
ORGANISATION AND TASKS OF THE CONTROL SYSTEM IN POLAND IN THE PROCESS OF ENSURING THE SECURITY OF EUROPEAN UNION FUNDS IN THE FINANCIAL PERSPECTIVE 2021-2027

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Abstract

The control system for EU budget funds is based on a division of responsibilities between the European Commission and the administrations of the Member States. States and regions have a decisive influence on the absorption rate of these funds and are responsible for their proper management. The European Commission supervises the use of these funds in accordance with the objectives of the programmes and the financial rules of the European Union (EU). The purpose of the controls is to verify the compliance of beneficiaries with the terms of the project co-financing agreement, as well as the correctness of the separate accounting and reporting for these funds. Control of projects co-financed from European funds concerns activities undertaken by various entities and in all phases of project implementation. The audit procedure covers the area of management of funds, the scope of authority of entities managing these funds, verifies the correctness of spending the funds. The scope of control also includes the assessment of solutions adopted within the framework of individual operational programmes in relation to the applicable EU and national legislation.

Controls over the spending of EU funds are carried out by three institutions: the institution managing a given operational programme, the certifying institution and the audit institution. The task of the institutions managing particular operational programmes is to carry out document control, among others, of the reports on the progress of project implementation and final reports. The second level of control are the certifying authorities, whose task is to certify to the European Commission that the applications for reimbursement of expenditure are correct, properly accounted for in accordance with the principles of EU law. The certifying authorities forward the claims for reimbursement to the European Commission, having first ensured that the expenditure has been subject to appropriate checks. The effectiveness of the management and control system is checked by the National Audit Authority, which provides the European Commission with an audit report and opinion. Member States are primarily responsible for detecting irregularities in the spending of EU funds. If the amount involved exceeds €10,000, they are obliged to inform the EU fraud office OLAF. The organisation and functioning of the control system for EU funds continues to be the subject of research, with the aim of providing the necessary knowledge for representatives of the managing and coordinating institutions for the implementation of the various operational programmes. The results of these studies may also be relevant for beneficiaries of EU funds who are directly involved in the process of their application and settlement. A systematic analysis of the procedures and scope of control by institutions and state control bodies involved in the process of managing EU funds has a significant impact on reducing the occurrence of irregularities and fraud.

Key words: funds from the European Union budget, control system, security of funds, irregularities.

Introduction

The control system for EU funds in the 2021-2027 perspective takes place at national and regional level. Control at the national level is linked to the scope of management of the Common Strategic Framework (CSF), the Partnership Agreement and the implementation of cohesion policy programmes. The control function is exercised by the minister responsible for regional development, who is also responsible for the correct implementation of the Partnership Agreement and national and regional operational programmes. With regard to operational programmes, the Minister for Regional Development is responsible for the control of the draft operational programmes with regard to their compatibility with the Common Strategic Framework, determining, together with the Managing Authorities, the content of the individual programmes with the European Commission. The European Commission supervises the application of the guidelines and monitors the effects of the implementation of the operational programmes in the regions. Coordination at the regional level as regards the coherence of the development strategy with the EU regional policy is carried out by the voivodship board, using the Regional Operational Programme Monitoring Committee (ROP MC) for this purpose. The tasks of the Minister for Regional Development also include: monitoring the preparation, approval of national and regional programmes, conclusion of the Partnership Agreement and settlement of funds obtained from the EU budget for projects co-financed with EU funds under national and regional operational programmes. In the process of implementation of national and regional operational programmes, the function of an intermediate body may be performed by any entity or a public or private institution; however, the responsibility for the activities of such an institution is borne by the managing authority. Intermediate bodies, in practice, are most often selected to manage, or to act as intermediaries for, selected priority axes of a given operational programme. In accordance with the provisions of Regulation 2021/1060, in Poland in the financial perspective 2021-2027 three independently operating control systems for EU funds can be distinguished (Fig. 1), i.e.:

