

# **Simplified cost options and audit authorities: application, early assessment and experiences**



**Draft Agenda - 05 December 2019**

Hotel NH Brussels Bloom, Rue Royale 250, 1210 Brussels, Belgium





## Simplified cost options and audit authorities

05 December 2019

Hotel NH Brussels Bloom,  
Brussels, Belgium

### Outlines and objectives

Interact together with the audit services of DG Regio organises a workshop dedicated to simplified costs options (SCOs).

This event aims to continue discussions started at Interreg audit authority network meeting in May and the Homologues Group meeting in September 2019.

During the above mentioned events relevant audit aspects were discussed and it became clear that there is a high interest of Interreg audit authorities to deepen the discussion on SCOs to ensure a common understanding and safeguard a robust management and control system as well as successful programme implementation.

SCOs are well established and widely accepted within Interreg programmes in the current programming period. In particular, a high number of Interreg programmes use the so-called off-the-shelf options available in the Regulations. Actually, programmes plan to go further and establish individual SCOs reflecting the specific structure and needs of Interreg programmes.

During the event, the Commission's perspective on the assurance process to assess the SCO methodology will be presented so the results of such an assessment can be taken into account for future assurance work e.g. audit of operations when the implementation of this methodology will be audited. For the current programming period, the Commission audit services advocate to assess the SCO methodology under the framework of thematic system audit in the earliest possible moment following the audit authority's audit strategy.

Other points for discussion will be:

- Legal framework of simplified cost options: the basics.
- Commission perspective on simplified cost options' assessment, audit and tools. Further information on simplified cost options in the next programming period (Article 88 and appendix 2<sup>1</sup>).
- Practical application for SCOs.

*The event is organised on 05 December 2019, the **day before** the technical meeting with the audit authorities is organised by the Commission audit services.*

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<sup>1</sup> Appendix 2 of the draft proposal for Interreg regulation correlates Annex 5 of the draft proposal for the Common Provisions Regulation



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**Thursday, 05 December 2019**

**10.30 – 11.00** Registration & Welcome coffee

**11.00 – 13.00** Introduction & latest developments for the Programming period 2014-2020 (incl. report from HGM) and Q&A

Introduction

- Reminder on the basics for simplified cost options (**Interact**)
- Debriefing of the Workshop on SCOs held in the HGM in Zagreb 2019 (**REGIO Claude Tournier, HoU C3**)
- Commission perspective on the early audit assessment of the SCO methodology (**REGIO Isabel Pardo C3**)
  - o Timing and audit approach when the expenditure is claimed under a SCO methodology: system audit & audit of operations
  - o Audit tool: EC Checklist to audit SCO methodologies and its implementation
- Q&A

**incl. coffee  
break**

The objective of the session is to get a good understanding on the legal possibilities and audit approach when assessing the SCOs methodologies to obtain reasonable assurance on their compliance with the applicable rules. It is also important to be able to estimate the impact of the increased use of SCOs in the audit workload.

Commission auditors will present an audit. These audit guidance and tool aim to ensure legal certainty and ultimately to support a wider and better uptake of this simplification measure by the Member States.

**13.00 – 14.00** Lunch

**14.00 – 15.00** Experiences from audit authorities (Programme AA, tbc)

- Presentation of an early audit assessment of the SCO methodology by the audit authority (Interreg programme)
- Q&A

Objective of this session is to share practical experiences with early audit assessments to gain early and adequate legal certainty before the implementation of the methodology.

**15.00 – 15.15** Coffee break



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### **15.15– 16.00 Introduction & latest developments on the state of play of the future Programming period 2021-2027**

- Article 88 and Appendix 2 in the draft proposal of the Interreg Regulation (**REGIO Claude Tournier HoU C3**)

After this session, participants will have a better understanding on the requirements of the assessment by the audit authority for the programming period 2021-2027.

### **16.00 – 16.45 Auditing simplified cost options in practice**

- Exercise and discussion (**Interact & REGIO**)

With this session, audit authorities will have a chance to discuss real audit examples in smaller groups to gain further insight.

### **16.45 – 17.00 Summary, open points and closure of the meeting**



## Venue

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