



INTERREG IVB



Programming period : 2007-2013

**TRANSNATIONAL TERRITORIAL COOPERATION
INTERREG IVB – NORTH WEST EUROPE
CCI 2007 CB163PO044**

Managing Authority : Région Nord-Pas de Calais (France)

**Description of Management and Control System
(Article 71 EU Regulation 1083/2006 from 11 July 2006 and Article 21
EU Regulation 1828/2006 from 8 December 2006)**

Version: 28 March updated on 8 August 2008

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
1. GENERAL			
1.1. Information submitted by			
Member State	France		
Title of the programme and CCI n°	INTERREG IVB North West Europe - CCI 2007 CB 163 PO 044		
Name of main contact point, including e-mail and fax: (body responsible for coordination of descriptions)	Commission Interministérielle de Coordination des Contrôles Jean-Pierre JOCHUM, President 5, place des Vins de France – F-75573 PARIS CEDEX 12 Tél. : + 33 1 53 44 23 07 Fax : + 33 1 53 44 23 06 Email : cicc@cicc.finances.gouv.fr		
1.2. The information provided describes the situation on:			
	28 March updated on 8 August 2008		
1.3. System Structure (general information)			
	flowchart showing the organizational relationship between the bodies involved in the management and control system (cf. annex 1)		
1.3.1. Managing authority	Région Nord Pas de Calais		
Address	Hôtel de Région – Centre Rihour – F- 59555 Lille Cedex - France		
Contact Point	Stéphane Pouilly, Directeur Europe et Contrats de projets Direction Europe et Contrats de projets Région Nord Pas de Calais		

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	<p>Hôtel de Région – Centre Rihour – F- 59555 Lille Cedex Tel: +33 3 28 82 70 51 Fax: +33 3 28 82 65 55 E-mail: s.pouilly@cr-npdc.fr</p> <p>The Managing Authority is assisted by a Joint Technical Secretariat (JTS) Joint Technical Secretariat (JTS) Les Arcuriales - 45, rue de Tournai, 6/D F-59000 Lille France</p> <p>Contact: Mr. Ruut Louwers Programme Director Tel: +33 3 20 78 55 00 Fax :+33 3 20 55 65 95 Email : ruut@nweurope.eu</p>		
1.3.2. Intermediate bodies	None		
Contact Point			
1.3.3. Certifying authority	Caisse des Dépôts et Consignations		
Address	15 quai Anatole France F-75700 Paris SP France		
Contact point	Mr. Sébastien Cazabonne Sebastien.Cazabonne@caissedesdepots.fr Phone : +33 1 58 50 81 37 Fax : +33 1 58 50 06 78		
1.3.4. The audit authority and	<u>Audit</u> authority : Commission Interministérielle de Coordination des		

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audit bodies	<p>Contrôles des actions cofinancées par les Fonds Européens (CICC)</p> <p><u>NWE Group of Auditors</u> In compliance with Article 14 (Designation of authorities) of Regulation (EC) No 1080/2006, a Group of Auditors will be set up at the start of the programme to assist the Audit Authority in carrying out the duties provided for in Article 62 of Regulation (EC) No 1083/2006. This group shall comprise a representative of each Member State participating in the NWE Programme. The representatives have to be entitled to participate in decision-making within the Group on behalf of their Member State.</p> <p><i>Belgium</i> Ms. Els de Cremer (Flanders, Agentschap Economie - Afdeling Inspectie Economie), Mr. Christophe Rappe (Wallonia, Cellule Audit de l'Inspection des finances pour les fonds européens), Mr. Martin Pochet (Brussels Capital, Direction de l'Audit Interne)</p> <p><i>Germany</i>, Finanzministerium des Landes Nordrhein-Westfalen, Ms. Birgit Battermann</p> <p><i>France</i>, Région Nord-Pas de Calais, Direction du Contrôle des Fonds Européens, Mr. Touhami Gherissi</p> <p><i>Ireland</i>, ERDF Financial Control Unit, Mr. Dermot Byrne</p>	<p>The certificate of independency provided is for Els de Cremer (2nd level control) and not Dirk De Rijckand and is not signed</p> <p><u>Complementary request of the CICC in its assessment of 23rd June :</u></p> <p>For Ireland, is Mr Dermot Byrne really the auditor assisting at the</p>	<p>A revised certificate has been requested and sent. Els de Cremer is the auditor performing the checks, under the responsibility of her manager Mr. De Rijck. She attends the GoA meetings.</p> <p>Complementary answer :</p> <p>We confirm that Mr. Byrne is expected to attend the future auditors' meetings.</p>

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	<p><i>Luxembourg</i>, Inspection Générale des Finances IGF – Ministère des Finances, Mr. Gilles Reckert</p> <p><i>The Netherlands</i>, Ministerie van VROM, Concernstaff, Mr. Frank Everaarts</p> <p><i>United Kingdom</i>, Communities and Local Government, Mr. Desmond Mulcahy The Audit Authority and the Group of Auditors decided to outsource the system audits and the sample checks and take an ternal auditor (general regulation art. 62.1). The selection procedure is ongoing and will be finalised in the second half of 2008.</p>	meetings? Do confirm it.	
Addresses	CICC : 5 place des Vins de France, F-75573 Paris CEDEX 12 - France		
Contact point	Mme Armelle DAAM, chargée de mission Tel : 00 33 (0) 1 53 44 23 28 Fax : 00 33 (0) 1 53 44 23 06 cicc@cicc.finances.gouv.fr		
1.4. Guidance provided to the managing and certifying authorities and intermediate bodies to ensure sound financial management of Structural Funds (date and reference)			
	Circular n° 5210/SG dated 13th April 2007 from the French Prime Minister.		
2. MANAGING AUTHORITY			
2.1. Managing authority and its main functions			
2.1.1. The date and form of the formal designation authorising the managing authority to carry out its functions	<ul style="list-style-type: none"> • Decision of the International Working Party (IWP) n°4 of the INTERREG IVB programme, dated 10 May 2006 • Decision of 2 April 2007 by the “Commission permanente” of the Nord – 		

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	<p>Pas de Calais Regional Council to accept the assignment</p> <ul style="list-style-type: none"> • Commission decision of 26 September 2007 adopting the INTERREG IVB NWE Operational Programme • Agreement between the MA, CA and the 7 Member States and Switzerland participating in INTERREG IVB (cf. Annex 2 : version signed by all the members states since the end of march) 		
<p>2.1.2. Specification of the functions and tasks carried out directly by the managing authority</p>	<p>The following text is in line with the organisation ordered by Circular n°5210/SG dated 13th April 2007 from the French Prime Minister;</p> <p>The Nord–Pas de Calais Region (France) has been appointed to act on behalf of the Member States as the Managing Authority for the North West Europe Programme. The seat and the main offices of the Managing Authority (MA) are located in Lille.</p> <p><i>Tasks and responsibilities</i></p> <p>Pursuant to Article 60 of the General Regulation, Articles 14, 15 and 16 of the ERDF regulation and Articles 7, 13, 16, 17, 18 and 21 of the Commission Regulation, the Nord–Pas de Calais Region will be responsible for the sound financial management and implementation of the NWE Operational Programme (OP). This includes the following tasks and responsibilities:</p> <ul style="list-style-type: none"> • Accuracy and legality of payment 		