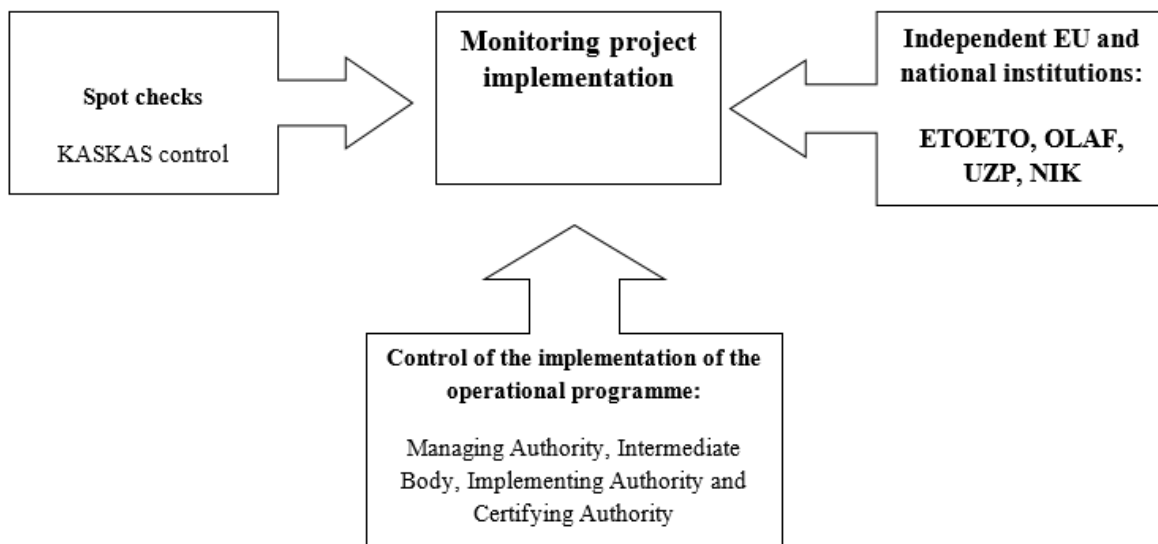


Figure 1: Diagram of an audit of the implementation of a project co-financed by EU funds for cohesion policy

Source: own elaboration

- controls which are the responsibility of the managing authority;

- spot checks – check activities carried out by a control body which does not participate in the implementation system of operational programmes and is functionally independent of the managing, intermediate or implementing authority. The body performing the above-mentioned controls in Poland is the Head of the National Fiscal Administration (KAS), who performs the controls with the help of the Fiscal Administration Chambers. The Head of KAS performs the function of the Audit Authority;

- controls performed by authorised EU institutions and national institutions that do not participate directly in the implementation of the Structural Funds (European Commission, European Anti-Fraud Office and European Court of Auditors). On the other hand, the national entities entitled to control EU funds in this respect are: The President of the Public Procurement Office with regard to the application of the provisions of the Public Procurement Law and the Supreme Chamber of Control (NIK), inter alia, with regard to the management of EU funds constituting public funds, the Regional Chamber of Audit (RIO) with regard to the management of EU funds by local governments.

In terms of the basis for carrying out the process of control of projects co-financed from EU funds, they should be divided into:

- planned checks – carried out in accordance with the annual control plan or quarterly control plan, during or at the end of project implementation. Information on the planned control is provided to the controlled entity at least 14 calendar days before the planned date of control;

- ad hoc controls – conducted in accordance with the annual control plan, outside the quarterly control plan. An ad hoc control may be carried out without prior notice to the controlled entity. Control is carried out in particular as a result of the occurrence or substantiated suspicion of irregularities in project implementation and at the request of an authorised institution. Such control may also be carried out when it is justified by the effectiveness of its implementation;

- checking – carried out in order to check the fulfilment of post-checking recommendations, may be carried out on the spot or on documents, on originals or copies certified for conformity with the originals of documents concerning project implementation.

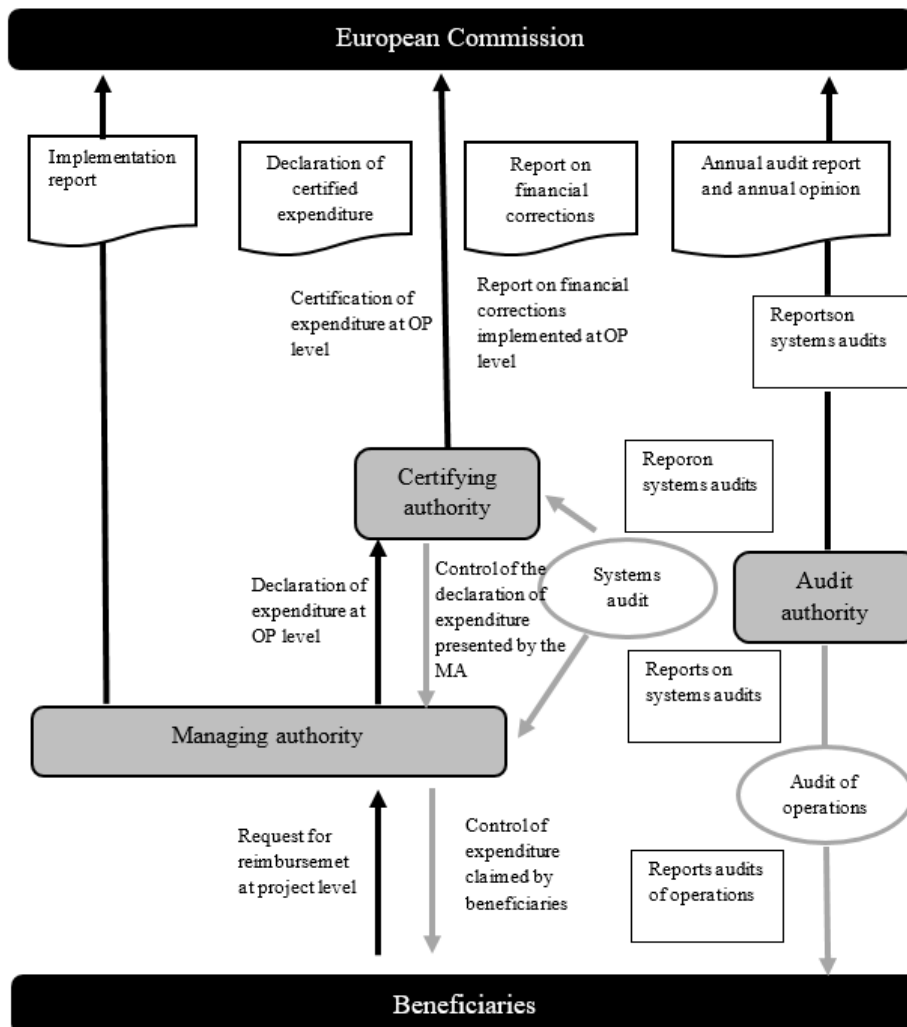
In presenting the above conditions, an important research problem is the assessment of the functioning of the system of control of EU funds at particular stages of management of these funds for cohesion policy in Poland. The research was carried out with the use of national and EU legal acts regulating the issue of control and supervision over the management of EU funds. The scope of tasks of institutions participating in the process of management and control of EU funds was indicated on the basis of the applicable legal regulations. The analysis of the documentation was supplemented by the results of surveys conducted in a group of institutions participating in the control of EU funds. The premise of the research issue undertaken was to present the system of control of EU funds functioning in Poland, as well as to discuss the control activities of institutions involved in the process of management of EU funds, i.e. state control bodies contributing to counteracting the occurrence of fraud.

