

European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund, 2007-2013

2004/0163(AVC) - 18/03/2005 - Court of Auditors: opinion, report

In its Opinion 2/2005, the Court of Auditors paid particular attention to the consequences of the measures proposed on financial management and control.

On the responsibility for the implementation of the Community budget, the Court believes that in a context where the Member States are both beneficiaries of the Community funds and responsible for the implementation of measures, only the Commission is able to ensure that the Community objectives are applied in a logical and consistent manner. It is therefore crucial that the notion of the Commission's final responsibility be reaffirmed unequivocally in the articles that deal with the responsibility of Member States.

As regards the proposed regulatory framework, the Court insists in particular on the need to create adequate framework control conditions such as the intensity of the checks; the definition of appropriate standards and the organisation of the management and control systems. A substantial strengthening of Community controls is the indispensable corollary to a system in which project management rests with the national or regional authorities.

Observations are equally made concerning the responsibility in the area of legality and regularity, Responsibility in the area of sound financial management and the conservation of supporting documents.

Lastly, the Court deals with the issue of improving the efficiency of the programmes. It made the following comments on:

- programming and setting objectives : according to the Court, the content of the 'national strategic reference framework' is not sufficiently precise (in terms of measures, the allocation of resources and expected results) to provide detailed information on the national and regional development strategy. Neither are the 'thematic and territorial priorities', which are supposed to define the measures to be financed, explained adequately. The operational programmes are also characterised by a lack of precision, no information being requested in respect of the various measures to achieve the priority objectives. This prevents any arbitration between measures. Specific objectives would be quantified by means of a limited number of implementation, results and impact indicators. Compared with the current legislation, a description of the arrangements for managing each operational programme is no longer required. Thus, neither the 'national strategic reference framework', nor the operational programmes would be true management and monitoring instruments for the Commission. It is consequently unclear how the Commission will be able to ensure that coordination with the operational programmes has been established at national level ;

- improved integration of assistance measures : for reasons of consistency, the Court is of the opinion that it would be appropriate to operate a single Fund, at least in the case of the ERDF and the Cohesion Fund. These two Funds are generally to be found in the same operational programmes and are concerned with the same themes. ERDF actions and Cohesion Fund projects are often managed by the same public entities. The concepts of major projects and revenue-generating projects are equally valid for both Funds.