

MANAGEMENT AND CONTROL SYSTEM OF EU STRUCTURAL FUNDS IN CYPRUS

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Managing Authority
Structural and Cohesion Funds

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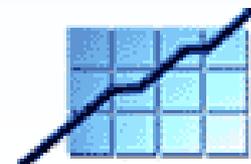
REPUBLIC OF CYPRUS



EUROPEAN UNION



STRUCTURAL FUNDS
of the European Union in Cyprus
our ideas, actions for development



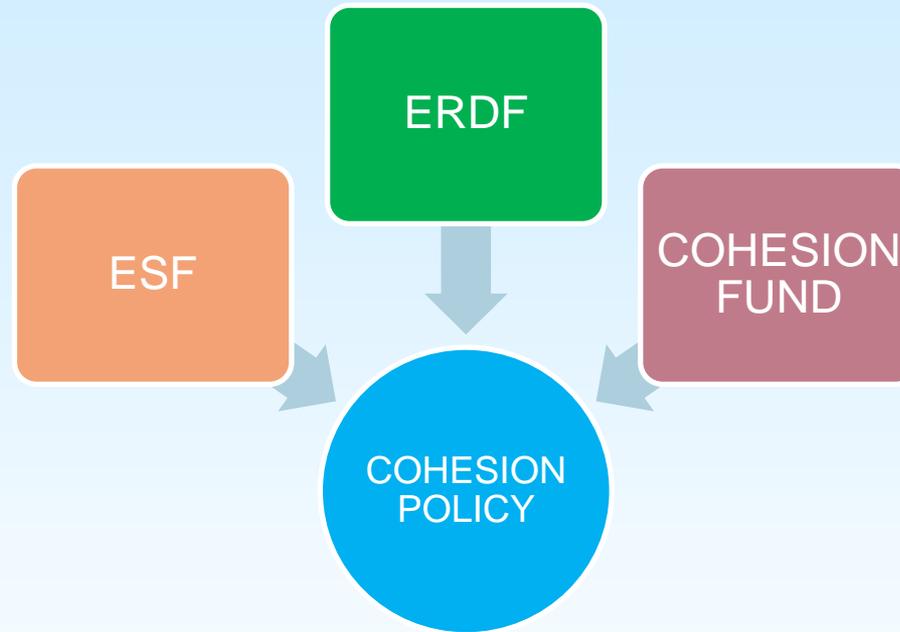


Overview]

- **Legal Background**
- **Operational Programmes**
- **Provisions of a Management and Control System**
- **Responsible Bodies and their Functions**
- **Levels of Controls**
- **Circulars of Procedures**
- **Tools for an Effective Management and Control System**
- **Key Success Factors**



