

ANNEX I:

Procedure for the examination of requests for Pillar Assessments by organisations wishing to work with the Commission under Indirect Management

The procedure for examining a request for a Pillar Assessment should cover the following phases:

- 1) The applicant organisation (“applicant”) submits a formal request for a Pillar Assessment to DEVCO. R2 acknowledges receipt of this.
- 2) DEVCO.A2 or A3 or C3 performs an opportunity check. Unit R2 is kept closely associated during the whole opportunity check.
- 3) If the opportunity check is positive, DEVCO.R3 examines the legal status of the applicant and informs DEVCO.A2 or A3 or C3.
- 4) DEVCO.A2 / A3 or C3 submits a note on the outcome of the examination to DEVCO Management
- 5) DEVCO.R2 informs the applicant about the outcome of the examination.
- 6) The applicant launches the Pillar Assessment.

1) The applicant organisation submits a formal request for a Pillar Assessment to DEVCO

An **applicant** shall submit a **formal request for a Pillar Assessment** to **DEVCO's Director-General**. The request will be attributed to DEVCO.R2, who will be the **contact** for the applicant and who will **coordinate the communication** with the applicant.

Upon receipt of a request of an applicant, DEVCO.R2 will send a standard note with an “**acknowledgement of receipt**” ('holding reply') to the applicant. This note will explain the procedures before a Pillar Assessment can be launched. The note will set out that it may take several months to examine the opportunities for the Commission to work with the applicant and to analyse its legal status. The note will also set out that in the course of the procedure, the applicant may be requested to provide additional information.

Applicants must use the **checklist/application form** attached to this note as Annex II (available at <https://ec.europa.eu/europeaid/node/44223>), in which they must explain their legal status and which DEVCO services and/or the EU Delegations are or could be interested in working with the applicant. The applicant must provide details of contacts / discussions with these services / Delegations (including the names of the contacted persons).

Applicants must provide legal documents and evidence which allow an examination of the legal status of the applicant (e.g. a certified copy of the intergovernmental agreement duly signed in case of an international organisation and registration under a national law and justification of the public service mission in case of a national private entity). Applicants must also provide the contact person in the organisation who will provide information about the legal, operational and financial aspects of their request.

If the applicant does not use the application form or if information in this form is not complete or clear, this will be indicated in the holding reply. The applicant should then complete and resubmit a duly supported application form.

2) DEVCO.A2 A3 or C3 performs an opportunity check

DEVCO.R2 will forward the application and supporting documents to **DEVCO.A2** (national agencies) or **DEVCO.A3** (international organisations) or **DEVCO.C3** (in case of organisations mostly operating with loans/guarantees or in blending operations) for an opportunity check.

In a first phase, DEVCO.A2 / A3 / C3 will perform an examination of the opportunities and consult the DEVCO services and/or EU Delegation(s) which are or may be interested in working with the applicant. The opportunity check will involve an in-depth examination of the information given by the applicant, the DEVCO /EU Delegation services consulted, together with a clear statement on the technical and political opportunity (based on a SWOT analysis or other tools) to collaborate with the applicant.

The following procedures apply:

i) The outcome of the opportunity check is **negative**

If the outcome of the opportunity check is negative, DEVCO.A2 / A3 or C3 will submit a note to Management (copy to DEVCO. R2) - see Phase 4.

An examination of the legal status by DEVCO.R3 will not be required.

ii) The outcome of the opportunity check is **positive**

If the outcome of the opportunity check is positive, DEVCO.A2 / A3 or C3 will inform DEVCO.R3 (copy to DEVCO.R2), who will examine the legal status of the applicant.

The opportunity check shall be completed within 2 months from receipt of the request of the applicant.

3) *DEVCO.R3 examines the legal status of the applicant organisation*

In the third phase – **and provided that the outcome of the opportunity check is positive** – DEVCO.R3 will examine the legal status of the applicant to check whether it is eligible for indirect management in accordance with the criteria laid down in Articles 58 of the Financial Regulation and 43 of the Rules of Application (cf. Chapter 3 of the DEVCO Companion - Delegated Cooperation, Cooperation with Partner countries and with International Organisations, co-financing and management modes). For this purpose DEVCO.R3 will use the documents provided by the applicant. R3 may request the applicant to provide additional documentation or clarifications.

