Ministry of Public Works,
Development and Administration

Control system in Romania

FIRST LEVEL CONTROL DIRECTORATE

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BACK IN TIME

1ST of January 2007
ROMANIA
became a fully fledged
member of European Union

REGULATION (EC) No 1080/2006 of the European Parliament and of the Council

Article 16

Control system

In order to validate the expenditure, each Member State **shall set up a control system** making it possible to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations or parts of operations implemented on its territory, and the compliance of such expenditure and of related operations, or parts of those operations, with Community rules and its national rules.

REGULATION (EC) No 1080/2006 of the European Parliament and of the Council

Article 16

Control system

For this purpose each Member State **shall designate the controllers** responsible for verifying the legality and regularity of the expenditure declared by each beneficiary participating in the operation.

FIRST LEVEL CONTROL SYSTEMS

CENTRALISED

PUBLIC CONTROLLERS

PRIVATE CONTROLLERS

DECENTRALISED

SHORT LIST

LONG LIST

ROMANIAN CHOICE

CENTRALISED FIRST LEVEL CONTROL SYSTEM

PUBLIC CONTROLLERS

WHICH WERE THE NEXT STEPS?

- SIGNING THE AGREEMENTS BETWEEN THE STATE AND THE PROGRAMS
- CHANGING THE INSTITUTION STRUCTURE (MINISTRY)
- PUTTING THE BASE OF A NEW DIRECTORATE (depending on the national legislation and the needs of the institution and programs; reallocating or employing new staff)
- TRAINING THE CONTROLLERS (we had already experience in monitoring and control on PHARE)
- ELABORATING SPECIFIC CONTROL PROCEDURES FOR EVERY PROGRAM

HOW LONG COULD IT TAKE?