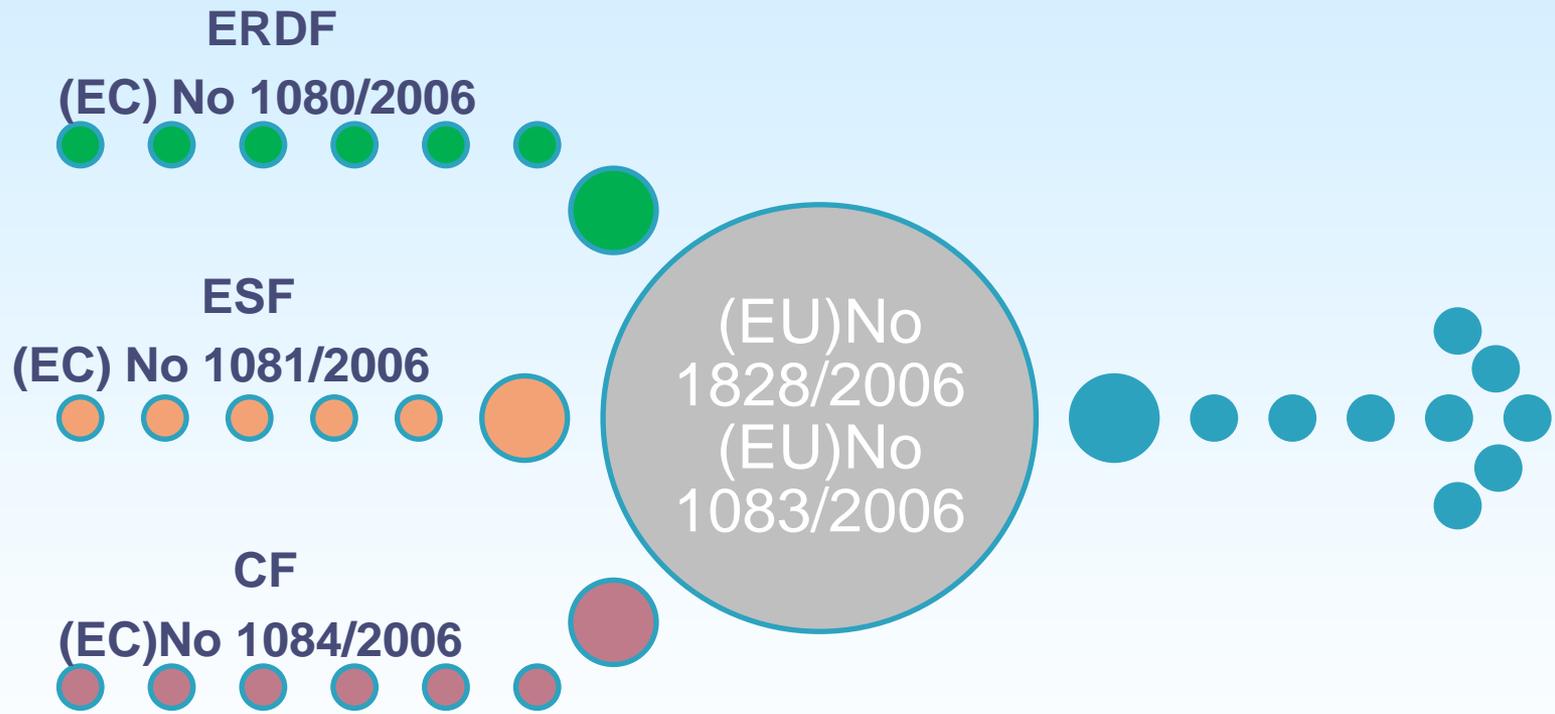
Cohesion Policy- The Funds



“STRUCTURAL FUNDS AND COHESION FUND ARE FINANCIAL TOOLS SET UP TO IMPLEMENT THE COHESION POLICY OF THE EUROPEAN UNION”