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	<p>transactions including internal controls and corrective measures (including the certification of service provision)</p> <ul style="list-style-type: none"> • Information and publicity measures related to the OP • Liaison between the authorities implementing the Programme and other interested parties where necessary • Liaison with the European Commission and the implementation of all accepted recommendations for amending management and monitoring procedures <p>The Managing Authority is assisted by the Joint Technical Secretariat in the implementation of its responsibilities and related tasks.</p> <p>Joint Technical Secretariat Pursuant to Article 14.1 of the ERDF Regulation, a Joint Technical Secretariat (JTS) based in Lille will assist the Managing Authority, the Audit Authority, the Group of Auditors, the Monitoring Committee and the Steering Committee in the implementation of their tasks and responsibilities.</p> <p>Tasks and responsibilities The Joint Technical Secretariat undertakes the day-to-day implementation of the Programme and is responsible for:</p> <ul style="list-style-type: none"> • Implementing and following up all Monitoring and Steering Committee decisions • Preparing and providing all necessary 	<p>Missions of the JTS : what about the quality checks of the management system? If this task is not fulfilled by the JTS, do precise by whom it will be fulfilled and the methodology that will be used to perform this task</p> <p>Complementary request of the</p>	<p>The Managing Authority will perform some checks on the functioning of the audit trail. It is forecast to have 2 checks per year.</p>

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	<p>information to the Managing Authority and Certifying Authority to allow the fulfilment of their responsibilities</p> <ul style="list-style-type: none"> • Coordination of and liaising with the Contact Points appointed by each Member States to develop project ideas and promote the Programme on their territory • Facilitating and proactively initiating the development of transnational projects • Ongoing monitoring of project outputs and analyses with reference to the Programme objectives/strategy. • Proactive support of capitalisation of projects/the Programme • Assisting candidates in the development of projects, including technical and financial advice • Assisting Lead Partners and project coordinators during project implementation • Implementing the publicity strategy approved by the Monitoring Committee • Informing the Steering Committee of projects' closure • Supporting the audit authority (organisation of auditors' group meetings, etc.) • Acting as contact point for the external auditor with regard to system audits and audits of operations. 	<p><u>CICC :</u></p> <p>Who will precisely perform the checks inside the MA (body and person in charge of it) ? What will be the methodology for selecting the operations concerned and the guide of analysis.</p>	<p><u>Complementary answer:</u></p> <p>Checks will be performed by a member of the MA team, i.e. the one who performs first level controls on TA expenditures.</p> <p>The MA intends to hire new controllers by the end of the year. They will be entrusted with these tasks too.</p> <p>The methodology is under process.</p>
2.1.3. Functions formally delegated by the managing authority	The GEIE-GECOTTI is in charge of the implementation of the Technical Assistance budget of INTERREG IVB NWE (as well as	Is there an agreement or a text which formalizes the bond between the management	There is no formal agreement between the MA and the GEIE-GECOTTI. But there is an

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	<p>for the INTERREG IVA Two seas and INTERREG IVC). It has been created in 2003 jointly by the Nord-Pas de Calais Region and the Walloon Region in order to implement programmes managed by these administration bodies.</p> <p>Its main tasks are to act on behalf of the Managing Authority :</p> <ul style="list-style-type: none"> - As the legal employer of the JTS staff - As the body responsible for launching public procurement procedures - As the body responsible for incurring and paying expenditures 	<p>authority (MA) and the GEIE GECOTTI and the tasks which are assigned to him.</p> <p><u>Complementary request of the CICC:</u></p> <p>Provide a document (apart from the Acte constitutif and its renewal in december 2007 which makes clear the responsibilities between the gérant of the GEIE Gecotti and the Conseil regional du nord pas de Calais</p>	<p>agreement (Acte Constitutif) between the Région Nord-Pas de Calais and the Walloon Region to create the GEIE .</p> <p><u>Complementary answer:</u></p> <p>As the Région is the Gérant as legal entity, it has to designate a gérant as natural person to deal with the current functioning of the GEIE-GECOTTI. The Région can provide a document which attests this designation.</p> <p>The Gérant-natural person is not a member of the MA team.</p> <p>No document making clear the responsibilities between MA and the GEIE exists, but the Acte Constitutif.</p>
Intermediate bodies	GEIE-GECOTTI		
Form of delegation	The Managing Authority doesn't delegate its responsibilities to the GECOTTI but consider this body as a tool to implement the programme with efficiency.	Do confirm in particular that the GEIE GECOTTI is not responsible for the public procurement (i.e. in french the "PRM") which will finally be signed by the management authority (i.e. the Président of the Conseil Régional Nord-Pas de Calais.	The GEIE is the only body which is able to organise all public procurement procedures related to INTERREG IVB NWE and to sign the contract afterwards. <p>The GEIE is managed by a civil servant designated by the President of the Conseil Régional</p>

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			Nord-Pas de Calais.
2.2. Organisation of the managing authority			
2.2.1. Organisation chart and specifications of the functions of the units (including indicative number of posts allocated)	<p><u>Managing Authority</u></p> <p><u>Specifications of the functions of the units</u></p> <ul style="list-style-type: none"> • Director, Direction Europe, • Head of Unit “Managing Authority”, Direction Europe • Officer + Legal expert, Unit “Managing Authority” <p><u>Indicative number of the posts allocated:</u> 1 à 2 full time equivalent</p> <p><u>Joint Technical Secretariat</u></p> <p><u>Specifications of the functions of the units</u></p> <p>1 Programme Manager 1 Communication Officer 1 Programme Assistant 1 Office Manager 1 IT Officer 5 Project Officers 5 Finance Officers</p> <p><u>Contact Points:</u> each country has at least a representative in the contact point network. Their task is to promote the NWE Programme and to help project promoters to develop their project ideas</p>		

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	See annex 3 for a flowchart of the Managing Authority and annex 4 for the JTS		
2.2.2. Written procedures prepared for use by staff of the managing authority/intermediate bodies (date and reference)	<ul style="list-style-type: none"> - Rules of procedure of the Monitoring Committee, the Steering Committee (both adopted on 4 & 5 October 2007) and the Group of Auditors (first adopted on 26 November 2007 and revised on 20 March 2008) of annexes 24 and 25 - Project Handbook – guidance notes - Recommendations made by the CICC as the audit authority 		
2.2.3. Description of procedures for selecting and approving operations and for ensuring their compliance, for their whole implementation period, with applicable Community and national rules (Article 60(a) of Regulation (EC) No 1083/2006).	<p>The Secretariat receives the Application Form and drafts a specific report, containing a brief note setting out its main findings and recommendations, supported by a standard assessment form. The report includes three main sections: considerations on the eligibility of the application, appraisal of the project (if eligible) against the core and detailed selection criteria, and concluding recommendations to the Steering Committee.</p> <p>Projects that are deemed ineligible are listed to the Chair (who is on rotation every 6 months) at the beginning of the assessment process. If the Chair confirms that these projects are indeed ineligible, then their assessment stops and the project promoters are informed of the ineligibility and its reasons.</p>	<p>Precise if all the projects are submitted to the Steering Committee.</p> <p><u>Complementary request of the CICC in its assessment of 23rd June :</u></p> <p>An information of the Steering</p>	<p>Yes, the second column has been completed</p> <p><u>Complementary answer :</u></p> <p>We confirm that this is done. A</p>

