

Audit Arrangements for NRRP

Sara Sirovica Kranjčec
Croatian Audit Authority (ARPA)
June 2023

Contents...



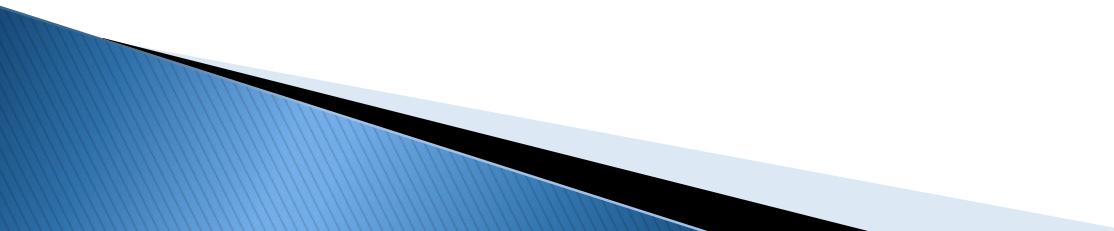
- ▶ Part I: Introduction – RRF setup in Croatia
- ▶ Part II: Audit Strategy
- ▶ Part III: Audit approach (with example of audits performed for 1st and 2nd Payment Request)



PART I

Introduction - RRF setup in Croatia

Audit Authority

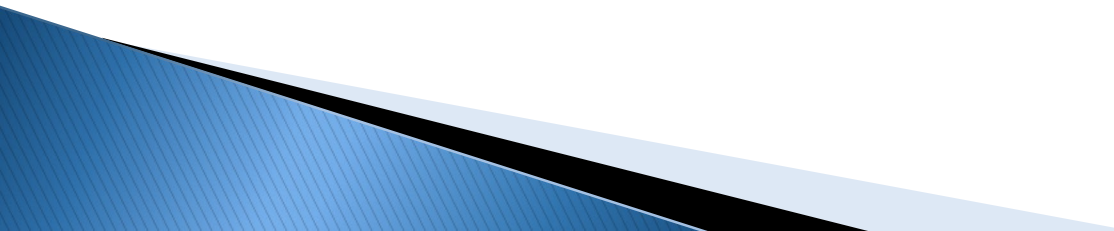
- ▶ Tasks of audit authority for NRRP are assigned to Agency for the Audit of European Union Programmes Implementation System (hereinafter: ARPA).
 - ▶ Decision on the Bodies in the RRP implementation system (published in the Official Gazette in July 2021) nominates ARPA as the audit authority for NRRP.
- 

Audit Authority

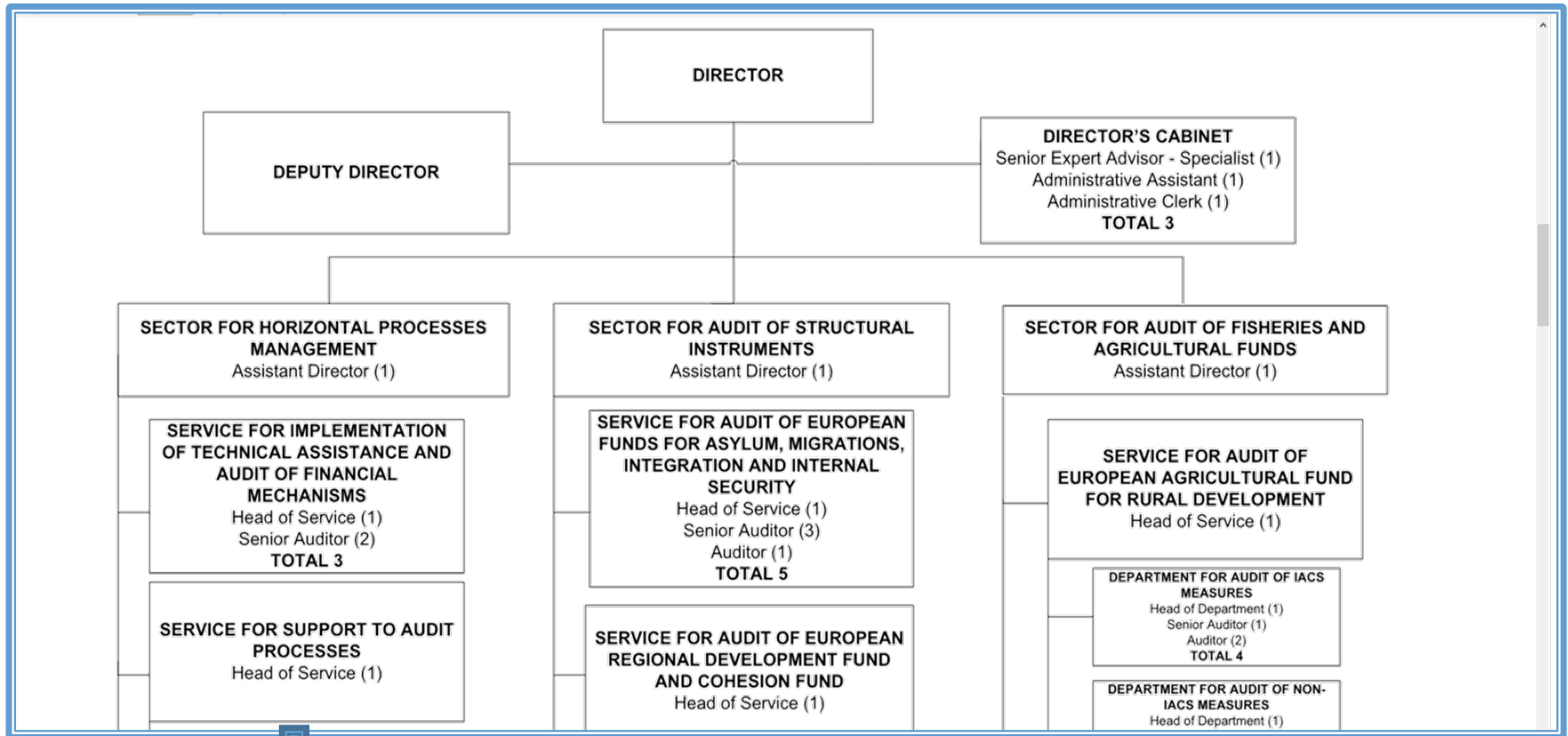
- ▶ As the audit authority, ARPA is independent from other bodies in the management and control system (both functionally and organisationally)
- ▶ Performing external audit
- ▶ Audit activities in accordance with internationally accepted audit standards (primarily ISSAI and ISA; IIA standards also acceptable)