Legal Framework





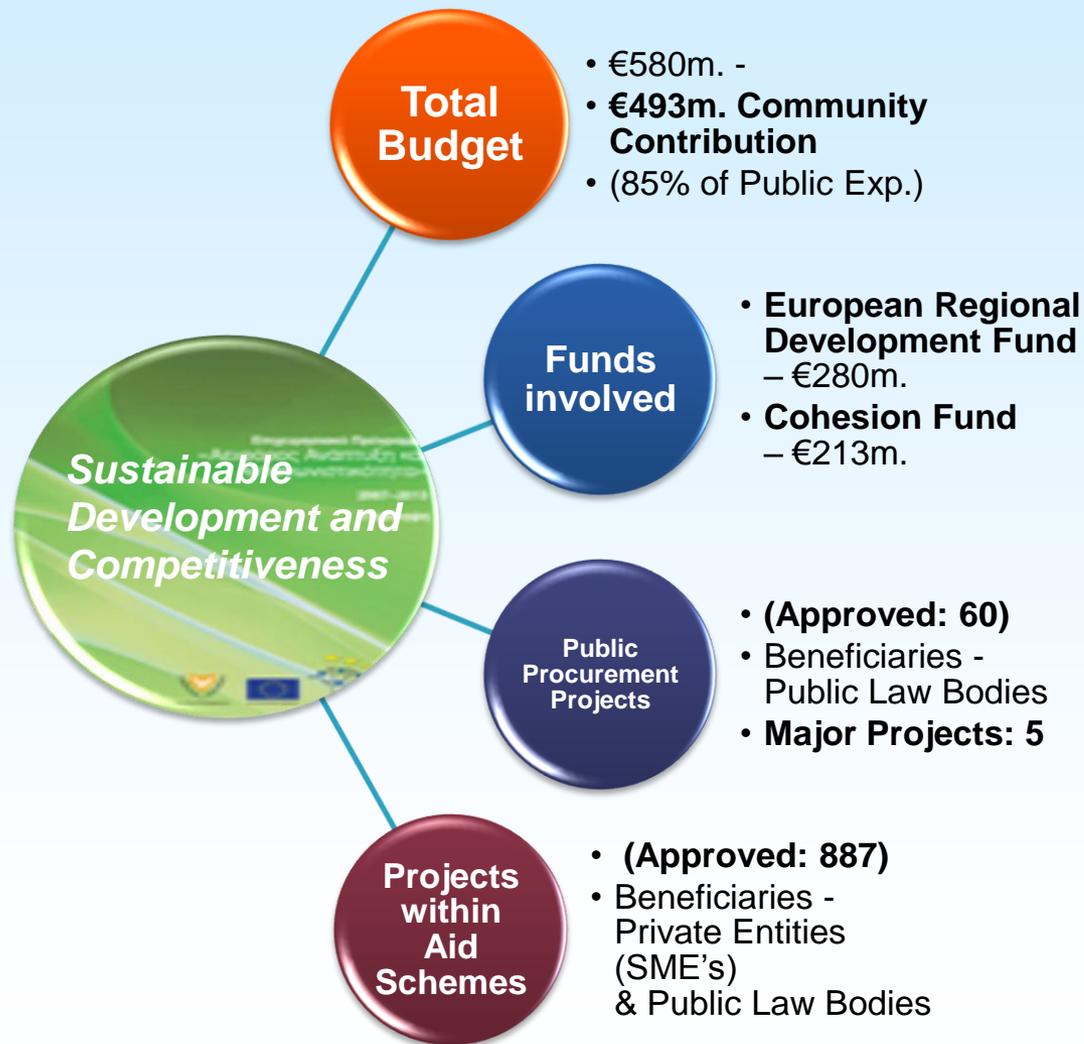
Operational Programme

(EC)Reg.1083/2006

“is a document submitted by a Member State and adopted by the Commission setting out a development strategy with a coherent set of priorities to be carried out with the aid of a Fund”



