



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR MIGRATION AND HOME AFFAIRS

Directorate F – Innovation & Audit
The Director

Brussels
HOME.F.1.001/MD

Mr Tarmo Olgo
Head of Internal Audit Department
Ministry of the Interior
Pikk 61
15065 Tallinn
Estonia

Subject: **Analysis of the Annual Control Reports submitted by the Audit Authority pursuant to article 14(8) of the Commission Delegated Regulation (EU) N° 1042/2014**
Financial Year: 2023
Member State: Estonia
Fund: ISF
National Programme CCI: 2014EE65ISNP001

Ref.: Annual Control Report transmitted via SFC2014 on 28 February 2024 – Ares(2024)1523598

Dear Sir,

On 28 February 2024, the Commission received the Annual Control Report for the national programme of Estonia for the ISF for the financial year 2023 (hereinafter “ACR FY2023”), as referred in article 14(8) of the Commission Delegated Regulation (EU) No 1042/2014 as amended by Regulation (EU) No 1291/2018.

Upon analysis of the ACR FY2023, as well as the additional information and clarifications provided by the Audit Authority via e-mail, the Commission services consider that the information submitted complies with the regulatory requirements.

In order to improve the quality of the Annual Control Report of next years, the audit authority is kindly requested to consider the following:

- The Audit Authority should include in the Annual Control Report a reconciliation between the total amount included in the draft accounts and the population retained for drawing the sample for the audit of expenditure per stratum, as well as an explanation of any differences.

- As a general rule, we recommend that the amounts reported by the Audit Authority in the Annual Control Report and used for the calculation of error rates be expressed in terms of the EC contribution amount.
- The Audit Authority describes how it performs sub-sampling for the technical assistance expenditure, but not for the stratum of payments clearing advances. The Audit Authority is recommended to describe the sub-sampling methodology for the audit of expenditure for each stratum.
- The Audit Authority considered the payments clearing advances as a separate stratum. This includes mostly projects with net negative payments within a given financial year, but occasionally also projects with a net positive payment. The projects with interim or final payments resulting in a net positive payment within the financial year should constitute a separate stratum and be taken into account as part of the amount of the population on which the Total Error Rate and Residual Error Rate in Table 10.2 of the Annual Control Report are calculated.
- The Audit Authority reported in Table 10.3 the results of the audit on advance payments and technical assistance of the current period instead of reporting the amount of advances of previous periods cleared by the payments performed in the current financial year. The Audit Authority should report the correct data in Table 10.3 of the Annual Control Report.

This assessment is without prejudice to any conclusions that the Commission could draw from any possible further on-the-spot audit work.

The responsible auditor, Mr Miguel Duarte (Email: josemiguel.duarte@ec.europa.eu, Tel: +32 2 29 98038), remains at your disposal for any clarifications you may require.

Yours faithfully,

Marta CYGAN