



"Building Effective Partnerships among European and Mediterranean Municipalities for Local Economic Development Promotion"

MED PACT - Local Authorities Partnership Programme in the Mediterranean

Grant contract MED/2006/127-610

Project Management Handbook

March 2007

Project Leader: Municipality of Prato

Project Co-Leader: City of Marrakech

Project Partners: Municipalities of Sin El Fil, Bodrum, Brtonigla, Lucca, Rio Marina and City of Skopje

INDEX

A. PROJECT MANAGEMENT STRUCTURE	3
<i>A.2 Responsibilities of the Project Manager, the Partners, the Steering and the Scientific Committees:</i>	4
<i>A.3 COMMON RULES APPLICABLE AT THE MEETINGS</i>	6
B. REPORTING AND SHARING OF INFORMATION	6
C. EVALUATION	7
D. VISIBILITY RULES	7
E. AUDIT TO THE PROJECT	7
F. PROJECT WEB SITE	8
G. FINANCIAL MANAGEMENT	8
<i>G.1 PROJECT DIRECT COSTS DETAILS</i>	9
<i>G.1.1 Human resources: internal staff, external experts, per diem</i>	10
<i>G.1.2 TRAVEL COSTS: INTERNATIONAL TRAVEL AND LOCAL TRANSPORTATION</i>	12
<i>G.1.3 Other costs and services</i>	13
<i>G.1.4. How to state project costs?</i>	14
Glossary	16

1. The purpose of this Handbook is to share a management tool among all Partners about the delivery of Project procedures and standards. Along the Handbook important information will be found regarding management responsibilities, contractual and financial arrangements for the management and co-ordination of the Project “*Building Effective Partnerships among European and Mediterranean Municipalities for Local Economic Development Promotion*”. Please note that the *Inception report* and the *Partnership agreement* are relevant parts of this Guide.

A. PROJECT MANAGEMENT STRUCTURE

2. **Management approach and structure.** The method that will be used for the management of the Project is such to ensure the active involvement of all partners in the implementation of the planned activities. Even if the Project management will be carried out by Municipality of Prato, in close co-operation with the Municipality of Marrakech (co-leader of the Action), the co-ordination of the Project will be supported by a i. **Steering Committee** and a ii. **Scientific Co-ordination Committee**.

3. **Project leader and Project Manager.** The Municipality of Prato will identify a Project Manager to take the overall responsibility for the co-ordination of the Project, and be the intermediary to the European Commission, too.

In particular, the Project Leader, through its Project Manager, shall be responsible of:

Vis-à-vis the Commission:

- i. sign the Contract with the European Commission;
- ii. receive and manage the entire financial contribution from the Commission;
- iii. manage this contribution by allocating it pursuant to the programme of activities and the Contract rules;
- iv. supervise the scientific, technical, financial and administrative progress of the Project, and keep informed the Commission of all the relevant information as specified in the Contract;
- v. co-ordinate the reporting to the Commission on the basis of the information gathered from the Contractors;
- vi. submit the required documentation to the Commission, including all reports, Project deliverables and any other necessary information needed.

Vis-à-vis the other Contractors/Partners:

- i. organise the activities and fix a working plan, through its Project Manager;
- ii. forward any documents and information connected with the Contract performance to the Committees and the Partners concerned;
- iii. act as an intermediate among the Contractors;
- iv. Monitor the Project expenses and control and the financial invoices and administrative documents prepared and certified by the Contractors and by the Partners;
- v. transfer the amounts allocated for the Project action and keep all paper and electronic related records;
- vi. Manage the overall Budget (requests of transfer of initial and progressive instalments of funds to the European Commission, progressive allocation of funds and authorization of payments, calculation of expenses, etc) on their behalf for the budget items allocated to each Partner and Contractor.

Vis-à-vis the Committees:

- i. appoint and chair the meetings of the Committees;
- ii. coordinate and supervise the activities carried out by the Scientific Committee;
- iii. collect any relevant document regarding the activities carried out by the Scientific Committee and forward them to the Partners and all other relevant actors (Contracting Authority, Audit Agency, etc.) when deemed necessary as according to the Project Objectives and obligations.

4. **Steering Committee.** This Committee will decide the operative organisation of the activities, under the co-ordination of the Project Manager and its supervision. It will be composed of the representatives representing all the areas involved in the project: Italy, South-Eastern Europe, Maghreb countries and other Arab Mediterranean countries. During the Kick-Off meeting, the Steering Committee will be constituted and a President shall be identified.

5. **Steering Committee meetings.** The Project Leader will chair all meetings. These meetings will take place at least at the beginning of each Project activity to reach consensus regarding the implementation of the respective tasks, and agree on the methodology relevant for the Project objectives; and previously each of the four joint meetings of the entire partnership as foreseen by the Project timeframe. Each representative will have one vote and may appoint a substitute to attend and vote on his/her behalf at any meeting of the Steering Committee. In case of equality in the voting procedure the vote of the President will be the relevant one.

