>**Who are the contact persons of other partners?**</u>

For effective communication, each partner should assign:

1. <u>*Main contact person (Project manager and General Assembly member)*</u> who is involved in project activities;
2. <u>*Partner Content Manager*</u> who is also involved in developing the project activities and their related deliverables and outputs, and is also up-to-date with the project development;
3. <u>*Partner Financial Manager*</u> who is in charge of financial and administrative management in partner organization;
4. <u>*Partner Communication Manager*</u> who is in charge for communication in partner organization.

In case of any **changes of contact persons** all partners should immediately inform the Project Management Team about the change and ensure that the new contact person is well aware of the project, its activities and the partner's involvement and role in the project. In other words, partners replacing staff involved in the project will be responsible for handing in the project to the new member without causing significant delays and troubles to the completion of project activities, deliverables and outputs.

For partners to be familiar with the contacts of all partners, the **ISTER database** (Annex 1) is established, including contacts of all the assigned persons mentioned above. General information that affects the entire partnership should be forwarded to all contacts on the Contact list. All further changes should be communicated to the Project Manager who will regularly update the Contact list and make it available to all partners.

Who communicates with the Joint Secretariat (JS)?

! Only the **General Project Management Team** (**Project Manager, Financial Manager and Communication Manager)** shall communicate with the JS directly.

All **questions that partners have** should be **addressed at the Project Manager, Financial Manager and Communication Manager** who will, if necessary, forward the questions to JS and send the answers back to partners.

The Financial manager will communicate with the JS directly regarding **operational issues** (technical questions considering financial and administrative project management) whereas **strategic questions** will be communicated to the JS by the Project Manager.

Project officer for the ISTER project at the JS was initially Ana Leganel (until December 2020), who is replaced by Stephen Jonathan Halligan (from January 2021 onwards)

Who communicates with the National Contact Points (NCP)?

! Communication with the National Contact Points is a responsibility of each Project Partner.

All partners should set up a dialogue with their NCP. It is encouraged that a pro-active relationship is established. All partners will have to contact their NCP regarding the national verification procedures, while it is also encouraged that the project is promoted with the National Contact Points.

The list of National Contact Points is available on the Danube Program website (http://www.interreg-danube.eu/contacts/national-coordination-and-contact-points).

Who communicates with the First Level Control (FLC)?

! Communication with the First Level Control is a responsibility of each Project Partner.

All partners should get in contact and set up an active dialogue with the First Level Control in their countries in order to ensure that reporting of incurred costs and public procurement procedures are in line with the national legislation and the national control system.

The control system is centralized in 8 countries, including Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Montenegro, Romania, Serbia and Slovenia, and decentralized in Austria, Bulgaria and Germany.

The designated controllers and the control requirements for each Partner State are available at the Program's website (http://www.interreg-danube.eu/relevant-documents/programme-main-documents).

ISTER shared cloud and file naming. Internal organisation and conventions

Folders Naming and Nesting

ISTER internal communication tools comprise of two main instruments: a shared and collaborative ISTER cloud (hosted and managed by the Lead Partner – MNIT, through Google drive) and ISTER contact database (managed by the WP Communication Leader - BEF).

ISTER cloud will be used an online shared drive for storing materials, documents and deliverables strictly related to ISTER project and it will contain four main folders:

1. **Consortium database,** containing dedicated folders with: documents approved by the MA/JS (Award letter, Application form, Budget form), Partnership Agreement, Subsidy Contract and Synoptic table for hard copies delivery. Link available below: https://drive.google.com/drive/folders/1eJqmdc9arPy6mRIoHVCrbkl3gc3pJ2y7?usp=sharing

2. **DTP official documents**, containing a dedicated folder for the project communication related documents and templates and a dedicated folder for project management related documents and templates given by the program. Link available below: https://drive.google.com/drive/folders/1juMpUVt_KZKSyv-yX2lRJN3-rLaL2T2h?usp=sharing

3. **ISTER Work Packages,** containing a dedicated folder for tracking the activities in each work package (managed by each WP leader for their respective WP) and one dedicated folder for each WP. The convention for the organisation of each WP shared folder is based on the following nesting system:

WP NO_Name of Work Package
- A.1.1_Name of Activity
  - D.1.1.1_Name of Deliverable
  - D.1.1.2_Name of Deliverable
  - …
- …

Example: WP M_Management
A.M.1_Project Coordination and Reporting
D.M.1.1_ISTER Project Management Plan
D.M.1.2_ISTER Consortium Meetings
D.M.1.3_Technical Progress Reports

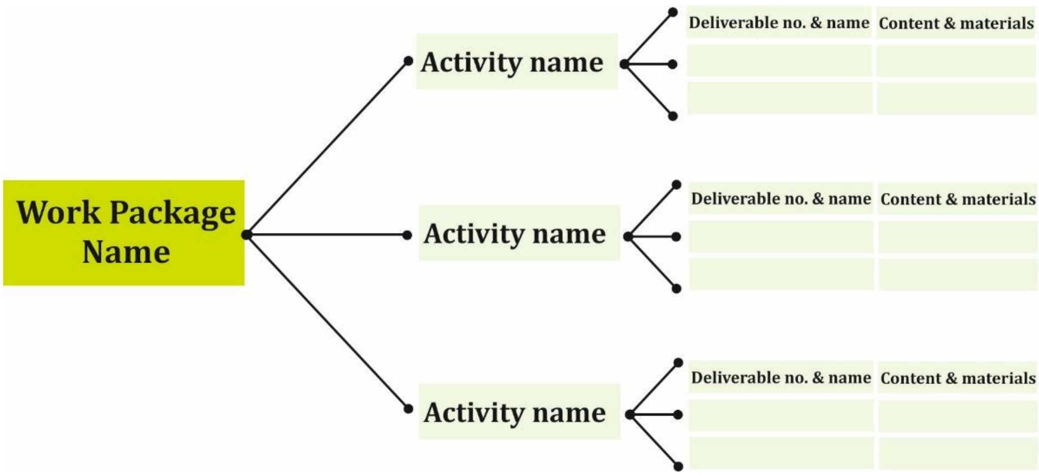

Figure 3 - ISTER Workpackages internal organization

The official address for hosting ISTER cloud on Google drive is isterproject.dtp@gmail.com. Each project partner, including the Lead Partner is requested to create an official google mail account for ISTER at institutional/ company level. Please create the account following the indicated convention below: isterproject.pp1@gmail.com).