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	<p>The Steering Committee meets and deliberates on the eligible project applications. Projects can be approved (conditionally or not), referred back to the applicants or rejected.</p> <p>Role of the Steering Committee: as stated in §1.6 of the Agreement, The Programme Steering Committee (PSC) is responsible for the selection of projects, the monitoring of project implementation, as described in Section 6.1 (Programme management bodies) of the Operational Programme. To fulfil its tasks and responsibilities it is assisted by the JTS. The PSC is made of Member States and Switzerland representatives.</p> <p>These tasks are different from the Monitoring Committee's since the Programme Monitoring Committee (PMC) is responsible for supervising and monitoring the implementation of the Operational Programme, as described in Section 6.1 (Programme management bodies) of the Operational Programme. To fulfil its tasks and responsibilities it is assisted by the JTS.</p> <p>The Secretariat issues the Subsidy contract on behalf of the Managing Authority and addresses it to the Lead Partner.</p> <p>Templates : internal checklist for assessment, assessment report , Subsidy contract, Partnership Agreement (annex 5) and description of project approval</p>	<p>about the projects rejected at the stage of their eligibility assessment must be done (at least by providing a list)</p> <p><u>Complementary request of the CICC :</u> Make clear who are the members of the PSC and PMC and let us know any difference in the composition of these 2 committees</p> <p>In the draft of the partnership agreement, the storage of files, documents and data related to an operation seems to be parted between the lead partner and the partner (see article 11 and 12).</p>	<p>report on ineligible projects is sent by email directly to the Member States. Then the list is provided in the PSC folder and available for discussion at the meeting.</p> <p><u>Complementary answer:</u> See annex 6.</p> <p>the partnership agreement that is provided to the project promoters in an indicative document (and reads "model to be adapted). The rule for storing documents is that</p>

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	procedure.	<p>Precise the way all documents are conserved (what kind of document at which level: either the partner or the lead-partner) and how this repartition of storage will find its translation in the annex 6.</p> <p>Precise where the documents are located in case of TA public procurements of the MA for its own benefit.</p>	<p>originals should remain where they belong (e.g. invoices where the expenditure was incurred and claimed) and that Lead partners should store a copy.</p> <p>Documents related to TA expenditure are stored on the GEIE premises.</p>
2.2.4. Verification of operations (Article 60 (b) of Council Regulation (EC) No 1083/2006)			
Description of the procedures for verification	According to Article 16 (Control system) of Regulation (EC) No 1080/2006 each Member State (and Switzerland) designates the controllers responsible for verifying the legality and regularity of the expenditure declared by each beneficiary participating in the operation (= first level control).	There's nothing about the on-the-spot verifications (cf art 60 b) of regulation (EC) 1083/2006 and art 16 of regulation (CE) 1080/2006). Please describe the methodology and the selection of individual operations or transactions (sampling). Precise if the on—the –spot verifications will be carried out at the level of the Lead partner (where he is located) or at the level of all the partners involved.	<p>The First Level Controllers who will be assigned or approved by the Member States will conduct on-the-spot checks at partner level following a methodology that they will develop. These on-the-spot checks will be recorded at Programme level (JTS) via the bi-annual Payment Claim where the First Level Controllers need to report them.</p> <p>Due to the specific nature of the activities under INTERREG IVB (meetings, study visits, brochures, guidebooks), where investment even on a small scale</p>

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	<p>Each Member State (and Switzerland) ensures that the expenditure can be validated by the controllers within a period of two months so that the Lead Partner is in a position to submit its payment claim at the date set in the Subsidy Contract. Each Member State submits to the Managing</p>	<p>Where part of an operation is implemented outside the European Community¹ what kind of specific arrangements are made.</p>	<p>is rather exceptional, evidence of the delivery of services, goods and works can often be obtained through administrative checks (through checking meeting agenda, travel documents such as boarding passes, participants' lists, the existence of brochures) and on-the-spot checks would not provide any additional insight. However, if administrative checks do not allow to obtain sufficient evidence, on-the-spot checks are required. Such checks will have to be carried out taking into consideration Commission guidance on this matter which is currently under development.</p> <p><u>Complementary request of the CICC in its assessment of 23rd June :</u></p> <p>an annual reporting of the on-the-spot checks conducted by each member state must be provided to the JTS.</p> <p><u>Complementary answer :</u></p> <p>The JTS takes note of the remark and will be provided with such document.</p> <p>§2.2 and 16 of the Agreement between the MA, the CA and the Member States tackles this issue.</p> <p>TA expenditure is incurred by the</p>

¹ See Art. 21(3) of Regulation (EC) No. 1080/2006

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	<p>Authority a description of the control system set up and the list of designated controllers according to a form provided in Annex of the Agreement between the Managing Authority, the Certifying Authority and the Member States (cf. Annex 2).</p> <p>The body responsible for the first level control system set up by each Member state will be included in this agreement in §12. The full description of the first level control is included in the Description of the Management and Control Systems in accordance to Regulation n° 1828/2006 Annex XII.</p> <p>The Member States and Switzerland shall without delay inform the Managing Authority of any changes of responsible body and the control system set up.</p> <p>Questionnaires with signatures about Member State First Level Control Description are attached in annex 7</p> <p>See annex 8</p>	<p>Precise the system made for verifications in case of technical assistance (TA)</p> <p>For the questionnaire provided by the UK :</p> <p>The second part of the § 2.2. is not fulfilled</p> <p>- explain in the § 2.2. the phrase at the end</p> <p>in the § 3 : It seems to be a willing to do and not a clear engagement. Moreover they have to confirm that they will use the checklist provided in the annex 4 of the guidance note</p>	<p>GEIE GECOTTI who produces monthly reports listing all the costs (+copy of the related invoices). The MA is in charge of the control of the TA expenditure. It receives monthly TA reports that are then fully checked with full access to all necessary documents on the premises.</p> <p>UK has been emailed with the queries and has provided an amended 1st level control description document stamped and signed correctly by 19th june.</p>

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		<p>in § 4 : how the separation with PCM functions will be clearly ensured</p> <p>in § 6 : they speak about a internal guidance on the 1st level control system. How the accordance of this internal guide with the one provided generally by the JTS for the IV B Program can be ensured. The document if they maintain has to be sent to the JTS for validation</p> <p><u>For the questionnaire of Ireland :</u></p> <p>In § 4 : the question of the separation between project activities and finances is not taken into account. Ireland only speaks about the separation between 1st level control and 2nd level control.</p>	<p>Concerning the Irish questionnaire :</p> <p>Questions on project activities in which Irish partners are involved will be dealt with by the designated Irish Program Contact Point in the Southern & Eastern Regional Assembly, whereas the first level control will be the responsibility of the auditor in the Southern & Eastern Regional Assembly. These two functions are completely separate. As regards direct involvement in Interreg IVB NWE projects, the Irish authorities involved in the management and control of the program will not take part as project partners or Lead Partners in any project applications. Therefore, there is no direct involvement of the management and control authorities in project activities and finances.</p>