Result and Discussion

Organisation of the control system for funds from the European Union budget

The system of control of funds from the EU budget is a set of legal, administrative and institutional solutions adopted by individual Member States for the implementation of operational programmes and, within their framework, for the implementation of projects co-financed from the Structural Funds and the Cohesion Fund. In the process of managing EU funds, two types of controls can be distinguished, i.e. controls performed by institutions participating in the process of implementation of operational programmes (managing, implementing, certifying and audit). A separate group of controls is carried out by institutions of the state on the basis of control tasks defined in laws. The scope of these controls is referred to as external audit. This category of control includes fiscal control

performed by the National Fiscal Administration bodies, as well as control performed by other authorised external control bodies: NIK, RIO. From the point of view of a beneficiary implementing a project co-financed from EU funds, the most important control is the control of expenditures carried out by the management and control system organised under a given operational programme, i.e. the Managing Authority and on its request: The Implementing Authority and Intermediate Bodies (Fig.2).



Source: compiled on the basis of Regulation 2021/1060

Figure 2: System of supervision and control of procedures for the management of EU funds in the 2021-2027 perspective

System audit means an assessment of the effectiveness of the management and control system in place for an operational programme. On the other hand, the verification of expenditure aims to check the correct implementation of the project, which takes the form of verification and certification of expenditure. The systemic audit carried out by the managing authority, as a rule, concerns the verification of tasks carried out by the intermediate body (IB) or the second level intermediate body (IB2) – implementing body (IA). The systemic audit carried out by IB concerns the verification of tasks implemented by IB2 (IA). System control includes documentary and on-the-spot checks. The Implementation Act provides for two forms of control of expenditures aimed at obtaining assurance that they are incurred in compliance with the law and EU and national rules. These are obligatory controls, which apply to all projects, and optional controls, which may be carried out on a sample of projects. Within individual operational programmes, the Managing

Authority is responsible for the implementation of all controls. From the beneficiary's point of view, the most important control is the control of project implementation carried out as part of the operational programme implementation defined as the verification of expenditures (Figure 3). Depending on the solutions adopted in the management and control system of the operational programme, verification activities may be carried out by: Managing Authority, Intermediate Bodies, Implementing Authorities or external bodies (e.g. audit firms). The control of the project implementation within the implementation of the operational programme, consists in the verification of expenditures of the beneficiary co-financed from the EU funds and from the national funds. Control activities include the verification of documents presented by beneficiaries and consist in checking on the project site whether the expenditure was actually incurred for the declared operations and whether it complied with the application and the project funding agreement and was in line with EU and national rules.

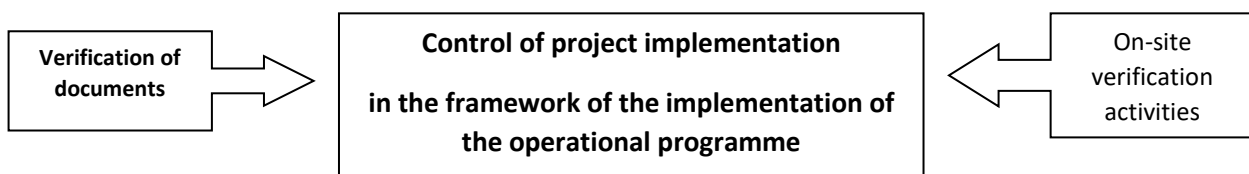


Figure 3: Control scheme for a project co-financed by EU funds under
an operational programme

Source: own elaboration

Within the compulsory controls of EU funds in the 2021-2027 perspective we distinguish:

a) Controls of each payment application submitted by the beneficiary, which may be carried out on a sample of documents in accordance with the methodology adopted by the Managing Authority. The Managing Authority shall determine the list of documents to be attached obligatorily to payment claims and the rules for their verification. Checks on payment claims are the basic type of checks provided for in Regulation 2021/1060, under which they are called administrative verifications of each application for reimbursement submitted by beneficiaries.