4. **ISTER contact database,** an editable excel with contact information from each project partner and associated partner, stored in a single, easy to use contact database. ISTER contact database will be used a single source for contact information, providing a central location and a clear means of finding this type of data. The Lead Partner and the WP communication Manager are responsible for maintaining a clean and up to date contact database for an efficient internal communication among ISTER project partners and ASP network. ISTER contact database is available at this link: https://drive.google.com/drive/folders/16Y0Jt74_mq4uNdq631ayAehPyZjjVAch?usp=sharing

File Naming

File naming will use the following convention for all materials and deliverables related to ISTER project: Date_Contents_Author_Version (yy-mm-dd_D.x.y.z Title_ COMPANY Name_Version.no)
Date: year-month-day (please indicate when you created the file for the first time)
Contents: Deliverable Number Title (please indicate the title according to the Application Form)
Author: Company Name (please indicate the Acronym)
Type of input and Version.no (please indicate the type of input: template/ draft/ contribution/ revision and the version number (v01) or simply final (for the deliverable responsible).

3. Contractual relations

This chapter includes information about all the contracts that have been or will be signed by different Project Partners for the implementation of the project.

1. Subsidy Contract

The Subsidy Contract is the contract between the JS (on behalf of the Managing Authority) and the LP. It determines the rights and responsibilities of the Lead Partner and the Managing Authority, the scope of activities to be carried out, terms of ERDF funding, and the requirements for ERDF reporting and financial control. The approved Application Form and the Partnership Agreement are an integral part of the Subsidy Contract.

2. Partnership Agreement

The Partnership Agreement determines the rights and obligations of the Project Partners. It was signed before the submission of the application and can be amended during the implementation of the project.

Each partner has to:

- **read the Partnership Agreement carefully** so as to be familiar with his rights and obligations in the project,
- **respect the rights and obligations set in the Partnership Agreement**,
- **communicate any official changes** in the organization (change of the legal representative, address of the organization etc.) to the LP **within 15 working days** after the change occurs.

If any changes will be necessary during project implementation, an Addendum to the Partnership Agreement will have to be signed by all Project Partners.

Program documents for the project implementation

The following Danube Transnational Program documents have to be respected during the project implementation:

1. DTP Implementation manual with its annexes (Annex 2);
2. Guidelines for Project Progress Report (PPR) (Annex 3);
3. Guidelines for Partner Report (PR) (Annex 4) – this Annex is accompanied by offline templates for PR. We kindly recommend you to use it, since working directly in the platform might sometimes be quite problematic (errors with unsaved data, lost information, etc)
4. Danube Control Guidelines with annexes (Annex 5)
5. Visual Identity Manual for DTP projects (Annex 6);
6. Communication Toolkit for DTP projects (Annex 7);

Partners have to respect any additional changes of the documents or new documents or templates prepared by the DTP during project implementation.

4. Starting up the project

The project implementation can start only after the final approval by the Monitoring Committee. The expenditures related to the project implementation are eligible from the starting date of the project – **1st of July 2020**.

4.1 What to do at the beginning of the project?

Tasks which have to be implemented at the beginning of the project by each Project Partner:

- organise **project management team in your organisation** (project manager, financial manager, communication manager and content manager, other team members),
- carefully read the Application form, Subsidy Contract, Partnership Agreement, programme Implementation manual and other programme documents,
- **contact your First level control** because there are reporting rules also on national level that need to be followed,
- establish a **separate accounting system or an adequate accounting code for all transactions relating to the ISTER project,**
- **assign your employees to the ISTER project:** check in the Application form which option did you choose (real costs or flat rate), check your budget, check the programme Implementation manual for different methods of assignment to the project and check with your First level control which documents are necessary for reimbursement of staff costs**,**
- find information about when to implement **public procurement procedures** for the purchases or services planned in the Application Form - each partner has to **assure enough time** to implement the procedures on time – in the right period,
- obey the **rules of public procurement** in their country and the DTP rules (whichever are stricter),
- contact LP in case you have any questions or doubts regarding project implementation
- Setup clear internal rules related to the project implementation (who is responsible of what; what type of internal procedures have to be followed for a smooth project implementation).

5. Project monitoring

This chapter contains detailed description of the implementation phases of the ISTER project and concrete explanation of tools for effective project management:

- content-related monitoring,
- monitoring of deliverables and outputs,
- financial monitoring,
- external evaluation,
- audit of the project and archiving.

5.1 Content monitoring

PROJECT WORK PROGRAMME

For easier tracking of the project activities and time plan defined in the Application form a **project GANTT chart** was developed.

The project GANTT chart includes names of WPs, activities, their duration, WP and Activity Leaders as well as planned outputs and deliverables per activity. The aim of the document is to enable overall control of the project plan and achievement of planned outputs and results in the provided time frames, respecting the set milestones. The project GANTT chart is available in Annex 8 ISTER GANTT chart.

Implementation of the Workplan will be monitored with the help of the Workplan tracking documents.

The workplan tracking document is an excel document (template in Annex 9) prepared for each Work Package in order to serve WP Leaders, Activity Leaders and the LP to follow the progress of each partner by tasks which are agreed at project meetings and in between. The tracking file contains information regarding the activities in the project and their related activities, including responsible and contributing partners, the timeframe of each activity, short descriptions and synergies with other Work Packages.

! All WP leaders are advised to organize their work in more detailed sub-tasks with their respective deadlines, in order to keep a proper evidence of the activities' evolution.

Process of updating the checklist will be the following:

1. The tracking file for each WP will be uploaded in a shared online folder for which all WP Leaders will receive access.

2. The responsibility of each WP Leader is to **update the tracking file** monthly or every two months, according to the amount of work and activities in their respective WP, in two ways:

- to update (add) **the tasks** if there were some new tasks defined in the last month,
- to update **the progress of each partner.**

3. If there will be a **deliverable or <u>output</u>** produced within a certain activity, WP Leaders will have to send the deliverable/output to the Project Management Team.

Through the tracking system, the Project Manager (LP) will monitor the project progress, remind partners about deadlines for sending the agreed outputs and make sure that project is following the implementation plan. The goal of this kind of monitoring is to assure better acquaintance with the project progress to everybody involved as well as better circulation of outputs.

<u>OUTPUT FACTSHEET – for each project output</u>

<u>Output factsheet</u> has to be prepared for <u>each finalised output of the project</u> by WP leader with approval of LP. The description is expected to be non-technical, easy to understand also by someone not being expert in the specific field and also sufficient for communicating to the general public what the project has achieved.

<u>The template for Output factsheet</u> is provided by the Danube Transnational Programme – check *Annex 2: DTP Implementation manual with annexes*.

<u>QUALITY REPORT – for each project output</u>

A first level of quality control is expected to be performed individually by each deliverable/ output responsible. The main author of a certain deliverable/ output shall define internally a fist quality control of the report, before handing it to the Quality Management Board. A second level of quality control lies in the responsibility of the independent **Quality Management Board** (QMB) **members assigned for each task** by project partners to ensure that the outputs delivered by the project partnership meet sufficient quality. Accordingly, the QMB is expected to prepare **Quality Reports** to be submitted with the PR of the respective period in relation **to each project output finalised** in a certain reporting period.