6. **Scientific Co-ordination Committee.** This Committee will be established to support the definition of the guidelines and the elaboration of rigorous terms of references to carry out the specific activities along the Project (support to the implementation of tools for participatory decision-making processes, experimental learning activities, benchmarking activities, etc.). The Scientific Committee will be composed of all external institutions (subcontractors) that have been selected according to their experiences developed on the topics they will have to work on. The Project Leader will chair all meetings that shall take place preliminary to the implementation of all main Project activities as foreseen within the LF, and anyways any time that the Steering Committee deems necessary to meet.

A.2 Responsibilities of the Project Manager, the Partners, the Steering and the Scientific Committees:

7. **Project Manager's responsibilities.** Under the supervision of the Project Leader, and in compliance with the decisions of the Steering Committee and of the EU rules, the Project Manager shall be in charge of the operational management of the Project. In particular, he/she will be responsible of:

- i. implementing the political and strategic guidelines decided by the Steering Committee;
- ii. implementing and updating the Project activities in detail and referring to the role of each Project Partner and the Subcontractors involved;
- iii. Managing and updating the approved Project Budget regularly and in duly manner; monitoring the Project overall and detail expenses in order to respect the Budget limits, as according to the EU set rules and procedures, and the Grant Contract;
- iv. monitoring the Project deliverables (outputs) according to the Logical Framework and other Project documents and ensuring the timely drafting and delivery of the Project Inception, Interim and Final Narrative and Financial Reports;
- v. supporting the Project Leader in fulfilling its obligations towards the Commission, the Steering Committee, the Partners and the Audit Company;
- vi. proposing the Project management rules to the Steering Committee;
- vii. proposing and approving the changes in the Project budget line, if the amounts amended/transferred do not exceed 15% of the EC contribution;
- viii. deciding upon the measures to ensure the effective day-to-day Project co-ordination in the framework of all administrative, content and financial controls and audit procedures foreseen;
- ix. supporting the Project Leader in preparing the meetings with the European Commission and the data related to them;
- x. issuing and agreeing on the content and format of visibility actions and press releases of the Contractors with regards to the Project objectives and activities;
- xi. setting up an Handbook for the Project management and regular updated Project Action and Operative Plans to be approved by the Steering Committee;

8. Steering Committee's responsibilities. It will be entitled for:

- i. deciding the political and strategic guidelines of the Project; its plan of activities and necessary Budget amendments, as according to the rules and procedures approved by the Contracting Authority and stated in the Project Contract;
- ii. deciding upon the plan of activities and its major content amendments keeping in mind the Contract obligations undersigned with the Contracting Authority;
- iii. deciding upon the allocation of the budget to the plan of activities and approving the changes in the Project budget, if equal or below the 15% of the Budget line approved by the European Commission (please refer to the Financial and Administrative Rules & Procedures "For Addendum" set in Annex 1 of the Project Grant Contract, and explained herein separately);
- iv. approving the Handbook for the Project's management drafted by the Project Manager;
- v. deciding on the further commitments proposed by the Steering Committee related to the Project objectives and activities;
- vi. agreeing on the actions to be taken in case of failure of a Contractor to respect the Project objectives and Budget lines allocated;
- vii. agreeing on any additional or different policy and procedures in accordance with the European Commission – EuropeAid Office - contractual rules;
- viii. Referring to the competent EU Offices – as stated in art. 6.2 of the Project Grant Contract - in case of failure to set internally to the Project Partnership any dispute arising from the Project implementation.

9. Scientific Committee's responsibilities. It will be responsible of:

- i. the definition of methodologies and approaches to be used as for the implementation of the Activities foreseen by the Project, in coordination and under the supervision of the Project Leader;
- ii. the technical support to the MEDA and European Municipalities involved in the Project, in coordination with the Project Leader;
- iii. the systematic analyses of data collected during the Project activities in each MEDA and European Municipality/City involved in the Action, and the drafting of all relevant documents resulting from those analyses to be submitted to the Project Leader;
- iv. the due deliverance of timely reports of the Project activities implemented by its members as according to the rules and procedures stated by the EC and in agreement with the Project Leader;
- v. the co-ordination of activities among all partners and in co-ordination with the Project Leader for the elaboration of the Final Publication.

10. Partners' responsibilities. Each Partner of the Project will be responsible of:

- i. Commit themselves to the most comprehensive and complete co-operation to achieve the best result possible of the Project objectives, and its transparent and shared administrative and financial management, in a spirit of continuous research and strengthening of those elements of decentralised co-operation typical of the Project approved;
- ii. facilitating and promoting consensus at local level for a better implementation of the Project's objectives;
- iii. organising the local activities foreseen by the Project and appoint the necessary external experts for technical support;
- iv. drafting the three-monthly reports as required by the Project obligations on the activities of their competence, and deliver them in electronic version to the Project Manager on a regular bases;
- v. complying to all administrative and financial obligations foreseen by the Project document, and as stated in the Partnership Agreement (see below) undersigned between each partner and the Project Leader.

