

GUIDANCE NOTE ON CLOSURE OF INTERREG III PROGRAMMES 2000-2006

1. INTRODUCTION

The Commission adopted in August 2006 closure guidelines for the closure of assistance (2000-2006) from the Structural Funds¹. These guidelines apply to all forms of assistance, including Community Initiatives such as INTERREG III.

The provisions of the present document should be regarded as a complement to the general guidelines, helping the authorities in charge of the management and control of INTERREG III programmes to adapt the general requirements to the specific features of the Community Initiative².

This guidance is relevant for the 81 programmes adopted under the INTERREG Community Initiative for the programming period 2000-2006 and for the URBACT programme, which is similar in its set-up and control arrangements to some INTERREG III programmes.

The guidance is based on experience carried out to date on the closure of INTERREG II programmes.

2. SPECIFIC POINTS

Reference is made below to the paragraph numbering of the general closure guidelines.

Closure documents (3.1)

In the framework of INTERREG III, it is crucial that each managing authority, paying authority and intermediate body fulfills all of the responsibilities assigned to it as provided for in Regulation (EC) No 438/2001 and the detailed management and control arrangements agreed between participating Member States. More specifically, the Paying Authority has to issue the final application for payment. The Managing Authority has to deliver the final implementation report and to ensure overall consistency of the data transmitted to the Commission; usually it is supported by the Joint Technical Secretariat for this work. The independent body under Article 15 of Regulation (EC) No 438/2001 has to provide a declaration on the winding-up of the assistance. With or

¹ Guidelines on closure of assistance (2000-2006) from the Structural Funds (COM(2006)3424), adopted on 4 August 2006.

² Special guidance for the implementation of the INTERREG III Community Initiative has been provided especially through the EC's Communications regarding the Community Initiative of trans-European cooperation INTERREG III dated 2 September 2004 (2004/C 226/02), 7 May 2001 (C(2001) 1188) and on 28 April 2000 (C(2000) 1101), and through guidance of the Commission services on specific points (Working paper GD (2000) of 21 May 2001 on management and control system for INTERREG III B and III C), and correspondence sent to all Managing Authorities of INTERREG programmes (D1/JPF D(2007) 230154 on guidance on certification procedures, regarding Article 4 in connection with Article 9 of Regulation (EC) No 438/2001). The present note is a complement to such earlier documents and refers to them.

without an arrangement signed under the provisions of Article 19 of Regulation (EC) No 438/2001, it is for all Member States to ensure that all the above-mentioned bodies have access to the necessary information in order to fulfill such responsibilities.

Certified statements of final expenditure; final payment application (4.1.1)

The final statement of expenditure should be accompanied by the appendix on recoveries set out in Annex II to Regulation (EC) No 438/2001 and follow the guidance document on the recoveries (CDRR/05/0012/01). Thus, one of the bodies designated under Article 8 of Regulation (EC) No 438/2001 in charge of the INTERREG programme, in most cases the Paying Authority, will have to have maintained a debtor's ledger and a precise record of irregularities detected and communicated to the Commission services or OLAF by all participating Member States in accordance with Regulation (EC) No 1681/94.

The Paying Authority should therefore ensure at all times full reconciliation of its records with the communications made by all the participating Member States for irregularities affecting the programme.

Winding-up declaration (4.3)

Article 32(4) of Regulation (EC) No 1260/99 sets as a condition of payment of the final balance for a programme the submission by the Member State of the winding-up declaration. Thus, a single winding-up declaration should be submitted by programme, and there is no exception to this rule when two or more Member States are involved in a programme. In addition, the fact that one final report and one final certified statement of expenditure will be submitted for INTERREG III programmes pleads in favour of one winding-up declaration being submitted per programme.

The Commission is aware that, in some cases, Member States' authorities have agreed to cooperate in completing the winding-up declaration. For example, some INTERREG III B and III C programmes include a Financial Control Group, consisting of representatives of the different Member States, to review and agree on a common declaration on winding-up of the assistance after ensuring a coherent and harmonised execution of checks under Articles 10 to 12 of Regulation (EC) No 438/2001. If a Financial Control Group exists for a specific programme, the independent body preparing the winding-up declaration should mention its existence, the main features of its rules of procedure and the work done by this Group.

