

To the European Commission, Directorate-General for Regional and Urban Policy

1. INTRODUCTION

I, the undersigned Patricija Pergar, representing Ministry of finance, Budget Supervision Office of the Republic of Slovenia, independent in the sense of Article 123(4) of Regulation (EU) No 1303/2013, have audited the accounts for the accounting year started on 1 July 2022 and ended 30 June 2023 (hereafter: 'the accounts'), the legality and regularity of the expenditure for which reimbursement has been requested from the Commission in reference to the accounting year (and included in the accounts), the functioning of the management and control systems, and verified the management declaration for the purpose of Article 63(7) of Regulation (EU, Euratom) No 2018/1046.

in relation to the **Cooperation Programme Interreg V-A Slovenia-Croatia 2014 – 2020 (CCI number: 2014TC16RFCB029)** (hereafter: 'the CP')

in order, to issue an audit opinion in accordance with Article 127(5) of Regulation (EU) No 1303/2013.

2. RESPONSIBILITIES OF MANAGING AUTHORITY AND CERTIFYING AUTHORITY

The Ministry of Cohesion and Regional Development, Interreg and Financial Mechanisms Office, Cross-border Programmes Management Division, designated as the Managing Authority of the CP and the Public Fund of the Republic of Slovenia for Regional Development and Development of Rural Areas, designated as the Certifying Authority of the CP, are responsible to ensure a proper functioning of the management and control system in regard to the functions established by the Articles 125 and 126 of Regulation (EU) No 1303/2013 and Article 23 of Regulation (EU) No 1299/2013.

In particular, it is responsibility of the Certifying Authority of the CP, to draw up the accounts (in accordance with Article 137 of Regulation (EU) No 1303/2013), and certify their completeness, accuracy and veracity, as required in Article 126 (b) and (c) of Regulation (EU) 1303/2013.

Moreover, in accordance with Article 126 (c) of Regulation (EU) No 1303/2013, it is the responsibility of the Certifying Authority to certify that the expenditure entered in the accounts complies with the applicable law and has been incurred in respect of the operations selected for funding in accordance with criteria applicable to the CP and complying with the applicable law.

3. RESPONSIBILITIES OF AUDIT AUTHORITY

As established by Article 127(5)(a) of Regulation (EU) No 1303/2013, my responsibility is to independently express an opinion on whether the accounts give a true and fair view, whether the expenditure for which reimbursement has been requested from the Commission and which are declared in the accounts is legal and regular, and whether the management and control system put in place functions properly. My responsibility is also to include in the opinion a statement as to whether the audit work puts in doubt the assertions made in the management declaration.

The audits in respect of the CP were carried out in accordance with the audit strategy and took account of internationally accepted audit standards. These standards require that the Audit Authority complies with ethical requirements, plans and performs the audit work in order to obtain reasonable assurance for the purpose of the audit opinion.

An audit involves performing procedures to obtain sufficient appropriate evidence to support the opinion set out below. The procedures performed depend on the auditor's professional judgement, including assessing the risk of material non-compliance, whether due to fraud or error. The audit procedures performed are those I believe are appropriate in the circumstances.

I believe that the audit evidence gathered is sufficient and appropriate to provide the basis for my opinion. The main findings drawn from the audits in respect of the CP are reported in the attached annual control report pursuant to Article 127(5)(b) of Regulation (EU) No 1303/2013.

4. SCOPE LIMITATION

The audit scope was not limited.

5. OPINION (QUALIFIED OPINION)

In my opinion, and based on the audit work performed:

- the accounts give a true and fair view, as established by Article 29(5) of Regulation (EU) No 480/2014,

- the expenditure in the accounts for which reimbursement has been requested from the Commission is legal and regular,

- the management and control systems put in place function properly,

except in the following aspects:

in relation to material matters related to the functioning of the management and control system:

Regarding to the highest irregularity identified in the audit sample, and consequently the TER is above 2%, in my opinion this indicates that the management and control system of the programme is in practice not sufficiently effective in preventing, detecting, and correcting irregularities.

Therefore, I estimate that the impact of the qualification is significant.

The impact corresponds to 197.566,78 € or 10,1% of the total expenditure declared.

The audit work carried out does not put in doubt the assertions made in the management declaration.

Ljubljana, 13th of February 2024



A handwritten signature in blue ink, appearing to read "Patricija Pergar", is written over the right side of the official stamp.

Patricija Pergar
Director