11. Project plan and Partnership agreement. In order to identify and reach consensus on project decision making procedures and on project monitoring system (time table, periodical communication to

the Applicant, technical and administrative rules, outputs, objectives, responsibilities, etc.) a detailed Project action plan shall be elaborated, and a partnership agreement containing all rules attesting the Partners' responsibilities will be drafted to be submitted to each Partner by the Applicant during the Kick-Off Meeting, for acceptance.

A.3 Common Rules applicable at the meetings:

12. **Meetings appointment.** In addition to the Kick -Off meeting, the Project Leader, as chairman of the Steering Committee, shall arrange the collective partnership meetings, including the intermediate and final ones. At any time and in the case of an emergency situation, upon written request of any Contractor/Partner, additional meetings could be appointed.

13. **Meetings' preparation and organisation.** The chairman shall provide an agenda to the members of the **Scientific Committee** not later than ten calendar days in advance of the relevant meeting. This agenda will provide full details and background to any proposed decision. The other Partners can suggest new items to the proposed agenda, upon written request, at least seven calendar days before the scheduled meeting date. The Chairman may decide, notifying it in the agenda, how the meeting will be held (video conference, telephone conference or other communication systems).

14. **Minutes.** The Chairman will appoint a meeting secretary, who will draft the minutes of each meeting to formalise all decisions taken and shall dispatch them to the members within fifteen calendar days of the concerned meeting. The minutes will be considered as accepted by the members if, within fifteen calendar days from the receipt, nobody objects them.

B. REPORTING and SHARING of INFORMATION

15. **Reporting.** Reports are an essential tool for keeping track of the Project by the Applicant and to report about the Project progress to the European Commission. At the same time, they also serve as an important project control mechanism for the Lead Partner, responsible for the project. In fact, in order to check if the activities carried out and the costs borne by each partners are in line with the Project approved by the Commission, each Partner is in charge of three-monthly reporting to the Lead Partner's Project Manager for the activities of its competence, and through its contact person in the person of the referent appointed within its administrative structure at local level.

16. **Format.** Reports will be drawn up according to the **ANNEX VI** Progress Report format (INTERIM and FINAL Reports are expected) as attached in this Handbook.

17. **Attachments.** To each report the Partners will attach all documents elaborated or collected during the implementation of the Project activities: opening seminars reports, questionnaires used, presence sheets, photos of events, best practices collected, interviews carried out, invoices, travel tickets, financial documents, personnel time sheet, internal report sheets, etc. Reports can be sent by email, fax or courier mail. However, original invoices, time sheets, and request for payment must be kept in a proper folder archive at each Partner Municipality/City, classified according to the Project Code, and sent by courier mail to the Project Manager at specific time periods agreed within the Steering Committee that shall be communicated to all partners in due time.

18. **Interim reports.** Based on these periodic reports, the Applicant will prepare regular summary reports on the project focused on progress towards delivering planned results to achieve the Project objectives. Intermediate reports will be written following the activities carried out by the two (2) Working Groups (month 18 of 36) and after pilot projects start-up (month 24 of 36) focused on what the project has achieved and on any significant changes. After each report, a clear executive summary will be carried out by the Applicant addressing the decisions and actions required for the following activities.

19. **AMENDMENTS.** If the Project activities and costs cannot be carried out according to the plan, the Project Manager has to be informed as soon as possible. However, the amendments do not affect the basic purpose of the action. It is important to remember that all amendments from the approved budget

must be communicated to the Project Manager and, subsequently, to the Delegation of the European Commission and described in detail in the Interim and Final report.

C. EVALUATION

20. **Evaluation report.** An ex-post internal evaluation will be carried out during the last four months of the Project implementation (month 32 to 36). An independent expert, to be identified among the subcontractors, will elaborate specific Terms of Reference for the evaluation based on a Logical Framework matrix and on monitoring reports. However, the evaluation will be carried out by each Project Partners in their area of responsibility with the support of the Scientific Committee.

21. **Evaluation criteria.** The final evaluation report should start introducing a brief description of the Project that will be evaluated, including the evaluation objectives, in accordance with the Logical Framework and the appropriate indicators of progress and achievement identified. The core of the report might follow the evaluation criteria, describing the facts and interpreting them in accordance with the key questions pertinent to each criterion. Particular importance will be given to the relevance criterion, to evaluate the appropriateness of the Project objectives to the problems that it was supposed to address including physical environment in which it operated. The evaluation would also represent the opportunity to document and comment on overall achievements, prospects for sustainability and to highlight recommendations and lessons learned.

D. VISIBILITY RULES

22. **European Union Logo.** The beneficiary of a European Commission grant has an obligation to make clear that the Project is receiving or has received Commission funding. The beneficiaries are also requested to apply the European Union logo and that of the EuroMED Programme to all documents and information material produced during the Project implementation.

