THE AUDIT OF THE MANAGEMENT SYSTEM FOR STATE SUBSIDIES AND FINANCIAL SUPPORT GRANTED TO AGRICULTURAL PRODUCERS

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Abstract:
This article examines the issue of financial support for agricultural producers in Romania, awarded in the framework of the Common Agricultural Policy, in a three-dimensional perspective: (a) an image of the financial effort materialized during the period 2012-2015 (areas, allocating funds, payments), to which is added a second coordinate (b) a review of the forms of organization (institutions, programs, and procedures for the granting of financial support), and - to close the referential perspective - the third coordinate consisting of a short presentation of the management and supervisory requirements (mainly, objectives and missions of audit and control, public internal and external audits).

Keywords: common agricultural policy, EU programmes (EAGF and EAFRD), financial support measures and schema, subsidies payment, external audit and control.

JEL Classification: Q14, Q18, R11, M48

1. Introduction
The common agricultural policy (CAP), one of the first Community policies, is a set of rules and mechanisms governing the production,
processing and marketing of agricultural products in the European Union and that give an increasing attention to rural development, being founded on the principles of the single market (unrestricted circulation of agricultural products within the EU), of the Community preference (favouring the consumption of products originating in the European Union) and of the financial solidarity (the common measures are financed from a joint budget). The legal basis of the CAP is represented by art. 38-44 of the Treaty on the functioning of the EU (TFEU).

The objectives of the CAP, as set out in the TFEU (article 39) are at the same time pursuing economic and social development, and are set out to protect the interests of European producers and consumers. They consist of: the increase in agricultural productivity, ensure a fair standard of living for farmers, stabilising agricultural markets, guarantee the security of supply, and reasonable prices for delivery to consumers.

The CAP is built around two complementary pillars:

(a) **pillar I**, of the *common organisations of the market*, which includes measures to regulate the functioning of the common market of agricultural products (Regulation EC No 1234/2007) as well as the financial aids (grants) awarded to farmers (Regulation EC No 73/2009):

(b) **pillar II**, that of the *rural development*, includes structural measures, which primarily target the harmonious development of rural areas (especially in less-favoured areas), under different aspects: social, of diversity of the activities, the quality of the products, the quality of the environment (Regulation EC No 1698/2005).

Common agricultural policy measures are financed from the Community budget through the European Agricultural Guarantee Fund - EAGF (measures in pillar I) and the **European Agricultural Fund for Rural Development** - EAFRD (measures in pillar II). The two funds were introduced by Regulation EC 1290/2005.

CAP successively passed through a series of reforms, the most recent taking place in 2013 and rapidly resulting in the adoption of a package of four Community regulations fixing the legislative framework of the CAP for the period 2014-2020, for the most important areas and issues:

(a) support for rural development from the European agricultural fund for rural development (EAFRD) [3];
(b) financing, managing and monitoring the common agricultural policy [4];
(c) direct payments granted to farmers through the support schemes under the common agricultural policy [5];
(d) the establishment of a common organisation of markets in agricultural products [6].

In the period 2007-2013, the CAP has invested nearly 10 billion euros in the agricultural sector and in rural areas of Romania, with the objective of stabilising farmers' incomes, modernizing and increasing the sustainability of the Romanian farms, and the supply of safe, high-quality and accessible food to its citizens. Over the next 7 years (the period 2014 - 2020), the CAP will invest nearly 20 billion euros in the agricultural sector and in rural areas of Romania (source: www.ec.europa.eu).

2. Institutional framework

The institutional framework for management and control of expenditure taking as a source of financing the European funds (EAGF and EAFRD) was laid down by the Community regulations. For the period from 2014 - 2020, the institutional framework is laid down in the EU Regulation nr. 1306/2013 and the implementing rules in the EU Regulation No. 908/2014.

In Romania, the institutions involved in the management of financial support from the EAGF and EAFRD are:
(a) Payment agencies:

- **Agency for Payments and Intervention in Agriculture** (APIA) is responsible for managing all forms of support intended to support agriculture, funded from the EAGF and the State budget.