The independent body will have to obtain assurance to issue the winding-up declaration, and for that purpose, where necessary, foresee arrangements allowing coverage in terms of control (Articles 10 to 12 of Regulation (EC) No 438/2001) of the whole territory of the programme in sufficient time before closure. In that respect, the independent body will need to obtain reliable information on:

- the representativity of the sample checks in an appropriate mix of types and sizes of operations, taking into account the possible concentration of operations with certain final beneficiaries and in certain territories;
- the spread of checks over the period for all programme expenditure; and
- the fulfilment of the objectives listed in Article 11 of Regulation (EC) No 438/2001.

The independent body will have to confirm whether problems encountered during checks carried out under Article 10 of Regulation (EC) No 438/2001 in the programming area are of a systemic character or not, and draw appropriate conclusions.

Further specific guidance in connection with preparation of the winding-up declaration is set out in Annex hereto. It uses the same numbering as Annex 2 to the closure guidelines adopted in August 2006, with specific INTERREG issues guidance added in bold, where appropriate.

The Euro (9)

In the event that a winding-up body detects any cases where Commission Regulation (EC) N° 643/2000 setting out arrangements for use of the Euro in budgetary management of the Structural Funds has not been complied with, it should estimate the impact and report it in the winding-up declaration.

ANNEX 2

GUIDANCE ON PREPARATION FOR AND CONTENTS OF WINDING UP DECLARATION UNDER ARTICLE 15 OF REGULATION 438/2001/ INTERREG III

This Annex corresponds to the text of Annex 2 of the 2006 Closure guidelines, with Interreg-specific guidance in bold.

1. PREPARATION FOR CLOSURE

1.1. Managing authorities and intermediate bodies

- Receive final expenditure claims from all final beneficiaries in relation to expenditure incurred up to the end of 2008 (or other applicable deadline). **In cases of INTERREG III programmes where there are Lead and Project Partners, the expenditure claims of the different partners will generally be centralised and submitted by the Lead Partner, or the partner who signed the grant agreement with the Managing Authority. However, not all INTERREG III programmes have Lead and Project Partners and individual claims will therefore be submitted by individual partners.**
- Complete management checks under Article 4 of Regulation 438/2001 to verify eligibility and regularity of expenditure. **The Managing Authority has to ensure that the management checks cover all operations in the whole programming area. This can be achieved by the intervention of national financial or intermediate bodies or by outsourcing the control tasks. In such cases, independence from project partners and qualification of the intervening bodies has to be ensured. The Managing Authority has to comply with its supervisory duties.**
- Compile final declaration of expenditure for programme and submit it to Paying Authority
- Satisfy itself that the expenditure declaration has been, and can be, reconciled with the records in the accounting system for the programme and that there is an adequate audit trail down to the level of the final recipient both for Community and national funds.
- Verify in the final payment claim for each measure the amounts of Community aid actually paid, or due to be paid, to final beneficiaries or final recipients. **In the case of INTERREG III, it can be the Lead Partner or the Project Partners. Where funds are paid by the Paying Authority to the Lead Partner, the Paying Authority has to ensure that the full amounts are then immediately distributed to the other Project Partners without any retention. The computerised accounting system should keep track of the transfers made by the Paying Authority to the Lead Partner and from the Lead Partner to Project Partners. In this context, full operational access to the computerised**

accounting system must be given to the Managing Authority, to the Paying Authority and to auditors.

- Verify that all errors/irregularities have been satisfactorily treated, in respect of:
Verifications carried out under Article 4 of Regulation 438/2001;
 - Systems audits and sample checks covering 5% of total declared expenditure, carried out under Article 10 of Regulation 438/2001;
 - Audits by other national bodies;
 - Audits by European Commission;
 - Audits by European Court of Auditors

(see point 3.6 for an explanation of what is meant by “satisfactory treatment” of errors/irregularities)

It should be noted that most of the above points are the completion of tasks which need to be carried out regularly during the implementation of operations.