23. **Project Agreed Logo.** The Project Leader and its Partners shall agree upon a graphic Logo to represent the Project Objectives and Partner Territories to be included in all communication, documents, materials, etc., referring to the Project, along side the logo of the European Union.

24. **The Programme and the Project.** It is obliged by contract, that all communication, documents, materials etc., referring to the Project, have got the following phrase: "The Project is co-financed by the European Union – Med Pact Programme", as well as the title of the Action "Building Effective Partnerships among European and Mediterranean Municipalities for Local Economic Development Promotion".

25. **Partnership responsibility for the Action.** Any publication concerning the Action, in whatever form and by whatever medium, including the internet, must include the following statement "This document has been produced with the financial assistance of the European Union. The content of this document is the sole responsibility of PARTNERS NAMES and can under no circumstances be regarded as reflecting the position of the European Union".

E. AUDIT TO THE PROJECT

26. **Annual audit.** The Beneficiary (Project Leader) is responsible for providing a Financial Report for the Action financed by the Grant Contract and for ensuring that this Financial Report can be properly reconciled to the Beneficiary's accounting and bookkeeping system and to the underlying accounts and records. The Beneficiary (Project Leader) is required to submit to the Contracting Authority an expenditure verification report produced by an external auditor in support of the payment requested by the Beneficiary under Article 15 of the General Conditions of the Grant Contract. The Authorising Officer of the Commission requires this report as he makes the payment of expenditure requested by the Beneficiary (Project Leader) conditional on the factual findings of this report. The subject of this engagement is *the Interim and the Final Financial Report* in connection with the Grant Contract for

the period covering **20 November 2006 to 20 November 2009**. The information, both financial and non-financial, which is subject to verification by the Auditor, is all information which makes it possible to verify that the expenditure claimed by the Beneficiary (Project Leader) in the Financial Report has occurred, and is accurate and eligible. Annex 1 to these Terms of Reference contains an overview of key information about the Grant Contract and the action concerned.

F. PROJECT WEB SITE

During the First Year of Activities a **Web Site** will be developed as an important tool for the dissemination of activities, data collected, profile of Project Partners and their territories, as well as a link to the Europe Commission - DG EuropeAid Centralised Operations for Europe, the Mediterranean and the Middle-East – as well as to the MED PACT Programme web site to be developed by the MED PACT Technical Assistance Office.

The **Web Portal** will be systematically updated by the Project Leader (through its IT internal system), with the contribution and in coordination with all the Project Partners, to include the technical and operational details on the results and achievements of the Project, as well as information on the links that would allow beneficiaries, partners and stakeholders to have access to documentation on good practices, other experiences, success stories, innovative approaches, funding resources that can be exploited by the Project Partners and other Mediterranean Municipalities interested to confront themselves with similar approaches and facing similar issues.

G. FINANCIAL MANAGEMENT

27. Project budget. All transactions that the European institutions enter into are governed by the Financial Regulation and its Implementing Rules. The Project Manager will make sure that all subcontractors and partners follow the same administrative procedures. The general principles for the approved budget are:

- No member organisation of the partnership may derive profit from the grant;
- Costs must be reasonable and in accordance to the principles of transparency and sound financial management;
- All expenditure for staff and direct costs must be justified by invoices or accounting documents of an equivalent value.

28. Headings of the contract budget. Costs have to be in line with the Project budget, as approved by the European Commission. The following DIRECT COSTS are eligible:

Invoice 1	Human resources Internal staff salaries External staff costs Per diem
Invoice 2	Travel International travel Local transportation
Invoice 3	Other costs and services Publications and visibility actions Studies and research Translation, interpreters Costs of conferences/seminars Costs for the Audit Reports Web site and management information system

29. **Indirect costs.** They are eligible provided that they do not include costs assigned to another heading of the Contract budget. A lump sum of **6,2%** of the direct eligible costs of the Action has been claimed as indirect costs to cover the administrative overheads incurred by the Beneficiary for the Action. Indirect costs are ineligible if the Beneficiary receives in other respects an operating grant from the European Commission.

30. **Eligible costs.** They are directly related with the involved activities of the Project, they are in accordance with the rules and relate to activities involving eligible countries. Costs for implementing the activities of the Project will be considered eligible if they have actually been incurred and are verifiable. All costs must be supported by relevant documents (invoices and reports) and must have been incurred during the course of the implementation of the project.

31. **Proof-of-payment.** It will be required for each Direct and Staff costs, However, in order to offer proof-of-payments, cash withdrawals should be avoided as much as possible.

32. **Ineligible costs.** The following costs shall not be considered eligible:

- – debts and provisions for losses or debts;
- – interest owed;
- – items already financed in another framework;
- – purchases of land or buildings, except where necessary for the direct implementation of the Action, in which case ownership must be transferred to the final recipients at the end of the Action;
- – currency exchange losses;
- – taxes, including VAT, unless the Beneficiary (or, where applicable, his partners) cannot reclaim and the applicable regulations authorise coverage of taxes.

