



**European Academy**  
for Taxes, Economics & Law

**Bring cases of irregularities  
that cause you problems  
and discuss them with our experts!**

# Handling Irregularities in EU Funded Projects

Summer Seminar  
27<sup>th</sup> - 28<sup>th</sup> August 2012, Berlin

With Experts from:

- **DG Regional Policy, European Commission**
- **Department for Communities and Local Government, United Kingdom**
- **Higher Education Authority, Ireland**
- **Regional Centre for Innovation and Technology Transfer, Poland**

**Brochure**



## EUROPEAN SEMINAR

# Handling Irregularities in EU Funded Projects

### The European Commission is still not satisfied with the handling of irregularities

The correct handling of irregularities in EU funded projects is still a very difficult issue for all bodies involved in the management and control systems of EU funds. According to the latest published Commission report, in 2010 there were 10 332 irregularities reported, involving an overall amount of more than 1,8 billion EUR. Reported irregularities and related financial amounts have been increasing tremendously in relation to 2009. The number of reported irregularities in 2010 was 32% higher than in 2009, whereas the irregular amounts increased by 47%. In 2010, Member States again have exceeded the desired < 2% rate for irregularities.

### Huge financial costs at stake for EU member states

If an irregularity resulted in an undue payment to the beneficiary that cannot be recovered and if this loss was caused by a fault or negligence of the Member State, the Member State is obligated to reimburse the amounts lost to the general budget of the EU. Therefore there are huge financial costs at stake for the Member States if irregularities are not handled in the correct way.

### Correct handling of irregularities is crucial

In order to spend EU funding in compliance with applicable laws and regulations, the EU Member States need to take actions to prevent, detect and correct irregularities in the use of EU Funds. They also have to report and monitor procedures for irregularities and recover amounts unduly paid. Furthermore, Regulation (EC) 1083/2006 obligates Member States to notify irregularities to the Commission and keep the Commission informed of the progress of administrative and legal proceedings.

In order to minimise the financial risk of repayments of funds, Managing Authorities, Intermediate Bodies as well as Certifying and Audit Authorities of EU Funds in all Member States must gain absolute certainty on the correct handling of irregularities.

### Who is this seminar for?

- Directors, Heads of Units, Experts, Managers, Auditors, Controllers, Officers, Lawyers and other members of staff dealing with irregularities in EU funded projects from:
- Managing Authorities
- Intermediate Bodies and other Authorising Bodies (e.g. Ministries, Development Banks)
- Certifying Authorities
- Audit Authorities
- Public and private beneficiaries of EU Funds
- Other bodies responsible for EU funded projects or other multilateral and bilateral projects



*„Excellent and sufficient“*

Zuzana Dolinàková, Ministry of finance, Slovak Republic



**European Academy**  
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### What will you learn at this seminar?

- How to identify irregularities and distinguish them from clerical and technical errors
- How to distinguish irregularities from fraud cases
- What are possible measures to prevent irregularities in the first place
- How to manage financial risks of irregularities
- How to exactly conduct corrections
- How to deal with irregularities in the procurement process
- When and how to notify the Commission and OLAF of irregularities
- What are the consequences for a Member State of not complying with its obligations in regard to handling irregularities

### Optional Course for the „Master of Management in EU Funds“

This European Seminar is also an Optional Course for the „Master of Management in EU Funds“

For further Information, **please click here.**

### Your benefits

- Gain certainty about legal and practical issues of a correct handling of irregularities and the implications of them
- Avoid cancellation or repayment of funds due to incorrect dealing with irregularities
- Save time and money by receiving practical hints how to prevent irregularities in the first place
- Exercise detecting, following-up and reporting of irregularities in practice by working on case studies as well as on your own practical examples in interactive case studies and workshops
- Discuss your individual questions and problems on irregularities with our experts
- Network and exchange experience with European colleagues who deal with the same issues of irregularities in other regions and EU Member States



# PROGRAMME DAY 1

## Handling Irregularities in EU Funded Projects

8.30-9.00

Registration and Hand-out of Seminar Documents

9.00-9.05

Opening Remarks from the European Academy for Taxes, Economics & Law

9.05-9.15

### Welcome Note from the Chair and Introduction Round

**Stewart Roche, Management Accountant, Higher Education Authority, Ireland**

9.15-10.15

### Introduction: What Constitutes an Irregularity?

- Definition
- Types of irregularities
- Distinction between irregularities, errors, suspected frauds and frauds
- Areas where most irregularities occur and reasons

**Leif Högnäs, Fraud Prevention Officer, DG Regional Policy, European Commission**

10.15-10.30

Discussion Round

10.30-10.45

Coffee Break

10.45-11.30

### Differentiating Fraud from Irregularities

- Detecting and reporting suspicion of fraud
- Commissions criteria for irregularity and fraud
- Differences in managing fraud cases
- Effective fraud prevention measures
- Interactive case study: Irregularity or fraud?