1.2. Paying authorities

- Draw up certificate of final expenditure for the programme in the prescribed form according to annex II of Regulation 438/2001 (see point 4.1 of Guidelines on closure).
- Ensure that there is sufficient information from the Managing Authority **or intermediate bodies** to be able to certify the accuracy, eligibility and regularity of the amounts declared. **This should include precise information on how the Managing Authority complies with its control duties under Article 4 of Regulation (EC) No 438/01 in the whole programming area.**
- Satisfy itself **through its own checks covering operations in the whole programming area**, including where appropriate the review of the work of a subsidiary paying authority, that the conditions under Article 9 § 2 of Regulation (EC) No 438/2001 are respected.
- Satisfy itself that all errors/irregularities have been satisfactorily treated and findings and recommendations of audits fully implemented, **which requires that the Paying Authority is fully informed about the way the controls in the different participating regions are performed and about their results.**
- Request further information and/or undertake own verifications where necessary.
- Provide a summary table based on the information in the debtor's ledger maintained under article 8 of regulation 438/2001 indicating:
 - (a) for each case separately for which there are amounts awaiting recovery or that are irrecoverable:
 - The operation and measure concerned
 - The reference number in the case of an irregularity

- The amount recoverable (breakdown by Community and national contribution)
- The year of initiation of recovery proceedings
- Whether a communication has been made under Article 5 (2) of Regulation 1681/94 in respect of an irrecoverable amount;

(b) for each case for which amounts have been recovered:

- The operation and measure concerned
- The reference number in the case of an irregularity communicated under Regulation 1681/94
- The amount recovered (breakdown by Community and national contribution)
- The year in which the amount recovered was deducted from expenditure declared to the Commission.

This table should contain the references of all irregularities under Regulation 1681/94 except those in which no payment had been made to the final beneficiary.

1.3. Bodies responsible for audits under Article 10 of Regulation 438/2001

- **Complete systems audits regarding the Community Initiative Programmes and their follow-up**
- Complete final sample checks on operations.
- Ensure that for the programme concerned, the sample checks carried out on the spot have covered:

- at least 5% of the total eligible expenditure

- adequate expenditure by year over the period concerned

- an appropriate mix of types and sizes of operations

- **operations in the whole programming area**

- operations implemented through the main intermediate bodies and by the main final beneficiaries so that such bodies/beneficiaries have been controlled at least once

and have been spread evenly over the period of the programme.

- Evaluate the nature of every error identified to determine whether they are systemic errors. A systemic error is a recurrent error due to serious failings in management and control systems designed to ensure correct accounting and compliance with rules and regulations.

- Where checks carried out have indicated a problem of a systemic character, carry out further checks of an appropriate nature to determine and quantify the extent of the problem.
- Where checks have identified a rate of error above 2% of the expenditure checked, consider carrying out further checks to better determine and quantify the extent of the problem.
- Ensure that recommendations relating to the work of the bodies responsible for sample checks under Article 10 from audits of the European Commission and/or European Court of Auditors have been fully implemented.

2. Work to be done by independent body for closure statement

The winding up declaration sets out the opinion of the independent body designated under Article 38(1)(f) of Regulation 1260/1999 (“independent body”) on the final declaration of expenditure and the request for final payment. It is based on the checks carried out under Article 10 of Regulation 438/2001, on the audits by other national and Community bodies, and any additional audit work of the independent body itself. **A single winding-up declaration should be provided for each programme by the deadline set out in point 3.3.2 of the Guidelines on closure. This declaration must be signed by the body(ies) designated following Article 15 of Regulation (EC) No 438/01, after having made all necessary enquiries to obtain reasonable assurance that the certified statement of expenditure is correct and that the underlying transactions are legal and regular. Even where Member States participating in an INTERREG programme have designated more than one independent body in the system description under Article 5 of Regulation (EC) No 438/01 or at the latest in the annual control reports under Article 13 of Regulation (EC) No 438/01, a single winding-up declaration should be submitted for the programme. If more than one independent body is nominated, further coordination efforts might be necessary. The independent body will have to obtain sufficient assurance to issue the final winding-up declaration and foresee specific arrangements allowing the coverage in terms of control of the whole territory targeted by the programme in sufficient time before closure.**

The independent **body(ies)** will formulate the opinion in accordance with the text of the conclusion to the indicative model in Annex III of Regulation 438/2001. If it proposes to formulate the opinion in a different way, prior agreement must be sought from Commission services

The precise nature of the work to be done by the independent body will depend on the structure put in place for fulfilling the requirements of the regulation and notably whether the independent body has also been responsible for carrying out systems audits and/or sample checks of expenditure under Article 10.

The information available to the independent body and the work which it does must be sufficient to enable it to respond with reasonable assurance to the questions set out below for the programme concerned.