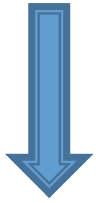


Audit Authority

- ▶ In October 2008 – fresh start with 18 employees
 - ▶ In 2022 – 83 staff (77 auditors and 6 supporting staff)
 - ▶ In 2008 – 5 departments
 - ▶ Currently 3 sectors with 10 operational services (9 performing audit activities + finance and accounting service)
- 

Audit Authority

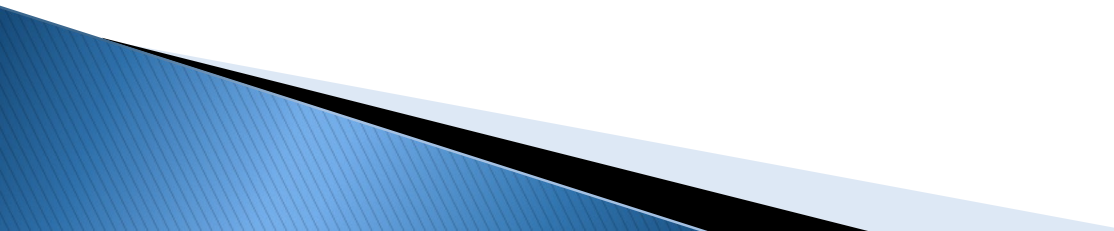




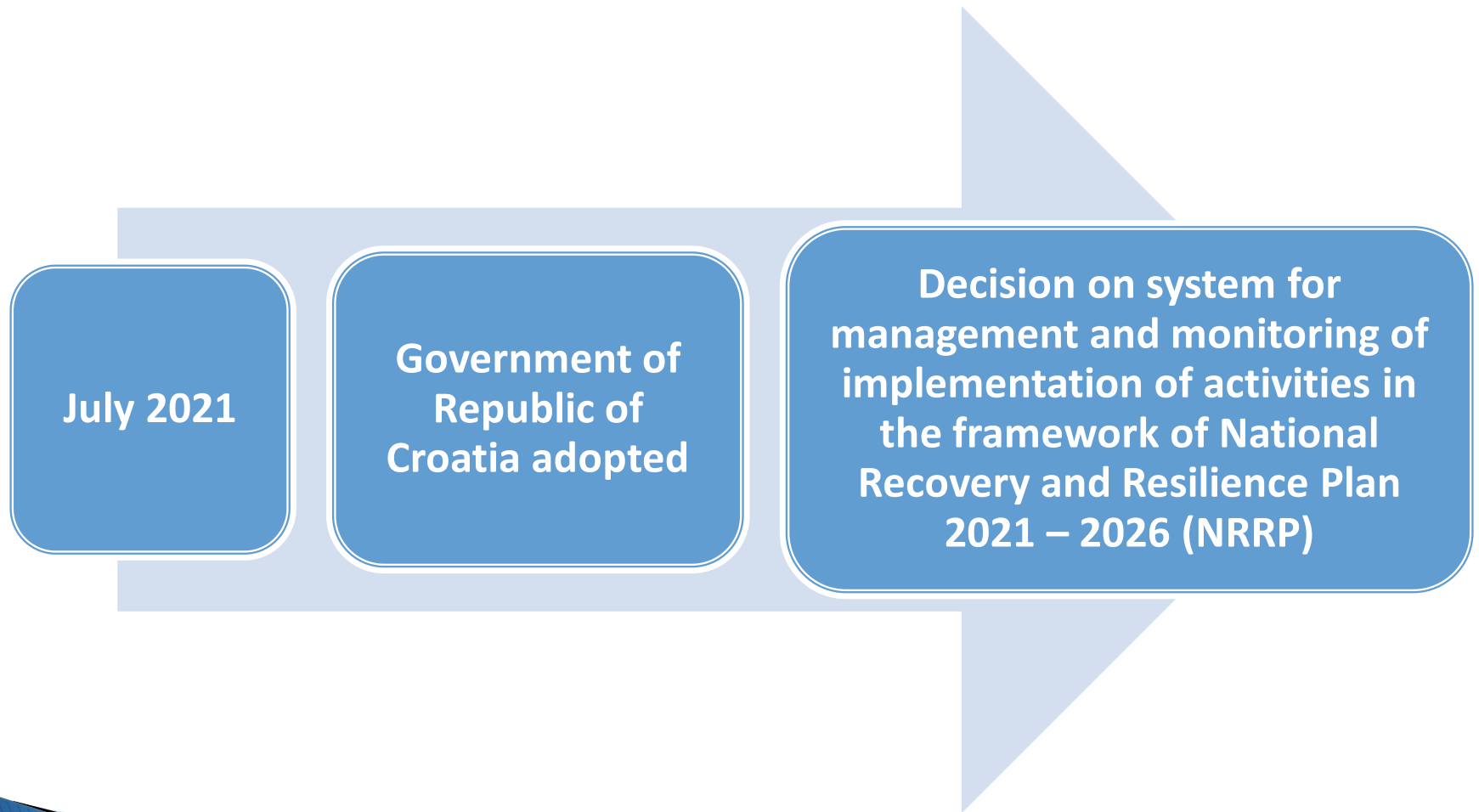
Unit
responsible
for RRF audits
- Service for
Support to
Audit
Processes - 3
departments:

- Department for Methodology (2 staff)
- Department for Legal Analysis (2 staff)
- Department for Audit of Recovery and Resilience Facility (3 staff)

Audit Authority

- ▶ Audit Authority performs audits of systems for management and monitoring of implementation of NRRP + audits of achieved milestones & targets in accordance with binding legal framework and EC guidelines.
 - ✓ PRIMARY FOCUS ON THE PROTECTION OF EU FINANCIAL INTERESTS
 - ✓ FINAL "PRODUCT" – SUMMARY OF AUDITS
- 

Institutional framework for NRRP implementation



MANAGEMENT AND CONTROL SYSTEM OF RECOVERY AND RESILIENCE PLAN

PRIME MINISTER

CROATIAN GOVERNMENT

AUDIT AUTHORITY
ARPA

COORDINATING BODY (UPVRH + MFIN)

BODY RESPONSIBLE FOR SENDING
PAYMENT CLAIMS TO EC (MFIN)

BODIES RESPONSIBLE FOR COMPONENTS

ECONOMY

MINGOR

PUBLIC ADMINISTRATION
JUDICIARY STATE ASSETS

MPU

EDUCATION SCIENCE
RESEARCH

MZO

LABOUR MARKET AND
SOCIAL PROTECTION

MRMSOSP

HEALTH

MIZ

RENOVATION OF
BUILDINGS

MPGI

BODIES RESPONSIBLE FOR SUB-COMPONENT

MINGOR
MMPI
MPOLJ
MINTS
MKM

MPU
MRRFEU
SDURD
MPGI
MFIN MKM

IMPLEMENTING AGENCIES

HAMAG BICRO, HBOR,
MKM, FZOEU, HV, CFCA

SAFU

SAFU

HZZ

SAFU/HZZ

FZOEU, FZO,
MKM, MIZ, MZO

Institutional framework for NRRP implementation

KEY ACTORS:

- 1) **Steering Board**: chaired by Prime minister, responsible for political leading + monitoring of implementation
- 2) **Implementation Committee**: representatives of Prime Minister's Cabinet, coordinating body, responsible authorities, implementing bodies, audit authority, body submitting payment requests + Ministry of Regional Development and EU Funds (ensuring consistency with other EU funds).

