



# Ministry of Development, Public Works and Administration

GENERAL DIRECTORATE EUROPEAN TERRITORIAL COOPERATION  
JOINT MANAGING AUTHORITY FOR  
JOINT OPERATIONAL PROGRAMME BLACK SEA BASIN 2007-2013

**Right of reply of the Joint Managing Authority for the Joint Operational Programme 2007-2013 following the presentation «Managing EU funds in Ukraine: external challenges» delivered during the online event «Financial Instruments of Implementation Support of CMA and SRIA in Ukraine», on the 3rd of March 2021**

In reference to the information disseminated to the participants to the event “Financial Instruments of Implementation Support of CMA and SRIA in Ukraine”, by the presentations “Managing EU funds in Ukraine: external challenges”, delivered by the NGO “Centre of Regional Studies”, Ukraine,

While acknowledging the complexity of the projects under cross-border cooperation and especially under the Joint Operational Programme Black Sea Basin 2007-2013,

In order to provide a fair view of the state of facts, with due consideration of the EU rules governing the implementation of the Programme,

The Joint Managing Authority the Joint Operational Programme Black Sea Basin 2007-2013 brings the following clarifications:

❖ **As regards the disbursement of funding made by the Joint Managing Authority:**

The disbursement of funds to the projects was made in accordance with the provisions of the grant contracts signed with the beneficiaries, based on the instalments set therein (two pre-financing instalments and one final payment), respecting both the maximum percentages and the maximum amounts. Nevertheless, the actual amounts depended on the actual level of funds spent by the partnership, as well as on the eligibility of costs.

The disbursement of funds by the Lead partner to its partners was made in accordance with the partnership agreements signed between them.

There was no timetable set by the grant contracts, except for the first pre-financing instalment, the disbursement of the instalments depending on the implementation capacity of the project partnership.

❖ **As regards the audit of projects carried out by the Joint Managing Authority:**

The Joint Managing Authority (JMA) carried out annual audits of the financed projects, in accordance with the *Regulation (EC) no. 951/2007 laying down implementing rules for cross-border cooperation programmes financed under Regulation (EC) No 1638/2006 of the European Parliament and of the Council laying down general provisions establishing a European Neighbourhood and Partnership Instrument*, with the support of a subcontracted audit company.



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The subcontracted audit company was selected by the JMA following an open procurement procedure, in accordance with the procurement law of the country of the JMA and the expertise of the auditors was in accordance with the requirements set therein.

The results of the audits for projects were shared by the JMA with the Joint Monitoring Committee (JMC) and submitted to the European Commission yearly, in accordance with the provisions of the Regulation (EC) no. 951/2007, and, where the case, it provided the required clarifications to the National Authorities of the participating countries.

In case of ineligible expenditure identified, the JMA was responsible for proceeding with the recovery of funds, in accordance with the Regulation (EC) no. 951/2007 and the grant contracts signed with the beneficiaries (lead partners). In contentious cases of recovery, the JMA informed the JMC and requested the support of the national authorities.

As regards the amounts claimed back during the recovery procedures, these corresponded to the ineligible expenditure identified (EU grant) and therefore they could not have exceeded the amounts transferred to the beneficiaries (with the only exception of possible delay penalties and bank charges), in accordance with the grant contract provisions.

After 1 year passed from the issue of the recovery orders, in accordance with the EU regulation, the unpaid debts beneficiaries from Partner Countries were transferred to the European Commission (EC).

❖ **As regards the joint management with the National Authorities:**

The tasks of the National Authorities of the participating countries related to the implementation of the Joint Operational Programme Black Sea Basin 2007-2013 were performed in accordance with in the Regulation (EC) no. 951/2007.

As members in the Joint Monitoring Committee, the National Authorities of the participating countries reviewed the management decisions taken by the Joint Managing Authority, review all reports submitted by the Joint Managing Authority, examined any contentious cases of recovery brought to its attention by the Joint Managing Authority.