2.1. Audits of management and control systems under Articles 10 and 16 of Regulation 438/2001

- (1) Which bodies carried out the audit work?
- (2) Were they sufficiently independent of the managing and paying authorities and implementing bodies to avoid any conflict of interest?
- (3) Is the quality of the audit work satisfactory (methodology, qualifications of staff, work carried out, content of report)?
- (4) Have all the main bodies involved in implementation of the programme been audited?
- (5) Does the audit cover the whole programming area?
- (6) Has risk analysis where appropriate been correctly applied in the selection of auditees?
- (7) Have all findings and recommendations of audits been fully implemented?
- (8) Did any of the audit reports conclude that there were material shortcomings in the management and control systems which might have consequences for the regularity of expenditure under the assistance?
- (9) If the answer to point 8 is positive, have adequate steps been taken to rectify the weaknesses and to identify and correct all irregular expenditure?
- (10) If adequate steps have not been taken, what is the amount of expenditure estimated to have been affected which has not been corrected?
- (11) Do the audit reports confirm existence of a reliable accounting system and the presence of a sufficient audit trail?

2.2. Sample checks on expenditure under Article 10 of Regulation 438/2001

- (1) Which bodies carried out the checks?
- (2) Were they sufficiently independent of the implementing services to avoid any conflict of interest?
- (3) Is the quality of the checks satisfactory and in line with the Commission guidance note CDRR n° 03-0034-00 (methodology, qualifications of staff, work carried out, contents of report)?
- (4) What percentage of the total eligible expenditure declared in respect of the programme has been covered by the checks?
- (5) Is the percentage sufficient to comply with Article 10 of Regulation 438/2001?
- (6) Do the checks cover operations in the whole programming area?
- (7) Has only expenditure which has been subject of in depth on the spot checks down to the level of final recipients been counted toward the minimum percentage? If not, is this justified in accordance with the guidance referred to in point (3) above?

- (8) Has only expenditure checked in its entirety, or on the basis of a sampling approach in accordance with accepted auditing standards, been counted toward the minimum percentage?
- (9) Was the methodology of selection of operations to be checked in conformity with the regulation? In particular have the checks ensured adequate coverage by year, by measure and by type and size of operation as well as the concentration of operations under the main intermediary bodies and final beneficiaries? Have any risk factors been taken into account?
- (10) How many errors/irregularities were detected, what was their importance, and what was the amount of expenditure affected?
- (11) Have all errors and irregularities identified in the checks been satisfactorily treated (see point 3.6 for an explanation of what is meant by “satisfactory treatment” of errors/irregularities)?
- (12) Were any of the errors or irregularities of a systemic character? In particular was there a high error rate? If so, were the necessary steps taken to carry out further appropriate checks to identify other cases and to correct all ineligible expenditure or take appropriate recovery procedures, and to prevent recurrence?
- (13) Was there an error rate exceeding 2%? If so, was the sample extended to other expenditure in the population?
- (14) What is the amount of expenditure affected by errors/irregularities not satisfactorily treated?
- (15) Do the results of the checks confirm the presence of a sufficient audit trail?
- (16) Do the results of the checks indicate any material weaknesses in the management and control system? If so have adequate remedial actions been taken and affected expenditure corrected? If not does the independent body have a basis for indicating the affected expenditure?

2.3. Audits by other national or Community bodies

- (1) Is there adequate evidence that individual cases of error or irregularity have been satisfactorily treated (see point 10 above)?
- (2) Were there any errors or irregularities of a systemic character identified? If so, is there adequate evidence that the necessary steps were taken (see point 11 above)?
- (3) Do the audit reports indicate any material weaknesses in the management and control system? If so, is there adequate evidence that necessary steps were taken to implement recommendations to correct problems and to correct the expenditure concerned?

2.4. Closure procedure of paying and managing authorities

The independent body is required to declare whether or not he has reasonable assurance that the final statement of expenditure and the request for the payment of the balance of the Community aid are free of material misstatement. It must therefore audit the procedure followed by the paying and managing authorities to compile the final statement of expenditure in order to satisfy itself in particular that the amount of expenditure is in

conformity with the accounting systems maintained, is based on adequate supporting documentation and that the procedures followed give reasonable assurance that only eligible expenditure has been included.