Operational Programme “Sustainable Development and Competitiveness” Structure

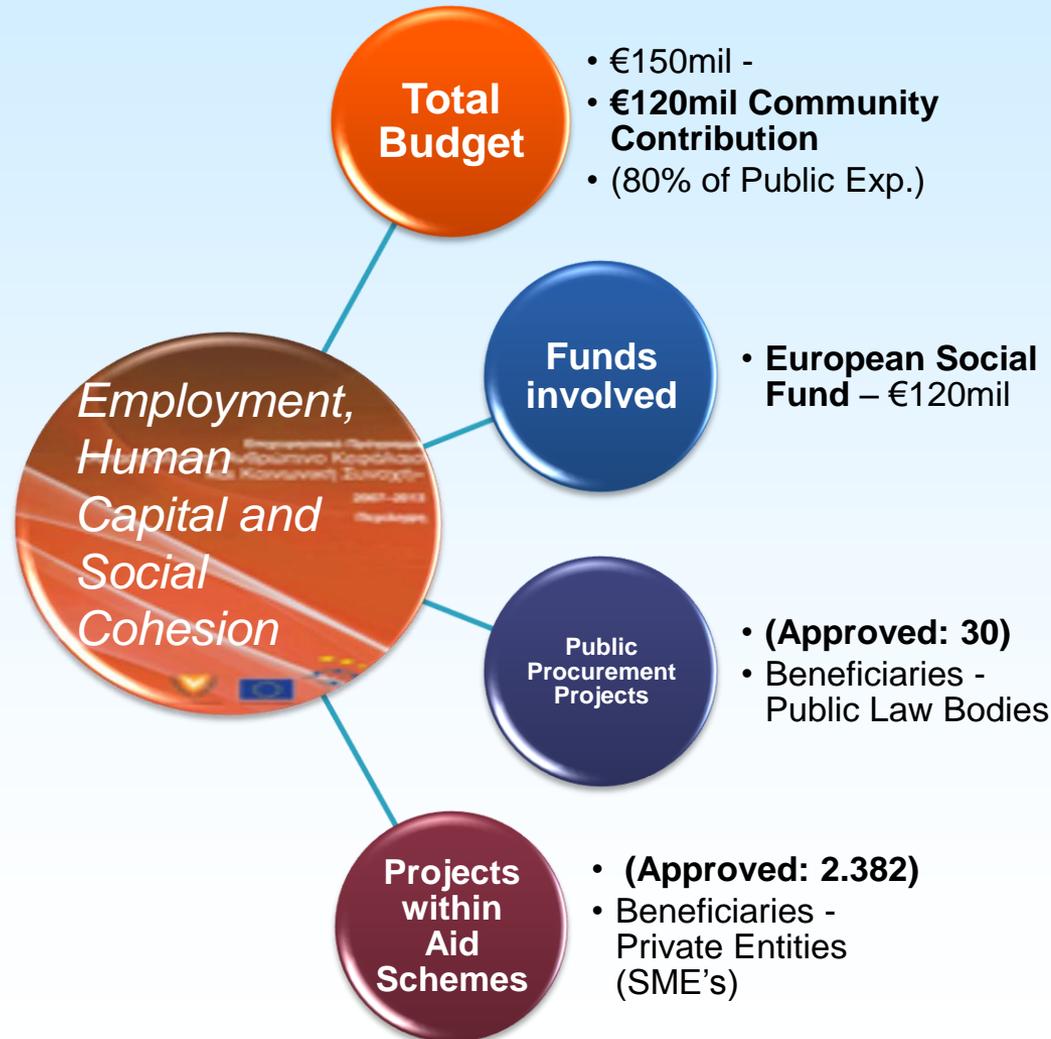




Operational Programme

“Employment, Human Capital and Social Cohesion”

Structure





Management and Control

(EC) Reg.1083/2006 Art 70:

Member States shall be responsible for the management and control of operational programs, in particular through the following measures:

(a) ensuring that management and control systems for operational programs are set up in accordance with Articles 58 to 62 and function effectively;

(b) preventing, detecting and correcting irregularities and recovering amounts unduly paid together with interest on late payments where appropriate. They shall notify these to the Commission and keep the Commission informed of the progress of administrative and legal proceedings



Provisions of a Management and Control System (1/2)

(EC)Reg.1083/2006 Art 58:

The management and control systems of operational programmes set up by Member States shall provide for:

- ***the definition of the functions of the bodies concerned in management and control and the allocation of functions within each body***
- ***(b) compliance with the principle of separation of functions between and within such bodies***
- ***procedures for ensuring the correctness and regularity of expenditure declared under the operational programme***

