

Recovery and Resilience Fund (RRF):

Do project monitoring procedures

ensure the early detection

and the addressing of any delays in their implementation?

EXECUTIVE SUMMARY

This audit was included in the 2024 Annual Audit Programme, which was approved by the Hellenic Court of Audit's Plenum and presented to the Parliamentary Committee of Institutions and Transparency.

The audit focuses on the risk of delays in the implementation of projects, which may lead either to the 'accumulation' of projects under implementation at the end of the RRF implementation period, with the risk of inefficient use of the corresponding funds and occurrence of irregularities, or loss of the EU funding.

The audit carried out led to the following findings:

1. While examining the monitoring procedures of the RRF projects' implementation, the audit identified deficiencies in the institutional framework of the Management and Control System (MCS) which affect its effectiveness in preventing and timely detecting any delays. More specifically: (a) Apart from the milestones agreed with the EU, there is no provision for the compulsory preparation and entry of an individual detailed implementation schedule of the audited projects within the RRF Integrated Information System (RRF IIS) (including intermediate crucial progress dates). (b) there are not any established procedures to prevent risks of delays from occurring (definition and criteria of the concept of substantial delay, risk analysis and automated alerts within the RRF IIS).
2. Although the MCS includes procedures in place to monitor the maturity and implementation of projects, which may contribute to recording and addressing any delays, these have been poorly implemented by the bodies involved; as a result, even delays in achieving milestones have not been recorded in the RRF IIS.
3. In the majority of the projects audited, understaffing of the implementing bodies was found. To enhance the management and monitoring procedures of the RRF projects, the bodies involved had recourse to contracts with private contractors (technical consultants), whose supporting role has not prevented the incorrect implementation of project monitoring procedures within the RRF IIS. The Internal Audit Services of the bodies involved have not contributed in any way, neither in verifying whether the implementation procedures of the RRF projects have been properly carried out, nor in evaluating their effectiveness.

4. The deficiencies in the RRF IIS interconnectivity with other information systems and its weak safeguards (such as manual procedures, lack of communication protocols, of ability to produce combined reports, of mandatory fields in the relevant forms which should be completed and lack of automated notifications) affect the effectiveness of its operation, in terms of preventing and addressing the risk of delays. The progress of most audited projects is monitored extra-systemically, i.e., without the use of the RRF IIS.
5. Delays in the maturity process as well as in the initiation point of their implementation were identified in the audited projects, not complying with the initial project integration decisions. In order to address these delays, the bodies involved opted for amending the respective integration decisions, without, however, including the causes of the delays in question, or the specific corrective measures to address them.