

22 09 2022Flanders Chancellery and Foreign OfficeMeasure name:Monitoring and implementation of the plan – Protection of EU financial interest (R-1)FENIX M/T ID: BE-C[CAC]-R[R-1]-M[210]**Milestone/target description:**

The implementation of adequate coordination arrangements, including cross-checks, shall be put in place at the level of the coordinating body at inter-federal level allowing to avoid double funding from the Facility and other Union programmes in accordance with the principle of sound financial management.

Verification mechanism:

Summary document duly justifying how the milestone (including the relevant elements of the milestone, as listed in the description of milestone and of the corresponding measure in the CID annex) was satisfactorily fulfilled.

[This summary document template is meant to provide a structure for a short summary (around 1-3 pages for most cases) for the milestone or target indicated in the title. It should be uploaded to FENIX alongside the relevant documentary evidence to help the Commission services understand the Member State's reasoning and evidence demonstrating that the milestone or target has been fulfilled. This template provides a general structure that can be adapted as relevant for specific milestones or targets.]

*[Taken together, the summary document and the attached documentary evidence should **address ALL elements of the milestone or target**, notably, the description featuring in the column "Description of each milestone and target" of the table in Section 1 of the CID Annex and the description of the measure in the text of the CID Annex as relevant, taking into account any further specification provided in the Operational Arrangements.]*

A. Evidence provided:

- *Final audit report confirming adequate coordination arrangements, signed by the Flemish Audit Authority (the responsible body for Flanders) on 21 09 2022. (Detailed in "Auditverslagnummer 01RRF_M210")*

The audit report covers the three elements of milestone 210, insofar as these elements apply to the monitoring and implementation of the PHV within the Flemish Region, namely:

The protection of the EU's financial interests, and more specifically a check on double-financing is done through three elements:

- 1) A check within each of the concerned departments and agencies;*
- 2) A tool to prevent double-financing with other EU funds;*
- 3) A cross-check for double-financing with RRF funds across the different departments and agencies involved.*

Based on the analysis under heading 4 of this report, the Flemish Audit Authority confirms that the protection of the EU's financial interests is in place and operational.

B. Detailed justification:

The milestone has been achieved by adding the signed final audit report, confirming that the check on double funding at the Flemish level has taken place and meets the requirements.

C. Achievement of the requirements in the description of the measure:

In setting up the plan, great care was taken not to insert projects funded by other EU funds. The risk of double funding was greatly reduced in this way. additional controle measures implemented:

1) Tool to prevent double funding

The Finance and Budget Departement of the Flemish Government has two tools at its disposal to carry out the required checks on double finding, as stated in Milestone 210. The EMOE tool is used for the follow-up of booked expenditures (VAK/VEK) of the 180 'Flemish Resilience' (Vlaamse Veerkracht 'VV') projects and the link with the substantive Flemish Resilience monitoring tool and goes into more detail on budget - and monitoring figures. The EMOE tool is managed by FB (BOBFO). The input is provided by FB on the one hand and supplemented by the project managers of the 180 VV projects on the other.

The supplied information on project financing is consolidated and used for the financial reporting of the Relance project by the Department of Finance and Budget.

The reporting of Flemish Resilience (Vlaamse Veerkracht) contains basic information that can be used for reporting to Europe.

The RRF tool monitors VEK implementation numbers (actual expenditures) by project (55 RRF projects) at the lowest level of detail. DFB provides the tool (coordinates/facilitates) which is completed by the project managers of the 55 RRF projects. In this tool, the substantive entity indicates the funding sources of expenditure and in this way declares that there is no double funding.

Therefore, by filling in the Orafin tool correctly and with the correct analytical breakdown (basic RRF allocations) , based on the declaration of honour as included in each management and control system of each policy domain, each department or agency can check for double funding. As the expenses incurred in the Orafin tool are processed at invoice level, a check is made at the time of submission whether an invoice is paid with only one source of funding, thus a check can be made for double funding. In addition, OraFin provides a number of (automatic) standard checks that apply to all entered invoices. This way it is checked whether the combination of invoice number and supplier already exists in OraFin so it cannot be entered again.

The audit report indicates under point 4.1, in the discussion of criterion 1.1, that the conditions for this part of the milestone have been met.

2) Measures and checks carried out by the different departments and agencies

Each department of the policy domains that are involved in the RRP has taken measures to avoid double funding with RRF or other EU funds. These measures are described in their established management and control systems (BCSs). Each BCS was reviewed by the Flemish Audit Authority. These measures include a check with other grant sources for similar projects, a check with grants from the structural

funds, checks with own grants in the past, checks with subsidies in the European subsidy database etc. The check for double financing is inherent to the allocation and payment of the grant.

The audit report indicates under point 4.1, in the discussion of criterion 1.2, that the conditions for this part of the milestone have been met.

3) Cross-check at the Flemish government level

Within the Flemish share of RRP, there are no projects funded by different EU funds (RRF and other EU funds such as e.g. cohesion funds). This form of double funding is excluded by the initial design.

As far as this crosscheck is concerned, double funding with RRF funds is examined.

The risk of double funding of projects and of final recipients within the same policy domain is mitigated by the management and control system (BCS) set up within each department or agency. Additional cross-checking is built in across policy domains. The purpose of this cross-check is to check whether RRF funds from different departments and agencies are used to 'double' finance the same performance (Double funding at final recipient level). In this process, the Flemish departments and agencies have committed to using Arachne to identify the most high-risk beneficiaries and/or projects, as described in their BCS.

The audit report indicates under point 4.1, in the discussion of criterion 1.3, that the conditions for this part of the milestone have been met.