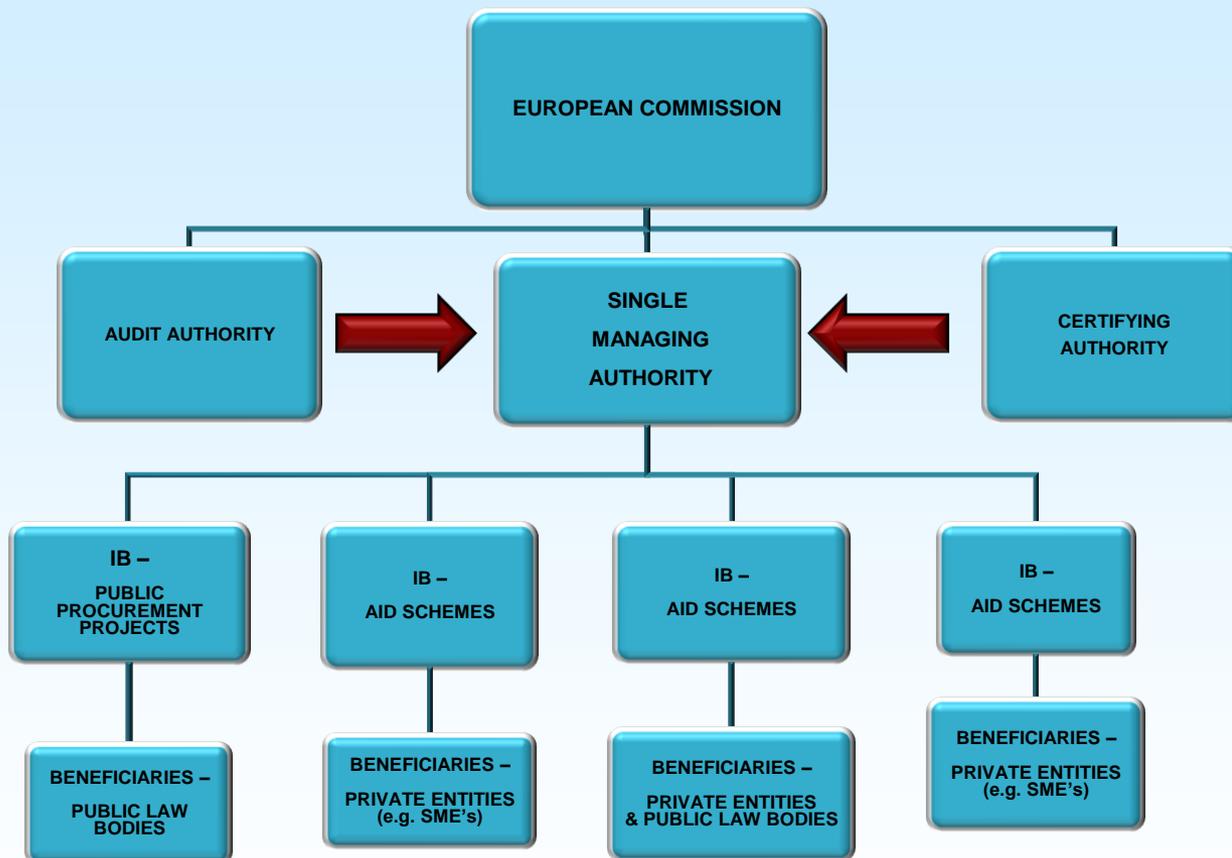


Provisions of a Management and Control System (2/2)

- *reliable accounting, monitoring and financial reporting systems in computerised form*
- *a system of reporting and monitoring where the responsible body entrusts the execution of tasks to another body*
- *arrangements for auditing the functioning of the systems*
- *systems and procedures to ensure an adequate audit trail*
- *reporting and monitoring procedures for irregularities and for the recovery of amounts unduly paid.*



Management and Control System Responsible Bodies





Management and Control System Responsible Bodies- Audit Authority

(EC)Reg.1083/2006

“a national, regional or local public authority or body, functionally independent of the managing authority and the certifying authority, designated by the Member State for each operational programme and responsible for verifying the effective functioning of the management and control system”



Management and Control System Responsible Bodies- Certifying Authority

(EC)Reg.1083/2006

“a national, regional or local public authority or body designated by the Member State to certify statement of expenditure and applications for payment before they are sent to the Commission”



Management and Control System Responsible Bodies- Managing Authority

(EC)Reg.1083/2006

“a national, regional or local public authority or a public or private body designated by the Member State to manage the operational programme”



Management and Control System Responsible Bodies- Intermediate Body

(EC)Reg.1083/2006

“any public or private body or service which acts under the responsibility of a managing or certifying authority, or which carries out duties on behalf of such an authority vis-à-vis beneficiaries implementing”



Management and Control System Responsible Bodies- Beneficiary

(EC)Reg.1083/2006

“ an operator, body or firm, whether public or private, responsible for initiating or initiating and implementing operations. In the context of aid schemes under Article 87 of the Treaty, beneficiaries are public or private firms carrying out an individual project and receiving public aid”



(EC)Reg.1083/2006

“ a project or group of projects selected by the managing authority of the operational programme concerned or under its responsibility according to criteria laid down by the monitoring committee and implemented by one or more beneficiaries allowing achievement of the goals of the priority axis to which it relates”



Verifications -Levels of Controls

ex-post

European Commission / Court of Auditors
- audits

ex-post

Audit Authority
– audits

ex-post

Certifying Authority
– overviews

ex-post

Managing Authority
– verifications

ex-ante

Intermediate Bodies
– verifications



Managing Authority Circulars (1/2)



Public Procurement Project / Aid Scheme
Project Approval and Monitoring
Procedures



Financial Flows



Publicity and Information



Managing Authority Circulars (2/2)