This means that it will only be possible to account for EU funds used for a project on the basis of the expenditure shown by the beneficiary in the payment claim. The provisions of Regulation 2021/1060 introduce an obligation to exchange information between institutions in the management and control system and beneficiaries by means of electronic data exchange. The Implementation Act obliges beneficiaries to submit payment applications via the ICT system. Submitting applications for payment via the ICT system should certainly facilitate and accelerate the process of settling expenditure and shorten the period of waiting by the beneficiary to receive reimbursement. This is particularly important in relation to the obligation under Regulation 2021/1060, which obliges the payment of funds to the beneficiary no later than 90 days from the date of submission of the payment application.

Detection of irregularities in an approved payment application will result in the imposition of a correction to the amount of expenditure related to the irregularity (reduction of the co-financing for the project by this amount) and the initiation of a procedure for the recovery of the irregular amount under the provisions of the Public Finance Act.

b) Checks at the end of the project to verify the completeness of the documents supporting the correct audit trail for the project in question. This is a specific type of control carried out during the verification of the last payment claim. During this control, the Managing Authority makes sure that it has full documentation confirming the project implementation. A positive result of the

control should be a condition for the final settlement of the project and transfer of the final payment to the beneficiary. These checks should also confirm the physical implementation of the project and the achievement of indicators and results planned in the co-financing agreement.

Optional controls in the period 2021–2027, which may be carried out on a sample of projects include:

a) Control of the project at the place of its implementation includes checking activities performed at the place of physical implementation of the project and possibly at the premises of the beneficiary. These activities consist in comparing the documents or statements presented by the beneficiary with the actual state of affairs. This type of control consists mainly in assessing whether the project implementation was compliant with the provisions of the project co-financing agreement and whether the beneficiary met all the requirements specified in the project co-financing application. Control activities also aim at checking if the beneficiary applies the procedures and guidelines in force and complies with the provisions of the project co-financing agreement. On-the-spot checks also verify the achievement of indicators assumed in the project, as well as the rules of informing about the implemented project and the EU funding. These controls may cover a selected sample of documents and constitute an important supplement to the basic type of project control, i.e. control of a beneficiary's application for payment, they allow for verification of the actual project implementation and confirmation of the reliability of data presented in applications for payment.

b) Cross-checks to ensure that expenditure incurred in projects is not double-funded under the programme or different operational programmes or under several different EU support funds or instruments. Checks to prevent and detect double-financing of expenditure may be carried out on a sample of documents using the data recorded in the information and communication system in which information about the expenditure incurred is recorded. Such checks will be possible during the verification of the beneficiary's application for payment. This control will be performed in the situation when a beneficiary implements more than one project or when projects were implemented in successive financial perspectives. Checks will be made to ensure that the same expenditure has not been financed under several projects. The beneficiary does not participate in the cross-checking; this control is carried out on the basis of data gathered in the IT system. The beneficiary is informed about the performance of this control if there is a suspicion of double-financing and is requested to submit the indicated documents for verification,

c) Checks on the sustainability of the project, aimed at verifying whether, after the final payment has been made to the beneficiary, one of the circumstances giving rise to the need to recover funds has occurred, namely:

- cessation of productive activity or its relocation outside the programme area,
- a change in the ownership of an item of infrastructure which gives to a firm or a public body an undue advantage,
- a substantial change affecting the nature of the operation, its objectives or the conditions for implementation which would result in a breach of the original objectives.

These checks are carried out after the project has been completed and should, in addition to the above-mentioned scope, also cover the following issues:

- whether the purpose of the project has been maintained,
- whether the beneficiary has stored the project documentation properly,
- whether the project has not generated income not taken into account before,
- whether there has been no change in the circumstances resulting in the beneficiary's ability to recover VAT, which constituted eligible expenditure in the project implementation period.

The aim of the control is to verify whether the beneficiary complied with the applicable rules and principles resulting from the operational programme, as well as the applicable Community and

national legal acts. Particular attention should be paid to the verification of the beneficiary's application of national law regulations, which are directly related to the EU regulations on the use of resources from the Structural Funds, i.e. regulations on public procurement, public aid and public finances.

