



## Intensive Online Course

22 – 24 March 2021

### Financial Management, Control and Audit of ESI Funds: Transition Towards 2021-2027

#### Experts

##### Olga Guza

Deputy Director of EU Funds  
Audit Department, Ministry of  
Finance of the Republic of Latvia

##### Simon Hannah

ERDF Compliance and Quality  
Assurance Manager, East of  
England ERDF Growth Delivery  
Team, Ministry of Housing,  
Communities and Local  
Government, Cambridge  
(invited)

##### Inese Levana

Senior Auditor of EU Funds Audit  
Department, Ministry of Finance  
of the Republic of Latvia, AFCOS  
Member, Riga

##### Stavri Ttofa

Head of the Verifications and  
Certification Directorate,  
Treasury of Cyprus

The 3-day Intensive Online Course focuses on the following topics:

- ✓ Financial management and control system of EU Funds **2014-2020 versus 2021-2027**
- ✓ **ESIF for emergency measures – Status Quo**
- ✓ Main changes for **Managing Authorities and Intermediate Bodies in 2021-2027**
- ✓ **Management verifications and on-the-spot verifications**
- ✓ Practical discussions in small groups in breakout rooms: **Verification of Simplified Cost Options, verification of State aid and Public Procurement, verification of eligibility of expenditures, sampling**
- ✓ Main changes and challenges for **Audit Authorities in 2021-2027**
- ✓ Audit findings in **system audits and in audit of operations**
- ✓ **Audit of Simplified Cost Options, Audit findings in State aid and Public Procurement**
- ✓ Management of and most common **errors and irregularities in ESI Funds**, including group work in breakout rooms
- ✓ Combatting **fraud and corruption in ESI Funds**
- ✓ Preparing for **closure 2014-2020**

### OVERVIEW

#### Overview

With the proposed regulations for the upcoming programming period 2021-2027, the European Commission introduces a number of changes and new instruments that the Member States need to implement into their Operational Programmes. New regulations and requirements can be challenging for professionals dealing with financial management and control of ESI Funds. The upcoming Intensive Online Course will provide you with first-hand information and expert guidance on financial management and control requirements, which are essential for the successful implementation of ESI Funds in this and in the next programming period.

#### Methodology

An intensive online course by Lexxion Publisher combines presentations, cases studies and discussions on practical problems. All **speakers present live** via video and audio. **Participants are actively involved** in the online courses. By offering our participants the possibility to **use their microphones and cameras** during the whole course, we aim to recreate the atmosphere of a face-to-face Lexxion course. We encourage our participants to **ask questions in real time and to take part in live discussions** with speakers and other participants. Additionally, we offer **breakout sessions**, as part of this format, where **participants work in smaller groups on real-life cases and exercises**. During these exercises, participants have the technical possibility to see other group members and talk to them (using microphone and camera). There are ample opportunities for the **participants to present their own problematic issues**, discuss and solve them with the speakers and participants from other Member States.

#### Target Group

- Representatives from public authorities dealing with different aspects of financial management and control of ESI Funds, especially from:
  - Managing Authorities
  - Responsible Authorities
  - Intermediate Bodies
  - Delegated Authorities
  - Certifying Authorities
  - Audit Authorities
- ESI Funds experts from regional and local authorities and experts involved in ETC Programmes
- Auditors controlling and auditing ESI Funds programmes and projects
- Experts from EU, national and regional Court of Auditors
- Experts from Institutions involved in implementation of ESI funds
- Consultants and lawyers specialised in ESI Funds
- Beneficiaries of EU funded projects



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## Financial Management, Control and Audit of ESI Funds: Transition Towards 2021-2027

### PROGRAMME | DAY 1 MORNING

#### Day 1

09:00 Welcome note by Lexxion and Introduction Round

#### Session 1:

##### Financial Management and Control Requirements 2014-2020 versus 2021-2027: What is Actually Changing?

09:30 **Overview of EU Funds 2021-2027**

- EU Cohesion Policy 2021-2027 – summary of changes
- Which challenges does the new Programming Period bring?
- Seven shared management funds
- Simplification
- Simplified designation process
- Novelty in roles and responsibilities of the bodies involved
- New criteria in the allocation method

**Olga Guza,**

Deputy Director of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia

10:15

#### Session 2:

##### ESIF for Emergency Measures 2014-2020 – Status Quo

- What are the key aspects of the amended Regulations (CRII, CRII+, REACT-EU)?
- Was the amendment of Operational Programmes 2014-2020 successful?
- What happened with the existing projects – different scenarios
- Which measures were implemented?
- How did the health emergency impact the new Operational Programmes 2021-2027?

