

Interreg



Co-funded by
the European Union

IPA South Adriatic



Standard projects IMPLEMENTATION PHASE: PUBLIC PROCUREMENT in IPA III



REGIONE
PUGLIA

PUBLIC PROCUREMENT IN IPA III

LEGAL BASE – ARTICLE 58 Reg. (EU) 2021/1059 – ETC Regulation

Where the implementation of an operation requires procurement of service, supply or works contracts by a beneficiary, the following rules shall apply:

- (a) where the beneficiary is located in a Member State and is a contracting authority or a contracting entity within the meaning of the Union law applicable to public procurement procedures, it shall apply national laws, regulations and administrative provisions;
- (b) where the beneficiary is a public authority of a partner country under IPA III or NDICI whose co-financing is transferred to the managing authority, it may apply national laws, regulations and administrative provisions, provided that the **financing agreement allows it** and that the contract is awarded to the tender **offering best value for money**, or as appropriate, to the tender **offering the lowest price**, while avoiding any conflict of interests.

For the award of goods, works or services in all cases other than those referred to in paragraph 1 of this Article, the procurement procedures provided for in Articles 178 and 179 of the Financial Regulation and points 36 to 41 of Chapter 3 of Annex I to that Regulation shall apply.

PUBLIC PROCUREMENT IN IPA III

IPA III FINANCING AGREEMENT

Article 16 - Procurement rules applied by entities implementing operations under the Programme

Where the implementation of an operation requires procurement of service, supply or works contracts by a beneficiary from Albania/Montenegro, the procurement procedures set out in **Annex II** shall apply.

The **ANNEX II of the Financing Agreement** is mirroring the relevant provisions of the EU Financial Regulation (*Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union*) i.e. Title VII Chapters 1-3 articles 160-179 and Annex 1.

PUBLIC PROCUREMENT IN IPA III

General provisions

Principles applicable to contracts and scope (mirroring art. 160 of the Financial Regulation)

All contracts financed by a grant contract shall respect the principles of transparency, proportionality, equal treatment and non-discrimination.

All contracts shall be put out to competition on the broadest possible basis, except when use of negotiated procedure. The estimated value of a contract shall not be determined with a view to circumventing the applicable rules, nor shall a contract be split up for that purpose. The grant beneficiary, acting as contracting authority, shall divide a contract into lots, whenever appropriate, with due regard to broad competition.

Grant beneficiaries shall not use framework contracts improperly or in such a way that their purpose or effect is to prevent, restrict or distort competition.

PUBLIC PROCUREMENT IN IPA III

The PRAG – Practical Guidelines

A useful practical tool (but **not** a source of EU law) in management of public procurement are the so called **PRAG Procurement and Grants for European Union external actions – a Practical Guide**. Document providing guidance and formats for procurement procedures, including IPA pre-accession funds. The manual is based on the EU Financial Regulation and the Common Rules and Procedures for the Implementation of the Union's instruments for External Action (Council Regulation 236/2014).

https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/procedures-and-practical-guide-prag_en

WARNING!

PRAG are applicable for Albanian and Montenegrin beneficiaries

PUBLIC PROCUREMENT IN IPA III

The PRAG – Practical Guidelines



INTPA PRAG

Applicable as of 20 January 2025

Download the  PRAG document

PRAG 2025 - Matrix of changes

Interreg

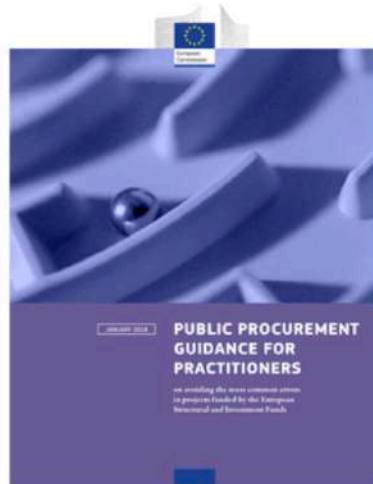


Co-funded by
the European Union

IPA South Adriatic

PUBLIC PROCUREMENT IN IPA III

Public Procurement - Guidance for practitioners (2018)




Guidelines

Date: 13 feb 2018

Period: 2014-2020

Theme: Structural Funds management and Governance

Languages:  [bg](#) | [cs](#) | [da](#) | [de](#) | [el](#) | [en](#) | [es](#) | [et](#) | [fi](#) | [fr](#) | [hr](#) | [hu](#) | [it](#) | [lt](#) | [lv](#) | [nl](#) | [pl](#) | [pt](#) | [ro](#) | [sk](#) | [sl](#) | [sv](#)