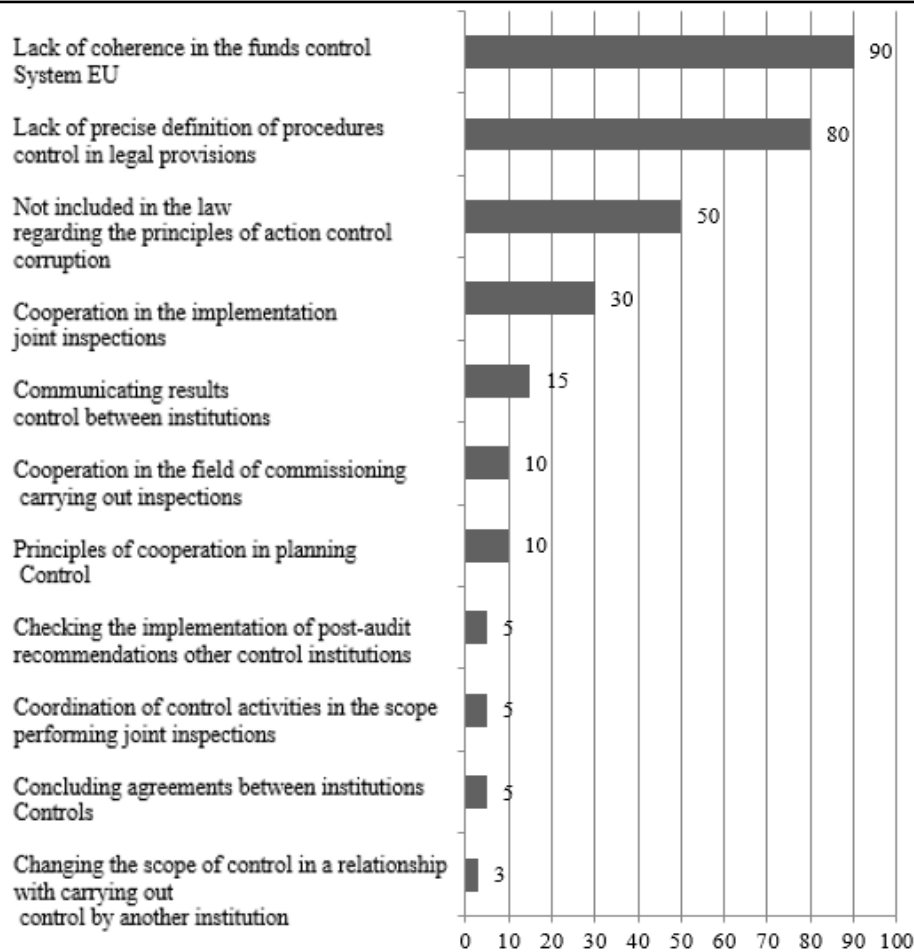
Assessment of the functioning of the external control system for the EU budget

With regard to the organisation of the system of external control of EU funds carried out by the country's institutions (KAS, NIK, RIO, President of the Public Procurement Office), the occurring problem was the lack of cooperation between control institutions in the planning of controls, i.e. the overlapping of controls (this is more burdensome for controlled persons than for control institutions). There were cases of several institutions controlling the same project co-financed from EU funds or a tender procedure in the same period. The results of the research (Figure 4) confirmed the imperfect coordination of the activities of control institutions. This phenomenon, apart from its negative impact on the effectiveness of the activities of control institutions, had a negative effect on the beneficiaries' attitudes towards control institutions. According to the respondents, controls take a lot of time and the controlled person performs the same activities for several days, e.g. photocopies the same documents for several control institutions. Respondents stressed that this phenomenon does not occur and *masse* and that the problem cannot be avoided. The issue of duplication of substantive audits was also highlighted, e.g. audits carried out in the same scope by different audit institutions (the problem was investigated by institution X, a few weeks later by institution Y, and still later by institution Z). The selection of projects for audit depended to a large extent on their value. Large projects in terms of the value criterion were audited more often than smaller ones and were audited in a more inquisitive manner. Respondents pointed to the visible phenomenon of improving qualifications and knowledge among beneficiaries implementing EU projects having an impact on making fewer and fewer mistakes. Statistical data confirmed that the number of serious errors committed by beneficiaries has been decreasing over the last years.

Representatives of control institutions confirmed that there is a lack of organisational, informational cohesion between control institutions dealing with control of the use of EU funds in Poland. The respondents raised the lack of precise definition of control procedures in the legal regulations governing the scope of control tasks for these institutions. With the exception of the Supreme Audit Office (NIK), in the remaining control institutions the procedures concerning the principles of control of corrupt activities have not been defined. To a small extent, the surveyed control institutions cooperated in the process of planning control activities, carrying out joint controls or commissioning them, and communicating control results (Figure 4).