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		<p><u>For the questionnaire provided by Germany</u></p> <p>Concerning § 2.2. and 3, the decentralised system is based on a two step procedure : 1) proposal of a controller by the beneficiary, either public or private controller b) approval of the proposed controller by a competent national/ regional authority in so far as the implementation of the FLC is the responsibility of the Member states.</p> <p>In the description it is stated that “Germany entrusts the JTS” of the task of rejecting a controller in case its qualification is not proven. It is not part of the duties of the JTS to approve or reject controller but a system should be implemented at the Member state level (either at the national or the regional level that depends on the choice done and the political structure for instance).The body(ies) or person(s) who will be designated for this task will also act as <u>referent point</u> for the JTS and the</p>	<p>Germany has been emailed with the queries and an amended document taking into consideration the CICC’s remarks has been provided by 19th June.</p>

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		<p>AA in case of information/assistance is required.</p> <p>Moreover concerning the separation of functions, how will it be implemented between the FLC and the 2nd level control? § 4 of the annex of the description is too vague.</p>	
Bodies carrying out such verifications	First level controller designated by their respective Member State		
Written procedures (reference to manuals) issued for this work	<p>Circular n° 5210/SG dated 13th April 2007 from the French Prime Minister.</p> <p>CICC recommendations</p> <p>Guidance notes.</p>		
2.2.5. Processing of applications for reimbursement			
Description of the procedures by which applications for reimbursement are received, verified, and validated, and by which payments to beneficiaries are authorised, executed and accounted for (including flowchart indicating all bodies involved) Bodies carrying out each step in the processing of the application for reimbursement	<p>The Secretariat:</p> <ul style="list-style-type: none"> -receives the payment claim & progress report and, in each case, - checks the actions against the Subsidy contract and its annexes (application form) and the eligibility of expenditure, ensures that European regulations and audit guidelines are respected. - checks that the claim has been approved by the designated first level controllers - checks the proofs of expenditure - ensures the physical existence of the expenditure, through elements in the file or 	<p><u>Complementary request of the CICC in its assessment of 23rd June :</u></p>	<p><u>Complementary answer</u></p>

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	<p>with on site controls.</p> <ul style="list-style-type: none"> - checks that the publicity regulation is followed (with pictures for example). - makes sure that the payment claim is correct and controls the ERDF amount to be paid (against the Subsidy contract and the claim) 	<p>Confirm that proofs of expenditures means all the invoices , salary sheets etc...</p> <p>The JTS must receive all the certificates including those made at the project partner's level and not only the certificate made at the lead partner's level. Otherwise the control of the CA who receives these documents as well through the JTS is not efficient and the audit trail is not guaranteed.</p> <p>All the relevant documents (for instance handbook guidance notes etc...) must be modified and completed with this mention.</p> <p>Concerning projects invoices, the CICC, they must be available at any time at the level of the Lead partner and in case of quality controls made by the certification authority ; the CDC must be provided with these documents via the JTS in case of quality controls.</p>	<p>We confirm that this is our understanding of what "proofs of expenditure" means.</p> <p>The issue was already raised in the INTERREG IIIB NWE system audit carried out by the CICC audit in 2003 and the system that is the conservation by the Lead partner of all the projects invoices and a certificate established by an independent first level controller was acknowledged.</p> <p>We do confirm our position for the IVB Programme: we do receive from projects their payment claims and "verification sheet of expenditures" listing all the costs items (invoices, salary costs, etc.) included in the payment claims.</p> <p>In case of doubt, the JTS always has the possibility to request this information to the project's Lead Partner.</p> <p>About comments on p.11 and 12 of the CICC final audit report, the issue was tackled in the payment claim template. First level control happens at partner level, Lead Partner level and JTS level. The LP controller has to list all findings at project level and indicate if there were on site</p>

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	<ul style="list-style-type: none"> - prepares a service check certificate ("certificate de service fait") - ensures that a proper follow-up takes place in case irregularities were found - makes on site visits (the sampling procedure for site visits takes into account the degree of completion of projects and aims at a fair coverage of the programme priorities and geographical scope of the project partners). - sends it to the Certifying authority that will make payment. <p>Templates: internal checklist for assessment, payment claim assessment report service, check certificate / payment request</p> <p>The Certifying Authority acknowledges receipt of the package, completes its own checks and proceeds with payment of the relevant amount. The Certifying Authority transfers the amount of Community funding due to the Lead Partner within five working days of receiving the payment approval. This time limit can be extended if the documents received by the Certifying Authority do not allow the checks to be completed or if it requests that further checks are made. A summary sheet is sent by the Certifying Authority to the Managing Authority and the Secretariat each time payment is made to a</p>	<p>The CSF "new generation" has to take into account the recommendations made by the CICC in its final audit report in september 2007 (page 11 and 12).</p>	<p>visits.</p> <p>The separation of functions for TA expenditure is ensured: the TA management is done by the JTS and the GECOTTI; the 1st level control is done by the MA (one person within Direction Europe)</p>

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>project.</p> <p>Payments to Lead Partners are made from the "Programme" bank account. The Lead Partner is responsible for transferring their share of the ERDF amount to the relevant project partners .</p> <p>Regarding Technical Assistance payments, the procedure is described in a chart as annex 9</p>	<p>For TA, a clear separation must be ensured between the project management and the unit in charge of the 1st level control (in this case who will check and sign the 1st level control certificate of expenditure ?).</p>	
<p>Written procedures (reference to manuals) issued for this work</p>	<p>Circular n° 5210/SG dated 13th April 2007 from the French Prime Minister.</p> <p>Project Handbook – Guidance notes (cf. § 2.2.2).</p>		
<p>2.2.6. Description of how information will be transmitted to the certifying authority by the managing authority</p>	<p>Operation data (content of Application form, Progress Reports, Request for changes etc) is transmitted via the internal programme management database, to which the certifying authority has full access.</p> <p>The "certificat de service fait/ordre de paiement" ("service check certificate/payment order")- document is transmitted as a signed original.</p> <p>The control reports documents will be sent by post and a copy will be kept by the MA and the JTS.</p>		
<p>2.2.7. Eligibility rules laid down by the Member State and applicable to the operational programme</p>	<p>The Programme will follow the Community rules laid down in Regulation (EC) 1080/2006, Article 7, and Regulation (EC) 1828/2006, Article 48, and further specified eligibility rules laid down at programme level by PMC1 on 4-5 October 2007 .</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
2.3. In cases where the managing authority and the certifying authority are both designated in the same body, describe how separation of functions is ensured			
	The managing authority and the certifying authority are two different bodies.		
2.4. Public Procurement, State Aid, Equal Opportunities and Environment rules			
2.4.1. Instructions and guidance issued on the applicable rules (date and reference)	<p>As the programme covers several Member States, references are made to EU legislation and it is specified that partners should refer to their national legislation as well.</p> <p>The programme also provides all partners with Guidance notes .</p>	What about the public procurement requirement. How this requirement will be respected ?	<p>Projects: it is up to the designated first level controllers to check the compliance with national requirements.</p> <p>The first level controllers have to confirm with each report that the Partners complied with Community rules and policies including publicity, information, equal opportunities, protection of environment, state aid, competition and public procurement.</p> <p>In a first step, the MS through their approval decision agree on the compliance of a project with community policies.</p> <p>During project implementation, it is the task of the first level controller to check and confirm the compliance with Community policies (especially the compliance with public procurement rules).</p>