Institutional framework for NRRP implementation

3) Central Coordinating Body

Under Ministry of Finance: Sector for Coordination of Monitoring Implementation of NRRP, within Directorate for macroeconomic analysis - operational + active monitoring of the progress in implementing measures (milestones and targets) set for each NRRP Component.

4) Body Responsible for Submission of Payment Requests

Under Ministry of Finance: National Fund Sector, responsible for drawing up and submitting payment requests (including management declarations).

Institutional framework for NRRP implementation

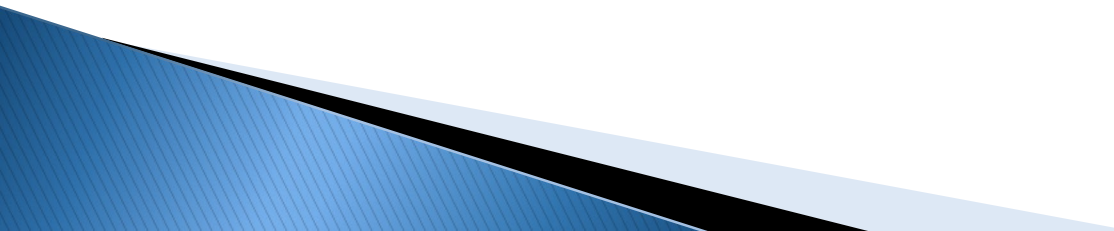
5) State administration bodies responsible for components/sub-components of NRRP (responsible authorities)

6) Implementing bodies (agreements signed with responsible authorities)

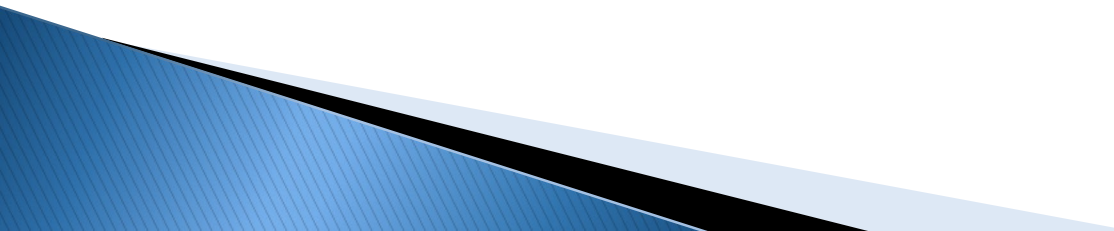
7) Audit Authority



Institutional framework for NRRP implementation:

- ✓ **Funds** for implementation of reforms and investments under RRP – planned in the state budget within earmarked activity of the Responsible Authority.
 - ✓ **Source 581** is used (named: Recovery and Resilience Facility). National co-financing ensured in state budget.
 - ✓ Planning of funds in the state budget following Instructions on drafting of state budget (issued by Ministry of Finance) – according to dynamics of implementation of reforms and investments.
- 

Institutional framework for NRRP implementation:

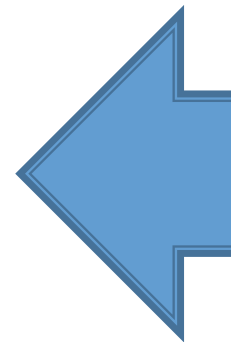
- ✓ **eNPOO: the IT system** used for implementation of NRRP
 - ✓ Covers processes from grant award to contract management – submission and approval of payment requests – to reporting on progress/achievement of milestones and targets
 - ✓ CB manages eNPOO system + provides users' guidance.
 - ✓ All bodies included in implementation of NRRP + project beneficiaries use eNPOO for activities under their jurisdiction
 - ✓ For investments for which awards were granted before setup of eNPOO, data are entered after system setup and continue to be monitored through eNPOO
 - ✓ In exceptional cases when eNPOO is not available, information is submitted via electronic mails
- 

Common national rules – 7 parts/chapters



Procedures for implementation, management and monitoring

- Common rules
- Grant award
- Grant contract management
- Financial instruments
- Monitoring of implementation
- Payment Request
- Irregularities



Minister of
Finance
adopted
Version 1.0 in
February
2022
Version 2.0 in
April 2022

Payment Request

Semi-annually submitted
to the EC (first in March
2022; second in
September 2022)

- Confirming that all milestones/indicators have been achieved for the instalment
- Containing Management Declaration
- Containing Audit Summary (**prepared by ARPA**)
- Containing Information on total cumulative expenditure disbursed up to the moment of submission of payment request, for implementation of each reform and investment, which were assigned with positive climate mark

Payment Request

- Coordinating Body – **checking and confirming** fulfilment/achievement of milestones/targets
- National Fund – **checking** expenditures (focus on GREEN expenditures)