From the point of view of the institutions involved in the management and control system of the Structural Funds, the most important is whether the irregularity was detected before or after the disbursement of funds to the beneficiary. Obviously, this criterion cannot be applied to projects in the case of which the system of payment of EU subsidies consists in settling advances previously made to the beneficiary. More than 80% of identified irregularities were detected before their payment. In order to minimise the risk of irregular spending of the Structural Funds and the Cohesion Fund, it may be helpful to analyse the types of irregularities that reflect the most frequently breached provisions of the law. The most frequently occurring irregularity (Fig.5) was a violation of the provisions of the Public Procurement Law, in particular:

- rules of competition and dissemination of information about the contract;
- activities related to the preparation of documentation (e.g. lack of project documentation at the time of publishing the public procurement notice, failure to provide bidders with the Specification of Essential Terms of the Procurement by the deadline specified in the Act);
- selection of the most advantageous offer.



Source: own elaboration based on survey results

Figure 4: Assessment of cooperation and coordination of control activities by individual bodies controlling EU funds in Poland (survey results)

The occurrence of fraud was falsification of documents – such activity takes place with regard to applications for project co-financing, where beneficiaries present false data or attach forged supporting documents (various types of statements, certificates). Such actions are treated as suspicions of fraud against the EU budget. Ineligible expenditure – the most frequently detected cases are those in which beneficiaries finance activities which are not related to the implementation of the project and were not specified in the co-financing agreement. If such irregularities are detected, beneficiaries cannot count on the reimbursement of expenditures from EU funds. On the other hand, in the situation where all payments to the beneficiary are finally made, actions are taken to enforce the improperly financed activities.

Another irregularity was the incomplete implementation of certain activities within the project, e.g. purchase of products or execution of works. Such a situation may occur if the product indicators specified in the application for project co-financing and in the project implementation reports are not in line with the works actually performed or services provided. Such cases are treated as confirmation by the beneficiary of false information and, consequently, are regarded as actions aimed at extorting the subsidy, i.e. committing a crime.

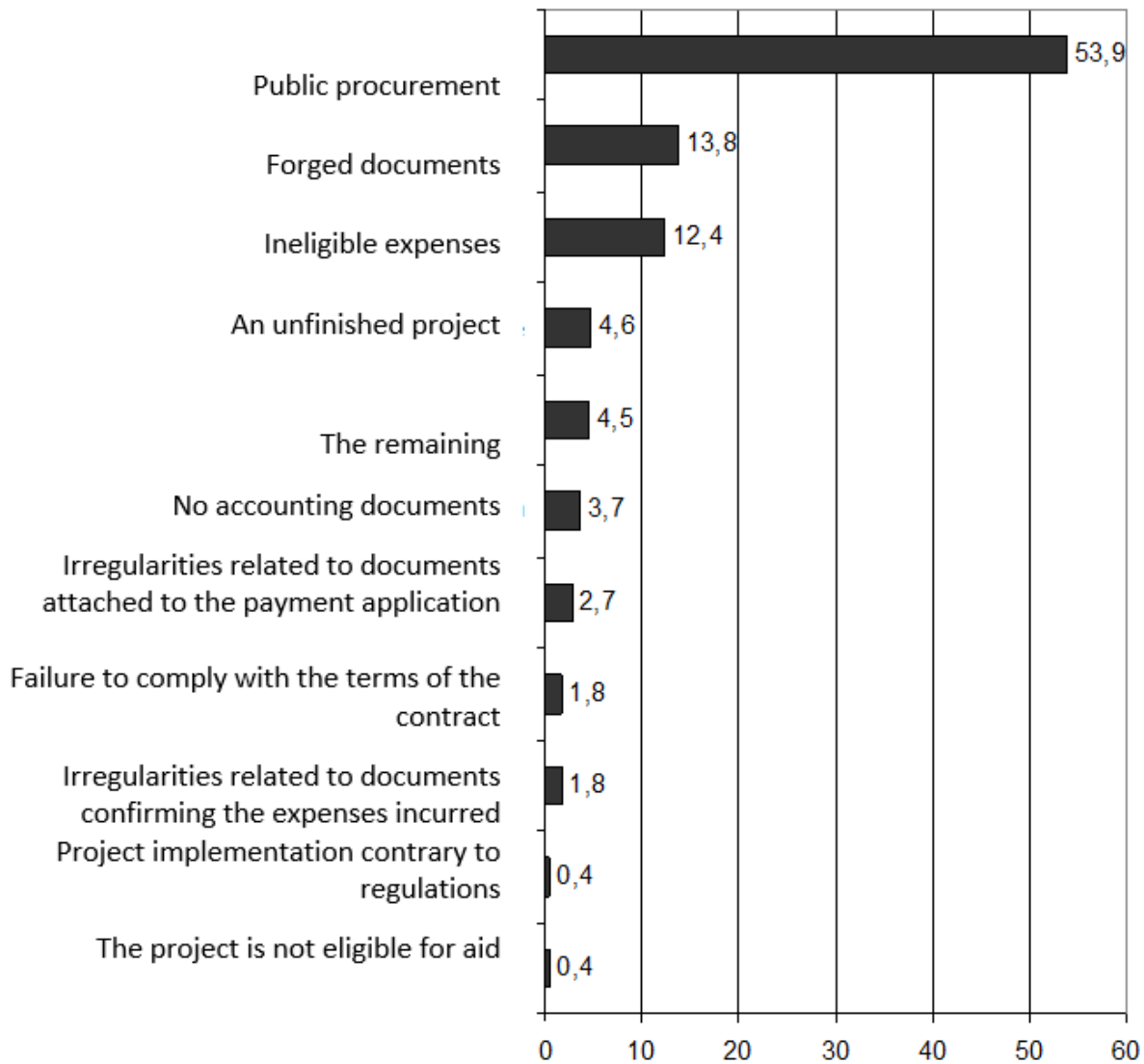


Figure 5: Types of irregularities notified to the European Commission concerning EU funds (%)