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
2.4.2. Measures foreseen to ensure that applicable rules are complied with, for example, management checks, controls, audits	<p>The controllers carrying out checks are required to check these points on the basis of</p> <ul style="list-style-type: none"> • the audit guidelines and recommended audit checklist • the text of the audit confirmation that is part of the Progress Report, explicitly lists these points and has to be signed by the controller <p>The auditors in the context of the art. 62 checks will also check these points. It will be part of the audit methodology.</p>		
2.5. Audit Trail			
2.5.1. Description of how the requirements under Article 15 will be implemented for the programme and/or for individual priorities	<p><u>At JTS level:</u></p> <ul style="list-style-type: none"> • project folders with valid application form, subsidy contract and progress reports. • all information also available in programme management system (PMS) <p><u>At project level:</u></p> <p>Individual partner control confirmations, invoices, payment proofs, contracts and other accounting documents.</p>		
2.5.2. Instructions given on retention of supporting documents by beneficiaries (date and reference)			
Indication of the retention period	The Subsidy contract indicates that documents should be kept until 31		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	December 2021.		
Format in which the documents are to be held	Paper file + all data in the PMS		
2.6. Irregularities and recoveries			
2.6.1. Instructions issued on reporting and correction of irregularities and recording of debt and recoveries of undue payments (date and reference)	<p>Circular n° 5210/SG dated 13th April 2007 from the French Prime Minister.</p> <p>Procedure for financial corrections and the recovery of unduly paid funds at project and Commission level is as follows:</p> <ul style="list-style-type: none"> • For irregularities detected at project level by the Secretariat, the Managing Authority, the Certifying Authority or the Member States <p>Either the Lead Partner is obliged to reimburse the amount requested within three months or the amount is deducted from future payments.</p> <p>The National Authority and the Audit Authority are informed of the start of the recovery of unduly paid funds procedure within six weeks. If the reimbursement has not been made by the Lead Partner, the National Authority must take the necessary steps to ensure it is.</p> <p>If the Lead Partner refuses to reimburse the amount due, the National Authority must transfer the equivalent amount to the Programme account within three months of the Secretariat's request. It is then up to the National Authority to reclaim the amount from the Lead Partner (the Programme is no longer involved at this stage of the procedure).</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<ul style="list-style-type: none"> • For financial corrections carried out by the European Commission The amounts must be reclaimed from the Managing Authority by the Commission. If the financial correction is linked to a project, payment will be made directly from the Programme account. It is then up to the Managing Authority to reclaim the appropriate amounts from the relevant Lead Partner. The Paying Authority ensures the proper accounting of the corrections. <p>If the correction is linked to Technical Assistance, payment will be made directly from the Technical Assistance account.</p> <ul style="list-style-type: none"> • The Certifying Authority is responsible for the bookkeeping of the recoverable amounts on the basis of information provided by the Secretariat. Once a year, the Paying Authority sends a statement of recoverable amounts to the European Commission. On its side, the Secretariat informs the CICC twice a year. • The Managing Authority sends statements to the European Anti-Fraud Office (OLAF) on the basis of information provided by the Member States. <p>For practical reasons, the Secretariat has drawn up an example of financial corrections notification form. Any financial correction implies a unique 'corrective' payment request.</p> <p>The Audit Authority is kept informed of irregularities discovered by Programme</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	bodies. This point is also addressed at auditors' meetings, when an update is given.		
2.6.2. Description of the procedure (including flowchart) to comply with the obligation to report irregularities to the Commission in accordance with Article 28.	See annex 10		
3 CERTIFYING AUTHORITY			
3.1. Certifying authority and its main functions			
3.1.1. The date and form of the formal designation authorising the certifying authority to carry out its functions	<ul style="list-style-type: none"> • Circular n° 5210/SG dated 13th April 2007 from the French Prime Minister. • Agreement between the MA, CA and the 7 Member States and Switzerland participating in INTERREG IVB • "Convention" between the Nord-Pas de Calais Region and the Caisse des Dépôts et Consignation planned for signature in September 2008 	<u>Complementary request of the CICC in its assessment of 23th june :</u> provide a draft of the convention now and the signed document to the CICC before the 1 st September ; otherwise a reserve will be made on the certifying authority.	<u>Complementary answer</u> The document has been finalised and already signed by the CA (the signature of the MA is ongoing) The draft has been sent to the CICC the 6 th august and the signed document will be sent on due time. The official document signed and stamped by both parties has been provided to the CICC by 1 st September.
3.1.2. Specification of the functions carried out by the certifying authority	The Caisse des Dépôts, as CA, acts in accordance with the following regulations :		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p><u>A. Art 61 of Regulation (CE) 1083/2006 :</u></p> <p><u>B. Prime Minister’s circular of April 13, 2007 :</u></p> <p>“The Certifying Authority shall</p> <p>1) keep informed of the management procedures implemented in the management departments, including “...”and of the modifications that are systematically transmitted to it.</p> <p>2) receive regularly all the certificates and statements of expenditures, drawn up by the MA. It shall ensure, by means of requests in the IT monitoring system, that it has received all the statements of expenditures, since the last payment claim to the Commission (including advances).</p> <p>3) check that the amounts of eligible expenditures recorded on the certificates match with the amounts recorded in the IT monitoring system and ensure quality of the certificates. The differences will immediately be reported to the management department that will correct them as soon as possible.</p> <p>4) make quality controls by picking up some projects. Controls consist in checking that the expenditures stated in the certificates comply with the dispositions of the subsidy contract, expenditures are eligible and justified statements of expenditures can be provided.</p>	<p>Precise if the coherence control is about all the certificates and statements of expenditures or if a selection is made and in this case, give the method of selection</p>	<p>Yes all certificates are checked</p>

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>In case of a problem, it will seek explanations by examining all documents available throughout the entire procedure in order to determine whether there is a failure or not in the system. It shall draw up a report, send it to the management authority, that will bring the requested answers within the best time limit and proceed, if necessary, to the necessary corrections.. The selection of files will be done so that a sufficient coverage of notably axis and measures, nature of project leader is allowed in order to ensure that recorded failures be corrected</p> <p>5) receive all control reports, whatever the level of control, (quality management controls, operations controls, CICC audits and European control authorities' audits) in order to have all pieces of information on the systems functioning and to verify that expenditures corrections have been made (when necessary).</p> <p>6) exclude the expenditures from the following claim sent to the European Commission if the financial modifications related to the provided answers have not been done or in case of no answer from the management department ; it shall also exclude the expenditures for which no certificate has been sent.</p> <p>The measure is implemented whatever the origin of the statement, ie Certifying Authority controls and all audits and controls above mentioned. Regarding the</p>	<p>The methodology and the sampling for the quality controls should be explained precisely.</p> <p><u>Complementary request of the CICC :</u></p> <p>The answer in column 4 is not satisfying. The CICC maintains its request to have a clear methodology and sampling for the quality controls made by the certifying authority.</p>	<p>Should any problem occur (missing audit report, a country not represented at any GoA, or any other situation...) the CDC will make further checks. Other selection criterion relies on the detailed analysis of the previous controls.</p> <p><u>Complementary answer :</u></p> <p>We are writing a new methodology. But for now, the current methodology is based on the following of the document which will be used to give the result of our controls. This document called "Maquette contrôle qualité" has been validated by the CICC in March 2008.</p>