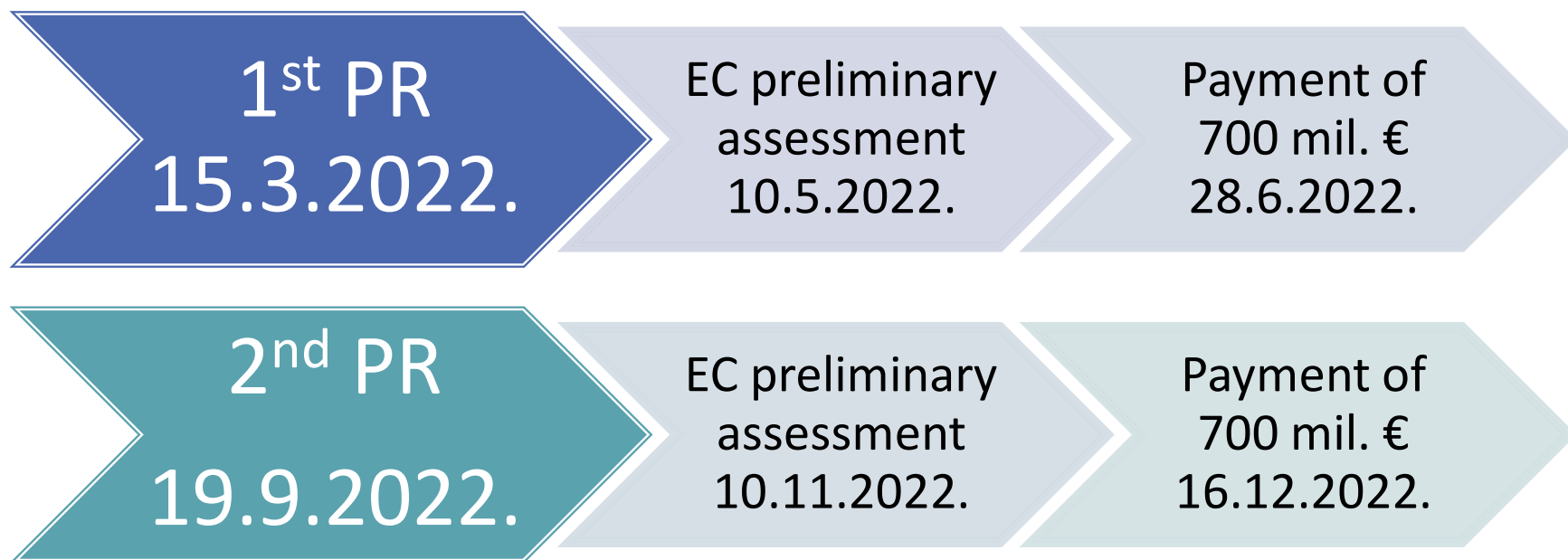
VectorStock



Payment Request

- ▶ 1st Payment Request containing 34 M&T submitted on 15 March 2022 - Positive preliminary assessment by EC on 10 May 2022
- ▶ 2nd Payment Request containing 25 M&T submitted on 19 September 2022 - Positive preliminary assessment by EC on 10 November 2022
- ▶ Upon receipt of the payment request, the Commission has assessed on a preliminary basis the satisfactory fulfilment of the relevant milestones and targets. **Based on the information provided by CROATIA, the Commission has made a positive preliminary assessment of the satisfactory fulfilment of all 59 milestones and targets.**

Payment requests so far



PART II

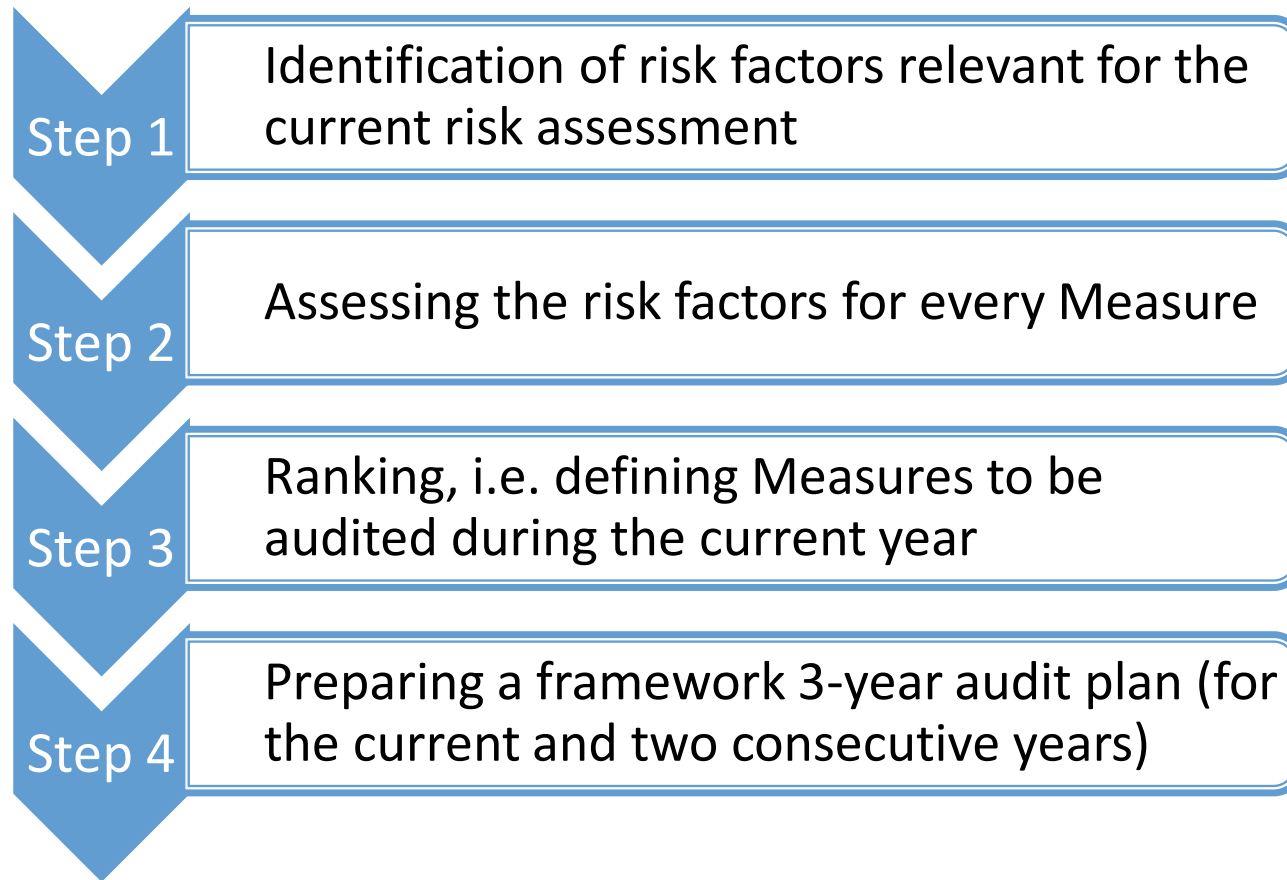
Audit Strategy



Audit Strategy

- ▶ Prepared in December 2021, updated in May 2022
 - Guidance to Member States for the preparation of the summary of audits under the Recovery and Resilience Facility issued on 27 September 2021
 - Guidance on sampling methods for audit bodies under the Recovery and Resilience Facility issued on 28 January 2022 (for updated AS)
- ▶ OA not signed at the time of preparation of initial Audit Strategy
- ▶ To be updated once a year (or in case of significant changes)
- ▶ Basis for preparation of Audit plan (details on the audit scope and the audit approach)