[Download](#)

https://ec.europa.eu/regional_policy/information-sources/publications/guidelines/2018/public-procurement-guidance-for-practitioners-2018_en

PUBLIC PROCUREMENT IN IPA III

MOST COMMON ERRORS

Choice of the procedure

Absence of tendering or inappropriate procedure

Cases not justifying the use of the negotiated procedure without prior publication of a contract notice

Unlawful splitting of contracts

Underestimated contract value

Publication

Non-compliance with publication requirements

Non-compliance with time limits and/or extended time limits for receipt of tenders or requests to participate

Insufficient time for potential tenderers/candidates to obtain tender documentation

Failure to publish the selection and/or award criteria in the contract notice or in the specifications

PUBLIC PROCUREMENT IN IPA III

Most common errors in procurement (EU Court of Auditors)

- Insufficient publication of procurement procedure (e.g. direct award without any prior notification, notification only on national or regional instead of EU-level);
- Imprecise definition of the subject-matter of the contract to be awarded or deadlines for the submission of tenders not in compliance with applicable legislation;
- Mix-up of selection and award criteria;
- Use of discriminatory or dissuasive selection or award criteria;

PUBLIC PROCUREMENT IN IPA III

Most common errors in procurement (EU Court of Auditors)

- Unlawful splitting of contracts;
- Use of wrong procurement procedure;
- Unlawful application of exemption rules;
- Unlawful negotiation during award procedure;
- Modification of a tender or criteria during evaluation;
- Unlawful substantial contract modification or purchase of additional works, services or supplies.

PUBLIC PROCUREMENT IN IPA III

Lessons learnt - Audit Authority findings 14/20

- A - Irregularity and / or lack of complete documentation on the procurement and assignment procedures, i.e. deficiency in the documentation submitted in relation to:
- A1 - motivation of the type of procedure applied, the implementation of adequate advertising procedures in line with the legislation applied, receipt and evaluation of offers / candidacies and related award communication;
- A2 – contract terms / assignment to selected contractors / professionals;
- A3 - absence of the conflict of interest of the members of the committee assessing the offers and of the external consultants.

PUBLIC PROCUREMENT IN IPA III

Lessons learnt - Audit Authority findings 14/20

- B - Irregularity on contract implementation:
- B1 – payments made without supporting documents;
- B2 – deficiency in the documentation submitted in relation to taking over procedure of works and equipments;
- B3 – physical lack of equipment at the premise of the beneficiary.

PUBLIC PROCUREMENT IN IPA III

The Check List on Procurement

- ✓ General data - Tender Documentation
- ✓ Publication
- ✓ Adopted tender procedure
- ✓ Procedure for opening tenders
- ✓ tender evaluation procedure
- ✓ Award procedure
- ✓ Signature of the Contract
- ✓ Tender documentation storage
- ✓ Contract performance
- ✓ Negotiated procedure for additional works / services / supplies

Interreg



Co-funded by
the European Union

IPA South Adriatic



Standard projects REPORTING PHASE:

MANAGEMENT VERIFICATIONS & PAYMENT PROCEDURES



REGIONE
PUGLIA



CONTROLS AND MANAGEMENT VERIFICATIONS IN IPA III

LEGAL BASE ART. 74 p.1(a) REG. UE 2021/1060 CPR REGULATION

- (a)carry out **management verifications** to verify that the co-financed **products and services have been delivered**, that the operation **complies with applicable law, the programme** and the conditions for support of the operation, and:
 - (i) where costs (**REAL COSTS**) are to be reimbursed pursuant to point (a) of Article 53(1), that the amount of expenditure claimed by the beneficiaries in relation to these costs has been paid and that beneficiaries maintain **separate accounting records** or use **appropriate accounting codes** for all transactions relating to the operation;
 - (ii) where costs (**SCOs**) are to be reimbursed pursuant to points (b), (c) and (d) of Article 53(1), that the **conditions for reimbursement** of expenditure to the beneficiary have been met (**i.e. minimum requirements of relevant SCOs**)