33. **Currency.** All expenses must be expressed in EURO. The exchange rate will be applied according to the *InforEuro* published on the same month in which the expenditure has been incurred. A list of exchange rates is available on the this website:

<http://ec.europa.eu/budget/inforeuro/index.cfm?Language=en>

34. **Currency and supporting documents.** Partners have to write the applied exchange rate and the conversion value in EURO on each invoice kept as a supporting document. This will facilitate the preparation of the periodic reports' in the financial section, and assist the auditor of the Project and a possible inspection carried out by the European Court of Auditors.

35. **Costs and book-keeping.** Supporting documents have to be attached to the periodic financial Reports elaborated by the Partners. It is strongly recommended to prepare and file all supporting documents progressively and as soon as possible. Please note that this information could facilitate auditing and inspection:

- indicate the internal account number and the project name on all documents;
- number all documentary evidence and conserve it in an orderly way;
- indicate the exchange rate applied when recording it in the accounts;

36. **Budget transfer rules.** Changes among the Project budget lines should be approved by the Applicant provided that the amounts transferred do not exceed 15% of the EC contribution.

G.1 Project Direct costs details

Please refer to art. 14.2, Annex II - General conditions.

The Project Eligible Direct Costs are costs which met all requirements to be co-financed by the EC.

To be eligible costs must:

- be necessary for carrying out the action;
- be recorded in the Beneficiary's or the partners' accounts or tax documents;

- be identifiable and verifiable, and be proved by original supporting documents (kept for 7 years after project ends);
- have been actually incurred during the implementation period;

AND must BE PAID for before the final expenditure verification by external auditors.

All documentation (paper and electronic) relevant to track progressive financial expenditures must be kept in a proper folder archive at each Partner Municipality/City, classified according to the Project Code, and sent by courier mail to the Project Manager at specific time periods.

See the Administrative and Financial Power Point Presentation for details.

G.1.1 Human resources: internal staff, external experts, per diem

37. **Human resources.** This budget heading is composed of three items: i. internal staff, ii. external staff (MEDA countries only) and iii. per diem.

38. **Staff rules** (internal and external staff). It is extremely important that every Partner of the Project keeps track of time sheets of persons (internal staff and external experts) who work on the Project, identifying clearly the person and the time they have spent on the project. The activities carried out by them are pointed out in the “summary of days” and “input/outputs” sheets attached (see the List of Annexes and Administrative and Financial Power Point Presentation for details). They shall clear out a breakdown of man-days per Project task, the type of consulting service and the outputs of the activities year by year.

39. **Internal staff assigned to the Project.** The involvement of the internal staff of the Municipalities participating to the Project is considered essential to carrying out the Project Objectives, and a breakdown of man-days (for the implementation of the whole Project) has been calculated for each of them, according to the following table: (see the Administrative and Financial Power Point Presentation for details).

Municipality		MANDAY			
		Senior internal staff	Junior internal staff	Management and Administrative support	Total
European countries	PRATO	65	50	200	315
	LUCCA	35	20	20	75
	RIO MARINA	30	20	20	70
	BRTONIGLIA	30	20	20	70
	SKOPJE	30	35	20	85
MEDA countries	MARRAKECH	147	70	100	317
	SIN-EL-FIL	107	55	20	182
	BODRUM	107	65	20	192
TOTAL		551	335	420	1306

40. **Cost of the staff assigned to the Project.** Internal staff compensation will be covered by the Project according to its real gross salary (before taxes are calculated). *Evidence* of internal staff salaries assigned to the Action will be requested. The budget of the Project has been approved considering the following average gross salaries per day, considering the 36 months of Project implementation:

Municipality	Senior internal staff	Junior internal staff
PRATO	250,0 €	125,0 €
LUCCA	225,0 €	110,0 €
RIO MARINA	225,0 €	110,0 €
BRTONIGLIA	150,0 €	75,0 €
SKOPJE	150,0 €	75,0 €
MARRAKECH	160,0 €	85,0 €
SIN-EL-FIL	150,0 €	75,0 €
BODRUM	150,0 €	75,0 €

41. **Co-financing to the Project.** The Applicant and the Partners of the Project co-finance the 20% of the eligible costs of the Action according to “Sources of funding” of the approved Budget. Part of the costs of the internal staff assigned to the Project will be considered as the co-financing out of the Partners’ own resources.