Risk assessment



Risk assessment

Inherent risk factors - milestones

- Timing of implementation of activities related to achievements of milestone (with straightforward impact on audit timing, i.e. is the milestone “on track”)
- Adequacy of the capacity of the Responsible / Implementing Body (i.e. whether the body has previous experience in implementing EU funded projects, whether the body has adequate administrative capacity, etc.)
- The budgetary amount allocated to the milestone
- Complexity of the milestone (i.e. whether it includes state aid projects, public procurement, etc.)
- Implementation structure (the number of bodies responsible for the achievement of milestone at various levels)
- Convergence/complementarity and coherence of the repository system with other relevant data bases/systems

Inherent risk factors - targets

- Type of selection procedure (permanent / temporary, open / restricted call, direct grant, etc.)
- Type of beneficiary (public, private, PPP)
- The number of beneficiaries / contractors / projects for the achievement of target
- Complexity of the verification mechanism
- Complexity of the target (i.e. whether it includes state aid projects, public procurement, etc.)
- Timing of implementation of activities related to achievements of target (with straightforward impact on audit timing, i.e. is the target “on track”)
- Adequacy of the capacity of the Responsible / Implementing Body (i.e. whether the body has previous experience in implementing EU funded projects, whether the body has adequate administrative capacity, etc.)
- The budgetary amount allocated to the target

Risk assessment

Control risk factors

- Quality of internal controls for prevention, detection and correction of cases of corruption, fraud and conflicts of interest and avoidance of double funding
- Results of previous audits performed on the body(ies) implementing the measure and/or results of previous audits of that measure
- Number of irregularities detected by the bodies in the system related to the projects within the measure
- Results of previous audits performed on milestones and targets related to the same measure

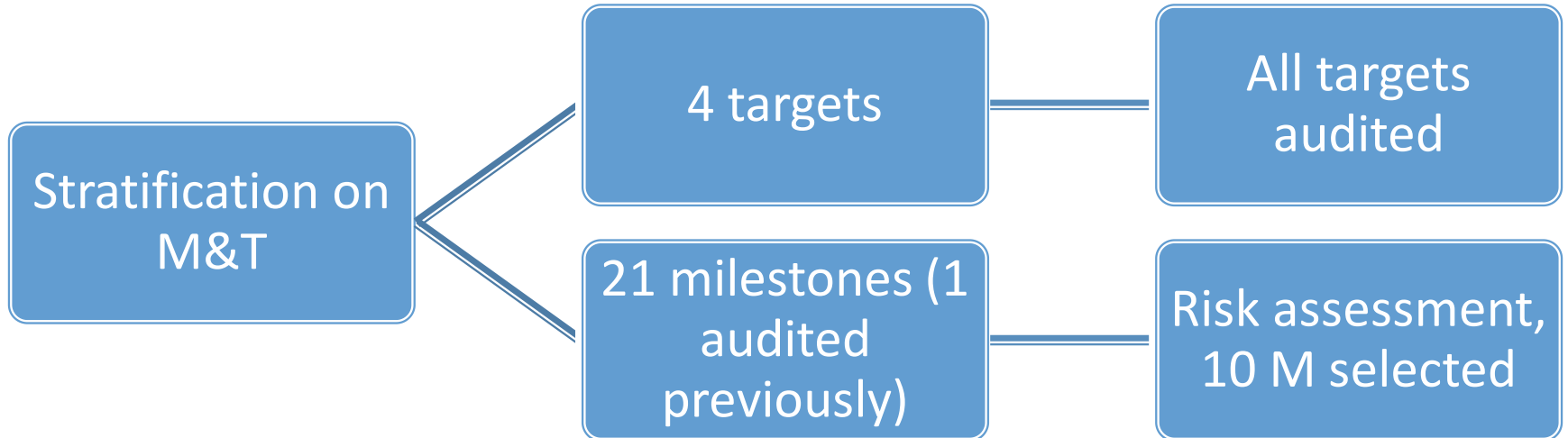
Risk assessment and audit approach – 1st Payment Request

For the first NRRP audit risk assessment was not performed

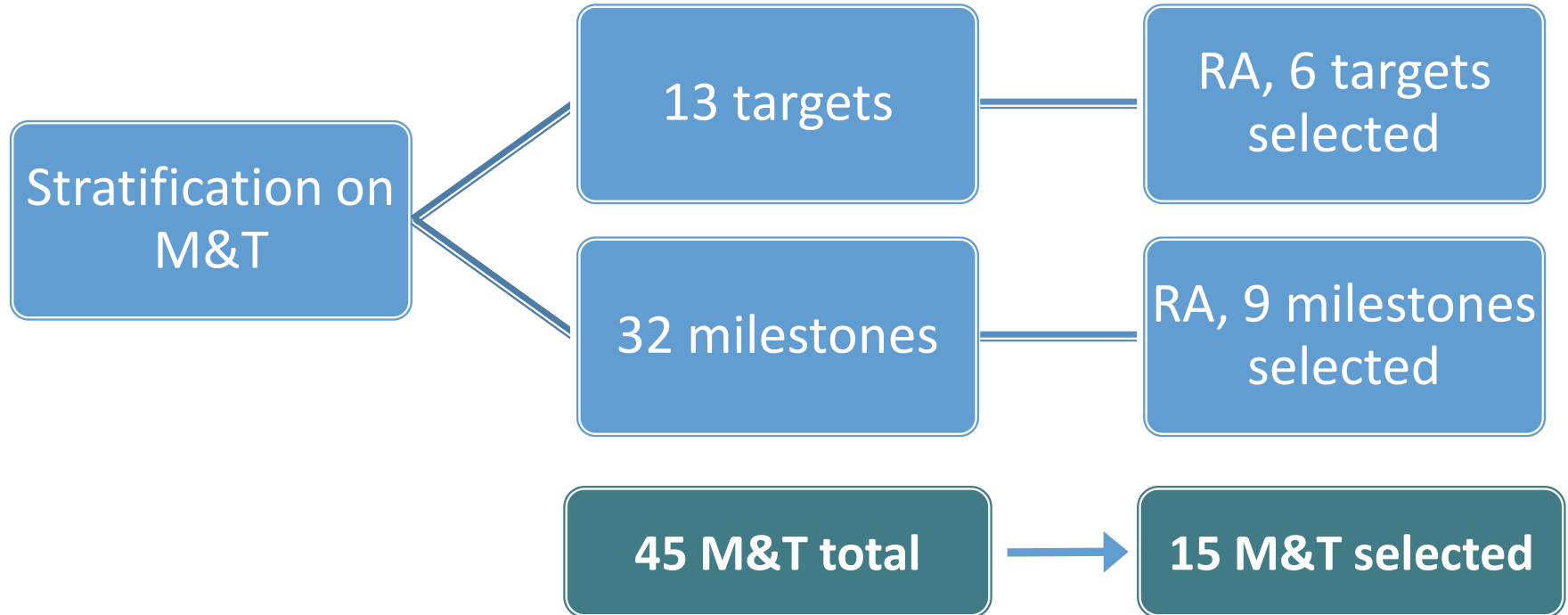
All measures to be declared in the first Payment request were considered equally risky