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>corrections requested by the European Commission, the Certifying Authority shall ensure agreement of the national authorities.</p> <p>7) draw up, before each claim to the Commission, a synthetic report of the works made since the last claim, indicating the expenditures withdrawn because of the above conditions and send it to the managing authority.</p> <p>In the declarations of expenditures sent to the EC, only expenditures of which a certificate of service is available can appear, whatever it is an intermediate or final call for payment and for which the CA could carry out the tasks that are of its responsibility.”</p> <p>In addition, the CA shall carry out the recommendations made by the CICC.</p> <p>The CA is as well the payment body. It is therefore in charge of paying the ERDF contribution to the project LP's as well as TA payments to the GEIE GECOTTI.</p>	<p><u>Complementary request of the CICC in its assessment of 23rd June :</u></p> <p>The quality controls must be based on proofs of expenditures and not only certificates (that means invoices, salary sheets etc...) : the nature of the “pièces justificatives” must be emphasized in the convention CDC –Conseil Regional du Nord Pas de Calais for the IV B program in order to avoid any doubt.</p> <p>Moreover the CA must receive via the JTS all the certificates including those of the project partner's and not only the certificates of the LP in order to guarantee the audit trail.</p>	<p>The sampling principles are explained below (cf. 3.3.2)</p> <p><u>Complementary answer to the requests of the CICC in its assessment of 23rd June:</u></p> <p>Quality checks are meant to ensure an in depth scrutiny of supporting documents (Cf Article 8.3. of the convention between the CA and the MA).</p>
3.1.3. Functions formally delegated by the certifying authority (functions, intermediate bodies, form of delegation)	None.		
1.2. Organisation of the certifying authority			

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
<p>3.2.1. Organisation chart and specification of the functions of the units (including indicative number of posts allocated)</p>	<p>The European Programs Unit, within the Public Mandates Department of the Banking Services Direction is a team (10 people) in charge of the management of European Funds.</p> <p>The unit operates with both :</p> <ul style="list-style-type: none"> - A « front office », made of 5 « chargés d'affaires » (program officers), each being in charge of an average of 2 programs and acting as a referent for these programs. - A « back office », made of 5 bookkeepers in charge of payments and requisite corresponding controls <p>The “charges d'affaires” shall ensure the follow up of the bank accounts opened in the name of the programs as well as expenditures and is responsible for the certifications.</p> <p>As for the quality checks, the European Programs Unit is reinforced by the Accounting Unit of the Public Mandates Department. The person in charge of the Accounting Unit is co-leader with the person in charge of the European Programs Unit of a working group on quality controls.</p> <p>The working group is composed of 2 bookkeepers attached to the program, a « chargée de mission » belonging to the Public Mandates Department and of the “chargés d'affaires” (for language</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>constraints only).</p> <p>The person in charge of the working group ensures that the annual provisional calendar of the controls is respected and the necessary resources are allocated to the realisation of the controls, verifying that both control and certification functions are separated.</p> <p>Indicative number of post allocated (chargé de programme and bookkeepers) : 1 up to 2 EFT/year (when program fully running)</p> <p>(cf. organisation chart in Annex 11)</p>		
<p>3.2.2. Written procedures prepared for use by staff of the certifying authority (date and reference)</p>	<ul style="list-style-type: none"> • Circulaire of the French Prime Minister, no 5210/SG of 13 April 2007 • Agreement between the MA, CA and the EU-MS, on the implementation of the INTERREG IVB programme • Operational Programme approved by the European Commission on 26 September 2007 • “Convention“ between the Nord-Pas de Calais Region and the Caisse des Dépôts et Consignation (under signature) • Internal Audit Trail (Guide des procédures) documenting procedures between the MA, CA and the JTS (under development) 	<p>When will these 2 documents be available : give a calendar and send a copy when the documents are ready</p> <p><u>Complementary request of the CICC :</u></p> <p>1) provide the signed “convention” between CDC and the Nord Pas de Calais Region</p>	<p>September 2008</p> <p><u>Complementary answer to the requests of the CICC in its assessment of 23rd June:</u></p> <p>1) See answer 3.1.1 for the convention between the CA and</p>

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<ul style="list-style-type: none"> Recommendations of the CICC 	<p>to the CICC before the 1st September.</p> <p>2) Provide as well the audit trial documenting procedures of the CA (even if it is only a draft).</p> <p><u>Complementary remark of the CICC n°2 :</u></p> <p>The convention signed and stamped has been sent to the CICC on due time i.e. 1st September.</p> <p>Provide the CICC with the “guide des procédures” in the delays indicated (end of September at the latest).</p>	<p>MA</p> <p>2) the “Guide des procédures” is expected between mid and end of September 08.</p>
3.3. Certification of statements of expenditure			
<p>3.3.1. Description of the procedure by which statements of expenditure are drawn up, certified and submitted to the Commission</p>	<p>Cf. 3.1.2.</p> <p>MA and CA will decide jointly the date of the necessary certification of expenditures. Certificates are sent by the MA and are issued and sent regularly.</p> <p>An aim of the rhythm followed for the certification will be to keep enough ERDF cash in treasury in order to reimburse the project members in a short time when requested.</p> <p>In order to make any certification, the CA</p>	<p>Precise if the coherence control is about all the certificates and</p>	<p>Yes all certificates are checked.</p>

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>shall verify the coherence between the eligible expenditures reported in the Certificates of expenditures it has received and the amounts recorded in the IT monitoring system.</p> <p>CA shall ensure the follow up of the expenditures via an Excel file. This Excel file will be recorded on a secure disk. The type of data recorded in this excel file will be explained in a document.</p> <p>Once CA has verified the coherence of the data, it shall draw up the amount of the expenditures to be certified and submitted to the EC.</p> <p>It shall exclude from the certification all expenditures of which it has not received a certificate as well as those withdrawn following one of the controls.</p> <p>It shall establish, certify and submit the statement of expenditure to the EC through the IT monitoring system, via SFC 2007.</p> <p>All this process will be described in a specific document which will be a part of "guide des procédures"</p>	<p>statements of expenditures or if a selection is made and in this case, give the method of selection</p>	
<p>3.3.2. Description of the steps performed by the certifying authority to ensure fulfilment of requirements under Article 61 of Council Regulation (EC) No1083/2006</p>	<p>a) (i) For the purpose of certification, CA shall refer to the IT monitoring system (Database) in order to verify that MA really issued the certificates of expenditure and recorded them in the system.</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>(ii) The quality of the certificates will be measured through controls named « quality certification checks ». These controls will be conducted according to a pre-established methodology, which will be the same for all the ERDF programs for which the CDC has been designated as CA.</p> <p>Selection criteria for the operations to be controlled will be defined by the CA (audit system). According to the convention between MA and CA, CA shall systematically receive from MA all the necessary information on the management procedures and be informed of all modifications.</p> <ul style="list-style-type: none"> • MA and CICC will provide all audit reports on the program to CA. • A follow up of all the certified expenditures submitted to the EC is made through Excel. 	<p>A quality check of certificates on one operation per year per program is not sufficient . Moreover it should not be based only a risk analysis.</p> <p><u>Complementary request of the CICC :</u></p> <p>The answer in column 4 is not satisfying. The CICC maintains its request to have a clear methodology and sampling for the quality controls made by the certifying authority.</p>	<p>When the first certifications are made, the CDC will check the audit trail.</p> <p>Depending on the reasonable insurance.</p> <p><u>Complementary answer :</u> Sampling for any file selected for a quality control. The files that will need to be selected will be sampled through five main criteria which are:</p> <ul style="list-style-type: none"> - Varied axis and measures. - Varied legal nature of the project leader - Varied areas where the project leader is legally located. - No existing previous second level controls for any selected file. - Varied costs of any selected