ROMANIAN CONTROL SYSTEM NOW

Ministry of Public Works,
Development and Administration

FIRST LEVEL CONTROL DIRECTORATE

UNIT FOR ENI EXPENDITURE VERIFICATION

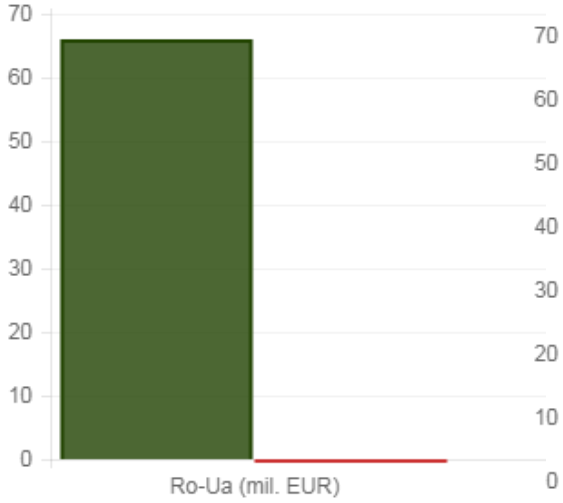
UNIT FOR ERDF & IPA EXPENDITURE VERIFICATION

7 CONTROLLERS

8 CONTROLLERS

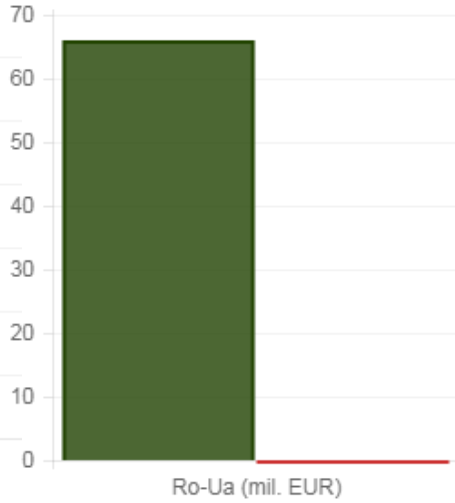
WHICH ARE THE PROGRAMMES WE WORK WITH

Romania-Republic of Moldova
ENI-CROSS BORDER COOPERATION



89,1 mln. EUR

România-Ucraina
ENI-COOPERARE TRANSFRONTALIERĂ

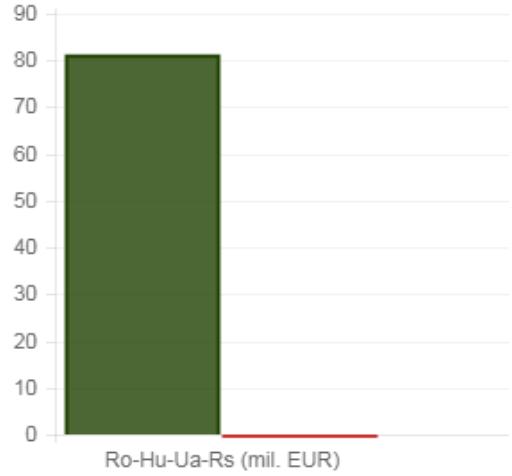


66 mln. EUR

Black Sea CROSS BORDER COOPERATION

49 mln. EUR

Hungary Slovakia Romania Ukraine



81,3mln. EUR

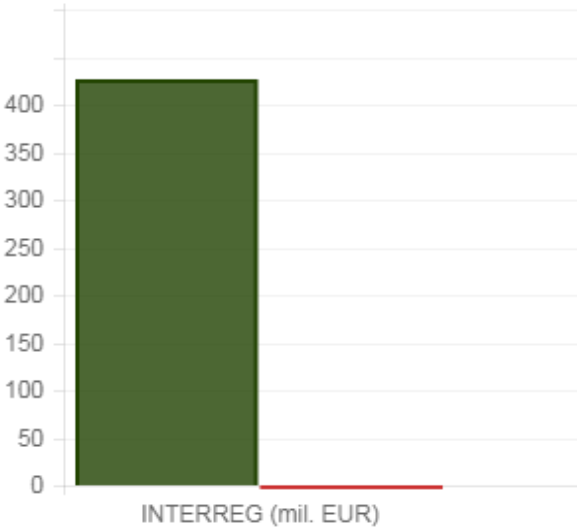
WHICH ARE THE PROGRAMMES WE WORK WITH

Interreg
Danube Transnational Programme

2,1 mln. EUR

Sharing solutions for better regional policies

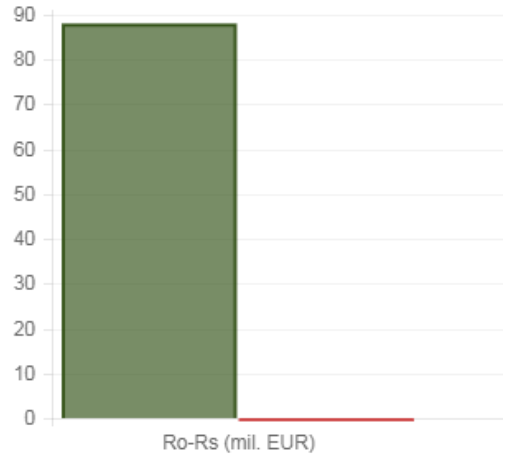
Interreg Europe
European Union | European Regional Development Fund