**Stavri Ttofa,**

Head of the Verifications and Certification  
Directorate, Treasury of Cyprus

10:50 Coffee break

#### Session 3:

##### Effective Management Verifications in ESI Funds

11:00 **Administrative versus On-the-Spot Verifications**

- Guidance for Member States on Management Verifications (legal requirements, verification methodologies, delegation principles, timing/nature/frequency of verification)
- Strategy and planning: Administrative versus on-the-spot verifications
- Cooperation between Managing Authorities and Intermediate Bodies
- Record-keeping and reporting requirements
- How to put together a verification methodology for on-the-spot checks
- How to deal with personnel and overhead costs?
- The importance of documentation in the verification process

**Simon Hannah,**

ERDF Compliance and Quality Assurance Manager,  
East of England ERDF Growth Delivery Team, Ministry  
of Housing, Communities and Local Government,  
Cambridge (invited)

12:00 Lunch break

12:30 **Experience and Lessons Learnt for Preparing for  
Verification Activities in 2021-2027 – Challenges for  
Managing Authorities**

- Novelty in respect to verifications and control
- Eligibility of expenditure
- What are the main changes in responsibilities and who will take over the accounting function?
- Risk-based management verifications
- Simplified Cost Options
- New rules for Technical Assistance

**Simon Hannah,**

ERDF Compliance and Quality Assurance Manager,  
East of England ERDF Growth Delivery Team, Ministry  
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Cambridge (invited)

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## Financial Management, Control and Audit of ESI Funds: Transition Towards 2021-2027

### PROGRAMME | DAY 1 AFTERNOON & DAY 2 MORNING

13:15 **Practical Discussions and Exchange of Experience in Small Groups in Breakout Rooms on the Following Topics:** (incl. coffee break at 14:15-14:30)

- **Verification of Simplified Cost Options**  
Why, when, who, which and how?  
Eligible costs using SCO  
Public Procurement and SCO  
Verification – practical exercise
- **Verification of State Aid and Public Procurement**
- **Verification of Eligibility of Expenditure**
- **Sampling and On-the-Spot Verifications**

**Simon Hannah,**

ERDF Compliance and Quality Assurance Manager,  
East of England ERDF Growth Delivery Team, Ministry  
of Housing, Communities and Local Government,  
Cambridge (invited)

15:30 End of Day 1

## Day 2

### Session 4: Audit Findings, Challenges and Recommendations in ESI Funds

09:00 **Changes and Challenges for Audit Authorities in the Programming Period 2021 – 2027**

- Are there any changes in the scope of system audits, audits of operations and audits of accounts?
- Consequences in case of use of the enhanced proportionate arrangements
- Challenges of ex-ante assessment of the SCO methodology

**Inese Levana,**

Senior Auditor of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia, AFCOS  
Member, Riga

10:00 **Changes and Challenges for Audit Authorities Related to the COVID-19 Pandemic**

- Second amendment of the Common Provisions Regulation as EU response to COVID-19 crisis
- Simplification of audit requirements
- Changes in the co-funding rates of projects
- When should statistical and when non-statistical sampling methodologies be used?
- Performance of on-the-spot checks
- How did Audit Authorities adjust their working tools and working approach?
- Communication with the auditees

**Inese Levana,**

Senior Auditor of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia, AFCOS  
Member, Riga

10:30 Coffee break

10:45 **Audit Findings in System Audits and in Audit of Operations – Practical Insights**

- Audit findings and recommendations in system audits
- Audit findings and recommendations in audits on operations/projects
- Process of the audit of projects (planning, execution, reporting)
- How to best prepare for audit visits?
- What does Audit Authority expect from the Managing Authority/Intermediate Body?