- **Payments Agency for Rural Development and Fisheries** (presently AFIR) is the payment agency responsible for the technical and financial implementation of the European Agricultural Fund for Rural Development (EAFRD), in the framework of the national programme for rural development (PNDR). AFIR has delegated the APIA part of the tasks specific to rural development measures involving compensation (payments severance) - Axis II of the PNDR. However,
AFIR remains responsible for the proper and effective implementation of the delegated powers.

- The managing authority for the EAFRD is represented by the Ministry of Agriculture and Rural Development (MADR) through the Directorate-General of Rural Development (DGDR - AM PNDR), which has responsibility for the implementation function and the management of the national rural development Program (PNDR);

  (b) The Coordinating Body (represented by the Directorate for the Coordination of Payment Agencies, structure within MADR), acting as sole interlocutor with the European Commission;

  (c) The Competent Authority – a structure organised at the level of MADR, according to the Government Decision No. 725/2010 as amended and supplemented, and is responsible for transmitting to the European Commission the document of accreditation for AFIR, APIA and Coordinating Body, as well as the documents that describe their functions.

  (d) The Certifying Body (function performed by the Audit Authority) which is responsible for certifying the truthfulness, completeness and accuracy of the accounts of the accredited Payments Agencies.

3. The financial support measures financed from the State budget

Financial support measures financed from the State budget shall be managed by the APIA and granted in agriculture in the form of state aid and transitional national aid.

3.1. The State aid

Starting in 2014, State aid in the agricultural sector is granted in accordance with *EU Guidelines on State aid in the agricultural, forestry and forest sectors and in rural areas for the period 2014-2020* and are approved by decision of the Government.

State aid schemes which have been approved and granted in the period 2013-2015, as well as the relevant national legislation are as follows:
1. State aid for diesel fuel used in agriculture
2. State aid for payment of insurance premiums,
3. Agricultural Life Annuity
4. State aid in the livestock sector
5. State aid in order to achieve the commitments in favour of the animal welfare
6. State aid to compensate for damage caused by the meteorological phenomenon manifested by severe drought during April-September 2015
7. Aid *de minimis* for purchasing milk cooling tanks
8. Aid *de minimis* for the conservation of local animal breeds in danger of abandonment
9. Aid *de minimis* granted to holdings registered in the vegetable organic farming system.

According to the data and information presented by the APIA, in the period 2013-2015, the amounts granted by this agency representing the State aid is as shown in Table 1 and in Figure 1.

**Table 1**: APIA Aid schemes 2013 – 2015

<table>
<thead>
<tr>
<th>State aid scheme</th>
<th>The paying institution</th>
<th>Payments (lei)</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel</td>
<td>APIA central</td>
<td></td>
<td>76,360.1</td>
<td>470,535.94</td>
<td>539,053.132</td>
<td>1,085,94 9,268</td>
</tr>
<tr>
<td>Insurance premium</td>
<td>APIA County</td>
<td></td>
<td>27,335.3</td>
<td>30,709.978</td>
<td>10,976.8</td>
<td>69,022.2 37</td>
</tr>
<tr>
<td>Agricultural life annuity</td>
<td>APIA central</td>
<td></td>
<td>72,715.0</td>
<td>68,579.310</td>
<td>64,728.2</td>
<td>206,022.570</td>
</tr>
<tr>
<td>The livestock sector</td>
<td>APIA County</td>
<td></td>
<td>2,148.47</td>
<td>5,526.037</td>
<td>7,648.79</td>
<td>15,323.3 10</td>
</tr>
</tbody>
</table>
The legislative framework has regulated this context through the approval of the following support tools: (a) guidelines; (b) specific procedures for the implementation, verification and control; (c) the necessary forms used; (d) the State aid scheme(s); (e) approval of de minimis aid granting, and (f) approval of the de minimis scheme.

The Ministry of Agriculture and Rural Development ensures the development of sector regulations and the enactment of financial management of financial funds necessary for the granting of State aid in agriculture, from the State budget, through the budget of its own.

State aid are granted to beneficiaries (farmers) by APIA and by the Agency's 42 county centres (institutions with legal personality subordinated to APIA).

Specific legislation defines the categories of beneficiaries, the general conditions of eligibility and the procedure for the granting of funding for each schema/form of State aid. Within the APIA were elaborated and approved procedures manuals which describe in detail the manner of granting aid, the

<table>
<thead>
<tr>
<th>State aid scheme</th>
<th>The paying institution</th>
<th>Payments (lei)</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement of the commitments in favour of animal welfare</td>
<td>APIA County</td>
<td></td>
<td>9,811.65</td>
<td>0</td>
<td>259,500</td>
<td>10,071.153</td>
</tr>
<tr>
<td>Drought damages</td>
<td>APIA central</td>
<td></td>
<td>0</td>
<td>0</td>
<td>296,825.551</td>
<td>296,825.551</td>
</tr>
<tr>
<td>Purchase of milk cooling tanks (de minimis aid)</td>
<td>APIA central</td>
<td></td>
<td>0</td>
<td>1,094,927</td>
<td>0</td>
<td>1,094,927</td>
</tr>
<tr>
<td>Conservation of local breeds of animal (de minimis aid)</td>
<td>APIA central</td>
<td></td>
<td>0</td>
<td>1,361,425</td>
<td>0</td>
<td>1,361,425</td>
</tr>
<tr>
<td>Ecological agriculture (de minimis aid)</td>
<td>APIA central</td>
<td></td>
<td>0</td>
<td>0</td>
<td>7,793,695</td>
<td>7,793,695</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>188,370,702</td>
<td>577,807,623</td>
<td>927,285,812</td>
<td>1,693,464,136</td>
</tr>
</tbody>
</table>

Source: Processed from data supplied by APIA statistics.
role of each structure/institution involved in the process and the implemented internal control forms.

Figure 1: State aid in agriculture 2013-2015

3.2. National Transitional Aid

National transitional aid shall mean payments to be granted in the vegetable and livestock sectors from the State budget (through the budget of MADR), in addition to the payments financed from EAGF, which are granted under the support schemes for area payments. The ceiling allocated to NTA and the amount of these payments is determined annually by Government decision.

The national transitional aids (NTA) have replaced, starting in 2015, the national direct complementary payments (PNDC) which have been granted in the period 2007-2014 and which were intended to supplement the payments granted under support schemes financed by the EAGF, for crop/animal species under the laws in force, for the development of sectors considered to be important for the national economy.

The main forms/schemes of national transitional aid granted in the campaign year of 2015, are presented in Table 2.
Table 2: Forms/schemes of national transitional aid granted in the campaign year of 2015

<table>
<thead>
<tr>
<th>Agricultural sector</th>
<th>Domains</th>
</tr>
</thead>
</table>
| **In the vegetable sector** | o for the arable land  
|                      | o for crops fibre flax  
|                      | A. for fibre hemp  
|                      | B. for tobacco  
|                      | C. for hops  
|                      | D. for sugar beet |
| **In the livestock sector** | o uncoupled production schema, the bovine species;  
|                      | o coupled production schema ovine and caprine animals. |

Source: APIA support schemes

The situation of the amounts granted to beneficiaries in the period 2013 – 2015, representing national complementary direct payments or national transitional aids, is shown in Table 3, according to information submitted by APIA.

Since 2015, transitory national aids are granted to farmers in sectors benefiting from national complementary direct payments.

Table 3: Amounts granted to beneficiaries in the period 2013 – 2015

<table>
<thead>
<tr>
<th>PNDC/ANT</th>
<th>Instituția plătitoare</th>
<th>Plăți (lei)</th>
<th></th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2013</td>
<td>2014</td>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Livestock sector</td>
<td>APIA central</td>
<td>1.124.292.056</td>
<td>942.407.069</td>
<td>942.689.704</td>
<td>3.009.388.829</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1.954.174.215</td>
<td>1.592.048.218</td>
<td>1.549.406.989</td>
<td>5.095.629.422</td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed from data supplied by APIA statistics
4. Financial support measures - financed by the EAGF

Measures shall be financed from the EAGF as financial support to agriculture, granted in the form of direct payment schemes and market measures and intervention in agriculture which are managed by APIA.

4.1. The direct payment schemes

For the period 2015-2020, the direct payment schemes and the national transitional aid (former complementary national direct payments), which are granted as the support mechanisms for farmers, are regulated by the Government Emmergency Ordinance No. 3/2015 approving the direct payment schemes granted in agriculture during 2015-2020 and are as following:

a) area (surface) unique payment scheme (source of funding: EAGF);

b) redistributive (source of funding: EAGF) payment;

c) payment for agricultural practices beneficial to the climate and the environment (source of funding: EAGF);

d) payment for young farmers (funding source: EAGF);

e) scheme of coupled support (funding source: EAGF);

f) simplified scheme for small farmers (funding source: EAGF);

g) the national transitional aid (source of funding: State budget - see above Section I, letter b).

Annual national ceilings for the period 2015-2020, which include ceilings for payments under direct payment schemes (letters a - f above) are set out in Annex II to [5].

The direct payment schemes ((a) – (g) above) shall be carried out and are managed in the information system through the IACS tool - Integrated Administration and Control System as defined in [3]. According to art. 68 of the cited Regulation, the components of the IACS system are: (a) a computerized database, (b) an identification system for agricultural parcels, (c) a system for the identification and registration of payment entitlements, (d) applications for financial support, (e) an integrated control system, and (f) a unique identifier to each beneficiary who applies for support.

At the same time, within APIA were developed and approved procedures manuals which describe in detail the mode of implementation the role of each structure / institutions involved in the process and implemented forms.
For the convenience of the reader, we quote some examples:

- Manual of Procedures regarding the administration of the unique payment applications for 2015;
- Manual of Control Procedures for the classical land control performed in the field made in payment schemes and support measures;
- Manual of Procedures relating to the remote sensing control of area aid applications for year 2014.

With the exception of the national transitional aid, which has as source of financing the State budget (budget MADR), the payment schemes governed by Government Emergency Ordinance No. 3/2015 shall be financed by the EAGF.

Specific legislation [8] provides the categories of beneficiaries, the general eligibility conditions and the manner of funds allocation within each direct payment scheme.

### 4.2. Market measures

Besides the direct payment schemes, EAGF also finance market and intervention measures in various sectors of activity (financial support for the provision of food aid for the disadvantaged, financial support intended for producer groups in the vegetable – fruit sector; financing of assistance intended for the finance operational programs vegetable producer organisations in the sector - fruit, providing milk in schools, institutions, community and national financial support given to apiculture sector; financial support for harvest insurance of vineyards; financial support for restructuring / conversion of vineyards, and others).

The market and intervention measures in agriculture are managed by APIA (Direction of Market Measures). They do not conduct and manage the information system through the tool IACS - Integrated Administration and Control System.

### 5. Financial support measures financed by the EAFRD (rural development measures)

Romania access EAFRD through the implementation of rural development measures from the National Rural Development Programme –
Payments made during 2013-2015 in the frame of the support schemes financed by the EAGF and the EAFRD are summarized in Table 4.

**Table 4: Payments made in the financial support schemes through EAGF and EAFRD, 2013 – 2015**

<table>
<thead>
<tr>
<th>Schema support</th>
<th>The paying institution</th>
<th>Payments (lei)</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAGF co-financing</td>
<td>APIA central</td>
<td></td>
<td>35.167.363</td>
<td>38.652.327</td>
<td>27.769.901</td>
<td>101.589.591</td>
</tr>
<tr>
<td>EAGF pre-financing</td>
<td>APIA central</td>
<td></td>
<td>5.515.119.023</td>
<td>6.019.661.560</td>
<td>4.769.331.378</td>
<td>16.304.111.960</td>
</tr>
<tr>
<td>EAGF ineligible</td>
<td>APIA central</td>
<td></td>
<td>86.109.810</td>
<td>26.083.227</td>
<td>8.922.436</td>
<td>121.115.473</td>
</tr>
<tr>
<td>Total EAGF</td>
<td></td>
<td></td>
<td>5.636.396.195</td>
<td>6.084.397.114</td>
<td>4.806.023.715</td>
<td>16.526.817.024</td>
</tr>
<tr>
<td>EAFRD co-financing</td>
<td>APIA central</td>
<td></td>
<td>617.852.820</td>
<td>169.937.391</td>
<td>48.989.017</td>
<td>836.779.228</td>
</tr>
<tr>
<td>Total EAFRD</td>
<td></td>
<td></td>
<td>3.657.716.499</td>
<td>2.830.447.243</td>
<td>979.780.337</td>
<td>7.467.944.079</td>
</tr>
</tbody>
</table>

Source: Processed from APIA statistics

APIA implements rural development measures included in Axis II of the PNDR, based on framework delegation agreements concluded with APDRP - current AFIR (Payments Agency for Rural Development and Fisheries) - responsible for the technical and financial implementation of rural development measures under the PNDR – programme funded by EAFRD), namely:

- Measure 10 - Agro-environment and climate;
Support measures financed by the EAFRD are administered by the Department of Control and Authorization of Payments per Area of the APIA and the payment requests are handled in the IACS system.

6. **Improving the system for auditing the management of subsidies and other forms of financial support from the State granted to agricultural producers**

6.1. **The major forms of internal control within the APIA**

APIA is an accredited institution agency of paying in accordance with the provisions of the Community regulations, the accreditation criteria referring to the following aspects: (a) internal environment, (b) control activities, information and communication, (c) monitoring. These are also essentially set by standards for internal / managerial control for public entities.

APIA conducts control activities specific for support schemes, both at central and local level, described in the associated manuals of procedures, relating to:

(a) **administrative / documentary control activities** (deployed centrally and territorially): consist of formal control and control of content of the documents submitted by applicants for financial support, checking for the existence and correctness of the requested documents. At the same time, in case of the direct payment schemes, the administrative control is done electronically, using the IACS system, including by carrying out the cross-checks.

(b) **classic control on the ground** (includes the control via remote sensing): it is a control activity specific for direct payment schemes (financed by the EAGF and ANT) and consists of factual checking of the amount of land surfaces requiring financing including as regards compliance with environmental requirements.
It is performed by the county centers of APIA (the Control on Land Service) and are monitored and coordinated at central level through the Department of Control and Authorization of Payments per Area.

(c) carrying out administrative checks and controls on the ground at the level of the county centers is coordinated and monitored at the central level by the specialized structures that manage the respective support schemes (Department of Control and Authorization of Payments per Area, Direction of Specific Measures, Direction of Market Measures);

(d) over-control (oversee) activities are carried out under the direct payment schemes and rural development measures and they are designed as quality controls over the checks already carried out. At the same time, AFIR may perform over-control activities in relation to the carrying out of controls by the APIA aimed at delegated rural development measures.

(e) inspection / control activities on the spot (takes place both at the central and territorial levels) are carried out in the frame of the market measures (financed by the EAGF) and of the support schemes financed from the State budget and consists of verifying, where appropriate, on the spot, the reality of the data in the documents submitted by applicants to the APIA, under which APIA grants financial support. The Compartment of Inspections of the Department of Control and Authorization of Payments per Area (APIA central) as well as the structures for inspection of APIA county centres, have the power to verify the eligibility of payment requests for the provision of financial support (from the European Community / State budget) at the request of specialized structures.

(f) public internal audit activity - is ensured by the Internal Audit Department - distinct structure (independent), organized at the central level of APIA, reporting directly to the General Director. The internal audit activity is exercised over all activities within the agency, at the central and the county level, including the evaluation of internal control management system. The internal audit activity is conducted (at the central level) on the basis of the multi-annual plan and annual internal audit plan. Multi-annual
planning identifies all auditable areas within the APIA and delegated functions and internal audit approach focuses on identifying processes undertaken by APIA starting with the authorization of payments until their accounting. Thus, within a domain more auditable processes can be identified and their selection is made on the basis of risk analysis. Internal audits assignments are carried out at the level of the central apparatus of APIA as well as at the level of County centres, taking into account the compliance with the periodicity of audit (at least once every three years), so as to ensure the auditing of all auditable areas.

(g) activities of prevention / fraud detection – Direction for Fraud, Internal Control and Override Control is engaged in finding and penalizing irregularities and fraud encountered in the procurement and use of European funds and / or of the national public funds involved, and also the actions of prevention and due diligence through verification and internal control relating to compliance with the laws and procedures by staff of APIA.

6.2. External Audit and Control

The actions of the external audit and control missions are both by representatives of the European Commission, the European Court of Audit, the European Anti-Fraud Office through specific missions (financial, technical or auditing) as well as of institutions from Romania with audit and inspection powers relating to irregularities and fraud control: the Romanian Court of Accounts, the Audit Authority, the Ministry of Agriculture and Rural Development, AFIR, the National Anticorruption Direction, the Department for Fight against Fraud etc.

In Romania, the financial support to be granted to agricultural producers from national or or from foreign non-reimbursable funds (under CAP) shall be subject to verification carried out in the course of public external audit carried out by the Court of Accounts (the supreme audit institution of Romania) and the Audit Authority.

6.2.1. External public audit carried out by the Romanian Court of Accounts

The Romanian Court of Accounts – the supreme audit institution representing Romania in the international organizations of these institutions -
performs inspection and external public audits over the formation, administration and use of financial resources of the State and the public sector according to its own audit standards, developed in accordance with generally accepted international auditing standards.

According to Law no. 94 of 8 September 1992 on the organization and functioning of the Court of Accountss (republished and updated), external public audits conducted by the Court is carried out mainly through financial audits, compliance audit and performance audit.

As regards the financial audit, the Court of Accounts shall direct the work mainly on the following issues:

(a) the accuracy and reality of the financial statements, as set forth in applicable accounting rules;
(b) evaluation of management and control systems for the authorities with tasks relating to the pursuit of financial obligations to the budget or other public funds of legal and natural persons established by the law;
(c) the use of funds from the budget or from other special funds, as intended;
(d) the quality of economic and financial management;
(e) the economy, efficiency and effectiveness of the use of public funds;
(f) assessment of the activity of financial control and internal audit of the audited entities.

In terms of performance audit, the Romanian Court of Accounts carried out an independent assessment of how economic, efficient and effective the operating of a program, process, project, activity or public entity is. The Romanian Court of Accounts may carry out performance audit of the consolidated general budget management, as well as of any public funds. Through its findings and recommendations, performance audit aims at lowering costs, increasing the efficiency of resource use and fulfillment of objectives.

6.2.2. External audit conducted by the Audit Authority

The Audit Authority (independent, from the operational point of view, against the Romanian Court of Accounts) is the sole national authority competent to conduct external public audit in accordance with EU and
national legislation of EU funds (including those that support agriculture and rural development) that Romania accesses within the frame of national and Community programmes. For the Community non-reimbursable funds, intended to support agriculture and rural development, the Audit Authority shall act as the certification body (audit certificates issued on the annual accounts of the paying agencies: APIA and AFIR).

According to Law no. 94/1992, the Audit Authority functions including in relation to the verifications of the existence and correctness of the national co-financing element.

The Audit Authority shall carry out system audit and audit of operations in accordance with its own procedures and rules of working.

7. Conclusions

The financial support granted to agricultural producers in Romania, in the framework of the Common Agricultural Policy (which is applied / implemented in our country concurrently with obtaining the status of EU Member State), by the two agencies accredited to carry out EU funded payments: APIA and AFIR.

Financial support may be granted by APIA, in various forms, namely:

(a) in the form of direct payment schemes (financed by the EAGF but also from national sources: national transitional aids). For the period 2015-2020, they are governed by [7].

(b) In the form of State aid to be granted in accordance with the EU Guidelines on State aid in the agricultural, forestry and rural areas 2014-2020 and with the provisions of Government Emergency Ordinance No. 14/2010; various forms of State aid shall be annually approved by government decision.

At the same time, farmers may qualify for financial assistance through the submission of projects under the rural development measures of the PNDR, payments being made by AFIR.

For every form of financial support, APIA has developed procedure manuals describing in detail procedures for the grant support, the structures involved, the categories of beneficiaries, eligibility conditions and the different forms of internal control in place.

In Romania, the financial support to be granted to agricultural producers from national sources or from foreign non-reimbursable funds (under CAP), shall be subject to checks carried out in the course of public
external audit exercised by the Romanian Court of Accounts and by the Audit Authority.

As regards the European funds intended to support agriculture and rural development, the Audit Authority is the only national authority competent to carry out external public audit in accordance with EU and national legislation and fulfils the role of a certification body.

8. References

- [2] European Court of Auditors, (2015), Annual Report of European Court of Auditors for 2014 year, Chapter 7 “Natural resources” (including agriculture and rural development)