Municipality	Co-financing to the Project	UE contribution to internal staff	Total resources for internal staff
PRATO	39.375	28.125	67.500
LUCCA	7.875	5.800	13.675
RIO MARINA	7.875	4.675	12.550
BRTONIGLIA	7.875	525	8.400
SKOPJE	7.875	1.650	9.525
MARRAKECH	18.000	27.470	45.470
SIN-EL-FIL	11.250	11.925	23.175
BODRUM	12.375	11.550	23.925
TOTAL	112.500	91.720	204.220

42. **External experts (MEDA countries only).** All external experts will be appointed only when specific know-how and expertise are needed, as according to the activities foreseen in the Project. In particular, the Project approved by the Commission includes external consultants in the following activities:

Activity and Task	Brief Description	Number of E.E. and man-days
ACTIVITY 2 -Task 2.1: Community consulting - Implementation of Local Seminars	Activity 2 will allow the involvement of local people and organisations in the local development decisions while implementing a participatory approach. At least three workshops/seminars will be organised at local level to identify specific needs and to gather stakeholders’ opinions. Even if a standard common approach will be implemented, to effectively carry out the local seminars, a facilitator will be pointed out to co-ordinate the working sessions. The facilitator will be selected according to his/her local knowledge and involvement in the local matters.	1 external expert in each MEDA country for 10 days.
ACTIVITY 4 -Task 4.2 and Task 4.3:	Along the Activity 4, the two Working Groups will be constituted and an operative working plan will be shared. Even if the guidelines will be elaborated by the Scientific Committee, a MEDA External Expert will be	1 external expert for 6 days

Seminar, Working Groups constitution and Action Plan	appointed to give a contribution to the methodology identified according to specific needs of the Mediterranean countries.	
ACTIVITY 5 -Task 5.3 Municipality Internal Analyses	According to a rigorous methodology, this task includes an empirical institutional analysis within the MEDA Municipalities involved. Data collection should embrace the following topics: legal and institutional environment including competencies of each Department and financial availability, analyses of the local development policy-makers background and its pertinence to their responsibilities; characteristics of the actors involved; approaches implemented to design policies and level of citizen participation; etc. The data collection will be carried out by an External Expert according to framework that will be designed by the “Scientific Committee”.	1 external expert in each MEDA country for 40 days.
ACTIVITY 5 -Task 5.5 In-depth Analyses	A deepen research – Involving beneficiaries and other relevant stakeholders-will be conducted on a selected group of good practices that will be collected along Activity 5. Preference will be given to those experiences that have gathered greater attention among the Partners as future users of these actions. An External Expert will be appointed to co-ordinate this task.	1 external expert in each MEDA country for 5 days.
ACTIVITY 6 -Task 6.1 Identification of Pilot Projects	Even if the identification of the pilot projects will be technically assisted by the Scientific Committee, the Project will make available an external expert in each MEDA Municipality to help this process.	1 external expert in each MEDA country for 5 days.

43. **Tracking External Experts.** In addition to the “Man-Day Report Sheet” which contains the tracking system of the man-day that each External Expert (see 39.) has allocated to the activity, the “Sheet on Summary of inputs/outputs” attached to this Handbook, will be filled by the consultants/external experts giving detailed information regarding the consultancy/expertise delivered.

44. **Compensation of External Experts.** According to the Project Budget approved, under the budget line “Compensations to Senior External Experts of MEDA countries”, they will be paid Euro 180,00 for each man-day worked.

45. **Per diem.** These are the sums that the Project allows an individual (to the internal staff and to members of the Scientific Committee) to spend per day to cover local travel and subsistence expenses (accommodation and meals). Per diem costs have been calculated to cover the expenses of at least 2 persons from each Municipality for the four (4) Seminars foreseen by the Project (Activities 1, 4, 5 and 8). A total sum of an additionally per diem costs has been included in the budget to cover the expenses of the city-to-city partnership meetings and the training (Activities 6 and 7).

46. **Reporting/Invoicing of Per diem.** Track of the per diem will be made available through the “Summary of per diem” sheet attached to this Handbook (see List of Annexes for details) which should show details of the days spent abroad by each person.

47. **Per diem rates.** The subsistence paid to staff/experts on missions requiring an overnight stay away from the base of operations must be a maximum of the per diem rate published on **the Web site: http://europa.eu.int/comm/europeaid/index_en.htm** for each Country Partner to the project and for each night away. However, a minimum of ONE NIGHT away shall be spent in order to classify such an expenditure as PER DIEM. According to the approved budget, an average rate of Euro 140 Euros has been foreseen.

G.1.2 Travel costs: international travel and local transportation

48. **International travels.** The approved budget covers the international travels of at least two persons of each Municipality to participate to the four (4) Seminars foreseen by the Project to be held in Prato,

Bodrum, Skopje and Marrakech. In any case the most convenient solution shall be identified in due time on how to reach these cities (flight/train/car).

49. **International travel rates.** Please note that any long distance air travel must be by economy class while **international** train travel may be by 1st class.

50. **International travels reporting.** Details of each travel/flight will be pointed out in the "Summary of travels" Sheet attached to this Handbook (see List of Annexes for details).