**Olga Guza,**

Deputy Director of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia

11:45 Lunch break



12:15 **Audit of Simplified Cost Options**

- Using SCO: Considerations for Audit Authorities
- How to ensure good cooperation between Managing and Audit Authorities?
- Practical exercises and group work on eligibility of costs: How to avoid errors and irregularities in SCO

**Olga Guza,**  
Deputy Director of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia

13:00 **Audit Findings in State Aid and Public Procurement**

- Use of professional expert institutions in public procurement and State aid
- Public procurement and State aid errors detected and corrected during management verifications

**Inese Levana,**  
Senior Auditor of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia, AFCOS  
Member, Riga

**Olga Guza,**  
Deputy Director of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia

13:45 Coffee break

14:00 **Audit of Project Selection**

- Selection process, division of functions and roles
- Respect for independence and objectivity
- Process and outcomes of decision on project / programme approval
- Process of signing grant contract
- Information to the beneficiaries
- Appeal procedure
- Attention to detail in more specific areas, such as ITI (Integrated territorial investment projects), large projects, financial instruments
- Lessons learnt to take with us into 2021-2027

**Inese Levana,**  
Senior Auditor of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia, AFCOS  
Member, Riga

14:45 **Audit Documentation Management**

- Audit trail
- Audit work papers
- Annual control report and audit opinion

**Inese Levana,**  
Senior Auditor of EU Funds Audit Department,  
Ministry of Finance of the Republic of Latvia, AFCOS  
Member, Riga

15:30 End of Day 2



#### Day 3

#### Session 5: Irregularities and Fraud in EU Funds

##### 09:15 Management of and Most Common Irregularities in ESI Funds

- Definition of an irregularity and difference between error and irregularity
- Overview on most common types of irregularities
- Who can determine irregularities?
- Which irregularities can be identified by first level controllers?
- Which irregularities are typically identified by auditors?
- How to treat irregularities?

**Stavri Ttofa,**

Head of the Verifications and Certification Directorate, Treasury of Cyprus

11:15 Coffee break

##### 11:30 Combatting Fraud and Corruption in ESI Funds – Requirements and Tools

- The anti-fraud cycle in practice
- KR 7: Anti-Fraud Measures
- Instruments and methods for the prevention and detection of fraud and corruption
- How to identify red flags of fraud and corruption?
- Cyber fraud
- Capability of IT tools: The obligatory fraud risk self-assessment tool and Arachne

**Inese Levana,**

Senior Auditor of EU Funds Audit Department, Ministry of Finance of the Republic of Latvia, AFCOS Member, Riga

##### 12:30 Practical Exercises in Small Groups in Breakout Rooms

We will work in small groups in breakout rooms on different cases, related to combatting fraud and corruption in structural funds.

**Inese Levana,**

Senior Auditor of EU Funds Audit Department, Ministry of Finance of the Republic of Latvia, AFCOS Member, Riga

13:00 Lunch break

##### 13:30 Irregularities and Fraud Risks Related to COVID-19

- Increase of fraud cases and irregularities as the planning period is ending, now potentially much more boosted also by COVID 19 crisis opportunists
- Fake news and trusted news – which will be the basis for many audit findings ahead
- The new EPPO – if and how is the introduction of European Public Prosecutor's Office going ahead
- New fraud risks related to the implementation of anti-COVID 19 measures
- How to avoid errors during the implementations of the projects

**Inese Levana,**

Senior Auditor of EU Funds Audit Department, Ministry of Finance of the Republic of Latvia, AFCOS Member, Riga

##### 14:00 Session 6: Preparing for Closure of the Programmes 2014-2020

- Legal basis for closure 2014-2020: Requirements from the European Commission
- Process, deadlines, involved authorities
- Lessons learnt from closure 2007-2013 and how to use them for closure 2014-2020

**Inese Levana,**

Senior Auditor of EU Funds Audit Department, Ministry of Finance of the Republic of Latvia, AFCOS Member, Riga

14:45 End of the Online Course



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## Financial Management, Control and Audit of ESI Funds: Transition Towards 2021-2027

### QUESTIONS & ANSWERS

Zoom is our interactive online course platform. In order to join our course, please check your device compatibility first.

#### What do you need in order to join the online course?

- ✓ Speakers, Microphone; Camera is possible, if you would like to be seen during the course
- ✓ A wired connection is strongly recommended.
- ✓ If your internet connection doesn't work, you can join the course by telephone, using a dial-in number. In this case there might be additional telephone costs.

