



GERMANY

Version as of 13.01.2023

National control system: **Decentralised**

Selection of the controller:

The lead partners (LP) or project partners (PP) are free to appoint an independent and qualified **internal** or **external** controller. The selection of external controllers must follow the public procurement rules applicable in the Programme and in Germany.

The controllers can be:

1. Qualified controllers from the public sector

These are according to national standards and legal regulations all public bodies authorised to carry out independent financial audits and controls, e. g.

- Rechnungsprüfungsämter (offices for auditing and accounting control);
- so-called Unabhängige Stellen für die Strukturfonds (Independent Bodies for Structural Funds);
- Unabhängige interne Prüfstellen (independent internal departments for audit and controls).

The national standards referred to above stem from the largely uniform nationwide regulations governing budgets and tied grants, which in turn are a result of the uniform character, based on the so-called Budgetary Principles Act, of the Federal and State budget codes (cf. Federal Budget Code/State Budget Codes, § 23, 44, 91).

Under § 35, 36, 37, 48, 49 and 49a of the federal Administrative Procedures Act (VwVfG), the tied-grants system (Zuwendungsrechtsverhältnis), too, is uniform in implementation.

2. Qualified controllers from the private sector

Qualified controllers in the private sector must belong to a professional group officially approved for dealing with audit and controls. A person is a member of such a professional group if he/she meets the requirements set up by the specific professional association (e.g. Federal Chamber of tax consultants).

With regard to Germany and the German part of the programme, tax practitioners as defined in section 3 of the Tax Consultancy Services Act (Steuerberatungsgesetz) are obliged to assess compliance with



regard to expenditure reported by private beneficiaries in line with REGULATION (EU) No 1299/2013, Art. 23(4-5) and REGULATION (EU) No 1303/2013, Art. 125 (4) and the Programme.

Tax practitioners include:

- Steuerberater and Steuerberatungsgesellschaften (tax consultants or consultancy firms);
- Steuerbevollmächtigte (tax agents);
- Rechtsanwälte and Rechtsanwaltsgesellschaften (solicitors or law firms);
- niedergelassene europäische Rechtsanwälte (practising European lawyers);
- Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (chartered certified / certified accountants or accountancy firms);
- vereidigte Buchprüfer and Buchprüfungsgesellschaften (sworn accountants or accountancy firms);
- Tax professionals or firms practising in Switzerland or a Member State other than Germany under the law of that country, as long as their services constitute a service under Article 50 of the EC Treaty. The provisions of section 3(4) of the Tax Consultancy Services Act apply.

Qualification of the controller:

The controller validating the expenditure of the LP / PP must fulfil the requirements set in the Programme Manual. In addition, he/she has to

- have knowledge of the English language;
- have knowledge of relevant EU regulations, programme and national rules;
- working experience (e.g. validating expenditure of projects co-financed by Structural funds).

Designation of the controller:

Before the first expenditure can be reported, the LP/PP will be required to propose a controller and submit the specification of the controller to the designation body. The designation body confirms each particular controller of the LP/PP in the given project.

In addition, the specification of the controller has to be an inherent part of the controller's contract with the lead partner/project partner.

The responsible designation body will then confirm/not confirm that the information provided by the LP/PP and his selected controller gives reasonable assurance about the controller's specific qualification and independence.

The main contact point of the designation body will keep a list of designated controllers.

**Main contact point of the designation body:**

Ministry of Agriculture, Rural Areas, European Affairs and Consumer Protection Schleswig Holstein
Unit Baltic Sea Affairs
Fleethörn 29-31
DE - 24103 Kiel

Ms Susanne Grahl
Adviser
Tel.: + +49 431 988 2131
Email: susanne.grahl@mlev.landsh.de

Designation bodies in each federal state:

See “Annex 3 Designation bodies in Germany“

Costs of the control:

The costs of an external or an internal controller can be reported as part of the project expenditure and co-financed by Interreg Baltic Sea Region Programme.

On-the-spot checks:

The controllers are highly recommended to carry out verification on-the-spot of the given project partner at least once during the project’s lifetime.

Attachment(s):

- Annex 1 Steuerberaterkammern
- Annex 2 Geschäftsstellen der Wirtschaftsprüferkammern
- Annex 3 Designation bodies in Germany
- Annex 4 Specification of the controller (for the designation of the controller)