Eligibility Rules



Verifications Procedures



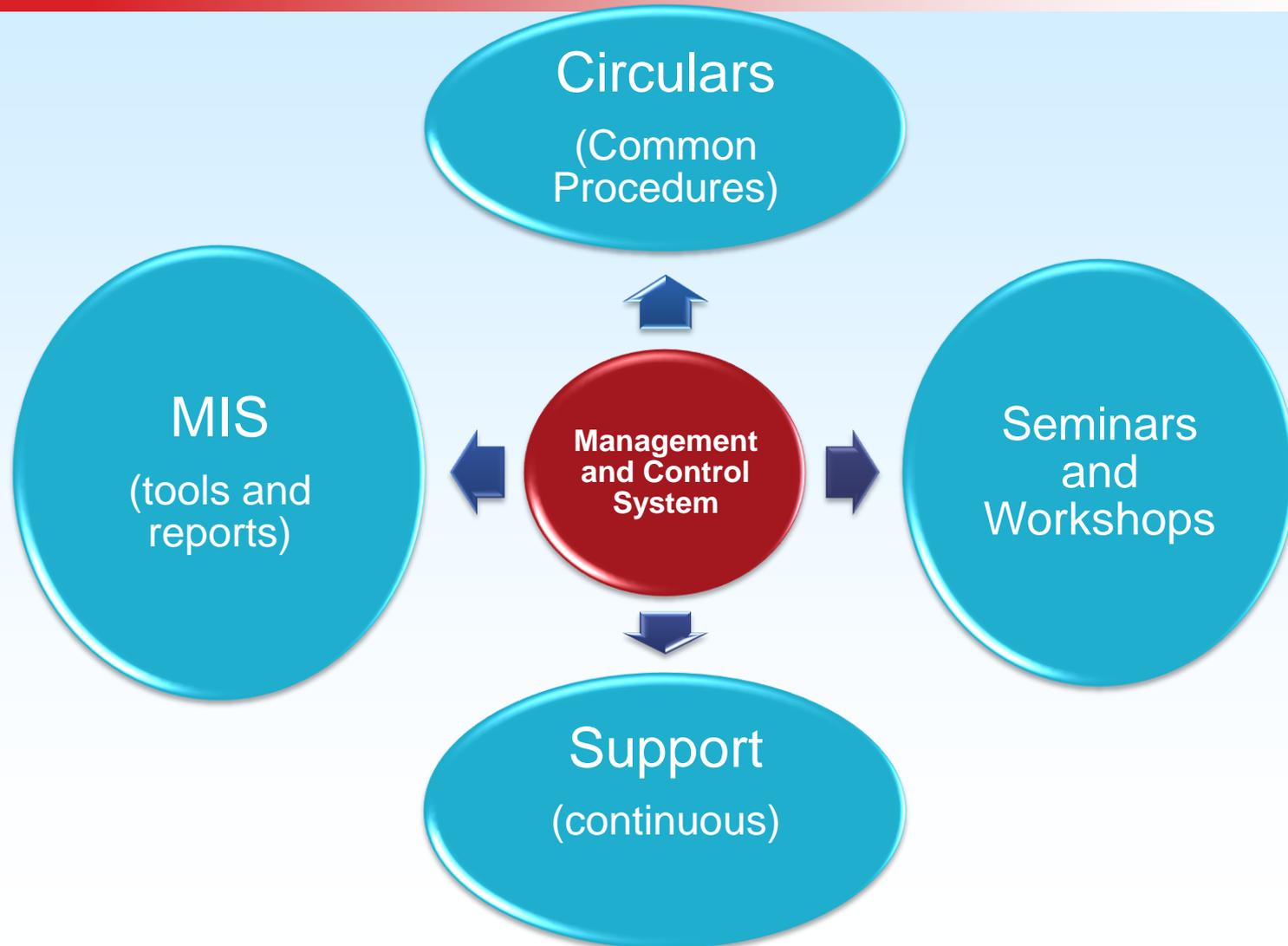
Community Policy Compliance Procedures



Management and Control System

2007-2013

Tools for effective operation of MCS



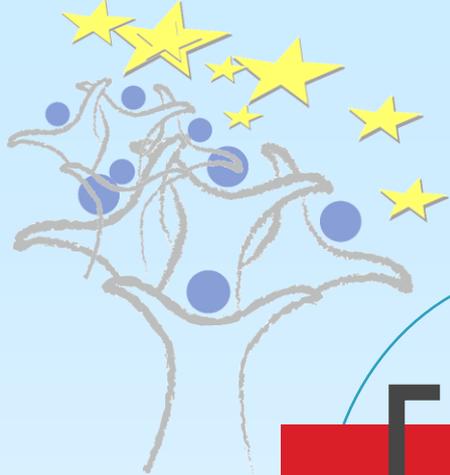


Management and Control System 2007-2013 Key Success Factors

- ✓ Single system of monitoring and controls enforced through MA circulars (simplified and computerised)
- ✓ Emphasis on ex-ante verifications (administrative and on-the-spot – timing and content controlled by MA and inbuilt in MIS)
- ✓ Build strong IBs – staff / training / support
- ✓ Close communication and coordination between responsible bodies
- ✓ Develop a Help Desk (provision of continuous support to Beneficiaries and IBs) and seminars/trainings for enhancing the capacity of all involved authorities



- <http://www.structuralfunds.org.cy>
- <http://www.planning.gov.cy>



**Thank you
for your attention**



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