**Leif Högnäs, Fraud Prevention Officer, DG Regional Policy, European Commission**

11.30-11.45

Discussion Round

11.45-12.30

### Challenges in the Identification and Closure of Irregularities

- The role and obligations of Managing Authorities and Intermediate Bodies in the identification of irregularities
- Implementing the control environment – effective and efficient management and control systems
- How to identify irregularities through primary controls
- Quantifying and closing irregularities

**Simon Hannah, ERDF Finance and Compliance Manager, European Policy & Programmes Division, East of England Programme, Department for Communities and Local Government, United Kingdom**

12.30-12.45

Discussion Round

12.45-13.45

Lunch Break



### STEWART ROCHE Management Accountant, Higher Education Authority, Ireland

Stewart Roche has been Management Accountant in the Higher Education Authority (HEA) since 1998. The HEA is the statutory planning and development body for higher education and research as well as the funding authority for the universities, institutes of technology and a number of designated higher education institutions in Ireland. It manages and disburses funds from the ESF as well as ERDF co-financed programmes and acts as the National Agency for the EU Lifelong Learning Programme. Stewart Roche has qualified as a chartered accountant in 1974 and holds a Master in Corporate Leadership (MBS) since 2008.

### LEIF HÖGNÄS

**Fraud Prevention Officer, DG Regional Policy, European Commission**

Leif Högnäs is Fraud Prevention Officer and Head of Sector Relations with OLAF and Strategic Reporting at DG Regional Policy of the European Commission and responsible for fraud prevention in the field of structural funds. He has been working for the European Commission for the past 15 years in different areas including budget, finance, audit and fraud prevention. He holds a Master of Science in Economics and a Master of European Studies from the College of Europe in Bruges.





Case Study

13.45-14.15

### Successful Solutions for the Identification of Irregularities

- Verifications – on the spot checks
- Sampling methods
- Use of checklists – practical example of verification checklists
- Follow up and resolution of findings – setting an action plan
- Lesson learnt - managing programme risks

**Simon Hannah, ERDF Finance and Compliance Manager, European Policy & Programmes Division, East of England Programme, Department for Communities and Local Government, United Kingdom**

14.15-14.30

Discussion Round

14.30-15.15

### Reporting Requirements for Irregularities

- Which cases of irregularities are subject to reporting obligation?
- Derogations and their interpretation
- Reporting procedure: who reports what to whom and why?
- How does the Commission deal with reported irregularities?
- Biggest challenges in reporting irregularities
- New challenges resulting from the IMS application

**Leif Högnäs, Fraud Prevention Officer, DG Regional Policy, European Commission**

15.15-15.30

Discussion Round

15.30-16.00

Coffee Break

16.00-16.45

### Financial Corrections of Irregularities

- Financial corrections by Member States and the Commission
- Managing responsibilities and expectations of stakeholders
- Flat rate corrections for non-financial irregularities
- Recovery of sums unduly paid
- Write off procedures for irrecoverable irregularities

**Simon Hannah, ERDF Finance and Compliance Manager, European Policy & Programmes Division, East of England Programme, Department for Communities and Local Government, United Kingdom**

16.45-17.00

Discussion Round

17.00-17.45

### Practical Examples of Corrective Actions

- Establishing the value of the corrections
- Recovery of grant
- Remedial actions – project and programme level
- Continual programme improvements  
– improving the control environment

**Simon Hannah, ERDF Finance and Compliance Manager, European Policy & Programmes Division, East of England Programme, Department for Communities and Local Government, United Kingdom**

17.45-18.00

Final Discussion Round

18.00

End of Day One

Case Study



### SIMON HANNAH

**ERDF Finance and Compliance Manager, European Policy & Programmes Division - East of England Programme, Department for Communities and Local Government, United Kingdom**

Simon Hannah is responsible for the financial management and programme compliance of the East of England's 2007-2013 ERDF programme. Since 2007, his main responsibilities have been the development and operation of the East of England's management and control systems and processes covering contract management, grant payments, irregularity handling, project monitoring and verification functions. He has over 8 years experience in ERDF policy, programme development and delivery both at Managing Authority and Intermediate Body levels, and actively contributes to the English ERDF programmes national policies and in the establishment and review of national procedures and controls. Prior to the current round of programmes Simon Hannah has been involved in the 2000-2006 programmes for the Government Office since 2003, conducting spot verifications and desk based checks on EU funded projects, identifying and coordinating irregularity management information and reports.