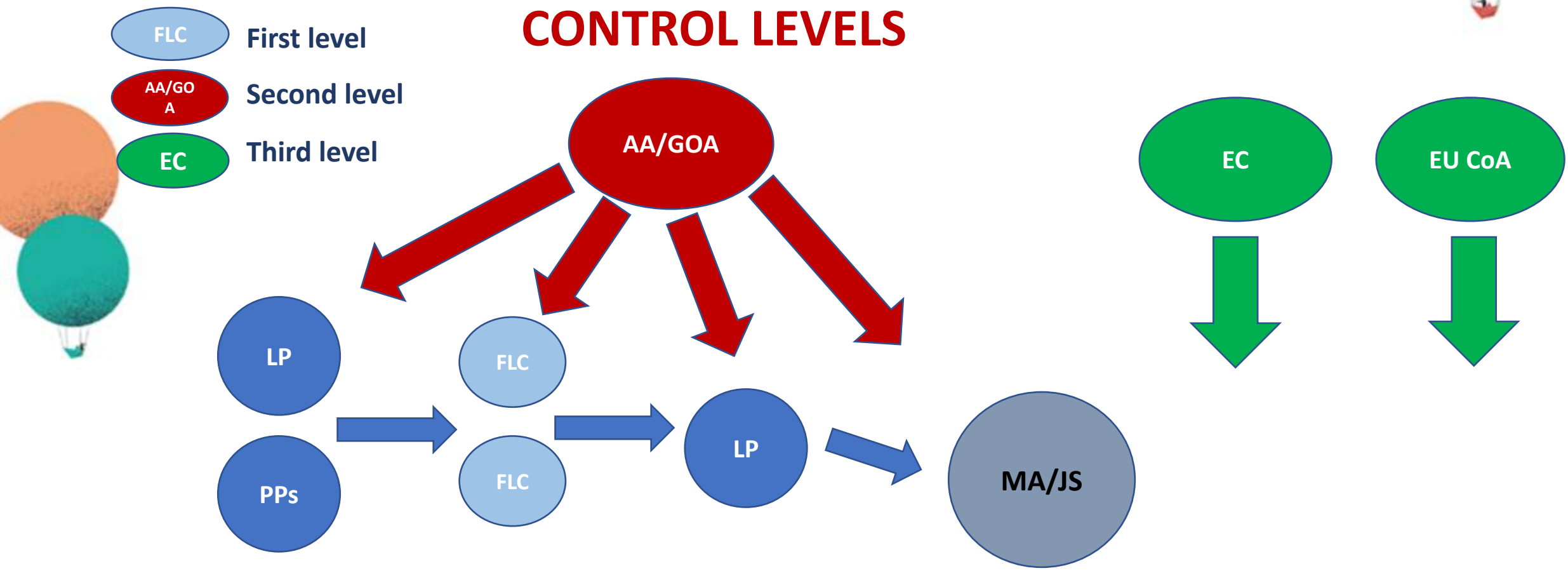
CONTROLS AND MANAGEMENT VERIFICATIONS IN IPA III

LEGAL BASE ART. 46 REG. UE 2021/1059 ECT REGULATION

...the Member States, and where applicable, the third country, partner country or OCT, participating in the Interreg programme, may decide that management verifications referred to in point (a) of Article 74(1) of Regulation (EU) 2021/1060 are to be done through the identification by each Member State of a body or person responsible for this verification on its territory (the 'controller')

Each Member State, third country, partner country or OCT shall be responsible for verifications carried out on its territory.

CONTROLS AND MANAGEMENT VERIFICATIONS IN IPA III



CONTROLS AND MANAGEMENT VERIFICATIONS IN IPA III

National control systems of the South Adriatic



ITALY

De-centralized system

Each beneficiary appoints its FLC

Programme Roster. The Programme is going to launch a public call for the institution of a «List» of qualified controllers.

National Roster. DIPCOE (Italian Department of Cohesion Policy) is going to publish a national «List» of qualified controllers for the verifications in ETC Programme involving Italian territories.

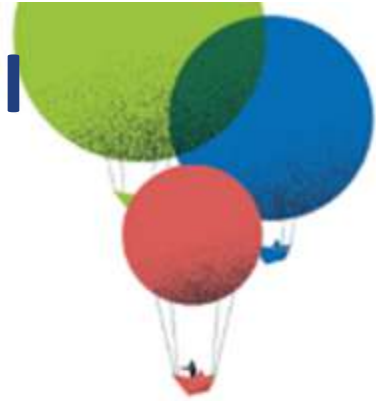


ALBANIA and MONTENEGRO

Centralized system

The FLC is a unit of competent Ministry or National Agency (i.e. SASPAC in Albania and Ministry of Finance in Montenegro)

CONTROLS AND MANAGEMENT VERIFICATIONS IN IPA III



Italian National control systems – PROGRAMME ROSTER

- ✓ List of qualified controllers selected on the basis of defined professional criteria (Public open Call)
- ✓ The MA select the controllers and establish the List (Roster), the list is open
- ✓ The beneficiary send to MA a request of appointment of the FLC
- ✓ The MA send to beneficiary a short list (3 FLC), and the beneficiary appoints the FLC accordingly



QUESTIONS AND ANSWERS



Interreg



Co-funded by
the European Union

IPA South Adriatic



Thanks for your attention

Contacts:

Joint Secretariat

js@southadriatic.eu

www.italy-albania-montenegro.eu