The QMB members assigned for each deliverable are expected to proofread, analyse and peer-review project outputs from the qualitative point of view, assessing and validating the quality of the final output by giving its written opinion (positive and negative aspects) in the Quality Report. For the validation of the quality of a final output, external qualified experts can also be involved. **QMB members have to provide feedback to the partnership and ensure that their findings are included in the final outputs**.

<u>The template for Quality Report</u> is provided by the Danube Transnational Programme – check *Annex 2: DTP Implementation manual with annexes*.

5.2 Financial monitoring

A **general financial plan**, summarizing the whole project budget and partner budgets, is available in the approved **Application Form (excel file). Detailed financial plans** (excel files) prepared for each Project Partner indicate the spending forecast per reporting period and divide the costs per work packages and budget lines. They are in accordance with the budget in the approved Application Form. These plans were prepared and sent to all partners at the preparation phase of the project and they have been updated when the project was approved.

Comments are inserted in most of the cells so that partners have full overview what a certain cost stands for. Partners are requested to follow closely the budget in the approved Application Form whereas detailed financial plans should serve partners to see more in detail how many staff costs and other costs were planned approximately for each activity and WP (this should serve employees to be able to allocate their working hours to the project).

Financial plans enable a good basis for control of the spending in each period. Spending will be monitored in the online Danube Program system (eMS – electronic monitoring system). However, each partner is responsible to keep track of their own budgets and announce the Lead Partner of any minor or major changes in the agreed budget.

! After the end of each reporting period, all partners will be informed about their spending (on how much they can spend in the next reporting period or warned if they are not spending enough).

Additional detailed system for monitoring the spending will be developed and led by Financial Manager which will have control over spending at the project level. Through this system a comparison between reported and validated costs and the spending forecast will be possible for each partner and at the project level. The Financial Manager will notify partners about their spending in each period and remind partners if they will face significant under or over spending.

5.3 Audit of the project and archiving

This chapter shortly describes the ways of monitoring and audits of the projects and the necessary documents that have to be retained.
There are different ways of monitoring and auditing the project implementation:

- first-year review,
- monitoring visits by the JS,
- first level audit,
- second level audit.

The JS monitors the progress of the project mainly through Progress Reports. To get more direct contact **the JS intends to visit the project at least once** during the project implementation period in the framework of **First-year review**. Before the first-year review no major project modification concerning budget and activities is allowed. Beyond the first-year review meeting, in case the content and financial performance of a project makes it necessary, additional **monitoring visits of JS** will be held.

The so-called **first level audit** is implemented at each reporting period by the First Level Control for Project Partners in each country and is covering the validation of project-related expenditure in the reporting period.

The **second level audit** can be implemented by the responsible auditing bodies of the EU, the member state, the Audit Authority, the Managing Authority, the JS or the Certifying Authority of the SEE programme.

<u>All organisations connected with the project implementation can be subject to monitoring and audit, namely Lead Partner and Project Partners.</u>

ARCHIVE:

The **list of documents that have to be retained by the LP and Project Partners** is listed in the table below. The LP is obliged to retain for audit purposes all files, documents and data about the project for a two year period from 31s December following the submission of the accounts in which the final expenditure of the completed project is included. The MA/IS will inform the LP about the beginning of the mentioned two years period.

Table 4 - List of documents that have to be retained by LP and Project Partners

No.	Document	Lead Partner	Project Partner
1	Approved Application Form	Original	Copy (of original signed by LP)
2	Partnership Agreement (and its amendments)	Original	Original
3	Subsidy Contract	Original	Copy
4	Amendments of the Subsidy Contract	Original	Copy
5	Progress Reports and Final Report (including quality reports)	Only electronic version	Only electronic version
6	Applications for Reimbursement	Only electronic version	Only electronic version
7	Partner Reports	Only electronic version	Only electronic version
8	Control Certificate	Only electronic version / only LP's Control Certificate in original	Original
9	Each invoice and accounting document of probative value related to project expenditure (originals to be retained at the premises of the Project Partner concerned)	Only the LP's invoices in original	Only PP's invoices in original
10	All supporting documents related to project expenditure (e.g. payslips, bank statements, public procurement documents etc.) to be retained at the premises of the Project Partner concerned	Only the supporting documents of the LP in original	Only the supporting documents of the PP in original
11	All project deliverables and outputs (materials produced during the project period including project communication related documents and material)	All project deliverables in original	Only the project deliverables of the PP in original
12	Quality Reports	Copy	Not relevant
13	Output Factsheet	Copy	Not relevant

14	If relevant, documentation related to on the spot checks of the Controllers (to be retained at the premises of the project partner concerned)	Only LP's on the spot check documentation in original	Only PP's on the spot check documentation in original
15	If relevant, documentation of monitoring visits of the MA / JS	Original	Copy
16	If relevant, audit reports	All audit reports, LP audit report in original, all other reports in copy	PP's audit report in original

6. Project changes

6.1 Minor and major project changes

During the project lifecycle, some changes might be necessary in project implementation documents. These changes have to be reported immediately by partners to the Project Manager and Financial Manager who will monitor project changes. There are two types of project changes for which a different procedure has to be followed:

