EU Pillar Assessment

Becoming entrusted with the implementation of European Union funds or budgetary guarantees with the European Commission under indirect management

EY service offering
What is a Pillar Assessment

Pillar assessments are institutional compliance assessments which the European Commission requires partner organisations to undergo successfully before entering into indirect management funding agreements with them.

The EU’s Financial Regulation requires that entities entrusted with the implementation of Union funds or budgetary guarantees shall respect the principles of sound financial management, transparency, non-discrimination and visibility of Union action. The Commission ensure that this level of protection of the financial interests of the Union are equivalent to the one that is provided for when the Commission through the Pillar Assessment.

Organisations must therefore meet certain conditions and must pass the assessment by an independent auditor.

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The pillar assessment focusses on the organisation’s compliance with the European Commission’s requirements to be entrusted with the implementation of EU funds under indirect management. In accordance with the Terms of Reference for Pillar Assessments published by the European Commission in April 2019, up to 9 pillars may be assessed. Six of those 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.

The results of the assessment are detailed 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.

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How EY can 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 first obtain professional guidance about the areas covered by the assessment before eventually undergoing the formal compliance assessment. Having assisted and assessed numerous organisations for decades, 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 any existing weakness and provide you with a set of recommendations of systems improvement as you prepare your organisation to undergo the pillar assessment.

Why EY

Based in Brussels, Belgium since its inception in the early 2000s, the EY Centre of Excellence for the audit of EU funds is a global hub of professionals with experience and centralised expertise in providing services to the European Institutions, other public sector organisations and beneficiaries of donor funding.

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 over a decade we have been carrying out Pillar assessments and have assessed hundreds of organisations all over the globe, ranging from international organisations to development banks, to national agencies.

- **Committed experts in Pillar Assessment and audits of EU funding**
  A specialised, experienced team of auditors 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.

- **Familiarity with EU Institutions**
  Having worked with the European Commission for two decades we are highly knowledgeable of the expectations arising from a Pillar Assessment report and we deliver accordingly, whilst also being able to guide you in the Pillar Assessment process that needs to be followed.

- **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, performing the assessment efficiently and providing our clients excellent insights into potential improvements.

- **EY’s unique position**
  EY is 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.
EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets. Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate. Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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