With regard to the final statement of expenditure and request for final payment, the independent body must verify in particular:

- The correct presentation of the documents;
- The correctness of the calculations;
- The reconciliation of the final statement to declarations of the Managing Authority and intermediate bodies;
- Compatibility with the applicable financial tables of the last decision in force;
- Correspondence with the financial information, including information on irregularities, in the final report on execution of the programme.

3. INFORMATION TO BE PROVIDED AS PART OF THE WINDING UP DECLARATION

Article 38(1)(f) of Regulation 1260/1999 sets out that the declaration presented at the winding up of the programme shall summarise the conclusions of the checks carried out during previous years and shall assess the validity of the application for payment of the final balance and the legality and regularity of the transactions concerned.

Article 16 of Regulation 438/2001 provides that the winding up declaration shall be accompanied by a report which shall include all relevant information to justify the declaration including a summary of the findings of all checks carried out by national and Community bodies to which the independent body has had access. Annexe III of the Regulation gives an indicative model for the declaration itself.

Set out below are details of the information which in the Commission's view should be included in the accompanying report. This represents information which must be available to the independent body to make the winding up declaration, and is the minimum information necessary for the Commission to assess the reliance which it can place on the declarations.

3.1. Details of independent body

Name, title, service and further information (if necessary) to establish its functional independence of the managing and Paying Authority and intermediate bodies.

3.2. Details of programme

Title, fund, period, CCI number.

3.3. Summary of controls carried out under Article 10

Details of bodies which have carried out checks (audits of management and control systems/expenditure checks)

– For systems audits:

- Bodies audited and year of audit

- Principal findings and conclusions
- Follow up to verify implementation of recommendations
- For checks on operations:
 - Number of operations checked broken down by year when check was carried out and by measure
 - Amount of expenditure checked broken down by year when expenditure was declared (either by the final beneficiary or by the Paying Authority) and by measure.
 - Percentage of expenditure checked as proportion of total eligible expenditure declared to the Commission.
 - Error rate in the sample of expenditure checked for the programme broken down by measure.

3.4. Work undertaken by independent body (in addition to point 3)

(Indicative list)

- Audits of bodies which have carried out Article 10 checks
- Audits of closure procedure of managing and paying authorities or intermediate bodies
- Examination of the debtors' ledger maintained under Article 8 of Regulation 438/2001
- Examination of reports from checks referred to in point 2.2 (specify by category which reports have been received and examined) and where appropriate re-performance or alternative verifications of their reliability
- Execution where appropriate of **further** sample checks of transactions
- Examination of reports of other national or Community audit bodies (specify by category which reports have been received and examined)
- Examination of information relating to follow up of audit findings and treatment of irregularities
- Examination of other information received (specify the categories of further information).

3.5. Limitations to the scope of the examination by independent body

As mentioned in the indicative model for the winding-up declaration annexed to the Regulation, any matters which have limited the scope of the examination by the independent body referred to in point 4 must be indicated. Examples of such matters are listed in the indicative model (systemic problems, management weaknesses, lack of audit trail, lack of supporting documents, cases under legal proceedings). Other examples could include inadequate sampling procedures, insufficient independence of bodies carrying out checks **or insufficient access to data regarding the programme in the whole programme area.**

However, this is a non-exhaustive list. The estimated amounts of expenditure affected, and corresponding Community aid, must be stated.

3.6. Treatment of errors and irregularities

It is required to state whether such errors and irregularities have been treated satisfactorily. “Treated satisfactorily” means:

- That where necessary the irregularity has been reported under Regulation 1681/94 ;
- That the error/irregularity has been corrected by deduction from the expenditure declaration or that proceedings for the recovery of undue payments have been taken (with the consequent repayment to the Commission of amounts recovered in accordance with Article 8 of Regulation 438/2001 or allocation of liability between the Commission and Member State pursuant to Article 5(2) of Regulation 1681/94 in the event of incomplete recovery);
- That for systemic errors/irregularities, measures have been taken to identify all other cases and to make the corrections necessary or to take appropriate proceedings for recovery, as well as steps to prevent recurrence.

The information provided must include:

- The summary table referred to in point 1.2
- A list of the cases of error/irregularity treated as systemic and the estimated amounts of expenditure affected.

