

**1st Workshop of the project “101101784 — 2022-IT-FRED2”
Fraud Repression through EDucation2**

**Procedures and IT tools for proper financial management and monitoring of the
implementation of NRPP interventions and reforms**

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ABSTRACT

On April 30, 2021, i.e., within the regulatory deadline , Italy submitted the National Recovery and Resilience Plan (NR§RP) for a total amount of 191.5 billion euros (including 68.9 billion in grants and 122.6 billion in loans), corresponding to the entire share made available by the European Union. The Plan, following the positive assessment of the European Commission, was approved by the Council on July 13, 2021.

The NRRP has 16 components (strategic directions) divided into 6 Missions. It is planned to carry out 63 reforms and 134 investments and achieve a total of 527 milestones and targets (of which 213 milestones and 314 targets), divided into groups for each of the 10 planned installments starting with that of Dec. 31, 2021.

Under Article 22 of Regulation (EU) 241/2021, the Member States are required to take appropriate specific measures to ensure that the use of funds complies with Union and national law, particularly regarding the prevention, detection and rectification of fraud, corruption, and conflicts of interest. It is also specified that Member States may rely on their normal national budget management systems.

To address in a targeted manner, the main risks of fraud, corruption and conflicts of interest that may arise in the implementation of the NRRP, while providing a proportionate and appropriate response to the specific situations related to the disbursement of funds, a plurality of coherent and associated measures and actions, undertaken as part of a unified and structured approach, have therefore been envisaged.

In view of the specificity of the financial instrument and in line with the recommendations of the European Commission, the NRRP provides for additional checks in addition to the ordinary and existing administrative control established by national regulations for the use of allocated financial resources and which remains fully confirmed.

The entire multilevel NRRP verification "system" organized through a central coordination and implementation responsibility of the central Administrations in charge of the NRRP Interventions is

inspired, in fact, by the control systems of the European Structural Funds and is geared toward preventing, detecting and combating serious irregularities such as fraud, cases of corruption and conflicts of interest as well as averting potential cases of double financing.

An example is the organization and activity of the Ministry of Environment and Energy Security in which it has been envisaged, according to the indications of the State General Accounting Office, the establishment of an Anti-Fraud Risk Assessment Group (GARF) that has the task of presiding over the aspects inherent in anti-fraud risk assessment also through the adoption and its updating of the risk assessment tool according to an operational mode already experimented in the structural funds starting with the 2014-2020 programming.

In addition to the self-assessment tool, the detection and countering of irregularities (fraud/conflict of interest/double funding) consists of the use of integrated and cooperative IT tools capable of combining heterogeneous data from different information systems, such as the data warehouse and datamart activated under the unitary system "ReGiS" and the Arachne and PIAF-IT Community Anti-Fraud Information System.

In fact, these support tools, given the wealth of information they contain, are a valuable source of data and information functional to the objectives described above, particularly in identifying potential cases of conflict of interest and double financing.

Specifically, with regard to fraud risk, for each level of control and audit, Arachne IT System and PIAF-IT ensure that:

- in risk analyses based on the sampling of expenditures/projects to be audited in order to target controls and audits to projects, contracts, contractors and beneficiaries that are potentially more exposed to the risk of fraud.
- For monitoring the fraud risk of projects/implementing organizations.
- to support preliminary and verification activities to carry out any preliminary analysis and/or specific investigations.