



**KEY AND ANCILLARY CONTROLS CONCERNING RURAL DEVELOPMENT  
MEASURES 2014-2020, IN RELATION TO CONFORMITY CLEARANCE  
PROCEDURES LAUNCHED AS FROM 1.1.2015**

**I. Applicable Regulations**

**1.1 Basic Regulations of the European Parliament and the Council (EU) Nos. 1306/2013, 1305/2013 and 1303/2013**

**1.2 Commission Delegated Regulation (EU) Nos. 907/2014, 807/2014**

**1.3 Commission Implementing Regulations (EU) Nos. 809/2014, 908/2014 and 640/2014**

**II. Control systems and penalties**

According to Article 58(2) of Regulation (EU) No 1306/2013, "*MS shall set up efficient management and control systems in order to ensure compliance with the legislation governing Union support schemes aimed at minimising the risk of financial damage to the Union*". According to Article 12(6) of Regulation (EU) No 907/2014, the controls to be carried out to this purpose are classified as key and ancillary controls:

*"Key controls shall be the administrative and on-the-spot checks necessary to determine the eligibility of the aid and the relevant application of reductions and penalties;*

*Ancillary controls shall be all other administrative operations required to correctly process claims."*

**DISCLAIMER:** *The lists below are not exhaustive and may be subject to updating or completing as necessary. This document has therefore been established for information purposes only and as a working tool.*

### III. Key controls

- 1. Appropriate checks to ensure that the applicant fulfils all eligibility criteria of the aid scheme and/or support measure**  
(Articles 24, 28(1)(a), and 48(2)(a) of Regulation (EU) No 809/2014 and Articles 60 and 75 of Regulation (EU) No 1306/2013)

#### **Components of key control No 1:**

- Ensure that compliance with all conditions applicable established by Union law or laid down in relevant national law or by the RDP can be checked according to a set of verifiable indicators (Article 24(2) of Regulation (EU) 809/2014);
  - Implementation of appropriate procedures to detect and deal with the creation of artificial situations to receive the aid (Article 60 of Regulation (EU) No 1306/2013);
  - Adequate checks linked to the payments to beneficiaries (Article 75 of Regulation (EU) No 1306/2013).
- 2. Appropriate checks to ensure that investment/project/application fulfil all eligibility criteria as laid down in the EU legislation and the eligibility criteria as laid down in the RDP of the Member State or region**  
(Articles 13, 24, 28 and 48(2)(b) of Regulation (EU) No 809/2014 and Article 60 of Regulation (EU) No 1306/2013)

#### **Components of key control No 2:**

- Ensure that compliance with all conditions applicable established by Union law or laid down in relevant national law or by the RDP can be checked according to a set of verifiable indicators (Article 24(2) of Regulation (EU) No 809/2014);
  - Implementation of appropriate procedures to detect and deal with the creation of artificial situations to receive the aid (Article 60 of Regulation (EU) No 1306/2013);
  - Without prejudice to the normal cross-compliance checks, for area related rural development measures the requirements and standards for cross-compliance, identified in the programme as relevant base-line requirements for the measure, have to be checked (Article 24(1)(c) of Regulation (EU) No 809/2014);
  - Ensure that the aid application or payment claim is complete and submitted within the relevant time-limit and, where applicable, that supporting documents have been submitted and that they prove eligibility (Article 13 and Article 28(1)(c) of Regulation (EU) No 809/2014).
- 3. Appropriate checks on the eligibility of the costs of the operation, including compliance with the category of costs or calculation methods to be used when the operation is implemented according to Article 67(1)(b),(c) or (d) of Regulation (EU) No 1303/2013**  
(Article 48(2)(d) of Regulation (EU) No 809/2014)

- 4. Appropriate checks on double financing are carried out** (Article 28(1)(b) of Regulation (EU) No 809/2014)
- 5. Appropriate checks on the compliance with long-term commitments are carried out, where appropriate** (Article 28(1)(d) of Regulation (EU) No 809/2014)
- 6. Appropriate procedures for the selection and appraisal of projects or applications** (Article 48(2)(c) Regulation (EU) No 809/2014)
- 7. Appropriate evaluation of the reasonableness of costs** (Article 48(2)(e) of Regulation (EU) No 809/2014 and Article 67 of Regulation (EU) No 1303/2013)