426,3 mln. EUR

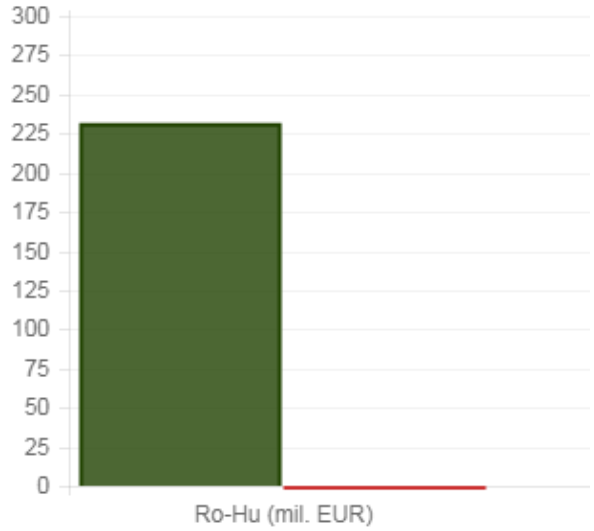
WHICH ARE THE PROGRAMMES WE WORK WITH

Interreg – IPA CBC
România - Serbia



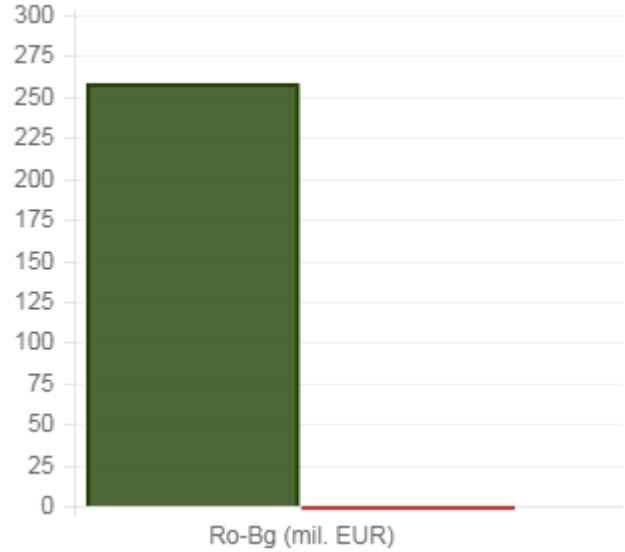
88,1 mln. EUR

Interreg
România-Ungaria
Fondul European de Dezvoltare Regională



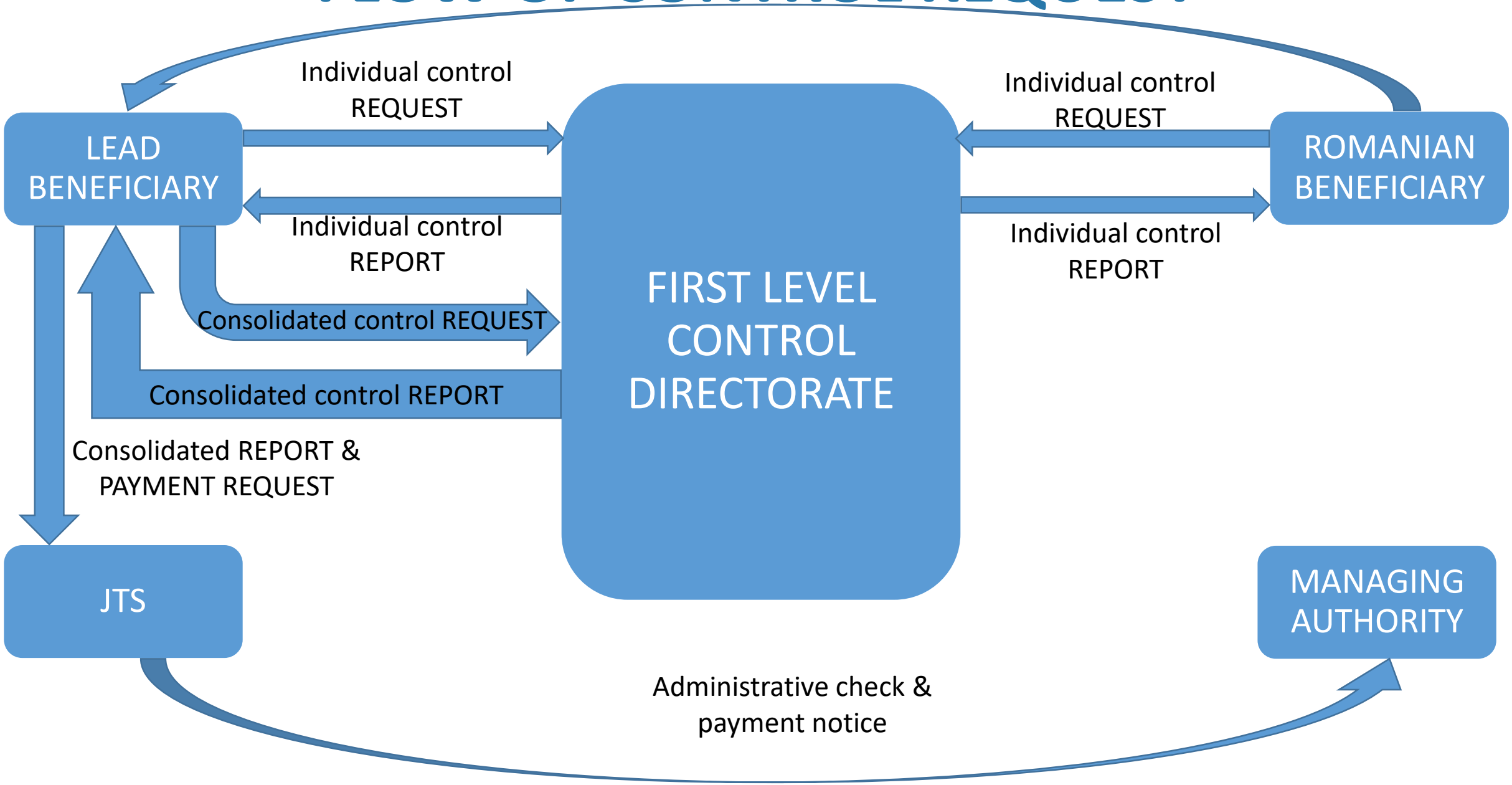
231,8 mln. EUR

Interreg

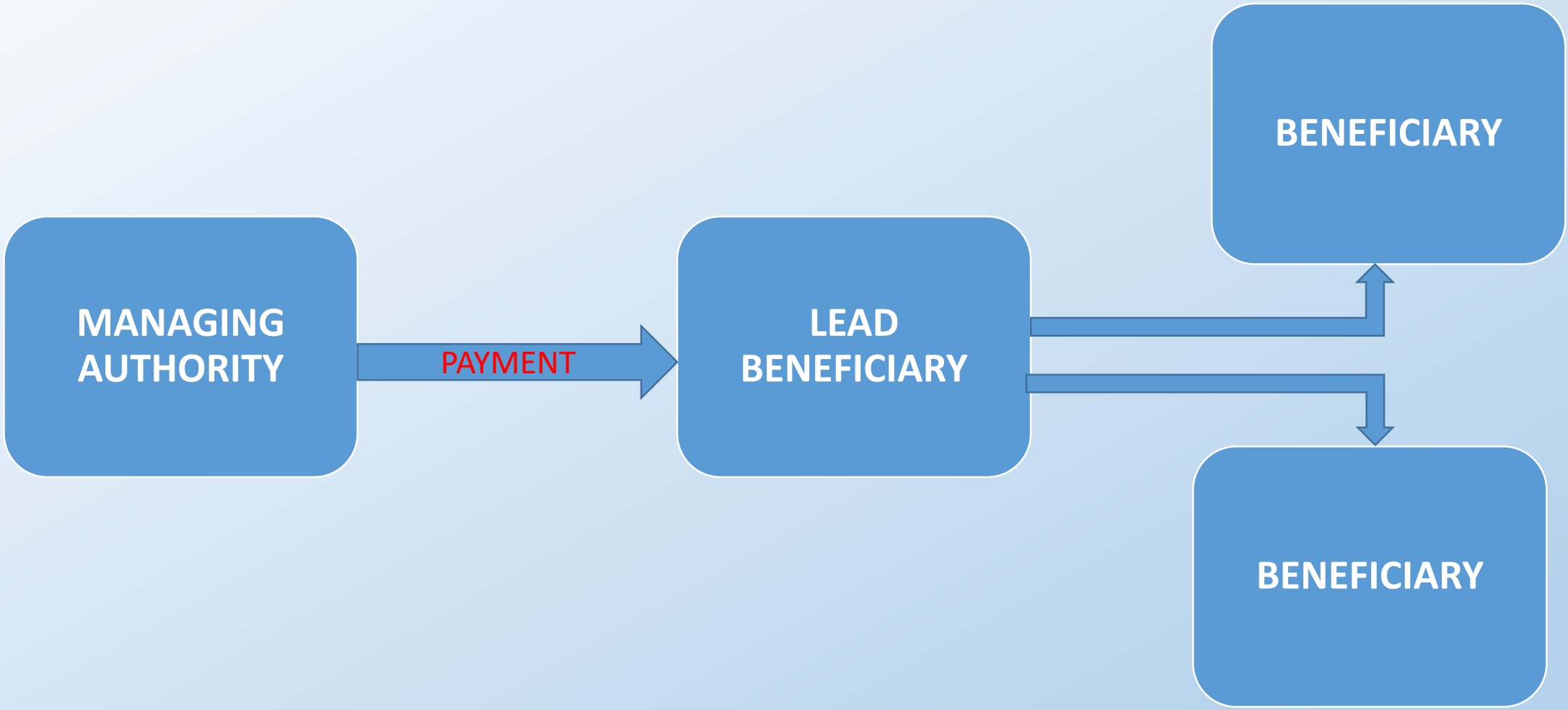


258,5 mln. EUR

FLOW OF CONTROL REQUEST

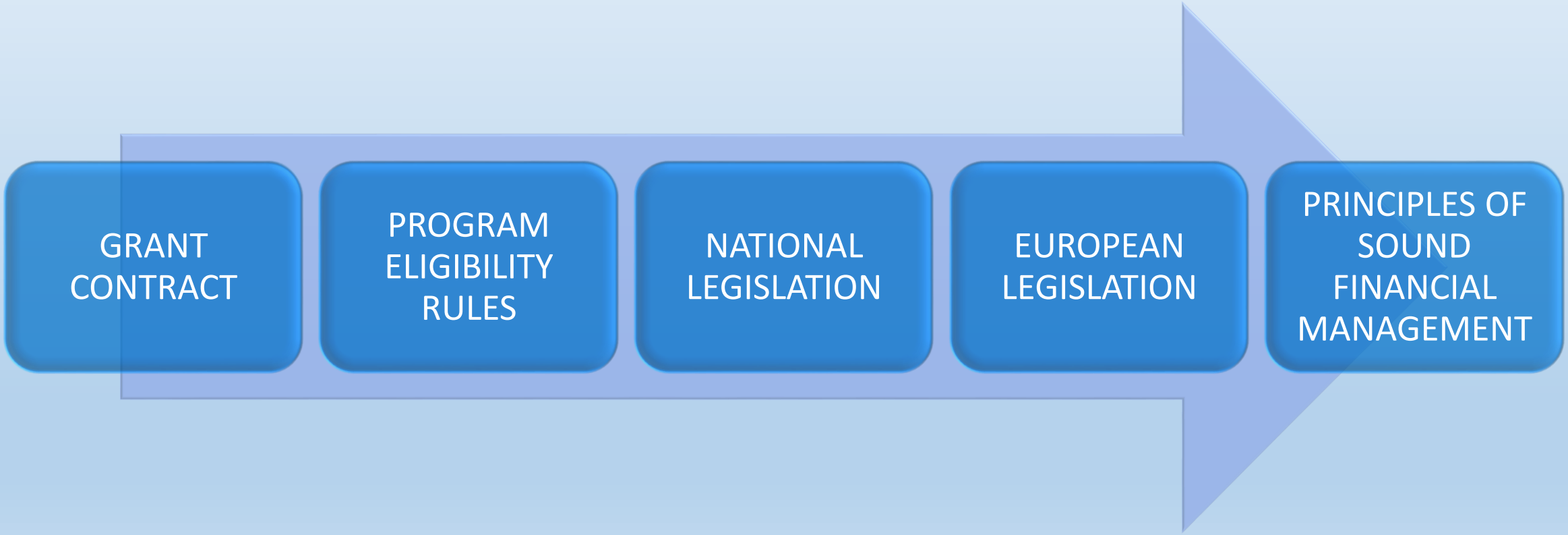


FLOW OF PAYMENT



WHAT IS FLC CHECKING?

IF THE EXPENDITURES ARE ELIGIBLE



WHAT IS FLC CHECKING?

- Costs actually incurred during the implementation period of the Action
- Budget is respected
- The expenditure for a selected item was necessary for the implementation of the Action
- The procurements are awarded according to the applicable legislation (European, national and programme rules)
- Expenditure for a selected item is substantiated by evidence and notably the supporting documents