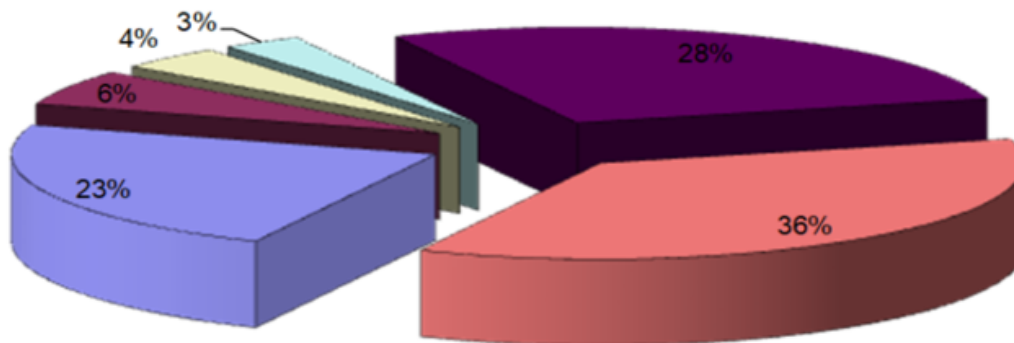
Source: Data from the Ministry of Finance, Department for the Certification and Certification of EU Funds (Reports and Studies 2022).

In the process of implementing projects co-financed from EU funds, the following causes of irregularities can be identified:

- ignorance of the legal provisions, in particular the public procurement law and documents on the implementation of the operational programme;
- failure to observe the rules specified in the project co-financing agreement;
- variability of legal regulations;
- unreliability or inaccuracy of documents submitted by the beneficiary, last-minute preparation of reports on project implementation and applications for payment (lack of documentation, accounting errors).

Data collected by the Ministry of Finance acting as the Paying Authority for EU funds (Fig.6) confirm that the most effective ways of detecting irregularities in the management of EU funds are: on-the-spot control and preliminary checking activities, i.e. verification of applications for project co-financing and applications for payment. Empirical material confirms that more than 80% of cases of improper spending of EU funds are detected by institutions participating in the implementation

of operational programmes, i.e. Managing Authorities, Intermediate Bodies and Implementing Authorities. The state control system is not very effective in this respect, the state control bodies (fiscal control, NIK, RIO, President of the Public Procurement Office) detect only 4% of irregularities.



Legend:

	document control		other
	tax and fiscal control		ex-post control
	preliminary checking activities		on-site inspection

Source: Data from the Ministry of Finance, Department for the Certification and Certification of EU Funds (Reports and Studies 2022).

Figure 6: Methods of detecting irregularities in the use of EU budget funds (in %)

The detection of irregularities by the controlling authorities results in the application of sanctions specified in the legal provisions and the project co-financing agreement (e.g. repayment of funds received to date, exclusion from receiving funding). In addition, the Member State is obliged to inform the European Commission (European Anti-Fraud Office – OLAF) of the occurrence of irregularities in the implementation of the project and the entities whose actions have led to the improper expenditure of EU funds.

Due to the fact that this type of irregularity constitutes a criminal offence, reference is also made to Polish criminal law provisions. Although the Penal Code does not directly indicate what actions constitute an offence to the detriment of the EU budget, previous experience of law enforcement bodies, i.e. the police and the prosecutor's office, indicates that the most frequent violations of the provisions of the Penal Code relate to:

- submitting a forged, counterfeited, false or untrue document or an unreliable written statement on circumstances of significant importance with a view to obtaining a subsidy (also a subsidy or loan) from a bank or an organisational unit running a similar type of business on the basis of the act or from an authority or institution disposing of public funds (Article 297 § 1) – this offence is punishable by imprisonment from 3 months to 5 years;
- counterfeiting or forging a document or using such a document as authentic – this offence is punishable by a fine and restriction of liberty or deprivation of liberty for a term of between 3 months and 5 years;
- leading another person to disadvantageous disposal of one's own or another person's property by deceiving that person or taking advantage of his/her mistake or incapacity to grasp an

intended action in order to achieve material gain – the offence is punishable by imprisonment for a term of between 6 months and 8 years.

