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## TERMS OF REFERENCE

**Position title:** First level controler

**Place of the activities** Republic of North Macedonia

**Programme** INTERREG IPA Cross-Border Cooperation Programme between Republic of Bulgaria and Republic of North Macedonia 2014-2020, INTERREG IPA CrossBorder Cooperation Programme between Republic of Greece and Republic of North Macedonia 2014 - 2020 and Translational programme Balkan-Med 2014 - 2020

**Duration** Up to whole programing period



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## **1. Background**

### **Background:**

INTERREG IPA Cross-Border Cooperation Programme between Republic of Bulgaria and Republic of North Macedonia 2014-2020 CCI No: 2014TC16I5CB006, INTERREG IPA CrossBorder Cooperation Programme between Republic of Greece and Republic of North Macedonia 2014 - 2020 and Translational programme Balkan-Med 2014 - 2020

## **2. Purpose of the service**

Before submission to the Joint Secretariat, each progress report must be verified and validated by an independent controller.

This process is carried out by a qualified first level controller - usually auditors or certified public accountants - to verify that the expenditure incurred to implement the project complied with the relevant EU, national, regional, institutional and programme rules as well as with the provisions of the subsidy contract and the approved application form.

The main aim of the controls is to provide a guarantee for the Managing Authority, the Certifying Authority and, most importantly, for the project itself, that costs co-financed under the Interreg NWE Programme are accounted for and eligible.

## **4. Scope of services**

The first level controllers' task is to verify that the expenditure reported by the partners in each progress report fulfils the following conditions:

- the costs are eligible, incurred and paid;
- the programme's conditions, the approved application form (AF) and the subsidy contract have been observed and followed;
- the invoices and payments are correctly recorded and sufficiently supported by evidence;
- the related activities, sub-contracted supplies and services are in progress or have been delivered or carried out;
- Community rules have been respected, especially with regard to information and publicity, public

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procurement, State aid, equal opportunities and protection of the environment.

The first level controller should be able to establish a full audit trail of the expenditure claimed by the project partner. This means that there is a comprehensive set of documents that provides both a complete history of a project and evidence that proper procedures were applied and outcomes achieved. It should therefore be possible for the first level controller to trace the costs claimed from the application form, via procurement and accounting documents to the payment from the partner's bank account. The signed subsidy contract and partnership agreement are available in the eMS for the controllers as an annex to the application form in the JS attachment section.

The controllers have to be familiar with the content of the following documents in order to be able to confirm the compliance with the provisions laid down in the EU regulations and directives, i.e. in particular with:

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- Regulation (EU) No 1303/2013 (Common Provisions Regulation) (including article 271 of Regulation (EU) No 2018/1046 amending Regulation (EU) No 1303/2013
- Regulation (EU) No 1301/2013 (ERDF Regulation)
- Regulation (EU) No 1299/2013 (European Territorial Cooperation Regulation)
- Regulation (EU) No 481/2014 (Eligibility of expenditure for Cooperation

Programme s)

- EU Directives on public procurement
- the Programme Manual
- the application form
- the subsidy contract
- the partnership agreement
- further national rules and guidance (e.g. national public procurement rules)

If there are amendments to the project application form, subsidy contract and partnership agreement, both the lead and other partners need to ensure that the latest version is made available to the first level controllers.

## **5 . Outputs:**

Following the lead partner principle, the lead partner bears the overall responsibility for ensuring the implementation of the project. Before submitting a consolidated project report, the lead partner needs to have this report reviewed by the LP FLC. The lead partner's FLC will have to answer

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additional questions in the LP FLC checklist which relate to all partners' expenditure.

When submitting a progress report, the lead partner has to:

- ensure that the expenditure reported by the partners has been incurred for implementing the project and corresponds to the activities agreed between all the partners, i.e. is in line with the application form and subsidy contract. Any deviations from the application form, should they exist, have been properly described and justified in the progress report;
- check that amounts and activities reported are correctly integrated in the joint progress report and give a correct description of the implementation and present status of the project;
- check that the overall spending in any budget line does not exceed 120% at project level;

The Programme therefore asks the FLC of the lead partner to confirm that:

- the documents presented by the project partners are complete and have been validated by the partner FLC.
- the information provided in the checklist of the partners' FLC is sufficient.
- the ERDF payment from the lead partner to the project partners has been made without unnecessary delays and in full.

On the spot checks.

The first level controllers have to verify that the reported activities have taken place and that the delivery of sub-contracted supplies, work and goods is in progress or completed. In accordance with Regulation (EU) No 1303/2013 Article 125 (5), this verification needs to take place on the spot, at least once during the project's lifetime. At the same time, the Regulation stipulates that the means invested on 'on the spot' verifications should remain proportionate to the costs to be verified and the level of risk identified.

