

Annex 1: Articles 6 and 19 PRIMA Delegation Agreement

ARTICLE 6:

“The PRIMA Foundation shall implement the entrusted tasks as described in Annex 1 and in the Transfer of Funds Agreements and in compliance with the provisions of this Agreement and the Transfer of Funds Agreements and all legal obligations under applicable EU, international and national law (in particular, including the principles of sound financial management, transparency and non-discrimination and the PRIMA basic act).

It shall in particular:

- (i) **apply appropriate rules and procedures for grants**, procurements, prizes and appointment of experts, in accordance with **Articles 7, 8, 9 and 10;**

- (iii) **carry out controls on beneficiaries of grants**, contractors and prize winners (‘recipients’), **in accordance with Article 13;”**

ARTICLE 19 — REPORTING

19.1 Reports and documents to be submitted

19.1.1 **Annually**, by 15 February following the year of implementation of the entrusted tasks, **the PRIMA Foundation shall provide the Commission with:**

...

(d) **a summary of the final audit reports and of controls carried out including an analysis of the nature and the extent of errors and weaknesses identified in systems, as well as corrective action taken or planned, including** information on:

- PRIMA Foundation’s own (ex-post) audit strategy;

- the results of the audits performed, in terms of number of audits, audit coverage in terms of amount audited in comparison with the amounts paid out to beneficiaries, conclusions and costs eventually disallowed;
- the nature, amount and recurrence of the findings, and the costs categories affected and in particular whether any irregularity or fraud has been discovered;
- any consequences from errors/irregularities identified either by the PRIMA Foundation’s own ex-post audits, or by the independent auditors issuing audit Certificates on the Financial Statements claimed by project participants (if applicable);
- any fraud or irregularity that occurred in PRIMA projects, and the measures taken by the PRIMA Foundation to recover the funds unduly paid.