



CAP audits in the Dutch Member State Declaration

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1. A bit of background

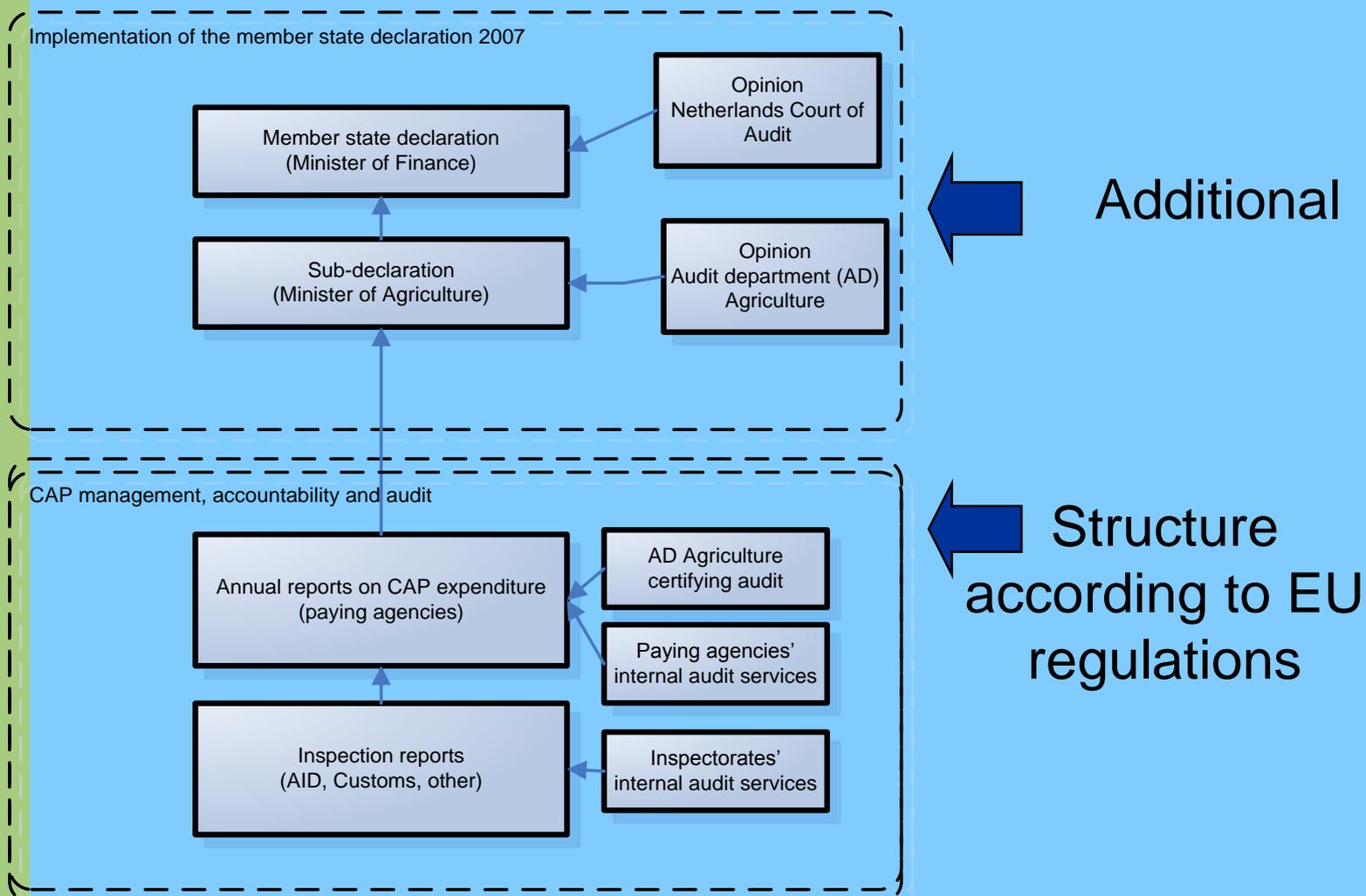
- Why do we have a MSD?
- Nature of the Dutch MSD: assertion-based
- Governance structure
 - Management
 - Accountability
 - Audit

2. The Dutch approach: scope and content of the MSD



- Annual statement by Minister of Finance on behalf of government offered to Dutch Parliament and European Commission
- Statement about:
 - Systems** - reasonable assurance
 - Transactions** - legality and regularity
- Phased introduction
- Based on existing control structures

2. The Dutch approach (cont'd): accountability structure of the MSD



2. The Dutch approach (cont'd): Audit opinion Netherlands Court of Audit

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- A. Preparation of Declaration by minister of Finance (and minister of Agriculture)
 - B. Functioning of management and control systems
 - C. Legality and regularity of the underlying transactions down to the level of the final beneficiary



3. Some results

- 2007: the reliability of inspection results can be further improved, including the way in which the data are recorded
- 2008: Shortcomings were found in the information security system at both paying agencies
- 2009: More insight should be provided into the size of financial risks of non-compliance with EU legislation

4. Experiences so far

- Success factors:
 - Communication with actors
 - Experts in audit team
 - Useful for and supported by different stakeholders
 - Evaluation and enhancement of the developed structure

4. Experiences so far (cont'd)



- Difficulties encountered:
 - Legislation and regulations complex and changeable
 - Inspection require experts
 - Costs
 - Political context

5. Pilot project with the ECA



- Objectives
- Methodology

6. Added value



- Accountability improved
- More transparency legality and regularity of financial transactions; down tot the level of the beneficiary
- Measures are taken by actors concerned
- Final goal: total overview of quality of management, control and accountability of EU funds in the Netherlands



Thank you for your attention!