34 milestones and targets included in the first Payment request were subject to audit

Risk assessment and audit approach – 2nd Payment Request



Risk assessment and audit approach – 3rd Payment Request



Croatian Recovery and Resilience plan

Audit body: ARPA

Bodies or specific thematic areas to be audited	2021	2022	2023
	Audit objective and scope	Audit objective and scope	Audit objective and scope
Coordinating body (CB) National fund (NF) Implementing bodies	System audit Objective: ➤ Assessment of MCS functioning Scope: ➤ Selected key requirements: all applicable key requirements ➤ Bodies selected based on the risk assessment	System audit Objective: ➤ Assessment of MCS functioning Scope: ➤ Key requirements selected based on the risk assessment ➤ Bodies selected based on the risk assessment	System audit Objective: ➤ Assessment of MCS functioning Scope: ➤ Key requirements selected based on the risk assessment ➤ Bodies selected based on the risk assessment
Thematic audit	IT audit of the IT system set up for reporting on the milestones and targets	To be determined based on risk assessment	To be determined based on risk assessment
Coordinating body (CB) National fund (NF) Implementing bodies	Substantive testing Objective: ➤ Detailed testing of achievement of the declared M&T Scope: ➤ M&T included in the 1 st Payment request	Substantive testing Objective: ➤ Detailed testing of achievement of the declared M&T Scope: ➤ M&T selected based on the risk assessment (mainly those included in the 2 nd and 3 rd Payment request)	Substantive testing Objective: ➤ Detailed testing of achievement of the declared M&T Scope: ➤ M&T selected based on the risk assessment (mainly those included in the 4 th and 5 th Payment request)
All bodies	-	Follow-up of previous audit findings	Follow-up of previous audit findings

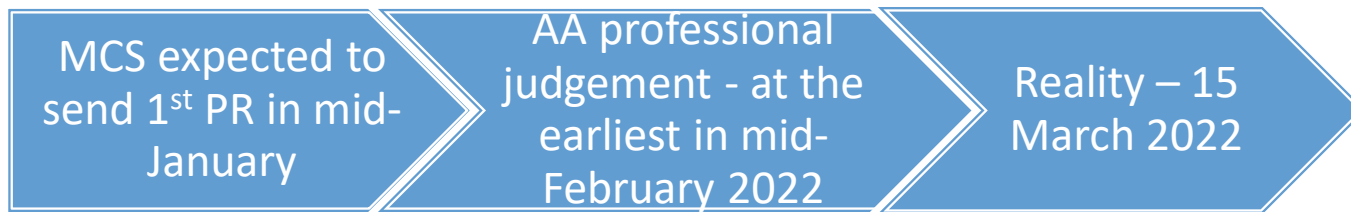
PART III

Audit approach (with example of audits performed for 1st and 2nd Payment request)



Audit Plan

- ▶ Prepared based on Audit strategy (updated during the course of the audit if needed)
- ▶ Encompasses the following audit areas:
 1. system audit
 2. audit of cases of support to investments and reforms (substantive testing)
 3. audit of the IT system (performed before sending 1st PR, even though it is a milestone for 2nd PR)




Same scenario for 2nd PR

System audit

The overall objective of the system audit is to:

- ▶ Obtain reasonable assurance whether the system which has been set up for the implementation and monitoring of the NRRP, produces complete, accurate and reliable **information on the indicators** defined by the NRRP
- ▶ Obtain reasonable assurance whether the **internal control system ensures the management of funds in accordance with all applicable rules**, and that the system has full capacity as to preclude, detect and correct the cases of the **conflict of interests, corruption, fraud and double funding**

System audit

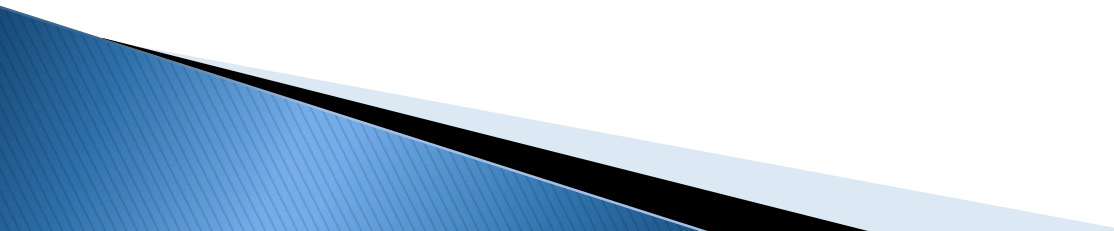
- ▶ Set up and functioning of the internal control and monitoring system assessed per Key Requirements
 - ▶ Design of controls – review of Common National Rules
 - ▶ Interviews with bodies in the system
 - ▶ Main findings (for 1st PR) relate to:
 1. Deficiencies in procedures related to controls of 4 serious irregularities (fraud, corruption, conflict of interest and double funding)
 2. Deficiencies related to fraud risk assessment procedures
 3. Deficiencies related to administrative capacity
- 

Subsequent activities

- ▶ Findings reported by AA in the Summary of Audits reflected issues that had to be assessed for achievement of milestones (procedures for implementation of RRP, administrative capacity) – **EC Observation letter from 30 March 2022**
- ▶ Additional activities performed by MoF regarding implementation of recommendations – part of findings closed (recommendations implemented)
- ▶ **Final conclusions by AA from 7 April 2022**
- ▶ Continuation of assessment of 1st PR by EC

Audit of cases of support to investments and reforms (substantive testing)

The overall objective:

- ▶ Obtain reasonable assurance that the funds were used in line with planned intention and **in accordance with all applicable rules**, including sound financial management principles (regarding **conflict of interests, corruption, fraud and double funding**)
 - ▶ Verify the reliability and accuracy of data related to **fulfillment of milestones and targets**
- 

