



# **OPTIONS FOR POST-2020 AUDIT AND MANAGEMENT VERIFICATIONS**

*Post-2020 part 3*

**High Level Group for Monitoring Simplification  
for Beneficiaries of ESI Funds**

# 1. Streamlining of the 2014-2020 management and control system

- How could the management and control system be streamlined, in line with single audit approach and the proportionality principle?
- What is the role of the different levels of control and audit? What should be their focus to avoid duplications of control and audit activities from the perspective of the beneficiary?
- What should be the scope of audit in the context of public procurement and other horizontal policies which apply to all public expenditure, not just EU funding?
- Should the designation/accreditation process be revisited?

## 2. Rethinking the delivery system

- How could a greater reliance on national systems be implemented? How to check that the programmes:
  - meet these requirements
  - and do not deviate from them **during the period?**
- How could payments be linked to the **delivery of outputs and results?**
  - when and how to fix and verify target values?
  - what should be controlled (deliverables? systems? quality of deliverables?)?
  - what happens if expected outputs are not achieved (or are achieved independently of investments made)?
- What would be the advantages and disadvantages of a system of budgetary transfers?

# Preliminary suggestions for further reflection for post 2020

- full harmonisation of **terminology and concepts** within ESI funds and across **different EU policies**, including with State aid (aid intensities etc).
- shift towards **risk-based auditing**, reducing audit burden for beneficiaries with proven track record, and for public institutions;
- shift towards **performance-based** auditing where the result of the project is of key importance in the audit trail and the process/its implementation is of secondary importance

# Preliminary suggestions for further reflection for post 2020

- examining **single audit rules** and finding solutions which would ensure overall reduction of number of checks of beneficiaries by all bodies;
- reducing audit burden by **simplifying regulations and guidelines**, more simplified approaches and removing unnecessary requirements; incentives for reduction of the **number of intermediary bodies**;
- **performance-related payments**;
- setting up **communication** which will be based primarily on what was solved successfully and good experience, rather than on what the error rate is or how many programs have been suspended etc.;

# Preliminary suggestions for further reflection for post 2020

- streamlining **designation procedure**, so it covers only elements which changed significantly and checking how designation could result in full reliance on the national system
- strengthening role of the **COM in providing advice** and a helping role, intervening in **crisis situations** and stimulating / organizing / coordinating exchanges among and within MSs
- criteria for **differentiation** with respect to audit and management verifications as well as the need for **specific treatment of ETC**
- feasibility of the model in which the COM conducts system audits while **control of expenditure is solely by the MSs**
- involvement of MSs / national audit bodies with the Court of Auditors in the **discharge procedure**



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**Thank you!**