*„A very useful seminar“*

**Galya Dudinska, Ministry of Education, Youth and Science, Bulgaria**

## PROGRAMME DAY 2

# Handling Irregularities in EU Funded Projects

9.00-9.10

### Welcome Note from the Chair

**Stewart Roche, Management Accountant,  
Higher Education Authority, Ireland**

9.10-10.15

### Managing Financial Risks of Irregularities

- The effects of financial corrections on programme budgets
- Financial risks for Member States in regard to irregularities
- Error rates
- Risk mitigation – practical solutions to reducing financial risks
- Budget management

**Simon Hannah, ERDF Finance and Compliance  
Manager, European Policy & Programmes Division,  
East of England Programme, Department for  
Communities and Local Government, United Kingdom**

10.15-10.30

Discussion Round

10.30-11.00

Coffee Break

11.00-11.30

### How to Prevent Irregularities?

- Effective practical steps
- Record keeping checklist
- Project management checklist

**Grzegorz Orawiec, President of the Board,  
Świętokrzyskie Centre for Innovation and Technology  
Transfer, Poland and Expert cooperating with TAIEX  
DG Enlargement of the European Commission**

11.30-11.45

Discussion Round



### **GRZEGORZ ORAWIEC** President of the Board, Regional Centre for Innovation and Technology Transfer, Poland

Grzegorz Orawiec is the President of the Board of the Regional Centre for Innovation and Technology Transfer in Kielce, Poland. He has nearly 10 years of experience with the preparation, supervision and verification of EU funded projects in various regional institutions in Poland. His current responsibilities are among others the preparation and analysis of strategic documents of large-scale EU funded infrastructural projects in the region. In 2007-2008, Mr. Orawiec has been appointed contract agent in the Public Procurement Unit of the Delegation of the European Commission in Skopje, Macedonia, where he was preparing and checking IPA funded projects. In addition, he has been a lecturer at universities in Poland and Germany on topics concerning the Regional Development in Europe. Since 2004, as an expert cooperating with TAIEX, DG Enlargement, European Commission, Grzegorz Orawiec has been holding regularly lectures in the field of public procurement, audit and internal control.

*„Interesting to have an overview of Member States’ experiences“*

**Jiřina Kučerová, Ministry of Transport, Czech Republic**



## PROGRAMME DAY 2

### Handling Irregularities in EU Funded Projects

11.45-12.30

#### **HIGH RISK ISSUE: Irregularities in Public Procurements**

- EU Public Procurement Law
- Common types of irregularities in public procurement and measures to avoid them
- Irregularities in work contracts
- Irregularities in service contracts

**Stewart Roche, Management Accountant,  
Higher Education Authority, Ireland**

12.30-12.45

Discussion Round

12.45-14.00

Lunch Break

14.00-14.45

#### **How to Successfully Identify and Handle Irregularities in Public Procurement?**

- The first problem – how to choose the right procedure for EU funded investment
- Irregularities below EU thresholds
- Checking the ability and technical capacity of tenderers – risk of appeals
- One way to avoid problems - framework agreements
- Contract award criteria – a “paradise” for irregularities
- Serious irregularities due to additional works and services in EU funded projects
- Savings after contract award – why can't they be re-used?
- Consequences of irregularities - calculation of financial lines: comparative and indicator methods

**Grzegorz Orawiec, President of the Board,  
Świętokrzyskie Centre for Innovation and Technology  
Transfer, Poland and Expert cooperating with TAIEX  
DG Enlargement of the European Commission**

14.45-15.00

Discussion Round

15.00

End of Seminar and Hand-out of Certificates





**European Academy**  
for Taxes, Economics & Law

# ORGANISATIONAL MATTERS

## Handling Irregularities in EU Funded Projects

### Date of Event

27<sup>th</sup> - 28<sup>th</sup> August 2012, Berlin

### Booking Number

S-462

### Event Language

The event language will be English.

### Event Price for Public Administration

**Early booking contingent until the 1<sup>st</sup> of June 2012:**

**989,- Euro, excl. German VAT (19%)**

Normal price as of the 2<sup>nd</sup> of June 2012:

1289,- Euro, excl. German VAT (19%)

The above price covers the following:

- Admission to the seminar
- Hand-out documents
- Soft drinks and coffee/tea on both event days
- Lunch on both event days

### Booking Modalities

It is recommended to book soon as seats are limited. For organisational matters, we kindly ask you to complete the booking form in capital letters.