Audit of cases of support to investments and reforms (substantive testing)

Activities performed:

1. Verify whether the indicators (milestones and targets) were fulfilled in line with the description in CID and whether the evidence exist for the fulfillment of all verification mechanisms from OA
 2. Check on non-existence of four serious irregularities (conflict of interest, fraud, corruption, double funding)
 3. Tests of compliance with national rules set up for protection of EU financial interests (e.g. public procurement rules, state aid, selection of projects, etc.)
- ▶ activities under point 1. performed:
 - For 1st PR - for **all 35 indicators** (34 from 1st PR and 1 related to IT system from 2nd PR) – 100% audit
 - For 2nd PR – for **10 milestones** (selected based on risk assessment) **and 4 targets** (100% of targets) out of 25
 - ▶ Two-fold test under points 2. and 3. – sample

Substantive testing – experience (1st PR)

No.	M/T	Name	CID description	OA – verification mechanism
46	T	Number of companies receiving support for energy efficiency and renewable energy use in industry	<p>50 contracts awarded to the beneficiary companies, following a public tender to support renewable energy sources and energy efficiency measures in small, medium-sized and large enterprises. The contracts shall include measures to improve production processes in manufacturing industries and corresponding to climate tracking intervention fields [024 - Energy efficiency and demonstration projects in SMEs and supporting measures and 024bis - Energy efficiency and demonstration projects in large enterprises and supporting measures] of Annex VI/VII] and shall respect the DNSH Technical Guidance (2021/C58/01).</p> <p>In particular, implementation of energy efficiency and/or renewable energy measures shall lead to a minimum reduction of 20% in the energy consumption in production facilities. For energy renovation of buildings accompanying the production facility, which are exclusively linked to industrial or production processes, the implementation of measures shall lead to a minimum reduction of 40% of energy consumption.</p>	<p>Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled. This document shall include as an annex the following documentary evidence: a list of all contracts awarded, including for each contract:</p> <ul style="list-style-type: none"> a) copy of contract awarded with relevant Annexes; b) extract of the official document providing evidence that the technical specifications of the project, including the percentage of reduction in the energy consumption achieved per beneficiary, are fully aligned with the description, criteria and conditions as set out in the target and of the description of the investment in the CID Annex; c) extract of the official documents providing evidence of compliance with the ‘Do no significant harm’ Technical Guidance (2021/C58/01), as specified in the CID Annex, and in case an ETS installation is chosen, a unique identifier, the name, the location, the Installation ID in the European Union Transaction Log (EUTL), as well as the projected level of GHG emissions per unit of product for awarded project with activities under the EU ETS.

Fulfilled 150%!

T46 – DNSH principle - statement

IZJAVA PRIJAVITELJA PRIJE DONOŠENJA ODLUKE O FINANCIRANJU SREDSTVIMA IZ MEHANIZMA ZA OPORAVAK I OTPORNOST

Investicija

CI.2. RI-12 Poticanje energetske učinkovitosti, toplinarstva i obnovljivih izvora energije za dekarbonizaciju energetskog sektora

- da Prijavitelj je/nije (označiti jednu situaciju) obuhvaćen EU sustavom trgovanja emisijama stakleničkih plinova (ETS).
- Prijavitelj se obvezuje iz vlastitih sredstva ili vanjskim financiranjem³ (svime što ne predstavlja sredstva iz Europske unije, odnosno europskih strukturnih i investicijskih fondova i iz Mehanizma za oporavak i otpornost) osigurati:
 - a) sredstva za financiranje razlike između iznosa ukupnih prihvatljivih izdataka projektnog prijedloga te iznosa bespovratnih sredstava iz Mehanizma za oporavak i otpornost dodijeljenih za financiranje prihvatljivih izdataka u sklopu ovog Poziva,
 - b) sredstva za financiranje sljedećih izdataka, iako su u postupku odabira te nastavno u Obavijesti o rezultatima Faze II postupka dodjele bespovratnih sredstava po Pozivu KK.04.1.1.03. Fonda za zaštitu okoliša i energetske učinkovitost, isti proglašeni prihvatljivima:
 - 1. Troškovi povezani s ulaganjem kojim se ne zadovoljavaju posebni uvjeti vezani za usklađenost s načelom nenanošenja bitne štete za cilj ublažavanja klimatskih promjena za mjere koje se odnose na proizvodnju električne i/ili toplinske energije s pomoću prirodnog plina, uključujući povezanu infrastrukturu za prijenos i distribuciju, sukladno Tehničkim smjernicama o primjeni načela nenanošenja značajne štete u okviru Uredbe o Mehanizmu za oporavak i otpornost (2021/C58/01);
 - 2. Troškovi za mjere potpore centralnim toplinskim sustavima koji koriste fosilne izvore energije, niti bilo kakva ulaganja u postrojenja koja spadaju u opseg EU sustava trgovanja emisijama (ETS);
 - 3. Troškovi opreme koja se nabavlja i ugrađuje u sklopu aktivnosti energetske obnove, a koja nije razvrstana u jedan od dva najviša razreda energetske učinkovitosti, sukladno važećoj skali za navedenu opremu.
 - c) sredstva za financiranje sljedećih aktivnosti i s njima povezanih izdataka, iako su u postupku odabira te nastavno u Obavijesti o rezultatima Faze II postupka dodjele bespovratnih sredstava po Pozivu KK.04.1.1.03. Fonda za zaštitu okoliša i energetske učinkovitost, proglašene prihvatljivima:
 - 1. Aktivnosti povezane s fosilnim gorivima, uključujući daljnju upotrebu;
 - 2. Aktivnosti u okviru Europskog sustava za trgovanje emisijama (ETS) kojima se postižu predviđene emisije stakleničkih plinova koje nisu znatno niže od relevantnih mjerila;
 - 3. Aktivnosti povezane s odlagalištima otpada, spalionicama i uređajima za mehaničko biološko pročišćavanje; i
 - 4. Aktivnosti kod kojih dugotrajno odlaganje otpada može nanijeti štetu okolišu.

T46 – DNSH principle – grant agreement

UGOVOR O DODJELI BESPOVRATNIH SREDSTAVA ZA PROJEKTE KOJI SE FINANCIRAJU IZ MEHANIZMA ZA OPORAVAK I OTPORNOST 2021.-2026.