## **6. Contracting Authority and its role**

The programme authorities have a zero-tolerance policy to fraud. The programme is strongly committed to prevent and detect cases of fraud. For this reason, it has set up robust control systems, measures and procedures and will follow-up on all cases of suspected fraud. We also encourage all partners, first level controllers and contractors to do their utmost to prevent fraud from happening, to put in place proportionate measures to detect it and to come forward with any suspicion of fraud in relation to the programme.

For FLCs, a specific programme template is available to report cases of suspected or established fraud outside the eMS directly to the audit and control officer of the programme (see the NWE website programme and support unit for contact details).



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The programme recommends that project partners and first level controllers pay attention to staff costs (e.g. plausibility of staff costs in light of the activities performed, risk of double financing) and public procurement (e.g. potential conflict of interest, splitting of contracts - see also section 5.5 of the programme manual) as they have been identified as the two riskiest areas for irregularities and fraud in NWE.

This is the reason why the FLC checklist tackles fraud risks in these areas. The programme and national authorities as well as the second level auditors may also carry out targeted verifications concerning project partners to identify potential risks of irregularities or fraud.

## **7. Main tasks and responsibilities**

- verification of the delivery of the products and services (as described in the approved Application Form, which is the reference point for the approval decision regarding the activities and finance; and/or the project subsidy contract
  - which sets the legal background for the implementation of the project.);
- verification of the soundness of the expenditure declared;
- verification of the compliance of such expenditure with Programme, EC and national rules.
  - two main types of checks for the implementation of the FLC
    - documentary and on the spot checks.
- validation of expenditure incurred by the controlled project partner;
- validation of the content of both the activities (if possible, necessary or applicable) and the finances of the partner;
- preparation of his part of the Project Partner's Invoice Report with the attached financial report and list of contracts (Annex 5.1);
- preparation a FLC 'Report and Checklist' (Annex 5.4) on the control performed;
- signing a 'Certificate for Validation of Expenditures' (Annex 5.5)
  - by signing this document the controller verifies only the eligible expenditures, specifies the ineligible and declares the proper use of funds.

## **8. Expert Profile and qualifications**

The experts should have the following educational and professional qualifications:

- University degree from the Faculty of Economics, Faculty of Law or other social sciences (Max 20 points)
- Knowledge of PRAG, EU and national regulative related to first level financial control, as well as

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IPA Cross-border cooperation Programmes, as well as willingness to travel. (Max 20 points)

- Excellent English speaking and writing skills.(max 20 points)
- At least two (2) years of professional work experience after graduation in the field of public administration, private sector including non-governmental organizations (max 20 points)
- Mandatory work experience in finance and accounting (max 10 points)
- Experience or knowledge of local procurement regulation shall be considered as an asset experience with EU programmes and Practical Guide to the Contract procedures for EC external actions (PRAG) will be considered as an advantage (max 10 points)

#### General Competencies

- Ability to work in a team in a multi-cultural environment;
- Ability to multi-task and work irregular and long hours; and
- Flexibility to travel as required.

#### **9. Engagement Period and location:**

The FLC will be engaged **within the period of programing period of IPA 2.**

#### **10. Language of the Specific Contract**

Proposals, correspondence and documents relating to the deliverables should be submitted in the official programme language which is English.

#### **11. Evaluation Criteria**

The maximum number of points is 100. The applicants who will gather a scope of points of minimum 60, will be invited in the second phase – interview.

#### **12. Termination**

The contract can be terminated by either side on giving a Notice period of 10 (ten) days. During the Notice Period, both parties shall carry out their work conscientiously. At the end of the Notice Period, the Expert shall hand over all documents and relevant updates to the CA.

#### **13. Submission**



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The applications shall submit its proposal for this assignment latest by **31<sup>th</sup> of July 2023 14:00 h.**

The contract will be awarded to the applicants based on the evaluation criteria.

Before deadline, the applicants must submit the following documents:

- Certificate/Diploma for Completed Higher Education
- Biography (CV)

Necessary documents to be delivered to the following address:

Ss Cyril and Methodius, 54, Skopje, 1000

Republic of North Macedonia

**NOTE:** Application shall be submitted in a sealed cover by post mail/courier (not by mail) to reach the above mentioned address before the prescribed date with sign “DO NOT OPEN” and application for FLC controler.

**Note**

The above job description is meant to describe the general nature and level of work being performed. It is not intended to be construed as an exhaustive list of all responsibilities, duties and skills required for the position.



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