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
			project cf “Maquette contrôle qualité CDC” that has been validated by the CICC in March 2008.
3.3.3. Arrangements for access of the certifying authority to the detailed information on operations and verifications and audits held by the managing authority, intermediate bodies and audit authority	CA/payment body has full access to the IT monitoring system. In addition, it shall systematically receive : - all procedure details on the IT monitoring system - all audit reports, whatever their nature or author, (certificates of expenditures, management quality controls, controls on operations and system audits).		
3.4. Accounting system			
3.4.1 Description of the accounting system to be set up and used as a basis for certification of expenditure to the Commission	IT monitoring system <i>Database</i> + SFC 2007		
Arrangements for forwarding aggregated data to the certifying authority in case of decentralised system	N/A		
The link between the accounting system and the information system to be set up (point 6)	N/A		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
Identification of Structural Funds transactions in case of common system with other Funds	Not applicable.		
3.4.2. Level of detail of the accounting system:	Operation		
Total expenditure by priority and by Fund	Yes.		
3.5. Recoveries			
3.5.1. Description of the system for ensuring the prompt recovery of Community assistance	Recovery orders are drawn up by the MA. The MA shall take necessary measures for the recoveries, if necessary jointly with the MS, in accordance with the terms of the convention signed between them. The amounts of recoveries shall be transferred to the CA.		
3.5.2. Arrangements made to maintain a debtors' ledger and to deduct amounts recovered from expenditure to be declared	Irregular expenditures shall be withdrawn in the IT system (as well as from the statement of expenditures) as soon as the decision of rectification is taken, without waiting for the effective recovery. CA shall ensure the follow up of the recoveries in a separated Excel file.		
4. AUDIT AUTHORITY AND AUDIT BODIES			
4.1. Description of the main tasks and inter-relationships of the audit authority and audit bodies under the responsibility of the audit authority			
	The CICC, appointed for this purpose, assesses the description of the management and control systems, writes the report setting		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>out the results of an assessment of the system set up and an opinion on their compliance (Article 71 of Regulation No 1083/2006).</p> <p>As Audit Authority, it assumes all the responsibilities mentioned in Article 62 of Regulation No 1083/2006.</p> <p>The Audit Authority will be assisted by a group of auditors comprising a representative of each Member State participating in the Operational Programme. As provided for in article 14 of regulation 1080/2006, the group has drawn up its own rules of procedure and will be chaired by the Audit Authority.</p> <p>The rules of procedure have been approved during the meeting of the group held on 26 November 2007 and have been amended on the 2nd meeting held on 20 March 2008.</p> <p>They define the respective responsibilities of the group and the Audit Authority. In particular, the group has discussed the audit strategy, the parameters of the random sample, notably the level of confidence attributed to the functioning of the system, if needed, the complementary sample, the results of the audits (system and operations), the annual and final reports of control, the annual opinions and the declarations of closure (final and eventually partial). Finally, the Audit Authority will decide, as described in the rules of procedure, and sign the opinions and declarations.</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>The Member States representatives will intervene in the process of auditing and in the follow up as described in the rules of procedure.</p> <p>The system audits and the audits of operations will be externalized. The external auditor will also prepare the draft of annual and final reports, the draft annual opinions and the closure declarations. The terms of reference detail the tasks the external auditor will conduct.</p> <p>The external auditor will act on behalf of the Audit Authority, with the support of the group of auditors.</p> <p>The call for tender procedure is under way. The selection procedure is described in the terms of reference.</p>		
4.2. Organisation of the audit authority and audit bodies under its responsibility			
4.2.1. Organisation charts (including the number of posts attributed)			
	<p>Reporting to the Prime Minister, the CICC comprises 6 members and 6 substitutes (four Chief Inspectors of Finances, Administration, Social Affairs and Agriculture, respectively, and two highly qualified people: one former Regional Préfet and one former Regional Paymaster; each full member having a substitute with the same background); the 12 members (as well as, among them, the Chairman and the Vice-Chairman, chosen by the Chief Inspectors) are appointed by the Prime Minister for 3 years, renewable.</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>The CICC has an administrative team of 8 Project Managers and a secretariat of 2 people (staff made available by the Ministries of Interior, of Employment, of Agriculture and of Finances).</p> <p>The Audit Authority is supported by the Technical Secretariat, as provided for in the provisions of Article 14 (1) second indent of Regulation 1080/2006. A specific position is defined for this purpose within the Secretariat.</p> <p>The call for tender procedure will make sure that the successful tenderer allows for sufficient means to carry out the tasks entrusted to it.</p> <p>Once a year, to support its working schedule, the successful tenderer shall indicate the means it will commit to the year's activities.</p>		
4.2.2.Arrangements for ensuring independence			
	<p>The CICC is an interministerial commission reporting, not to the ministries which manage the various funds, but to the Prime Minister who appoints its members. It collectively makes decisions regarding the topics coming under its jurisdiction; it comprises, for two thirds, members of General Inspectorates of ministries, independent by status and tradition.</p> <p>Cf.:</p> <ul style="list-style-type: none"> - Article 60 of the Corrective Finance Law for 2002 of 30 December 2002 amended by Article 99 of the Corrective 		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>Finance Law for 2007 of 25 December 2007.</p> <ul style="list-style-type: none"> - Décret n°2008-548 of 11th June 2008, - Arrêté of 22 October 2002, in the process of being amended, in order to adapt it to the obligations provided for in the Regulations regarding the 2007-2013 period, - Circular letter from the Prime Minister, n°5210/SG of 13 April 2007. <p>The Member States representatives to the group of auditors shall not be involved in any other management or certification activity. In conformity with the Commission's guidelines regarding the audit strategy, an independence certificate has been requested from each of them (see the list in annex 12)</p>		
4.2.3.Required qualification or experience			
	<p><u>CICC</u>: for the members of the commission: National Administration School (ENA) or equivalent; for the Project Managers: Category A civil servants with a confirmed professional experience in topics related to the management of public funds, and more particularly in the management of European funds for most of them.</p> <p><u>Group of auditors</u>: the Member States representatives must be qualified in audit work. This qualification shall be certified in the document testifying to their independence, as described above.</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	The qualification of the people proposed by the audit agency will be checked during the selection procedure, on the basis of the curriculum vitae that will be demanded.		
4.2.4. Description of procedures for monitoring the implementation of recommendations and corrective measures resulting from audit reports			
	<p>The recommendations and corrective measures might result from any type of control implemented (quality control by the Managing Authority, checks by the Certification Authority, system and operations audits, audits by the European Commission and by the European Court of Accounts).</p> <p>To this end, the Technical Secretariat will receive all the reports so that they may be transmitted to the Audit Authority and presented to the group of auditors. The recommendations and corrective measures to be implemented on the basis of the various findings will be presented to the Managing Authority/Technical Secretariat, which will have the responsibility of forwarding them, if necessary, to the relevant Member States, as well as to the Certification Authority, if this latter is involved, for their implementation.</p> <p>In any case, all the findings, recommendations and corrective measures to be implemented will be presented to the Certification Authority, which will receive all the control reports related to the programme, whatever the control level and the drafting body (quality checks by the Managing Authority/Technical Secretariat, approved audit reports regarding systems and</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>operations, reports from the European Commission and the European Court of Accounts, etc.). In case of emergency, the Certification Authority will be informed even before the completion of the contradictory procedures.</p> <p>The follow-up on the implementation of the recommendations and corrective measures will be carried out by the Audit Authority and the group of auditors on the basis of summary tables, established by the external auditor, for the audits mentioned in the contract entered with him/her, or by the Technical Secretariat for the other types of checks.</p> <p>The follow-up tables will be duplicated in the annual control reports.</p> <p>Permanent access by the members of the group of auditors to the programme follow-up application (PMS)</p> <p>The CICC, supported by the Technical Secretariat, will ensure the co-ordination with the European bodies as regards the recommendations and corrective measures requested by these.</p>		