In practice, the most common fraud is the violation of the provisions of the Public Procurement Law and the falsification of documents or making false statements. Fraud may originate not only from the beneficiaries, but also from the persons responsible for making decisions in the institutions involved in the implementation of the operational programme. The following actions may also be considered as fraud: taking a decision on co-financing a project that does not meet formal and legal requirements, inaccurate verification of the project co-financing application or application for payment, making payments despite the fact that the beneficiary has not implemented the next stage of the project. Information on all suspicions of fraud should be passed on to the police and the public prosecutor's office and then become the subject of proceedings conducted by relevant law enforcement authorities.

Where irregularities, including in particular fraud, are detected, beneficiaries must expect sanctions to be imposed. Obviously, the severity and type of penalty depend on the seriousness of the irregularity and its consequences for the further implementation of the project. Experience in detecting irregularities in the use of Community funds indicates the following types of sanctions applied to beneficiaries spending EU funds incorrectly, i.e:

- imprisonment – is applied in the case where a beneficiary is proven to have violated the provisions of the Criminal Code. Depending on the qualification of the act, the beneficiary may be sentenced to suspended imprisonment (e.g. Article 270, Article 280 and Article 297 of the Penal Code);
- return of all subsidy funds – this sanction is applied in the case of failure to implement the project in accordance with the provisions of the project co-financing agreement and depends on the type of irregularities found, e.g. if control institutions find out that the beneficiary submitted false documents, which were the basis for granting the co-financing, then he/she will definitely have to return the whole amount of the co-financing received so far together with interest. Full repayment is most often ordered if the beneficiary is convicted of a criminal offence (fraud) detrimental to the European Communities' financial interests;
- exclusion from the possibility of receiving future co-financing – such a situation occurs in the case of using resources by a beneficiary contrary to their purpose and thus failing to implement the full material scope of a project. According to the Public Finance Act, the beneficiary will not be able to receive co-financing from the EU funds for the period of 3 years;
- reimbursement of a part of the reimbursed funds in connection with recognising certain expenses as irregular – this sanction is applied both to projects already completed and those under implementation. If irregularities are detected in activities already reimbursed from EU funds, the beneficiary is obliged to return them. In the case of refusal on the part of the beneficiary, the institution disbursing the funds is obliged to apply another type of sanction, i.e. to deduct the funds from the next tranche of the reimbursement (project under implementation) or to initiate recovery proceedings (project completed);
- refusal of reimbursement of expenditure found to be irregular – such an action occurs when an irregularity is detected in relation to expenditure of a beneficiary which has not been reimbursed to him/her so far;
- Correction of funds considered as irregular from the next tranche of the reimbursement – refers to the case when the project is in progress and the beneficiary has not settled it. Then, it can be expected that the incorrectly used funds identified by the controlling institution will be deducted by the beneficiary from the next tranche of reimbursement;
- repairing the damage – this sanction consists in the necessity to carry out again the activities, which were considered incorrect and have no significant financial consequences for the

project implementation. We may encounter such a situation if a mistake was made when submitting an application for payment or during tender procedures.

The sanctions presented most often do not occur individually, but are applied simultaneously, e.g. reimbursement of the entire subsidy and exclusion from the possibility of receiving EU funds in the future.

The consequences of detecting irregularities affect not only the beneficiary, but also the Member State. The European Commission may require the Member State to repay EU funds that have been incorrectly used under specific operational programmes or Community initiatives. The European Commission's decision to repay may be due to the high number of irregularities detected or the Member State's failure to take sufficient action to recover the misspent amounts from the beneficiary [18].

Conclusions

The efficiency of the control system contributes decisively to improving the effectiveness of the use of EU funds and, above all, reduces the risk of their misuse. The ability to absorb EU funds depends on building and launching an effective system of programming, management, monitoring, evaluation, as well as control (both nationally and regionally). Undoubtedly, the solutions proposed in Poland for the control of EU funds create, on the one hand, a system in line with the European Union solutions and, at the same time, adapted to the specific nature of Polish administrative, legal and institutional solutions. The effectiveness of this system is evidenced by the high absorption rate of EU funds under the individual operational programmes, amounting in the 2014-2020 financial perspective to over 90% of the contracted planned allocation. This system in the current financial perspective 2021-2027 has been improved and adapted to EU law mainly defined by Regulation 2021/1060.

The control system is based on a division of responsibilities between the European Commission and member state administrations. States and regions have a decisive influence on how EU funds are used and are responsible for the proper management of these funds. The European Commission ensures that the funds are spent in accordance with the programmes' objectives and the EU's financial rules. National checks on the spending of EU funds under the management and control system are carried out at three levels: the programme managing authority, the certifying authority and the audit authority. Studies on the effectiveness of the control system of the Supreme Audit Office (NIK), the ECA and the EC, as well as controls carried out by the Managing Authority, the Audit Authority and the Certifying Authority, confirm that the management and control system for EU funds in Poland is effective, as the level of irregularities usually does not exceed 2%. This does not mean that when irregularities are detected, the European Commission cannot impose a financial correction. The cases of irregularities detected by the European Commission as well as the financial corrections imposed and the cases of temporary suspension of payments do not change the overall positive picture of the control and management system for EU funds in Poland.

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