- The monetary value of a selected expenditure item agrees with underlying documents (e.g. invoices, salary statements) and that correct exchange rates are used
- The expenditure item has been classified under the correct (sub) heading of the Financial Report
- Expenditure for a selected item is recorded in the Beneficiary's/Partner’s accounting system and was recorded in accordance with the applicable accounting standards of the country
- The services, goods and works procured are specified in the application form and are in accordance to the term of reference of the awarded contracts
- The expenditure for a selected item does not concern a non-eligible cost
- Verifications concerning project partners to identify potential risks of irregularities or fraud

IMPORTANT REMARKS

The Expenditure Verification Coverage Ratio is 100%.

On the spot check – at least once during implementation

BENEFITS OF CENTRALISED CONTROL SYSTEM?

- THE SAME CONTROL APPROACH FOR ALL PARTNERS
- THE SAME INTERPRETATION OF ELIGIBILITY RULES FOR ALL PARTNERS
- STANDARDISED PROCEDURES
- EXPERIENCED STAFF
- EASIER COOPERATION WITH PROGRAMME AUTHORITY
- INDEPENDENT CONTROLLERS
- EASIER TO CONTROL THE QUALITY OF THE FLC VERIFICATION
- MINOR RISK FOR CONFLICT OF INTEREST
- INSTITUTIONAL MEMORY
- PROFFESSIONAL BEHAVIOR IMPOSED THROUGH NATIONAL LEGISLATION AND INTERNAL RULES(e.g. ADMIINSTRATIVE CODE, INTERNAL ETHICS CODE)
- REGULARLY TRAININGS IN IDENTIFYING AND PREVENTING FRAUD AND CORRUPTION
- LOWER COSTS

CHALLENGES OF CENTRALISED CONTROL SYSTEM?

- OFTEN UNDERSTAFFED
- HIGH WORKLOAD, ESPECIALLY IN CERTAIN PEAK PERIODS
- CONTROLLERS NEED TO KNOW RULES OF SEVERAL PROGRAMMES
- LIMITED POSSIBILITY TO PERFORM SPONTANEOUS ON THE SPOT VERIFICATIONS

PRESENTATION FINISHED!

THANK YOU!

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