51. **Local transportation.** The Project will make available to each Municipality a slight lump sum that could be used along the Action activities to be carried out externally to the territory of the Municipality/City of residence of the Project Partner (city-to-city is a reimbursable cost, while travels internal to each city/municipality are not). An official table of distances among the municipalities will be used for reimbursing any travel by car (according to the number of kilometres) to each Project Partner (please refer to Official Tables used within each Partner Municipalities/Cities, alternatively, an official UN distance table may be used).

G.1.3 Other costs and services

52. **Publication and visibility actions.** This budget line includes the drafting (graphics), editing and publishing of the Project final publication, as well as the posters and brochures that will be printed along the Project to promote it (overall visibility material).

53. **Studies and research.** All the specific tasks that will be performed by *subcontractors* are included in this budget line. As these service contracts worth less than EUR 200.000 they will be awarded by means of a restricted negotiated procedure without publication, in which the Applicant consults at least three service providers of its choice and negotiates the terms of the contract with one or more of them. **(please refer to Annex IV of the Grant Project)**

54. **Subcontractors and Scientific Committee.** The group of subcontractors that will carry out the Project tasks listed on article 56 below will constitute the Scientific Committee.

55. **Subcontractors and tasks.** Within the Project approved by the European Commission, the following tasks have been identified to be performed by an external institution. All these activities include technical assistance

- ACTIVITY 2 - Tasks 2.1/2.3/2.4/2.5 and 2.6 - Community Consulting Opening seminars
- ACTIVITY 3 - Tasks 3.1 and 3.2 Working Groups guidelines
- ACTIVITY 4 - Tasks 4.1 and 4.3 Seminar preparation and Working Groups Action Plan
- ACTIVITY 5 - Task 5.1 and 5.2 Elaboration of Guidelines for best practices collection and co-ordination support to the Working Groups
- ACTIVITY 5 - Task 5.3 Support to the Municipalities internal analyses
- ACTIVITY 5 - Tasks 5.4/5.5/5.6 and 5.7 Benchmarking policy system and report elaboration
- ACTIVITY 6 - Tasks 6.2 and 6.3 Identification of City-to-city partnership, meetings and technical assistance
- ACTIVITY 7 - Task 7.2 Technical assistance to identification of Pilot Projects
- ACTIVITY 8 - Task 8.2 Publication of Project
- ACTIVITY 9 - Task 9.4 Definition of Terms of Reference for the Ex Post Evaluation
- ACTIVITY 9 - Task 9.6 Data Analysis, Evaluation and elaboration of Final Report

56. **Translation, interpreters.** A global amount has been foreseen in the budget to cover translation demands, in particular simultaneous interpreting services will be available during the three Seminars that will take place during the Project (Bodrum, Skopje and Marrakech). Other translation services will be available for the kick off meeting and the city-to-city partnership meetings (if necessary). Compensation, in each case, should be calculated in accordance to international interpreting services rates. Official documents will be mainly produced in English, though, to meet specific demands, all most important documents will be available both in French and English.

57. **Cost of conferences/seminars.** This budget line includes both catering, room renting costs, international and local travel, stationary necessary to carry out the logistics and the visibility for the actions foreseen. Conference/seminar costs have been foreseen to cover the 4 main joint Meetings as follows:

1. Kick off meeting in Prato (catering expenses for a maximum of 30 participants)
2. Seminar in Bodrum (catering expenses for 50 participants)
3. Seminar in Skopje (catering expenses for 50 participants)
4. Final Conference in Marrakech (catering expenses for 100 participants)

G.1.4. How to state project costs?

Examples of documents to be kept as evidence of the expenses incurred

Consultant and suppliers (subcontractors):

- Evidence of the procedures followed
- Request of estimates to 3 offers
- Estimates submitted
- Contracts and order forms;
- Evidence of the origins of the supplies/equipment and of the nationality of service suppliers/experts

The supporting documents by the subcontractors (estimate, contract, invoice etc.) must specify the title of the project, the n° of grant contract **MED/2006/127-610**, the type of service/equipment, the daily cost and the total cost + VAT in local currency, the amount in Euro.

Internal Staff

- **Statement** (*Annex Internal report sheet personnel costs*) to the project, per month of effective work, stating the personnel that has worked for the project and the number of days worked . The statement should be filled in the Format annexed and signed by an authorised persons (employee/staff assigned to the action and employer).
- **Time sheets** signed by the staff members should be attached to the statement (see model in Annex)
- Copy of the **pay sheets** should be attached to the statement
- **Employment contracts and CVs of staff and external experts selected**

Internal Supplies

- **Debit Note or Statement** stating the supplies used.

This should reflect the price paid at the time of purchase and a copy of the purchase invoice should be attached. The statement should be signed by an authorised person.