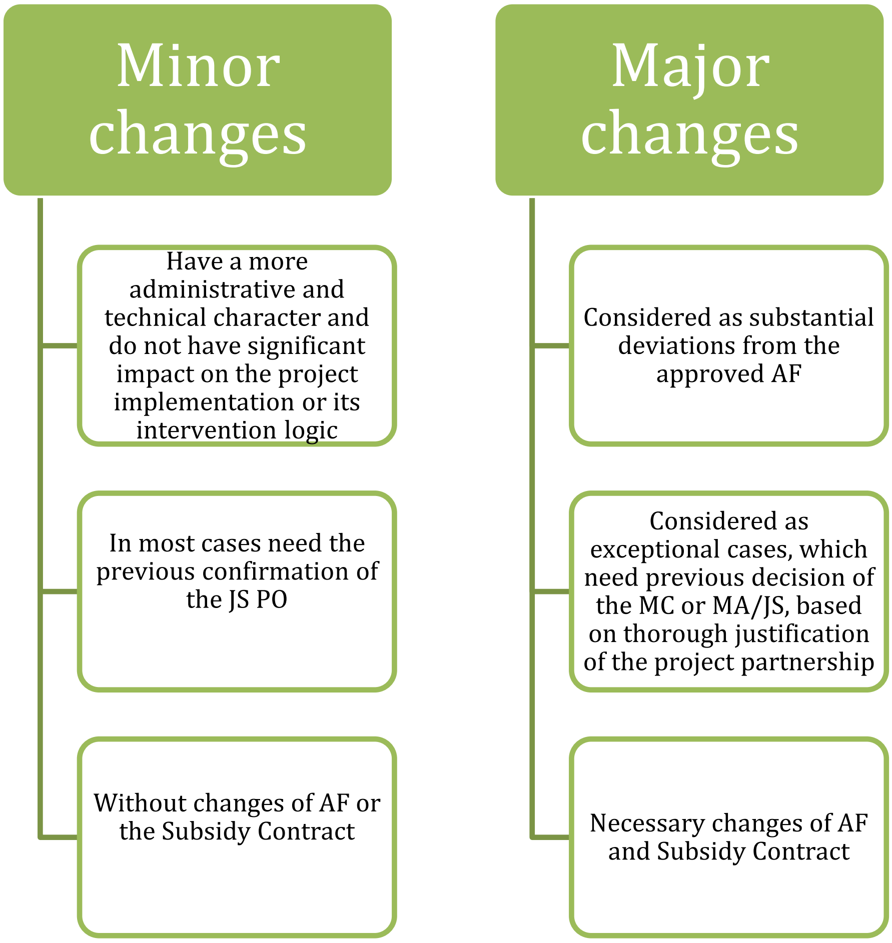

Figure 4 - Minor and major changes according to the Implementation Manual

In the first year of project implementation no major project modification concerning budget and activities is allowed.

The following project changes can be requested only once:

- budget reallocation among work packages and budget lines above the 10% limit
- prolongation of the project duration

The last request for modification of the Subsidy Contract can be submitted to the MA/JS **not later than three months before the end date of the project**.

! All changes must be communicated to the Project Manager and the Financial Manager immediately when they occur. The change can be implemented only after confirmation of JS PO or MC, MA, JS.

The Application Form should be respected to a maximum possible degree and substantial changes should try to be avoided during project implementation. The partners should be aware that more significant budget changes might be needed when project will approach to its end. Therefore, it is recommended to save them for the last part of the project and not use them at the project beginning

For more information about the project changes please read the program Implementation Manual (pages 36-46)

Table 5 - Summary table of types of project changes and related procedures (according to the Implementation Manual)

Type of change		*Procedure*
	Administrative changes (change of the official partner name, change of the legal representative, contact person, bank account of LP, legal succession of the LP or PP etc.)	PP notifies Project Manager and Financial Manager about the change when the change occurs (by e-mail). Project Manager or Financial Manager inform JS PO about the administrative change and send a fulfilled document "Change log file for minor changes". JS PO gives feedback – approve change or ask for additional explanations / documents. After JS PO approval the Project Manager gives feedback to PP. PP mentions the change in the next PPR. Project Manager mentions the change in the next Progress Report.
	Budget reallocations within 15% of PP's budget related to the increase of cost of equipment or infrastructure and works The expenditure connected to budget reallocations above 15% can be eligible and will be possible to be reported only after the MA/JS PO confirms the change request	Each PP has to timely inform the LP whenever they intend to reallocate budget among WPs or BLs and get their confirmation for FLC purposes. PP fills in the table for budget change (Annex 10). PP sends the table to the Financial Manager and Project Manager for confirmation. Financial Manager checks the suggested budget change, confirms or demands additional explanation. If the change is confirmed by the Financial Manager, the PP has to mention it in the next PPR. Project Manager has to permanently monitor the budget reallocations made by partners using Annex B2_Budget Reallocation/Project Modification Tool provided by the programme) to make sure that MA/JS PO's confirmation is requested The change is considered accepted if the Progress Report is accepted by the JS.

	Budget reallocations above 15% of PP's budget <u>Once the WP/BL budget reallocations of a PP reach 15% of their respective total budget, the LP shall always request the confirmation of the MA/JS PO for any further reallocations.</u>	Each PP has to timely inform the LP whenever they intend to reallocate budget among WPs or BLs and get their confirmation for FLC purposes. PP fills in the table for budget change (Annex 10). PP sends the table to the Financial Manager and Project Manager for confirmation. Project Manager requests the confirmation of the MA/JS PO for the reallocations above 15% of the PP's limit. MA/JS PO checks the suggested budget change, confirms or demands additional explanation. If the change is confirmed by the MA/JS PO, the PP has to mention it in the next PPR. Project Manager has to permanently monitor the budget reallocations made by partners using Annex B2_Budget Reallocation/Project Modification Tool provided by the programme) to make sure that MA/JS PO's confirmation is requested The change is considered accepted if the Progress Report is accepted by the JS.
	Minor changes in the project content (e.g. location of the meeting, small change of time plan, format of certain activities, deliverables, increasing the quantity of the outputs, deliverables)	PP has to immediately describe and justify the change, already before the change occurs, to the Project Manager and Financial Manager. Project Manager confirms or demands additional explanation and sends the proposal for change to the JS PO (fulfilled document "Change log file for minor changes"). If the change is confirmed by the Project Manager and JS PO, the PP has to mention it in the next PPR. Project Manager mentions the change in the next Progress Report.
	Change of an Associated Strategic Partner without budget reallocations	LP informs JS PO about withdrawing or new ASP. If ASP is to be changed the AF and "Change log file for minor changes" have to be updated. For new ASP signed ASP Declaration has to be sent to JS PO. JS PO confirm the change after receiving new ASP Declaration and necessary documents.
	Significant content change	PP has to immediately describe and justify the change, already before the change occurs, to the Project Manager and Financial Manager. The Project Management Team prepares a special form "Request for project modification" and submits it to the JS PO and MA/JS. Revised AF and other supporting documents have to be submitted. A requested modification has to be approved by MC. If the change is approved by MC, addendum to the Subsidy Contract is signed.

	Budget reallocation among Project Partners Budget reallocations are possible only among ERDF partners or among IPA partners respectively (funds of different sources cannot be mixed) In justified case (without partnership change).	PPs have to immediately inform the Financial Manager and Project Manager if they face big financial problems. Financial Manager and Project Manager prepare a special form "Request for project modification" and submit it to the JS PO and MA/JS. Revised AF and other supporting documents have to be submitted. A requested modification has to be approved by MA/JS or MC. If the change is approved by MC or MA, addendum to the Subsidy Contract is signed.
	Reallocation between budget lines / WPs more than 10 % of the total project budget (ERDF + IPA)	**Can be requested only once in the project duration** PPs have to immediately inform the Financial Manager and Project Manager if they face big financial problems. Financial Manager and Project Manager prepare a special form "Request for project modification" and submit it to the JS PO and MA/JS. Revised AF and other supporting documents have to be submitted. A requested modification has to be approved by MC. If the change is approved by MC, addendum to the Subsidy Contract is signed.
	Project duration prolongation	**Can be requested only once in the project duration not later than 3 months before the end date of the project.** The Project Management Team prepares a special form "Request for project modification" and submits it to the JS PO and MA/JS. Revised AF and other supporting documents have to be submitted. A requested modification has to be approved by MA/JS (up to 3 months) or MC (between 3 and 6 months).
	Partnership change	The Project Management Team prepares a special form "Request for project modification" and submits it to the JS PO and MA/JS. Revised AF and other supporting documents have to be submitted. A requested modification has to be approved by MA/JS or MC. If the change is approved by MA/JS or MC, addendum to the Subsidy Contract is signed.

