

EU Pillar Assessment

Becoming an implementing partner
with the European Commission
under indirect management

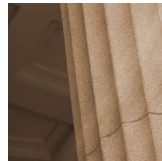
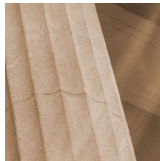
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What is a Pillar Assessment?

Pillar assessments are institutional compliance assessments which the European Commission requires partner organisations to pass before using indirect management cooperation with them.

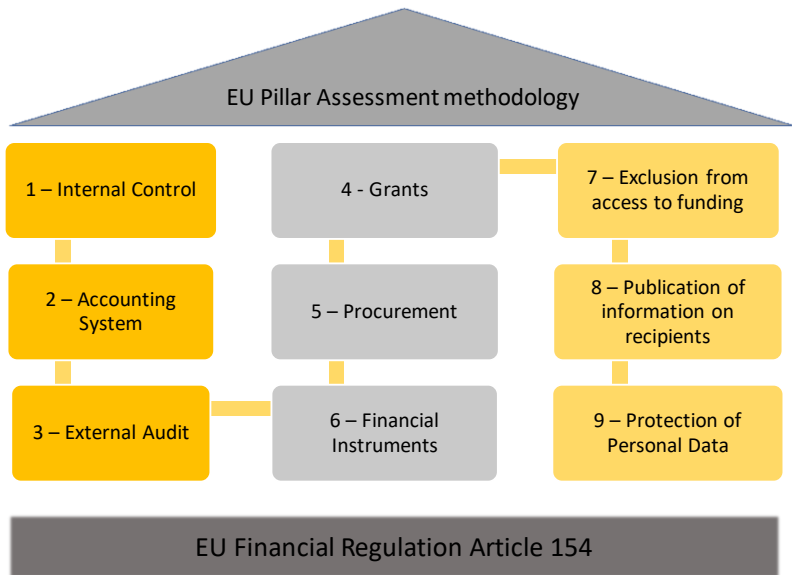
As stipulated in the EU Financial Regulations, the European Commission can decide to entrust implementing partners with budget implementation tasks. For organisations to become eligible, they must meet certain conditions and must pass an assessment of their main operations by an independent auditor.

The Pillars Assessment aims to assess the organisation's compliance with the Commission's requirements for indirect management. Since the introduction of revised Terms of Reference for Pillar Assessments by the European Commission in April 2019¹, up to 9 pillars may be assessed. The first three pillars, covering the organisation's internal procedures are mandatory to be assessed, whereas it is up to the Entity to define the remaining pillars that need to be assessed based on what is relevant to its operations.



¹ Commission Decision of 17 April 2019 on establishing new terms of reference for the pillar assessment methodology to be used under Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council

- Mandatory Pillars - internal organisation of the Entity
- Optional Pillars - provision of funding to third parties
- Mandatory Pillars - triggered by optional pillars



The results of the assessment are summarised in an assessment report which concludes on the organisation's compliance with requirements for each pillar. The European Commission will use the independent auditor's assessment report as a basis for its decision to enter into indirect management with an implementing partner.

How can we help you

■ Full-fledged compliance assessment of your organisation

If your organisation aims to become eligible for indirect management with the Commission, you are required to undergo the Pillar Assessment, i.e. a full-fledged compliance assessment of your organisation for those pillars that apply. The Pillar Assessment will be carried out according to the assessment methodology approved by the European Commission. After reviewing relevant policies, procedures and systems of your organisation we will deliver an assessment report to you which contains a conclusion for each pillar, a description of findings and recommendations, and if necessary, a roadmap for implementation.

■ Gap Analysis

You may prefer to obtain professional guidance about the areas covered by the assessment before eventually undergoing the formal compliance assessment. Having assisted and assessed many organisations over the past decade, we are able to support you by analysing your systems with regards to the different pillars and providing you feedback on where you stand in each. Such a gap analysis will point out existing weakness and offer you a roadmap on the basis you may adopt remedial actions as you go ahead in preparing for the pillar assessment.

Why EY

EY has long-established the Centre of Excellence for the audit of EU funds in order to bundle our efforts in providing services to the European Institutions and other public sector organisations. This department, based in EY Belgium, is made up of audit professionals with extensive experience in working in the area of EU funds.