DEVCO.R3 will inform DEVCO.A2 / A3 or C3 (copy to R2) about the outcome – positive or negative – of the examination of the legal status.

4) *DEVCO.A2 / A3 or C3 submits a note on the outcome of the examination to DEVCO Management*

i) The outcomes of the opportunity check and of the legal analysis are positive

DEVCO.A2 / A3 /C3 **informs DEVCO Management** (point A of the Management Meeting) and DEVCO.R2, that the outcomes of the opportunity check and the legal analysis are positive and that it is proposed to advise the applicant to launch the Pillar Assessment.

DEVCO.A2 / A3 / C3's note to management will also indicate the DEVCO service (“DEVCO lead service”) which will be in charge of the monitoring of the Pillar Assessment process as follows:

- if one DEVCO Directorate (including Delegations concerned) is the main or sole one interested in working with the applicant, the Finance, Contracts and Audit Unit of the Directorate concerned will be the lead service for the Pillar Assessment.
- If more than one DEVCO Directorate (including Delegations concerned) is involved, these Directorates shall agree which Directorate will be the lead service. If agreement cannot be found, Management will decide.
- If the applicant is a national development agency, DEVCO.R2 is the lead service.

ii) The outcome of the opportunity check and/or the legal analysis is **negative**

In case the legal analysis does not allow indirect management (e.g. the applicant does not qualify as international organisation or as a national public body or body with a public service mission), DEVCO may consider other forms of cooperation with the applicant (direct management, assimilation decision on the basis of Article 43.1. of the Rules of Application).

DEVCO.A2 / A3 / C3 **informs DEVCO Management** (point A of the Management Meeting), DEVCO.R2 in copy, of the final outcome.

DEVCO.A2 / A3 / C3 may **decide to submit** the cases under i) and ii) above **to DEVCO management as a B point** (e.g. in sensitive or borderline cases).

5) DEVCO.R2 informs the applicant about the outcome of the examination

On the basis of the decision taken by DEVCO Management, DEVCO.R2 will:

- in the case of a **positive** outcome, prepare a **confirmation** letter to the applicant, for the signature of the DG or a Deputy DG, explaining the steps to be performed for launching a Pillar Assessment. This letter will also explain that the applicant must bear the costs of the Pillar Assessment.
- In the case of a **negative outcome** will send letter to the applicant to **decline** the proposal to launch the Pillar assessment.

6) The applicant launches the Pillar Assessment

The DEVCO lead service (see point 4(i) above) will be the main and first point of contact for the organisation subject to the Pillar assessment. DEVCO.R2 can provide technical advice and support if R2 is not the lead service. The main steps of the Pillar Assessment are:

- The organisation contracts an audit firm to perform the Pillar Assessment
- The organisation manages the pillar assessment process with the Auditor
- The DEVCO lead service is the primary and main contact for the organisation and provides advice and support

- The organisation consults the DEVCO lead service on the draft Pillar Assessment report
- The DEVCO lead service provides comments on the draft report
- The DEVCO lead service accepts and approves the pre-final report after consultation of DEVCO.R2, if R2 is not the lead service, and informs the organisation accordingly
- The organisation sends a copy of the final Pillar Assessment report to the DEVCO lead service and to DEVCO.R2
- DEVCO.R2 informs Management about the outcome of the Pillar Assessment
- DEVCO.R2 publishes the results of the Pillar Assessment report on DEVCO's Intranet audit pages¹ and more particularly in a table showing which organisations have been assessed and whether they were found to be compliant.

¹ Pillar Assessments reports are confidential. They are not published on DEVCO's Intranet and can be obtained from DEVCO R2 following a duly motivated written request. Note of Director DEVCO.R; Ares (2015)163514 of 15/01/2015.