3.7. Frequency of errors and irregularities

It is required to state whether the frequency of errors and irregularities is low/high. The following points should be noted:

- The standard applied and the methodology followed for the determination of the frequency of errors/irregularities and the assessment as to whether it is considered high or low should be mentioned expressly. The error rate resulting from the sample checks under Article 10 should in particular be taken into account. “Low frequency” may be taken to mean that the financial consequences of the errors/irregularities are estimated to fall below a level of materiality considered appropriate by the independent body for the programme, and will not therefore prevent an unqualified opinion. “High frequency” may be taken to mean that confidence in the entire management control system is seriously affected and therefore no opinion can be given. For determining frequency, a distinction may be drawn between categories of error of different importance (formal/substantive, financial impact, systemic nature ...).
- The materiality level referred to above should generally not exceed 2% in order to be consistent with the methodology of the European Court of Auditors for its declaration of assurance and the guidance applicable to the annual declaration of assurance by the Director Generals of the Commission. Specific justification should be provided in case a higher level is applied.

- The errors and irregularities to be taken into account by the independent body are not only those identified in the controls under Article 10, but also those detected in other national controls and those by the Commission and Court of Auditors. However, these other errors and irregularities are not included for the purposes of determining an error rate from the sample checks under Article 10.

4. WHAT THE INDEPENDENT BODY SHOULD DO WHEN THERE ARE PROBLEMS

The indicative model of winding up declaration envisages a qualified opinion where there are certain obstacles in the examination or where there are some problems which have not been satisfactorily treated, and no opinion if major obstacles are encountered in the examination or the frequency of error found is high.

If the winding up declaration contains a qualified opinion, it is likely that the Commission will be unable to pay the final balance requested immediately and that the closure will be delayed.

Whilst Article 38(1)(f) of Regulation 1260/1999 also provides that Member States may attach their own opinion to the final certificate of expenditure if they consider it necessary, any divergence from the declaration of the winding up body is likely to require further examination and delay the closure process.

The independent body is recommended therefore, whenever possible, to seek to ensure that the managing and paying authorities undertake the actions which would make it possible for an unqualified opinion to be given. Nevertheless the deadline for submission of closure documents set out in point 3.2 of the Guidelines on closure must be respected.

4.1. Obstacles to the examination by the independent body

The independent body has to determine whether the obstacles are of such importance that no opinion can be given, whether they are of lesser importance but still require a qualified opinion to be given, or whether they are of such minor importance that no qualification is necessary.

Sufficient information should be given in the winding up declaration to support the conclusion and consequences drawn.

By way of indication:

- limitations resulting in no opinion could include:
 - failure to check the minimum percentage of expenditure,
 - systematic failure to carry out checks down to the level of final recipients,
 - failure to check the main implementing bodies or final beneficiaries,
 - serious management weaknesses for which no remedial action has been taken.
- limitations resulting in a qualified opinion could include:
 - failure to carry out systematic risk analysis in selection of sample for checks,

- failure to ensure the representativity of the sample, **especially in the case of limited access to the whole programme area.**
- lack of formal procedures for identifying and treating systemic problems,
- inadequate quality of reports on checks under Article 10 of the Regulation,
- inadequate separation of functions of staff carrying out checks of expenditure under Article 10.

The extent of the problem and the amount of expenditure affected and corresponding amount of Community aid should be estimated. It is open to the independent body to conclude that there is no impact on the final expenditure declared, if he is satisfied that that is the case.

The Commission has the power under Article 17 of the Regulation 438/2001 to request the Member State to carry out additional checks where the independent body is not able to give a positive overall assurance because of important management or control weaknesses on the high frequency of irregularities.

4.2. Problems which have not been satisfactorily treated

It is indicated under point 3.6 what is meant by “treated satisfactorily”.

Where there are errors or irregularities, or systemic problems which have not been satisfactorily treated, information should be provided on the case, including the possible systemic character and extent of the problem, together with an indication of the amounts of expenditure affected and the corresponding amounts of Community aid. The opinion of the independent body will have to be qualified accordingly.

4.3. High frequency of errors/irregularities

Where the independent body concludes that there is a high frequency of errors, no opinion can be given even if the individual cases have been satisfactorily treated. This is because a high frequency of errors indicates systemic problems in the management and control bodies. The independent body should indicate in the statement the basis for the conclusion on the high frequency, and details of the errors/irregularities identified. The Commission services will have to agree with the national authorities the further measures to be undertaken to identify the amount of expenditure under the form of intervention which can be accepted for co-financing. The conclusion of the independent body may be limited to specific measures or specific intermediate bodies, in which case the amount of expenditure concerned should be indicated.