4.2.5. Description of the procedures (where appropriate) for the supervision of the work of other audit bodies under the responsibility of the audit authority			
	<p>The tasks entrusted to the external audit company will be carried out under the supervision of the Audit Authority, assisted by the group of auditors.</p> <p>In particular, the methodologies implemented by the audit company, including the audit report templates, will take into consideration the Commission's guidelines and will be examined and approved by the group of</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>auditors. Likewise, the audit reports will be examined and approved by the group of auditors. Finally, the draft control reports (see below for their content), draft annual opinions and draft declarations, will be examined, amended, if necessary, and the final version will be decided upon and signed by the Audit Authority.</p> <p>On the basis of the parameters discussed within the group of auditors and decided upon, as a last resort, by the Audit Authority, this latter, supported by the Technical Secretariat, will draw the random sample.</p> <p>Likewise, the necessity for and the content of an additional sample will be discussed by the group of auditors and decided upon by the Audit Authority.</p>		
4.3. Annual control report and closure declaration			
4.3.1. Description of the procedures for preparation of the annual control report, annual opinion and closure declaration			
	<p><u>Preparation of the annual control report and annual opinion:</u> Information resulting from:</p> <ul style="list-style-type: none"> - the audit activities carried out within the framework of the audit strategy, - the results of the management quality checks, of the Certification Authority checks, - the results of the audits carried out by European bodies, if appropriate, - the access to the IT applications - the follow-up tables regarding the recommendations and the corrective measures. <p>Preparation, by the external audit company,</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>of a draft annual control report and of a draft annual opinion, taking into account the European Commission's guidelines, especially those regarding the assessment of the system's operation.</p> <p>As of year two, on the basis of the results of the audits carried out, the external audit company will suggest, in the draft annual report it will write, the changes that should be made to the risk analysis, to the priorities and, if appropriate, to the sampling rules mentioned in the initial audit strategy; on the basis of the system audit it has carried out, it will indicate the trust level it would grant to the system's operation.</p> <p>Review, by the Audit Authority, supported by the Technical Secretariat, of the completeness of the drafts prepared by the agency.</p> <p>Examination by the group of auditors, chaired by the CICC, which decides as a last resort, signature of the report and of the opinion by the Chairperson of the CICC.</p> <p><u>Preparation of the final control report and closure declaration:</u></p> <p>Preparation, by the Managing Authority/JTS, of a file containing the final execution report, the final expenditure declaration certified by the Certification Authority and the balance request.</p> <p>Preparation, by the external audit company, of:</p> <ul style="list-style-type: none"> - a draft final report describing, for the last year, the elements foreseen for the annual report, in particular the follow-up tables regarding the 		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>recommendations and the corrective measures, as well as a summary of the audit work carried out over the entire period;</p> <ul style="list-style-type: none"> - a draft closure declaration. <p>Review of such drafts by the Audit Authority, supported by the Technical Secretariat, notably consistency check of the figures presented by the Managing Authority and by the Certification Authority.</p> <p>Examination of the draft final report and draft declaration by the group of auditors, the CICC in its capacity as Audit Authority deciding as a last resort for the documents, signature by the CICC and sending of documents to the European Commission by the Technical Secretariat.</p> <p>If the representative of a Member State within the group of auditors disagrees with the closure declaration approved as a last resort by the Audit Authority or with any particular element of this declaration, s/he will be entitled to express her/his dissension in a written document sent to the JTS in due time; this document will be appended to the closure declaration sent to the European Commission.</p> <p>The same provision applies mutatis mutandis, if necessary, to the drafting of a partial closure declaration.</p>		
4.4. Designation of the coordinating audit body			
4.4.1. Description of the role of the coordinating audit body, if applicable	Not applicable		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
5. INFORMATION SYSTEM (ARTICLE 60 (C) OF COUNCIL REGULATION (EC) No 1083/2006)			
5.1.	Description of the information system including flowchart (central or common network system or decentralised system with links between the systems)		
	<p>As stipulated in Regulation (EC) 1083/2006, Art 66 and 76, computerised systems have to be installed, operated and interconnected. This database system has to meet special requirements. The database should be prepared for the input and the processing of the following data, on projects and project partners:</p> <ul style="list-style-type: none"> - Project number, title, priority and measure; - Result of application assessment; - Approval date, contracting date, starting date and duration of the project; - Eligible expenditure and ERDF co-financing for the project; - Address information of the Lead Partner and all other project partners including name and address of the institution and the contact person, telephone, fax, e-mail and objective area; - Bank account information of the Lead Partner. <p>Furthermore the database must be prepared for the input and processing of information received by the Lead Partner's activity and financial reports. The following features should be envisaged:</p> <ul style="list-style-type: none"> - Facility for monitoring the deadlines for the delivering of reports; - For each report an individual input 		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
	<p>sheet for the assessment of the reported activities and the reported expenditure in the individual budget lines;</p> <ul style="list-style-type: none"> - Automatic calculation of the cumulative used budget and indication of exceeded budget lines; - Information on payments made. <p>To support the Joint Technical Secretariat in meeting its monitoring and reporting duties, the database has to deliver data report sheets, including the following:</p> <ul style="list-style-type: none"> - Commitments and payments on project level - Reporting status - Project budget overview - Activity and financial report overview - Financial status of project and project partner - Geographical status (region, country) per partner <p>The database provides the form and content of accounting information as requested in Article 14 and Annex III of Commission Regulation (EC) No 1828/2006. Use will also be made of the code given for the "Categorisation of Funds assistance" as described in Annex II of the above mentioned Regulation.</p> <p>In order to transfer computer files to the Commission, the database administration system will have the ability to create interface files in accordance with Article 14 of the Commission Regulation (EC) No 1828/2006.</p>		

Annex XII items from EU regulation 1828/2006	Answers to column 1 queries (in principle, only greyed areas should be filled in)	CICC observations, after discussions if need be	Answer of the Managing Authority
Indication as to whether the system is already operational to gather reliable financial and statistical information on implementation of the 2007-2013 programmes			
If not, indication of the date when it will be operational.	15 May 2008	Is the database currently in function? Please confirm it and if so modify the items related	The database is being currently developed. The following functions are already in place: project idea, project application form, eligibility check and assessment, subsidy contract. The reporting (progress report and payment claim) functions will be available mid-July 2008. The monitoring reports will be available by September 2008.

LIST OF ANNEXES

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