

Table 1: Evaluation of key requirement by the assessment criteria

Legal references	KEY REQUIREMENTS	1	2	3	4
		Works well. Only minor improvements are needed	Works but some improvements are needed	Works partially. Substantial improvements are needed	Essentially does not work
	managing authority / intermediate body				
art. 58 a), b), e), 59.2, 59.3, 60 of R 1083 and art. 12, 13.5 and 22 b) of R 1828	1) Clear definition, allocation and separation of functions between and within the managing authority / intermediate bodies procedures for monitoring delegated tasks clear definition and allocation of functions				
art. 60 a) and art. 65 a) of R 1083 and art. 5 and art. 13.1 of R 1828	2) Adequate procedures for selection of operations calls for applications are published all received applications are recorded all applications are evaluated decisions are communicated				
art.56, art. 60c), d), f), of R 1083 and art. 13.1 of R 1828	3) Adequate information and strategy to provide guidance to beneficiaries rights and obligations are clearly expressed national eligibility rules are clearly expressed beneficiaries have access to the necessary information				
art. 60 b), g) of R 1083 and art. 13.2-13.4 of R 1828	4) Adequate management verifications existence of written procedure administrative verifications completed before certification all applications for reimbursement are subject to administrative verifications on-the-spot verifications undertaken when the project is well under way evidence is kept on-the-spot verifications based on adequate risk assessment procedures to ensure that the CA receives all information				
art. 60 c), d), f), art. 90 of R 1083 and art. 15 of R 1828	5) Adequate audit trail accounting records are kept other information is kept the MA verifies existence of the audit trail at beneficiaries level procedures for the adequate audit trail are set up				
art. 58 d) and art. 60 c) of R 1083, art. 14.1 and annex III of R 1828/2006	6) Reliable accounting, monitoring and financial reporting systems in computerised form computerised system is set up				
art. 98.1 of R 1083 and art. 16.3 of R 1828	7) Necessary preventive and corrective actions in case of systemic errors detected by the audit authority procedures for the review of the results procedures for preventive and corrective actions				
	certifying authority / intermediate body				
art. 58 a), b), 59.2, 61 of R 1083 and art. 12 of R 1828	1) Clear definition, allocation and separation of functions between and within the CA/intermediate bodies compliance with the principle of separation of functions procedures for monitoring delegated tasks clear definition and allocation of functions				
art. 61 b), e) of R 1083, art. 15 of R 1828	2) Adequate audit trail & computerised system accounting records in computerised form audit trail within CA permits reconciliation of amounts declared to the EC and received from the MA				
art. 61 b.) c), d) of R 1083	3) Adequate arrangements for the certification to be reliable and soundly based CA has defined the adequate information it requires review of reports drawn up by the MA review of results of all audits results of examinations are taken into account CA reconciles and recalculates payment requests				
art. 61 f) of R 1083 and art. 20.2 of R 1828	4) Satisfactory arrangements for keeping an account of amounts recoverable and for recovery of undue payments keeping an account of amounts recoverable and withdrawn yearly statement to the Commission				
	audit authority				
art. 58 a), b) and 62.3 of R 1083, art. 23 a), b), d) of R 1828	1) Clear definition, allocation and separation of functions clear definition and allocation of functions compliance with the principle of separation of functions procedures for supervision of the work of audit bodies				
art. 62.1 a) of R 1083, art. 23 c) of R 1828	2) Adequate systems audits audit scope in accordance with strategy all phases of the audits are documented effective procedures for monitoring the recommendations				

Annex II

art. 62.1 b) and 98.4 of R 1083, art. 16-17, 23 c) and Annex IV of R 1828)	evidence to allow the verification of the assurance level 3) Adequate audits on operations				
	description of the approved methodology audits are carried out in accordance with the strategy verifications based on adequate and complete checklists further examination in case of systemic problems effective procedures for monitoring the recommendations actions taken if error rate above materiality				
art. 62.1 d), (i) & (ii) of R 1083, art. 18.2 and Annexes VI and VII of R 1828	4) Adequate annual control report and audit opinion				
	annual report and opinion in accordance with audit strategy and models annual report and opinion cover all MS under ETC objective				

Table 2: Assessment of systems by authorities

KEY REQUIREMENTS	1	2	3	4
	Works well. Only minor improvements are needed	Works but some improvements are needed	Works partially. Substantial improvements are needed	Essentially does not work
managing authority / intermediate body				
Conclusion				
1) Clear definition, allocation and separation of functions between and within the managing authority / intermediate bodies				
2) Adequate procedures for selection of operations:				
3) Adequate information and strategy to provide guidance to beneficiaries				
4) Adequate management verifications				
5) Adequate audit trail				
6) Reliable accounting, monitoring and financial reporting systems in computerised form				
7) Necessary preventive and corrective actions in case of systemic errors detected by the audit authority				
certifying authority / intermediate body				
Conclusion				
1) Clear definition, allocation and separation of functions between and within the CA/intermediate bodies				
2) Adequate audit trail & computerised system				
3) Adequate arrangements for the certification to be reliable and soundly based				
4) Satisfactory arrangements for keeping an account of amounts recoverable and for recovery of undue payments				
audit authority				
Conclusion				
1) Clear definition, allocation and separation of functions				
2) Adequate systems audits				
3) Adequate audits on operations				
4) Adequate annual control report and audit opinion				

Prepared by:
Reviewed by :

Date:
Date:

Annex II

Table 3: SYSTEM EVALUATION - CONNECTION TABLE

<u>Authorities</u>	<u>Assessment by authorities</u>	<u>Existing mitigating factors / Compensating controls which directly influence assessment made at system level</u>	<u>Residual risk to regularity</u>	<u>Overall conclusion by system</u>
managing authority	<input type="checkbox"/> Works well. Only minor improvements are needed <input type="checkbox"/> Works, but some improvements are needed <input type="checkbox"/> Works partially. Substantial improvements are needed <input type="checkbox"/> Essentially does not work			
certifying authority	<input type="checkbox"/> Works well. Only minor improvements are needed <input type="checkbox"/> Works, but some improvements are needed <input type="checkbox"/> Works partially. Substantial improvements are needed <input type="checkbox"/> Essentially does not work		<input type="checkbox"/> Very low <input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High	<input type="checkbox"/> Works well. Only minor improvements are needed <input type="checkbox"/> Works, but some improvements are needed <input type="checkbox"/> Works partially. Substantial improvements are needed <input type="checkbox"/> Essentially does not work
audit authority	<input type="checkbox"/> Works well. Only minor improvements are needed <input type="checkbox"/> Works, but some improvements are needed <input type="checkbox"/> Works partially. Substantial improvements are needed <input type="checkbox"/> Essentially does not work			

Date:

Signature: