Practice Name:	Practice category:	✉ Contact:
EURA 2014	• Systems and tools	• Ministry of Economic Affairs and Employment • https://tem.fi/en/frontpage • info@tem.fi
Country: **Finland**		

Fraud risk(s) countered

- Avoidance or manipulation of public procurement procedures
- Double funding
- Manipulation of project costs
- Others

Context and objective(s)

The "EURA 2014" is a computer system to store and manage documents relating to EU-funded projects. It was created in 2007 in response to the requirements of article 125 2d of the Common Provisions Regulation (EU1303/2013) which states that managing authorities, who manage operational programmes, must establish a computerised system to record and store data on each operation. The digital data collection is mandatory for monitoring, evaluation, financial management, verification and audit. The system was established by Law number 8/2014 on the financing of regional development and structural fund projects.

The 2014 version is an improvement and extension of an already existing computer system. In 2007, the EURA was still organised in several separate computerised systems which were joined in the 2014 version to have only one platform as a single source of information for the entire project lifecycle.

Description of the practice

The EURA 2014 is an electronic database where all documents relating to EU-funded projects are stored, moving completely away from paper use. All documents are signed electronically both by the applicants when they make a request for funds, followed by the authorities when they decide to grant funds. Payments are made electronically, and documents are archived electronically.

The EURA 2014 allows for the management of the entire funding cycle within the system by following these steps:

1. The applicant uses the computer system to file an application for funding with details about the project, the amount and intended use of the funds requested;
2. The responsible managing authority (MA) or intermediate body (IB) assesses the application and makes a funding decision;
3. If there are favourable funding decisions, the beneficiary fills out a payment application which is again assessed in the system by the responsible MA or IB;
4. The Certifying Authority (CA) makes a payment application to the European Commission in order to receive the necessary funds using the information stored in the EURA 2014 system.

EURA provides the authorities with checklists, including general selection criteria, which are filled out to assess the applications. Among several factors that are verified in the checklist is the possibility of double funding, as well as the financial situation of the applicant to exclude applications from bankrupt companies

or individuals or companies in liquidation. In the current version of the system, there are no automatic checks and alerts for uploaded documents or for linked databases. This might be implemented for the 2021 version.

EURA 2014 is also linked to the database of the tax authority which allows the ESIF authorities to check if applicants duly pay their taxes. Thus, the administrative burden is reduced for authorities by allowing them to access the necessary information using an all-in-one system.

If an IB decides to make an on-site visit to ensure all the information provided by a beneficiary of funds is correct, the IB uses the information stored in the system as preparation. Additionally, the Audit Authority (AA) uses the digital information and stores the documents relevant to the audit.

If there is any finding as a result of a regular check, on-site visit or audit, this is documented in the system as well as the corrective decision taken. If the provided information needs to be changed or updated, the IB makes the necessary changes in the system.

Findings concern projects that have already been funded. If there is a suspicion regarding:

- the expenses generated by the project,
- the documents or information provided by the beneficiary.

The relevant authority will establish a finding in EURA. The authorities can also check if there are findings concerning an applicant for previously funded projects.

There are different access types for the use of the system. The involved authorities (MA, IB, CA, AA) have access to all the stored data and can check applications or projects at any time. Applicants and beneficiaries sign into the platform and only see the information they have provided themselves.

There are also different user roles in the system and authorities have specific rights according to their function. They can only manage and change the information in their area of control. This ensures a segregation of functions.

The implementation of the platform took approximatively 2 years. The content specifications were defined by the Ministry of Economic Affairs and Employment in close coordination with the MAs, IBs, AA and CA. The development of the IT infrastructure was outsourced as the Ministry does not employ any technical staff for such an exercise. The first application in the system was made in May 2014, the first funding decision was made in November 2014, and the first payment in May 2015.

A steering management group composed of representatives of the ministry, the MAs, IBs, AA and CA, ensures the continuous improvement of the system.

The implementation cost approximately EUR 30 million which was mainly used for the IT service provider. The project was funded half with EU funds and half with national funds. The maintenance costs of EURA are about EUR 0.5 million per year.

Unique features

- Standard processes for every applicant which reduces the risk of false or missing information and documentation;
- Completely electronic storage of documents relating to the entire funding lifecycle;
- Information sharing between all the authorities involved in the funding lifecycle;
- Access to tax authority data;
- Entry of findings regarding applicants in the system and possibility to check findings from past projects.

Outcomes and results

The tool makes an important contribution to fraud prevention and detection by providing one source of information to manage and assess all project-related documents.
The use of electronic documents and signatures reduces the risk of losing audit trails or manipulating documents.

The tool helps to address specific fraud risks such as:

- Double funding of projects;
- Excessive and/or fraudulent labour costs;
- Procurements that exceed the national or the EU threshold (these are subject to specific documentation).

Further outcomes include:
- Ease of administrative burdens for the various authorities, as all necessary information is available or accessible in one system;
- Review of applications can be done in a shorter time;
- **Standardised assessment through the use of checklists;**
- **Increased transparency and cooperation between authorities.**

Key success factors

- Development in cooperation with all authorities involved, e.g. tax authority and audit authorities;
- Management overseen by steering group with representatives of the ministry and involved authorities;
- Willingness of applicants and authorities to move away from paper-based processes.

Challenges encountered & lessons learned

The main challenge surrounding the implementation of EURA was the conversion of needs into the IT interface and infrastructure with the involvement of all the different authorities.

The IT system also has to be flexible in order to adapt to changing legal requirements.

Potential for the transferability

The implementation in another country will require the consultation of all involved authorities to develop the IT infrastructure accordingly.

The significant financial investment might represent an obstacle; however, it depends on the existing system landscape used. If electronic systems are already used for EU funded projects, these might be further developed. Countries might need to move to fully electronic processes for implementing a similar platform.