**Components of key control No 7:**

- a) For costs referred to in Article 67(1)(a) of Regulation (EU) No 1303/2013, excluding contributions in kind and depreciation, an appropriate evaluation of the reasonableness of costs using a suitable evaluation system, such as reference costs, a comparison of different offers or an evaluations committee (Article 48(2)(e) of Regulation (EU) No 809/2014) is carried out;
  - b) Ensure that the costs referred to in Article 67(1)(b)(c)(d) of Regulation (EU) No 1303/2013 are established on the basis of the methods referred to in Article 67(5) of the same Regulation.
- 8. Verification that public procurement procedures are in compliance with national and Union Regulation** (Article 48(2) of Reg. 809/2014)
  - 9. Adequate verification of all payment claims (advance, intermediate and final payment claims)** (Article 48 of Regulation (EU) No 809/2014 and Article 67 of Regulation (EU) No 1303/2013)

**Components of key control No 9:**

- a) Verification of the completed operation compared with the operation for which the application for support was granted (Article 48(3)(a) of Regulation (EU) No 809/2014; and/or
  - b) Verification of the costs incurred and the payments made (Article 48(3)(b) of Regulation (EU) No 809/2014) except where a form of method as referred to in Article 67(1)(b)(c) or (d) applies.
- 10. Implementation of an appropriate sanction system (reductions/exclusions/penalties)** (Articles 5, 6 and 7 of Regulation (EU) No 809/2014)

**Components of key control No 10:**

- a) Correct calculation of the administrative reductions and penalties (Articles 5, 6 and 7 of Regulation (EU) No 809/2014);

- b) Correct proceedings to ensure instigation of recovery of undue payments incl. administrative penalties  
(Articles 5, 6 and 7 of Regulation (EU) No 809/2014).

**11. In situ visits carried out for all investment operations to verify the realisation of the investment** (Article 48(5) of Regulation (EU) No 809/2014)

**12. Sufficient quality of on-the-spot controls for area- and/or animal-related aid schemes covering the appropriate verification of the commitments taken by the beneficiary** (Article 59 of Regulation (EU) No 1306/2013 and Articles 24, 25, 26, 37, 38, 39(4), 41, 42 and 43 of Regulation (EU) No 809/2014)

**Components of key control No 12:**

- a) Selection of the control sample (Article 59(2) of Regulation (EU) No 1306/2013 and Article 34 of Regulation (EU) No 809/2014):
  - the control sample is drawn from the entire population of applicants;
  - the control sample contains a random part to obtain a representative error rate;
  - the control sample contains a risk-based part targeting the areas where the risk of errors is the highest.
- b) Correct timing of the on-the-spot-checks;
- c) Respect of the minimum time period necessary for the announcement of on-the-spot checks;
- d) Appropriate verification of the commitments and other obligations taken by the beneficiary;
- e) Use of the correct measurement technique, tool, tolerance and correct determination of eligible area (for area-related measures);
- f) Coverage of number of parcels to be checked (minimum thresholds to be complied with);
- g) A report is drawn on each on-the-spot check by the authority responsible (Article 59(3) of Regulation (EU) No 1306/2013).

**13. Sufficient quantity of on-the-spot controls for area- and/or animal-related aid schemes, covering, for the latter, the number and type of animals to be checked/assessed (minimum thresholds to be complied with)** (Articles 32, 33 and 35 of Regulation (EU) No 809/2014)

**Components of key control No 13:**

- a) Respect of the control rate (Article 33 of Regulation (EU) No 809/2014);  
Increase of the control rate in the following year where on-the-spot checks reveal any significant non-compliance in the context of a given aid scheme or support measure  
(Article 35 of Regulation (EU) No 809/2014).

**14. Sufficient quality of on-the-spot controls for non-area related and non-animal related rural development measures**  
(Articles 49 and 51 of Regulation (EU) No 809/2014)

**15. Sufficient quantity of on-the-spot controls for non-area related and non-animal related rural development measures**  
(Articles 50 and 60(2) of Regulation (EU) No 809/2014)

**Components of key control No 15:**

- a) Respect of the control rate (Articles 50 and 60(2) of Regulation (EU) 809/2014;
- b) Increase of the control rate in the following year where on-the-spot checks reveal any significant non-compliance in the context of a given aid scheme or support measure  
(Article 50(5) of Regulation (EU) 809/2014).