The expertise we make available to our clients in the context of Pillar Assessment is founded on all of the following:

- ▶ Significant experience and in-depth expertise performing pillar assessments: for more than a decade we have been carrying out Pillar assessments and have assessed more than 90 organisations all over the globe, ranging from international organisations, development banks, to national agencies.
- ▶ Committed experts in Pillar Assessment and audits of EU funding: a specialised, experienced team of enthusiastic employees enables us to offer you a dynamic, flexible service - making sure that you receive services and a deliverable of the highest quality.
- ▶ Our multidisciplinary and multilingual team is dedicated to working with public sector organisations and experienced in all areas subject to the assessment.
- ▶ Integration of EY specialists for specific areas covered by the assessment: we integrate specialist profiles for specific topics such as data protection or financial instruments, making sure that we can deliver efficiently and our clients obtain excellent insights to potential improvements.
- ▶ We have been a reliable partner of DG DEVCO for more than 20 years: as an Audit Framework Contractor, we have been providing guidance on the assessment methodology to EuropeAid from the very beginning, and are thus fully aware of the Commission requirements, priorities and methodology updates.
- ▶ EY's unique position as a global leader in the field of assurance, tax, transactions and advisory assures you that our services are performed on the basis of extensive technical expertise and in full compliance of professional standards.

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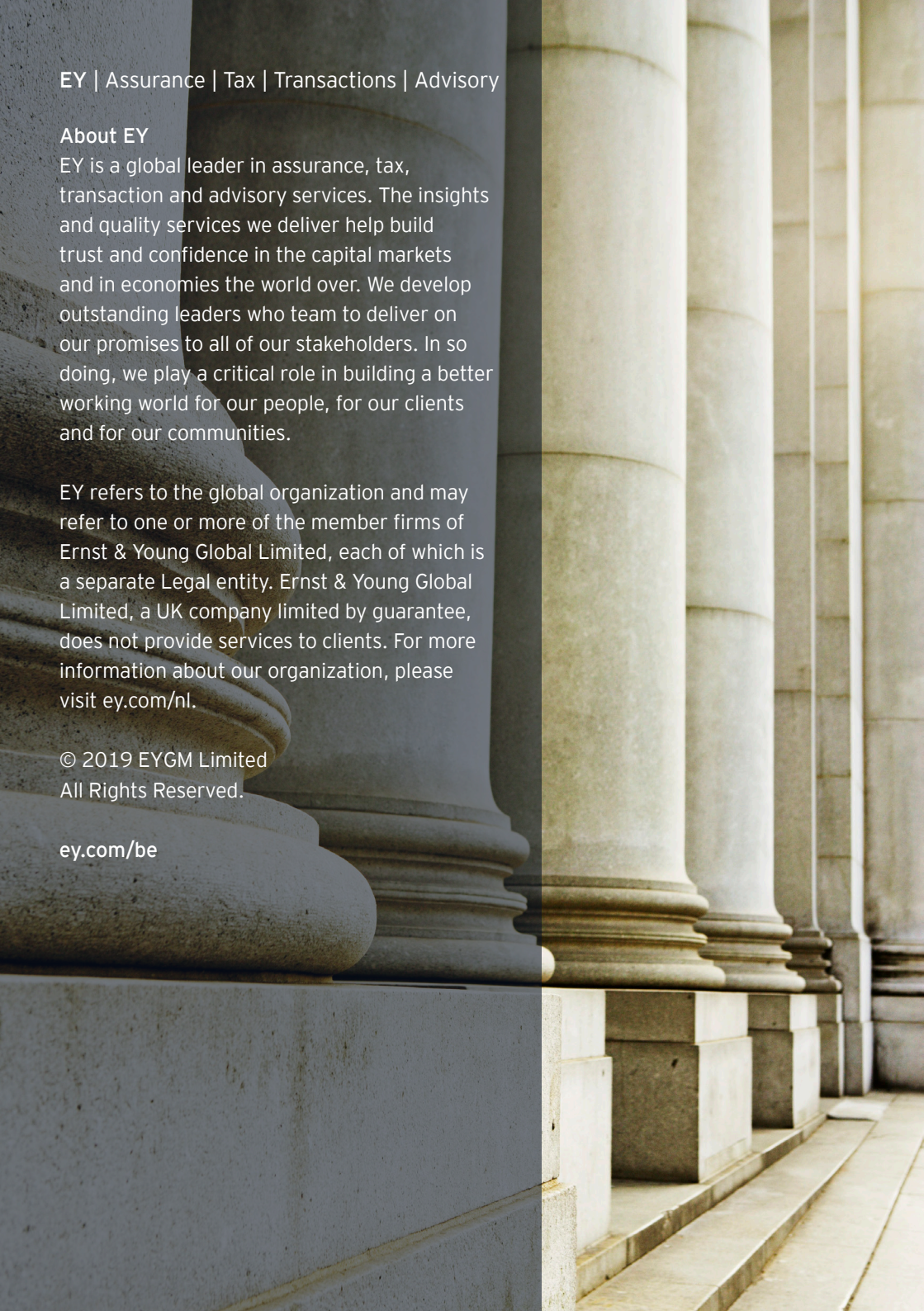
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About EY

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