### BOOKING

Fax: +49 (0)30 80 20 80 250

E-mail: [booking@euroacad.eu](mailto:booking@euroacad.eu)

Phone: +49 (0)30 80 20 80 230

For online booking please visit  
our website: [www.euroacad.eu](http://www.euroacad.eu)

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(Programme is subject to alterations)

### Event Location

Maritim Hotel Berlin

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10785 Berlin, Germany

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Fax: +49 (0)30 2033 4092

E-mail: [info.ber@maritim.de](mailto:info.ber@maritim.de)

Internet: [www.maritim.de](http://www.maritim.de)

Please contact the hotel directly and refer to the "European Academy for Taxes, Economics & Law" in order to benefit from a limited room contingent at a special price. Please book as soon as possible. Of course you can always look for an alternative hotel accommodation.



**NOTE**

Please note, you can register as many delegates as you wish (except, the seminar is fully booked). You only need to copy this formular for as many persons you wish.



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**BOOKING**

BOOKING NUMBER: S-462MC (DM)

27<sup>th</sup> - 28<sup>th</sup> AUGUST 2012, BERLIN

Herewith we register the following persons for the seminar: „Handling Irregularities in EU Funded Projects“

**Delegate 1**
 Ms.  Mr.

First name \_\_\_\_\_ Last name \_\_\_\_\_ Phone \_\_\_\_\_  
 Department \_\_\_\_\_ Fax \_\_\_\_\_  
 Job position \_\_\_\_\_ E-mail \_\_\_\_\_  
 Your organisation \_\_\_\_\_  
 Street \_\_\_\_\_  
 Postcode / City \_\_\_\_\_  
 Country \_\_\_\_\_

**Delegate 2**
 Ms.  Mr.

First name \_\_\_\_\_ Last name \_\_\_\_\_ Phone \_\_\_\_\_  
 Department \_\_\_\_\_ Fax \_\_\_\_\_  
 Job position \_\_\_\_\_ E-mail \_\_\_\_\_  
 Your organisation \_\_\_\_\_  
 Street \_\_\_\_\_  
 Postcode / City \_\_\_\_\_  
 Country \_\_\_\_\_

**Delegate 3**
 Ms.  Mr.

First name \_\_\_\_\_ Last name \_\_\_\_\_ Phone \_\_\_\_\_  
 Department \_\_\_\_\_ Fax \_\_\_\_\_  
 Job position \_\_\_\_\_ E-mail \_\_\_\_\_  
 Your organisation \_\_\_\_\_  
 Street \_\_\_\_\_  
 Postcode / City \_\_\_\_\_  
 Country \_\_\_\_\_

**Invoice organisation**

To the attention of \_\_\_\_\_  
 Street \_\_\_\_\_ Phone \_\_\_\_\_  
 Postcode / City \_\_\_\_\_ Fax \_\_\_\_\_  
 Country \_\_\_\_\_ E-mail \_\_\_\_\_

In case of registration of more than one delegate - do you prefer:  single invoice?  collective invoice?

With my signature I confirm my registration and accept the General Terms and Conditions as legally binding.

I herewith agree to receive further information from the European Academy for Taxes, Economics & Law

**NOTE**

Only Valid with Signature and Stamp

Place, Date

Authorised Signature and Stamp



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## 1. Area of Application

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The European Academy for Taxes, Economics & Law has the right to change speakers/instructors and to modify the course program if and where necessary while maintaining the overall nature of the course. All registered participants will be notified in case of a course cancellation due to force majeure, due to speakers' preventions, due to troubles at the chosen location or due to a low registration rate. Course cancellation notification due to a low registration rate is issued no later than two (2) weeks before the course date. Course fees are reimbursed in the cases listed above; however, reimbursement for travel expenses or work absenteeism is only granted in cases of intention or gross negligence by the European Academy for Taxes, Economics & Law. Any reimbursement of travel expenses are to be considered as an exceptional goodwill gesture and form no future general obligation. In case of disturbances and/or interruptions, the European Academy for Taxes, Economics & Law commits itself to solve or limit any problems that might occur in order to maintain and continue the course as planned.

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- two (2) weeks to 30 days prior to commencement of the course: 50% of course fee net, subject to current German VAT, payable immediately,
- non-attendance or cancellation less than two (2) weeks prior to commencement of the course: 100% of course fee net, subject to current Germany VAT, payable immediately

The European Academy for Taxes, Economics & Law gladly accepts without additional costs a substitute participant nominated in case of a cancellation if the substitute participant is registered at least three (3) days prior to the commencement of the course. Neither cancellation of a specific module/part of the course or substitution per module/per day is possible.

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