Changes in spending forecast

Each PP has to strictly follow its spending forecast according to the approved AF.

The Partnership has the possibility to deviate from the spending forecasts laid down in the Subsidy Contract taking into consideration that in case of under-spending compared to the original spending forecasts, the MA/JS is entitled to assess the level of under-spending and the reasons for lower financial performance and, in such a case, the MA/JS is entitled to initiate the decommitment of the projects by the MC, which deviated negatively from the spending forecasts.

The partners have to respect the predicted spending forecast for each reporting period. In case there is a deviation it should be compensated in the next reporting period (e.g. if in one period the reported amount is smaller than planned it should be higher in the next one). Partners are allowed to exceed the spending forecast for a certain reporting period, as long as they remain within the total approved partner budget.

The LP can request amendment of the spending forecasts set in Subsidy Contract only in relation to substantial changes in the project affecting the project budget, otherwise amendment of the spending forecast cannot be requested.

Each partner has to spent at least 75% spending of the partner project budget.

6.2 Decommitment of the project and right of withdrawal

The MA/JS is entitled **to reduce the project budget and the corresponding contribution from the EU Funds (decommitment)**– on the basis of the decision of the Monitoring Committee – in case of any of the following circumstances:

- in case the LP submits the Progress Report and the Application for Reimbursement or the project modification request with unjustified delays, or more than two completions of the same Progress Report and Application for Reimbursement are attributable to the LP, the MA/JS is entitled to apply a proportional reduction to costs related to project management up to 25%;
- in case the LP does not report validated eligible expenditure according to the approved spending forecast in Subsidy Contract the MA/JS will assess the level of under-spending and the reasons for the lower financial performance; in such a case, the MA/JS is entitled to de-commit the project by reducing the project budget and the corresponding contribution from the EU Funds.

The MA/JS is **entitled to withdraw from this contract and to demand repayment of the EU Funds** in full or in part – on the basis of the decision of the Monitoring Committee in case the project has not been or cannot be fully implemented by carrying out the planned activities, the planned outputs and results as planned in the latest approved Application Form and by achieving at l**east 75% spending of the total project budget**.

7. Reporting

7.1 Introduction

According to its contractual obligation the Lead Partner has to regularly report about the project progress proving that the implementation is in accordance with the Subsidy contract and approved Application Form and justifying the reported, validated expenditures in connection to the application for reimbursement of the ERDF and the IPA contribution.

PPR – Project Partner Report prepared by each project partner and submitted to FLCs

PR – Progress Report prepared by the LP on the basis of input from partners and submitted to the JS

Therefore, the LP has to submit a Project Progress Report **(every 6 months)** describing the activities carried out and the outputs, deliverables delivered during the reporting period, as well as presenting the financial progress of the project.

The LP can only submit the **Application for Reimbursement** (AfR) to the Joint Secretariat by providing proof of progress of the project. Therefore, in order to provide adequate information on the progress of the project, each partner has to submit a **Partner Report** (PPR) to the FLC and the LP consisting of an **Activity Report** (describing the activities carried out and their outputs and results during the reporting period) and a **Financial Report** (presenting the financial progress of the project in accordance with the approved Subsidy contract and Application Form and in relation to the Activity Report).

The project is divided into 5 reporting periods (6 months period). PPRs need to be submitted at the end of each 6-month period. **Progress Reports** have to be submitted 3 months after the end of each reporting period. The **official deadlines** for reporting to the JS are as follows:

Table 6 - Official deadlines for ISTER Progress Reports (according to the 3rd call implementation timeline)

Period nr.	Reporting period	Deadline for submission of Progress Report to JS	Spending forecast EUR
1	01/07/2020 – 31/12/2020	01/04/2021	xxx
2	01/01/2021 – 30/06/2021	01/10/2021	xxx
3	01/07/2021 – 31/12/2021	01/04/2021	xxx
4	01/01/2022 – 30/06/2022	01/10/2022	xxx
5	01/07/2022 – 31/12/2022	01/04/2023	xxx

In general, approximately 2 more months are needed for checking the Progress Report by the JS (around 30 days for the first check, additional 15 days for some additional explanations / documents and rechecking the Progress report by JS) and 4 weeks for release of payments from the final approval of Progress report.

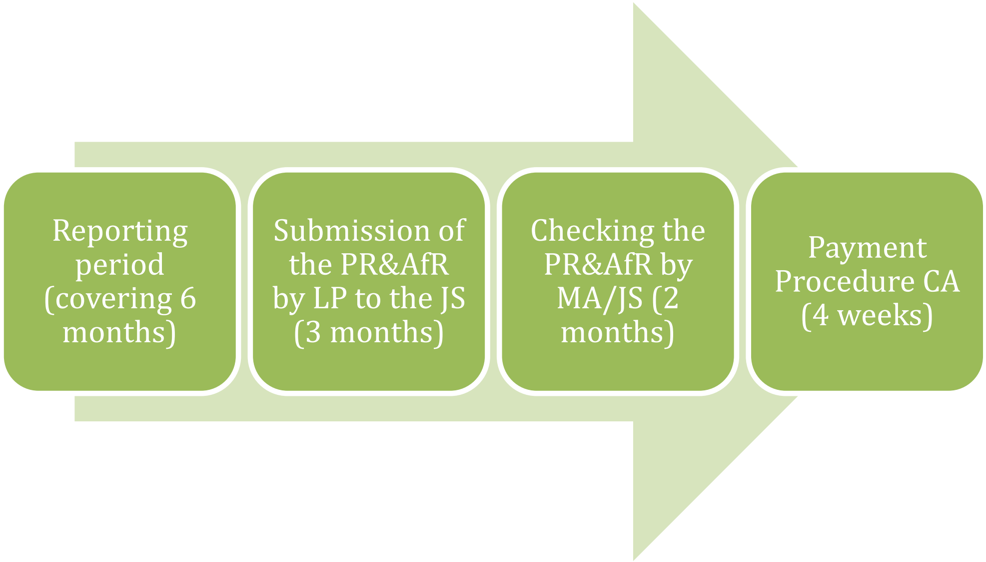

Figure 5- Timeline of Progress Reporting checking by the JS

7.2 When do I report? Reporting deadlines for partners

Table 7 - Reporting deadlines for partners

eriod no.	Reporting period	Sending PPR to the LP for checking	Submission of the PPR to the FLC	Submission of the final PPR and Control Certificate to the LP
1	01/07/2020 – 31/12/2020	10/01/2021	15/01/2021	15/03/2021
2	01/01/2021 – 30/06/2021	10/07/2021	15/07/2021	15/09/2021
3	01/07/2021 – 31/12/2021	10/01/2022	15/01/2022	15/03/2022
4	01/01/2022 – 30/06/2022	10/07/2022	15/07/2022	15/09/2022
5	01/07/2022 – 31/12/2022	10/01/2023	15/01/2023	15/03/2023

7.3 What is the reporting procedure?

In this chapter the **reporting procedure** is summarized into **8 steps**. The main purpose of these steps is to give general information for each phase of reporting while in boxed text you can find additional information or instructions.