Travel by public transport (intercity buses, taxis if no alternative way of transport exist, train)

- Justification of the number of days spent in the country by way of **Internal report travel and subsistence costs sheet** (see List of Annexes)
- Travel agency **invoice**
- **proof of payment** or **settled invoice**
- **original ticket stubs**
- **boarding passes.**

Travel by private vehicle (fuel and oil)

- Justification of the number of days spent in the country by way of **Internal report travel and subsistence costs sheet** (annex)

It has to point out a summary list of all **distance travel** stating the point of departure, the point of arrival, the dates of travel, the number of km covered, the **average consumption** of the vehicle, the **fuel costs** and the **maintenance costs**.

In case of rented cars **Invoice** and **proof of payment** or **settled invoice** including evidence of the distance travelled to calculate petrol costs.

Per diem

- Justification of the number of days spent in the country by way of **Internal report travel and subsistence costs sheet** (Annex)
- **boarding passes**
- **hotel bills**
- **Timesheet** signed
- **Visit reports**

Direct mailing (internal supplies)

- **Debit Note or Statement** stating the part of the general invoice(s) charged to the project.
- **Copy of the general invoice to be attached to the statement.**
- **List of addressees and copy of the specimen letter to be attached to the statement.**

Photocopies (internal)

Debit Note or Statement stating the number of copies made and unit price per copy. This unit price should be substantiated.

Photocopies (if outsourced)

Invoice and **proof of payment** or **settled invoice** by the subcontracted company.

This List is not exhaustive, other cases will be added according to the type of Project Activities to be carried out and the specificities of each Partner Municipality/City involved

The documentation (book-keeping, invoices) has to be held for **at least 7 years after** the end of the project. The European Commission is entitled to carry out an audit, so all relevant material should be easily available. Even though it is not always possible to get original documentation for all costs that occur (e.g. personnel costs), it is vital that each partner has a clear picture where exactly and how all relevant documents can be obtained if need be.

Model documents for the recording and reporting of all budget items can be found in the List of Annexes:

1. Annex VI – MED PACT – Interim Narrative Report (to be filled by each Partner and by the Project Manager)
2. Personnel Time Sheet
3. Internal Report Sheet - Personnel Costs
4. Internal Report Sheet - Travel + Subsistence Costs (Per diem)
5. Internal Report Sheet –External Experts Costs
6. Internal Report Sheet - Equipment and supplies (To be verified)
7. Internal Report Sheet – Documentation costs
8. Internal Report Sheet - Other Costs
9. Annex VI – MED PACT – Final Narrative Report (to be filled by each Partner and by the Project Manager)
10. Project Financial Report (Excel Format – separate Sheet)

Glossary to the Project Management Handbook

Project/The Action: it is the core project proposal drafted by the Applicant describing the activities in details, the time frame of implementation, direct and indirect target groups, budget lines assigned to each individual activity, the logical framework of the proposal.

Project Leader/Applicant: It is the organisation/institution eligible for a grant, and directly responsible for the preparation and management of the action with their partners, not acting as an intermediary. The applicant will act as the lead organisation and, once selected, as the contracting party (the "Beneficiary").

Project Manager: The Project Manager is that person identified by the **Project Leader/Applicant** to be in charge of the operational management of the Project.

Partners: Those other organisations/institutions/legal bodies that act in consortium with the **Project Leader/Applicant** (i.e. a consortium must include a minimum of two organisations in total). Applicants' partners participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the grant Beneficiary. They must therefore satisfy the same eligibility criteria as applicants.

Contractors and Subcontractors: Subcontractors are neither partners nor associates, but technical experts to whom the **Project Leader/Applicant** hands over the implementation of part of the activities foreseen in the Project Proposal, and are subject to the procurement rules set out in Annex IV to the standard grant contract.

Project Contract: it is the Grant Contract undersigned between the Contracting Authority (European Commission – EuropeAid Office) of the MED PACT Programme for the implementation of the Action entitled: "Building Effective Partnerships among European and Mediterranean Municipalities for Local Economic Development Promotion" ("the Action") described in Annex I, in the framework of the MED-PACT Programme.

LF: the **Logical Framework** of the Project describes an analytical process and a group of tools to facilitate the management and planning of a project proposal. It uses a matrix (composed of the overall objective, the specific objectives, the project verifiable indicators, the tools of verification, the assumptions regarding that specific project, the activities and the expected results) to implement and verify a project Action. The LF must be updated regularly.

Project Steering Committee: Foreseen by the Grant Med Pact Project (The Action), it will represent the Partners interests and be preceded by the Applicant. It will be composed of the representatives representing all the areas involved in the project: Italy, South-Eastern Europe, Maghreb countries and other Arab Mediterranean countries.

Project Scientific Committee: Foreseen by the Grant Med Pact Project (The Action), it will make available some technical tools and methodology to allow the dialogue among Partners, and will be responsible of identifying a common bottom-up approach that could consent the achievement of the Activity objectives. The Scientific Committee will be composed of all external institutions (subcontractors) that have been selected according to their experiences developed on the topics they will have to work on.