**16. Sufficient quality of ex-post controls on investment operations**  
(Article 52 of Regulation (EU) No 809/2014)

**17. Sufficient quantity of ex-post controls on investment operations**  
(Article 52 of Regulation (EU) No 809/2014)

**18. Cross-checks in all appropriate cases with data from the IACS on areas of land covered by a support measure to avoid all unjustified payment**  
(Articles 28 and 29 of Regulation (EU) No 809/2014)

**19. Cross-checks in all appropriate cases with data from the IACS on number and types of animals covered by a support measure to avoid all unjustified payments** (Article 29(e) of Regulation (EU) No 809/2014)

**20. Adequate supervision and checks of the local action groups, including on the spot checks** (Article 60 of Regulation (EU) No 809/2014)

**21. Adequate checks (administrative, in-situ visits and on-the-spot checks) on interest rate and guarantee fee subsidies**  
(Article 61 of Regulation (EU) No 809/2014)

**IV. Ancillary controls**

**1. Application of a formalised risk analysis for the selection of on-the-spot controls for non-area related and non-animal related rural development measures, taking into account:** (Articles 24(3) and 50(4) of Regulation (EU) No 809/2014)

**Components of ancillary control No 1:**

- a) the need to check an appropriate mix of types and sizes of operations;
- b) any risk factors identified following national or Union checks;
- c) the need to maintain a balance between the measures and types of operations;
- d) the need to select randomly between 30% and 40% of expenditure;

- e) an adequate assessment of the results of the administrative and on-the-spot checks (Article 24(3) of Regulation (EU) No 809/2014).

**2. Application of a formalised risk analysis for the selection of ex-post controls on investment operations based on:** (Article 52(3) of Regulation (EU) No 809/2014)

**Components of ancillary control No 2:**

- a) the risks and financial impact of different operations, types of operations or measures;
- b) the need to select randomly between 20% and 25% of the sample.

**3. Application of a formalised risk analysis for the selection of the control sample for on-the-spot checks within the integrated system** (Articles 24(3) and 34 of Regulation (EU) No 809/2014):

**Components of ancillary controls No 3:**

- a) the use of appropriate weighted risk factors
- b) an adequate assessment of the results of the administrative and on-the-spot checks (Article 24(3) of Regulation (EU) No 809/2014);
- c) Ensuring the legal proportion of the number random / risk-based on-the-spot checks

**4. Adequate supervision procedures**

**Components of ancillary control No 4:**

- a) ensure adequate supervision for authorising, paying or accounting sums to the EAFRD (Annex I Article 1(B)(ii) of Regulation (EU) 907/2014);
- b) ensure adequate supervision of delegated bodies if the paying agency delegates any of its tasks to another body;
- c) ensure a systematic review, such as sample, system or plan based, of the claim authorisation work by a senior staff member (Annex I Article 2(A)(ii) of Regulation (EU) No 907/2014).

**5. Adequate audit trail**

**Components of ancillary control No 5:**

- a) recording of the control work undertaken for administrative and on-the-spot checks (Annex I Article 2(F) of Regulation (EU) 907/2014, Article 41, Article 43, Articles 48(1) and 53 of Regulation (EU) No 809/2014);
- b) traceability of the data used to establish the costs referred to in Article 67(1)(b),(c) or (d) of Regulation (EU) No 1303/2013 (Article 67(5)(a) of Regulation (EU) No 1303/2013 and Article 49 of Regulation (EU) No 1306/2013).

**6. Adequate cross-notification system for Organic Farming measure** (Article 92(6) of Regulation (EU) 889/2008)

- 7. Assessment of the results of the controls performed and their timely reporting to the Commission (control statistics)**  
(Article 102(1)(c)(iv) of Regulation (EU) No 1306/2013)
- 8. Correct X-tables payment data submission** (Article 102(1)(c)(i) of Regulation (EU) No 1306/2013 and Article 30(1)(c) of Commission Implementing Regulation No 908/2014)
- 9. Compliance with the requirements for mutual assistance**  
(Articles 68 and 69 of Regulation (EU) No 1306/2013)
- 10. Separation of duties and responsibilities** (Articles 48, 49(2) and 62 of Regulation 809/2014):

**Components of ancillary control No 10:**

- a) inspectors undertaking the on-the-spot check shall not have been involved in administrative checks of the same operation (Article 49(2) of Regulation (EU) No 809/2014);
- b) administrative checks referred to in Article 48 and on-the-spot checks referred to in Article 49 shall be carried out by an entity which is functionally independent from the entity authorising the payment of the technical assistance (Article 62 of Regulation (EU) No 809/2014).