STEP	RESPONSIBLE PARTNER	PERIOD
Preparing PPR in the e-system and notify the LP	All Pps, including LP	in 10 days after the end of reporting period (RP)
Checking PPR of PP by LP, providing feedback	Financial Manager, Project Manager	in 5 days from receiving PPR
Submission of the PPR to the FLC through the online system	All Pps, including LP	In 15 days after the end of RP
Submission of validated PPR with Control certificate to the LP	All PPs	15 days before Progress Report deadline for LP
Preparation and submission of Progress report by LP to JS	LP	3 months after the end of reporting period
Verification of the Progress report by JS	JS	1.5 months after the submission of PR to JS
Reimbursement of funds to LP	CA	4 weeks after the JS confirms the PR
Reimbursement of funds from LP to PPs	LP	within 30 working days after receiving the funds

Figure 6 - Guiding steps for the Reporting procedure (according to the Implementation Manual)

STEP 1: PREPARING PROJECT PARTNER REPORT (PPR) AND NOTIFYING THE LEAD PARTNER

a) The partners will have to prepare the PPR **by day 10 after the end of each reporting period in the Danube electronic exchange system.** PPR has to be in English. **All final deliverables and outputs** have to be uploaded to the system as well. Before submitting it to the FLC the Project Manager and the Financial Manager will check their report.

! Project partners are kindly asked to finish their PPRs with maximum 5 days before, in order for the LP to have enough time to check all of them before the final deadline (which, as stated above, is 10 days after each reporting period)

! In what concerns the first, the third and the fifth reporting periods (which correspond with Christmas holidays), Project Partners should upload their PPR before Christmas, in order for the LP to have enough time to check the reports after holidays.

b) When the PPR is prepared in online system than partners have to notify the Project and Financial managers to check the report.

Template of the Partner Report was provided by JS and can be found in *Annex 2: DTP Implementation manual with annexes*.

PPR will have to be prepared in **Danube electronic monitoring system.**

How to prepare your PPR?
Please consult:

- **Implementation Manual with annexes;**
- **Guidelines for Progress Reports;**
- **Danube Control Guidelines with annexes.**
- **Project Partner Report Template (pdf).**

The data that has to be inserted in the Partner Report:

Activity Report:

- summary, main achievements;
- project implementation timeframe and spending;
- target groups reached;
- description of each activity and location;
- description of final deliverables and outputs;
- information about the investment;
- final deliverables and outputs

Financial Report (expenditure incurred and paid in the given period)

- financial progress by WPs and budget lines;
- national co-financing;
- list of all invoices / supporting documents for the expenditures in respective period;
- revenues (if applicable).

Preparation of PPR – tips:

When preparing the PPR the partner budget tables have to be respected: sums per periods, per work packages and per budget lines. Costs can be shifted between activities within the same work package. Only as an exception and if it is absolutely necessary shifts can be made also between WPs and budget lines but not more than 5 % of the partner budget can be changed (only after approval of LP). For more

info see chapter 6 Project changes.

When preparing the Financial Report, partners are advised to:

1. First check the planned budget per WP and budget line for the respective period. Special financial plans per partner have been sent to all Project Partners already in the preparation phase.
2. Then insert all the invoices for travel, external experts, equipment and infrastructure and works and all documentation for staff costs.
3. Office and administrative expenditures – if you chose in the Application form the flat rate of 15% of eligible staff costs of the project than these costs will be automatically calculated in the PPR. No further justification or supporting document is needed.

! The PPR will have to be prepared and uploaded in the **Danube electronic monitoring system (eMS - https://ems.allamkincstar.gov.hu/ems/app/main?execution=e1s1).** Each PP has the responsibility to create an account on the eMS, and provide the LP with the user name in order to be assigned. After the creation of the account, LP MNIT will assign one or more users per project partner to ISTER project, in order to give access to all PPs to the project reporting. More information on the eMS and how the PPR must be done in eMS can be found in Annex 4 - Guidelines for Partner Report.

STEP 2: CHECKING PARTNER REPORT OF PARTNERS BY LEAD PARTNER

Financial Manager and Project Manager will check the reports and give **feedback** about the **content and financial progress** and if necessary, recommendations for improvement in order to ensure that the reports are in line with the planned activities and budget spending.

Partners will receive comments on their PPRs **within 5 days** after receiving the PPR. Partners have to respect comments from Financial Manager and Project Manager and revised the PPRs. PPRs should be submitted to FLCs only after the confirmation of the Financial Manager.

STEP 3: SUBMISSION OF THE PROJECT PARTNER REPORT TO THE FIRST LEVEL CONTROL (FLC)

When PPR is approved by the Project and Financial Manager it has to be submitted to the First Level Control (FLC). PPR has to be submitted to the FLC **by day 15 after the end of the reporting period** (or earlier if possible) **through the Danube electronic exchange system**.

Each Project Partner is responsible separately for having its expenditures validated by the FLC. The designated controllers and the control requirements for each Partner State are available at the Programme's website (http://www.interreg-danube.eu/relevant-documents/programme-main-documents)

FLC can demand additional corrections which have to be prepared within few days and sent to FLC again.

Project partners can submit maximum 2 Partner Reports of different reporting periods (one current and one previous which is delayed) to the Controller for validation for the same reporting deadline.

STEP 4: SUBMISSION OF VALIDATED PPR WITH CONTROL CERTIFICATE TO THE LP

On average the **validation procedure takes about 2 months**. The FLC issues a **Control Certificate** at least in one original (depending on national requirements further original(s) can be issued).

Immediately after receiving the Control Certificate the partner needs to **send a validated PPR and**

Control Certificate through the electronic system to Lead Partner.

When the Financial Manager confirms that the scanned Certificate is correct, partner needs to send **one original immediately (within 2 days) to the LP GI**.