#### How to join the online course?

- ✓ Choose the computer from which you would like to follow the online course.
- ✓ Please test your microphone and camera in advance. For this please install zoom and follow [these](#) instructions
- ✓ In order to join the live online course, please open the URL link, which you receive from us. Please [install](#) the zoom, if not done yet
- ✓ Click on "Join a Meeting", enter your full name, so that we could recognize you, and wait in the waiting room, until our host will let you in
- ✓ Use your headset and camera

#### Minimum system requirements are as follows:

- ✓ **Operating System:** Windows 7 or later; Mac OS X 10.12 or later, Linux.
- ✓ **Browser:** The most recently-published versions of Chrome, Firefox, Microsoft Edge, Safari, or Opera.
- ✓ **High-speed internet:** A consistent, high-speed connection is required. Mobile tethering, hotspots, slow or inconsistent public Wi-Fi networks may create latency when using video conferencing.

## FAQ

#### Why do I need to register before the online course starts?

Thank you for registering! This not only helps us to communicate with you in regard to technical issues but it helps you to network with your fellow course participants.

#### Will the live course be recorded?

Please ask the responsible event manager.

#### Do I need a camera?

It is recommended to have a camera for more comfortable communication with the speakers and other participants.

#### Do I need a microphone?

Since this is an interactive online course, yes.

#### Do I need to install anything?

Yes, you should install Zoom app. Please click on the URL link, which you receive from us. It will automatically prompt to download the app.

#### Can I ask questions during the live course?

Yes, you can ask your questions live by using your microphone and camera. You can speak to all participants at the same time as you may have experienced in Skype.

#### When can I enter the live course I'm attending?

Please enter Zoom 10 minutes before start. Our host will let you in in due time.

#### May I leave the online course and come back later?

Yes, just log in at a later time during the course.

#### May I access via Phone?

Yes, you can. Participating via phone means you can listen only..

#### Can't find invitation?

Please check your spam-folder. You should also ask your colleague from the IT department to 'whitelist' us. For more details please ask the corresponding conference manager, who will be happy to help you.

#### I failed the Firewall System Check – what can I do?

All requirements can be found [here](#).

#### I failed the Audio Output System Test – what can I do?

If you are using headphones or external speakers, try unplugging them. Please unmute your device. Test your speakers [here](#) to find out if they work.

#### I would like to participate but I'm waiting for an approval. Can I order a ticket on the day of the online course?

Sure. Please message [online@lexxion.eu](mailto:online@lexxion.eu). We need to have a separate testing before the start of the online course.

#### My email address has changed – can I still participate?

Sure. Please provide us with your updated email address; you will then receive a new invitation.

#### How do I contact the host of the online course?

[online@lexxion.eu](mailto:online@lexxion.eu) is happy to help you.

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### REGISTER

#### Participation fee

- YES, I would like to participate for the reduced fee for public authorities **EUR 1.490** (excl. VAT).
- YES, I would like to participate for the regular fee of **EUR 1890** (excl. VAT).

The German VAT of 19% will be added, if applicable.

#### Newsletter subscription

- Please send me information about Structural and Investment Funds issues for free. I may unsubscribe from this service any time.

#### Cancellations

Cancellations should be made in writing per post or fax. Please note that the full fee will be charged in case of no show at the online event or for cancellations received after 15 March 2021. Nomination of a substitute remains possible without any additional costs. For more detailed information, scope and conduct of contract as well as cancellation policy, please check the Terms & Conditions on our website.



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Name

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Position, Department

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Company Name

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Address

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Phone, Fax

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E-Mail

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VAT Reg.-No.

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Date, Signature

#### Upcoming event:

### Intensive Online Course on Simplified Cost Options for EU Funds: Transitioning from 2014-2020 to 2021-2027, 9-11 March | Online

This Online Course is created for specialists dealing with Structural Funds and Migration & Security Funds, who plan to set-up Simplified Cost Models or have already implemented this approach. During the first day you will learn about the general requirements and methodologies. During the second day we will discuss how to adapt your working methods and procedures to this simplified method in compliance with eligibility rules and regularity of expenditures. The third day will be devoted to practicalities of verification and audit of SCO procedures.