(„Ugovor o dodjeli bespovratnih sredstava“, u nastavku tekstu: Ugovor)

Neprihvatljive aktivnosti za financiranje iz Mehanizma oporavka i otpornosti

Članak 6.a

Kako bi se osiguralo da je mjera u skladu s Tehničkim smjernicama "ne nanosi značajnu štetu" (2021 / C58 / 01), sljedeće mjere bit će isključene iz mjera predviđenih ugovorima:

- (i) aktivnosti povezane s fosilnim gorivima, uključujući daljnju upotrebu;
- (ii) aktivnosti u okviru Europskog sustava za trgovanje emisijama (ETS) kojima se postižu predviđene emisije stakleničkih plinova koje nisu znatno niže od relevantnih mjerila;
- (iii) aktivnosti povezane s odlagalištima otpada, spalionicama i uređajima za mehaničko biološko pročišćavanje; i
- (iv) aktivnosti kod kojih dugotrajno odlaganje otpada može nanijeti štetu okolišu.

Substantive testing – experience (2nd PR)

No.	M/T	Name	CID description	OA – verification mechanism
63	T	Public sewerage network constructed or reconstructed	At least 115 km of public sewerage (drainage) network built or reconstructed. The investment shall ensure compliance with the Urban Wastewater Treatment Directive in subject areas, in line with the Multiannual Water and Wastewater Construction Programme.	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled. This document shall include as an annex the following documentary evidence and elements: a list of the constructed or reconstructed infrastructure, including for each one: a) the name, the location and a brief description in accordance with the CID Annex; b) extract of the relevant parts of the technical specifications of the project proving alignment with the description of the milestone and investment in the CID; c) the type of action undertaken; and d) a copy of the certificate of the supervising engineer verifying completion and/or entry into service.

Reported: 126 km


Substantive testing – experience (2nd PR)

No.	M/T	Name	CID description	OA – verification mechanism
68	T	Public water supply network constructed or reconstructed	At least 226 km of public water supply network constructed or reconstructed. The investment consists in building drinking water supply systems with an average energy consumption of $\leq 0,5$ kWh or an Infrastructure Leakage Index (ILI) of $\leq 1,5$, and in renovating existing drinking water supply systems to decrease the average energy consumption by more than 20% or decrease leakage by more than 20%.	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled, with appropriate links to the underlying evidence. This document shall include as an annex the following documentary evidence and elements: a list of the constructed or reconstructed water supply infrastructure, including for each one of the sites: a) the name, the location and a brief description in accordance with the CID Annex; b) extract of the relevant parts of the technical specifications of the project proving alignment with the description of the milestone and investment in the CID; c) the type of action undertaken; and d) a copy of the certificate of the supervising engineer verifying completion and/or entry into service

Reported: 255,5 km

Audit of IT (repository) system

Milestone 160 - Upgrading of the eFondovi IT system:
Repository system for Audit and Controls: information for
monitoring implementation of RRF



A repository system for monitoring the implementation of the RRF shall be in place and operational.

The system shall include, as a minimum, the following functionalities:

- (a) collection of data and monitoring of the achievement of milestones and targets;
- (b) collect, store and ensure access to the data required by Article 22(2)(d)(i) to (iii) of the RRF Regulation



Audit report confirming repository system functionalities

Audit of IT (repository) system

The overall objective of the IT audit is to obtain reasonable assurance on the following:

- ▶ that the IT system ensures an effective monitoring and implementation of the NRRP i.e. that it **collects and provides data on achievement of milestones and targets**;
- ▶ that the IT system **collects and ensures access to** the standardised categories of data as requested under **Article 22 (2) (d) (i) to (iii)** of the RRF Regulation and
- ▶ that the IT system is **in place and operational**.

Example of test done by AA

- ✓ IT system includes data on all M&T as stated in CID
- ✓ IT system envisages automatic collection and aggregation of data on M&T
- ✓ IT system enables reporting on M&T achievement from competent bodies to CB
- ✓ IT system includes evidence on achievement of M&T included in the 1st Payment request
- ✓ IT system collects and provides (in a searchable form) names of final recipients of funds
- ✓ IT system collects and provides (in a searchable form) names of (sub)contractors (if beneficiary is subject to public procurement law)
- ✓ IT system collects and provides (in a searchable form) first and last names and date of birth of beneficial owners (of final recipients and contractors)
- ✓ Access to data from Art. 22 (2) (d) of RRF Regulation is ensured for purposes of audit and control to bodies listed in Art. 22(2) (e) and 22(3) of RRF Regulation

Audit of IT (repository) system

- ▶ Performed by AA auditors and external IT expert (for technical aspects of the IT system)
- ▶ Audit report confirmed:
 1. That the system is operational and has at least the following functionalities:
 - i. collects data and monitors the achievement of milestones and targets;
 - ii. collects, stores and ensures access to the data required by Article 22(2)(d)(i) to (iii) of the RRF Regulation;
 2. That the data is being collected by the implementing bodies and/or beneficiaries/any other entity entrusted with this task, according to the national set-up and that the data is being stored into the system;
- ▶ **Findings identified relate to additional functionalities of the system, not the ones required by CID and OA**

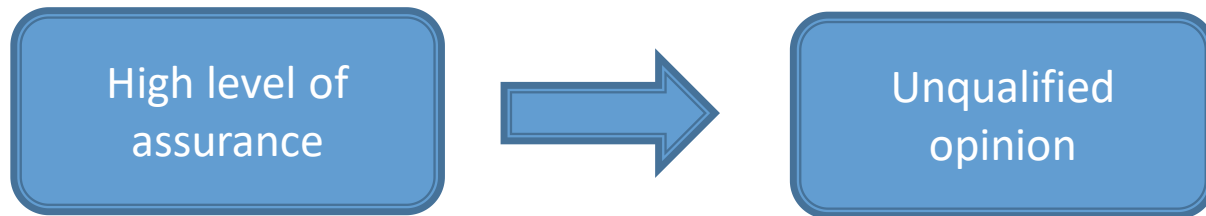
Overall assurance and conclusion

- ▶ EGESIF Guidance on a common methodology for the assessment of MCS (4 categories) vs. Levels of assurance in EC Guidance on RRF
- ▶ Our understanding:
 - Category 1 & 2 – high level of assurance
 - Category 3 – average level of assurance
 - Category 4 – low level of assurance



Overall assurance and conclusion

- ▶ Conclusion by AA for the 1st and 2nd Summary of Audits:



- ▶ Substantiated by:
 - No findings related to fulfillment of M&T
 - No serious irregularities identified
 - All required functionalities of IT (repository) system confirmed

Questions?

Contact:

sara.sirovica.kranjcec@arpa.hr

Agency for Audit of European Union
Programmes Implementation System (ARPA)