If the **Control Certificate will not be issued by the FLC by the deadline for submission** of the joint Progress Report to the JS, the PPR and expenditures will be included in the following joint Progress Report. The partners should be in contact with their FLCs and inform the LP of any delays regarding the validation 15 days before the JS deadline for submission of the Progress Report at the latest.

STEP 5: PREPARATION AND SUBMISSION OF THE JOINT PROGRESS REPORT BY THE LP TO THE JOINT SECRETARIAT

Progress Report is a report that is **prepared at the end of each reporting period by the LP** on the basis of the input from all partners and their activities implemented in the respecting period.

Upon receiving all Partner Reports and Control Certificates the LP summarizes all data into a joint Progress Report which needs to be submitted to the JS within 3 months after the end of each reporting period. Together with the report the LP also submits the Application for Reimbursement which is the basis for reimbursement of costs.

Partners have to respect above mentioned deadlines because in case that Progress Report will not be submitted within the deadline set by the JTS, administrative costs for the project can be reduced for 25%. Also, if Progress Report deadlines will be missed, all partners need to wait for half a year longer for their reimbursement!

Table 8 - Documents to be submitted with the Progress Report, by the Lead Partner (according to the Implementation Manual)

No.	Type of the document	Form of submission
1	Progress Report	Electronic
	For finalized project deliverables, outputs (English version): Output Factsheet, Output Quality Report, Output Evidence – archived in a single zip folder Deliverable evidence	Electronic
2	Application for Reimbursement	Official signed (scanned and submitted in electronic format) and original version
3	Control Certificates	Official signed (scanned and submitted in electronic format) and original versions signed by the Controllers sent by post
4	Bank statements confirming the reimbursement amounts transferred from the separate project bank account to the PPs by the LP (all bank statements for the given reporting period)	Electronic (scanned version of the original)
8	Project Communication Plan (with the first PR)	Electronic
	Updated budget reallocation tool of the project	Electronic

! Only the AfR and Control Certificates are requested to be submitted in original by official post sent to the JS official address within 3 months from the end date of the reporting period.

STEP 6: VERIFICATION OF THE PROGRESS REPORT BY JOINT SECRETARIAT

Joint Secretariat will check the submitted Progress report and Application for Reimbursement and give feedback to the LP.

In case the PR has to be completed or additional clarifications or missing documents have to be submitted, and the Control Certificates do not need correction, the completed PR should be re- submitted within maximum 10 days (shorter deadlines might be given according to the urgency or the type of completion) after the notice sent by the MA/JS.

In case the PR and AfR have to be completed so that one or more Control Certificates also need to be reissued, the corrected PR and AfR, including the corrective version(s) of the Control Certificate should be resubmitted to the JS within maximum 20 days from the e-mail notification to the LP by the MA/JS.

For answering the questions of the JS, the LP will often need the support of project partners! If

completion is not successful, the Progress report can be rejected.

STEP 7: REIMBURSEMENT OF THE FUNDS TO THE LEAD PARTNER

After the approval of the PR and AfR by the MA/JS, the Certifying Authority initiates the transfer of the contribution from the EU Funs to the LP generally within 4 weeks.

STEP 8: REIMBURSEMENT OF THE FUNDS FROM LEAD PARTNER TO PARTNERS

Already before the first transaction all Project Partners have to send to the LP information about their bank account by using the document Bank statement (Annex 11). In case of change of the bank account the Project Partner has to notify the LP the latest 15 days after the change. In case such change will not be reported to the LP, any inconvenience occurred is the responsibility of the respective partner.

! Before the first transaction, all PPs have to send “Bank statement” (Annex 11) to the LP.

The LP will transfer the contribution to the PPs participating in the project according to the Application for Reimbursement approved by the Joint Secretariat the latest **within 30 working days** (usually earlier) after receiving the funds from the Certifying Authority (Partnership Agreement, Article 5).

! For more information about the Reporting please read the Implementation Manual (pages 24-33)

7.4 Eligibility of costs

For each budget line there is a short explanation of conditions and supporting documents needed to prove the cost at each reporting. It is not all encompassing, therefore please read the Implementation Manual and get in contact with your FLC. All budget lines are eligible only if they were planned in the Application Form.

! For more information about the eligibility of costs please read:

- Implementation Manual (page 23)
- Danube Control Guidelines with annexes
- Check with FLC for some additional national instructions.

Eligible project expenditure shall be incurred and paid within the project starting date and end date of the project according to the Subsidy Contract with the exception of:

- preparation costs (for LP);
- **control costs** related to the last Progress Report and Application for Reimbursement can be incurred after the end date of the project period, but it shall be paid within 60 days from the end date of the project at the latest;
- **costs reported in the last reporting period** and incurred before the end date of the project shall be paid within 60 days from the end date of the project; the deadline for payments is indicated in the subsidy contract.

Each partner is responsible for establishing a **separate accounting system or an adequate accounting code for all transactions relating to the ISTER project.**

Only **non-recoverable VAT** is **eligible** in the project. Each partner is responsible for checking its VAT status.

Original invoices / accounting documents: the Danube Transnational Programme, the Project code and Acronym have to be indicated by the Project Partner on the original invoices / accounting documents.

7.4.1 Staff costs

Members of the project team have to be executing tasks for the project activities or for project management. They have to be **employed** in the organisation **on the basis of a regular work contract**. The method of reimbursement of staff costs shall be fixed in the employment document.

According to the programme rules, staff costs may be reimbursed either:

- on a real cost basis
- as a flat rate up to 20% of direct costs other than staff costs.
  For the ISTER project, all partners have declared the staff costs on a real cost basis.
  Each partner chose one of these reimbursement options already in the AF and have to remain unchanged through the entire project period.

! For more information about the staff costs please check:

- The Application Form
- Implementation Manual
- Danube Control Guidelines with annexes
- Contact your FLC (rules might differ in each country)

Useful tip: choose full-time or part-time with a fixed percentage of time worked per month – timesheets are not necessary. Check with FLC.

Staff costs, reimbursed on real costs basis:

- staff members work **full-time or part-time** for the project.
- staff costs of the part-time employees have to be calculated using one of the **following methods**:

a. **Part-time with a fixed percentage of time worked per month** on the operation, with no obligation to establish a separate working time registration system.

b. **Part-time with a flexible number of hours worked per month**; in line with a number of hours varying from one month to the other worked on the operation, based on a time registration system covering 100 % of the working time of the employee.

c. On an **hourly basis**

7.4.2 Office and administrative expenditure

Office and administrative costs related to the project implementation shall be declared on a flat rate basis of 15% of the eligible staff costs of the project (i.e. costs declared under "Budget line 1 Staff costs" no matter if the flat rate or real costs method is used for the staff costs). Check the Application form if you planned office and administrative expenditures in your budget.

- the same **flat rate (15%) shall be automatically applied for each reporting period**, by each PP.
- in case staff costs are not declared for the relevant reporting period, the office and administrative expenditure shall not be declared.
- no further justification or supporting document is needed from the PPs to justify the Office and administrative costs declared.

7.4.3 Travel and accommodation costs

Project related **travelling costs of the project staff employed by the beneficiary** are eligible for financing under the travel and accommodation costs budget line. The PPs can choose from the following 2 options in accordance with the national/ internal rules:

1. **Eligible expenditure includes (exhaustive list):**

- travel costs
- costs of meals
- accommodation costs
- visa costs
- daily allowances

! For more information about the travel and accommodation costs please check:

- The Application Form
- Implementation Manual
- Danube Control Guidelines with annexes
- Detailed excel budget

2. **Eligible expenditure includes**:

Per diems according to the EC-funded external aid contracts. In this context, per diems cover accommodation, meals, local travel within the place of mission and sundry expenses. The current per diem rates can be found on the EC website: https://ec.europa.eu/international-partnerships/system/files/per-diem-rates-20200201_en.pdf.

Main conditions:

- only travel costs of the project staff can be declared (i.e. persons employed by partner organisation).
- travel costs must be directly allocated to the project.
- travel can only be performed **within the Danube Transnational Programme area**, except if otherwise planned in the AF. Any travel outside the Danube Transnational Programme area has to be approved in advance by the JS otherwise such costs will not be eligible.
- means of transport and accommodation are selected considering **cost-efficiency** (no business or first class tickets, only middle price range accommodation costs). Some national rules apply so please check with your FLC.
- **per diems** must be calculated according to national rules of the partner organisation.
- the duration of the travel must be clearly in line with its purpose (from the day before to the day after the meeting).

ASP travel and accommodation:

Travelling costs of the Associated Strategic Partners (ASPs) are eligible, where the invoice and/or the relevant accounting document is addressed to the "sponsoring" ERDF Partner and it is directly paid or reimbursed by the ERDF Partner before submitting the expenditure for validation to the Controller.

Main conditions:

- financing partners are financially responsible towards the MA/JS through the LP (in this specific case, only the sponsoring ERDF PP and not the ASP);
- controllers are entitled to verify only costs incurred and paid by financing partners (in this specific case, only controllers of the sponsoring ERDF PP can verify the paid costs for the travel and accommodation of the sponsored ASP. They can check, if the sponsoring ERDF PP paid costs according to EU/ Programme / national / institutional rules, but cannot do the same for payments carried out by ASPs);
- invoices and/or accounting documents have to be issued on the name of the financing partner (they shall be issued on the name of the sponsoring ERDF PP).
- as a consequence, travel and accommodation costs of the ASP are eligible in accordance with the EU regulations programme, as well as the national and institutional rules of the sponsoring ERDF PP.

Payment of travel and accommodation costs of the ASP shall follow the above mentioned principles and rules and might be different from country to country. This also means that project partners shall contact their Controller on how national / ERDF sponsoring PP institutional rules shall be applied based on the three principles stated above.

7.4.4 External expertise and service costs

External expertise and services are eligible if:

- the work of the external expert is essential to the project;
- rates charged by the external expert are reasonable;
- the selection of external experts complies with the relevant National Public Procurement Law in force for ERDF partners and with the provisions of the Financial Regulation (Chapter 3 of Title IV of Part Two) and the Delegated Regulation (Chapter 3 of Title II of Part Two) for IPA partners;
- programme specific rules shall be applied for the procurements between 5,000 EUR (excluding VAT) and the

national public procurement thresholds: Three offers need to be collected (or at least requested)

- Project Partners or ASP's cannot be contracted as external experts or subcontractors.
- Travel and accommodation for external experts, speakers, chairpersons of meetings and service providers shall be declared under this budget line in the framework of their contract.

! For more information about the external expertise and service costs please check:

- The Application Form
- Implementation Manual
- Danube Control Guidelines with annexes
- Detailed excel budget

7.4.5 Equipment and infrastructure and works expenditure

Each PP has to inform the LP whenever they intend to reallocate budget related to equipment and infrastructure and works expenditures. For this type of expenses are allowed budget reallocations within 15% of the total PP budget. If the budget reallocation for expenditure/infrastructure and works exceed the 15%, the LP has to request the confirmation of MA/JS PO for any further reallocations.

7.4.6 Ineligible expenses

- fines, financial penalties and expenditure on legal disputes and litigation
- costs of gifts, except those not exceeding 50 EUR per gift where related to promotion, communication, publicity or information
- costs related to fluctuation of foreign exchange rate
- Interest on debt
- purchase of land and existing buildings
- value added tax except where it is non-recoverable under national VAT legislation
- contributions in kind, as defined in Article 69(1) of regulation (EU) No. 1303/2013
- project expenditure split among PPs (i.e. sharing of „common costs")
- second hand equipment

7.4.7 Currency exchange

In the financial part of the Progress and Partner Reports all the expenditures have to be submitted in EUR. Each PP shall convert into Euro the amounts of expenditures in the list of invoices incurred in different currency that Euro.

Expenditure incurred by project partners in a currency other than the euro shall be converted into euro by using the **monthly accounting exchange rate of the European Commission** (https://ec.europa.eu/international-partnerships/system/files/per-diem-rates-20200201_en.pdf) <u>in the month during which expenditure was submitted for verification to the controller</u>.

The date of submission for verification to the controller is the day on which the project partner submitted for the first time the Partner Report to the Controller. This means that an expenditure incurred and paid in reporting period 1 is submitted by the Project Partner only in reporting period 2 to the Controller, therefore the exchange rate relevant for reporting period 2 shall be applied. This method shall be applicable to all project partners.

8. List of Annexes

Annex 1 – ISTER Contact database
Annex 2 - DTP Implementation manual with annexes Annex
Annex 3 - Guidelines for Project Progress report
Annex 4 – Guidelines for Partner report (including an offline template for the report)
Annex 5 - Danube Control Guidelines with annexes
Annex 6 – Visual Identity Manual for DTP projects
Annex 7 - Communication Toolkit for DTP projects
Annex 8 – ISTER GANTT chart
Annex 9 – Workplan tracking document (internal checklist for each WP)
Annex 10 – Table for budget changes (<u>only for major changes</u> – See Implementation Manual, pp 39-46)
Annex 11 – Bank statement
Annex 12 – Steering Committee Declaration (only for WP leaders)
Annex 13 – ISTER_Budget reporting_per period
Annex 14 - ISTER_Internal Fiancial tool_LP_budget overview (used only by the LP, based on Annex 13_ ISTER_Budget reporting per period)