



An Roinn Forbartha Tuaithe  
agus Pobail agus Gaeltachta  
Department of Rural and Community  
Development and the Gaeltacht

# Inspection, Compliance and Business Development Unit. (ICBD)

## – Overview of LEADER Inspections

CAP Network

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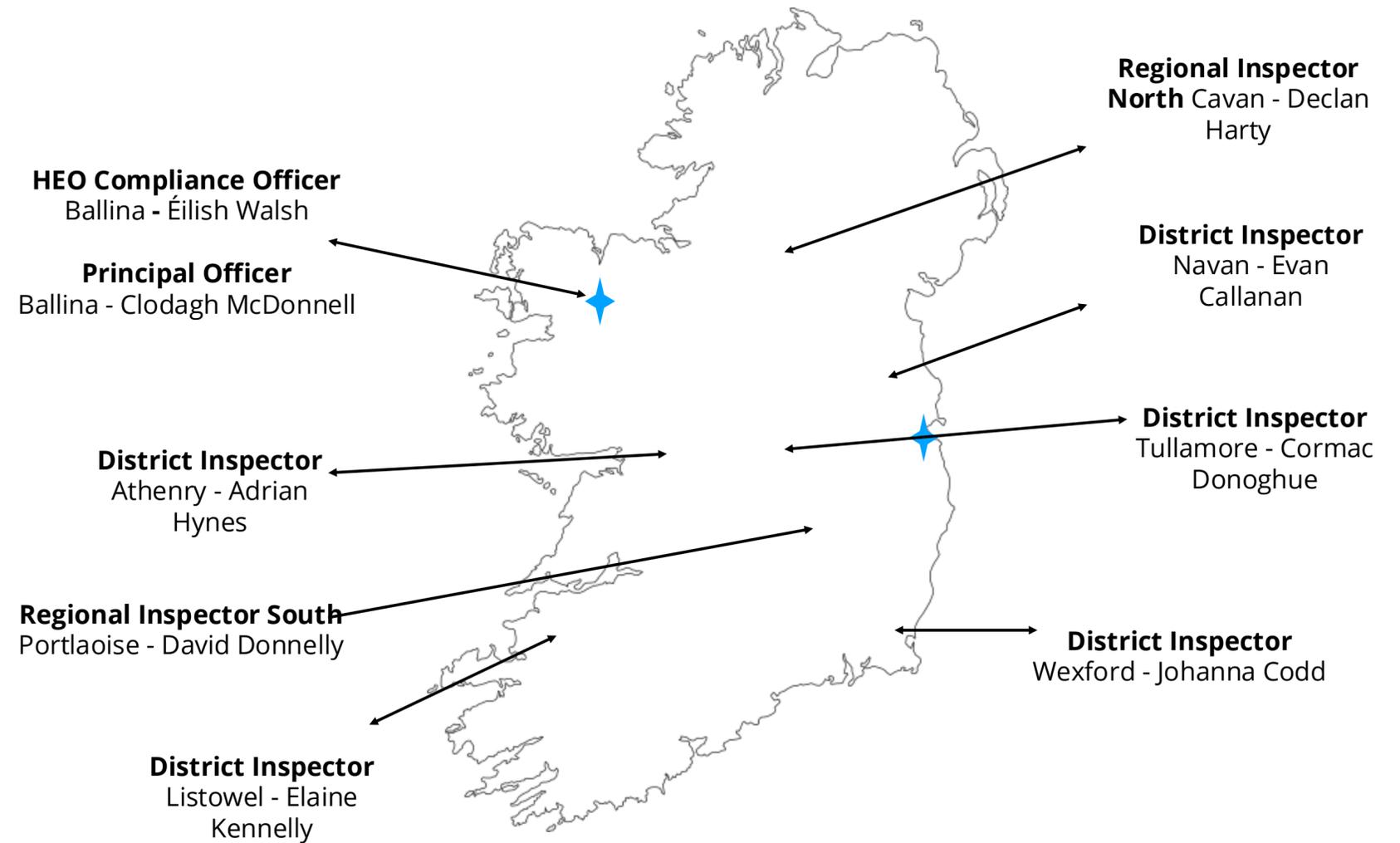
27/11/2025

# Who we are and where we are located



The ICBD inspection unit team:

- 1 Principal Officer
- 2 Regional Inspectors
- 5 District Inspectors
- 1 Compliance Officer



# What we do & Why



## **Type of Inspections -**

- Prepayment Inspections - Project Claims.
- Prepayment Inspections - LAG Administration Claims
- Ex Post Inspections - Capital Projects (5 Year durability period from the final payment).

Inspections are composed of LEADER file and site inspections.

## **Basis of Inspections -**

- Regulatory requirement to carry out Prepayment & Ex Post inspections.
- Inspection results are reported annually to the EU via the Control Body EY.
- Inspections subject to annual reverification checks by EY.
- Inspections may also be subject to EU Commission audit.
- Inspection results are used as part of the annual risk analysis for inspection selection of Projects and LAG Administration claims.

# Inspection Topics for Highlighting



1. Eligibility
2. Durability
3. Conflict of Interest and Register of Interest
4. ARACHNE and Antifraud



# 1. Eligibility

## ➤ OR 6.5 Eligibility of the Beneficiary

It is necessary for the LAG to decide on the **eligibility of the beneficiary** for LEADER funding.

1. the beneficiary meets the De Minimis / State Aid requirements
2. the beneficiary is not excluded from receiving LEADER funding
3. the beneficiary is solvent
4. there is no current outstanding debt



# 1. Eligibility contd.

## 6.6.1 Assessing the **Eligibility of Projects**

In determining the eligibility of a project **the LAG must**, in the first instance, assess if the project constitutes an eligible activity

## 6.6.2 Ineligible Sectors and Activities

This section applies to both project activity and LAG administration & animation costs.

# 1. Eligibility contd.



Aid shall not be awarded or paid in respect of the following areas...

- Primary Agriculture
- Conventional retail operations, excluding community based shops and farm shops, outlets selling locally produced produce.
- Improvements/refurbishment of private residential property.
- B&B's that are part of a private residence.
- Cars, industrial/farm/construction vehicles, vans, buses, tractors, diggers, mini-diggers, excavators, forklifts, including trailers to transport such vehicles

Where the LAG is in doubt as to the eligibility of any sector or activity, it is recommended that guidance is sought from the Department prior to processing the application.



## 1. Eligibility contd.

6.9 Only LAG decision making members may approve or refuse an application for funding, *the rationale for the decision should be clearly recorded in the LAG minutes.*

## 2. Durability of Investment and Repayment of Funding (OR15.7)



Project promoters in receipt of LEADER funding for capital investment (i.e. for infrastructure or productive investments) must operate as funded for **five** years from the date of final LEADER grant payment



## 2. Durability of Investment contd.

Funding will be repaid if:

- The beneficiary ceases or relocates the activity outside of Ireland; and/or
- Any LEADER funded assets are sold, leased, traded or otherwise change ownership without prior approval by the LAG and the Department; and/or
- The investment is substantially changed or modified in a way which affects the nature, objectives or implementation conditions of the investment and undermines the original objectives of the LEADER funding provided



## 2. Durability of Investment contd.

Where a LAG becomes aware of non-compliance with the Durability requirement, *the LAG may reduce the amount of funding to be repaid by the project promoter in proportion to the period the project operated in compliance with the above conditions.*

# 3. Conflict of Interest and Register of Interests



## 5.4.6 Conflict of Interest

The LAG procedures manual must include procedures for managing potential and actual conflicts of interest.

Procedures must provide for LAG decision making members, LAG Evaluation Committee members and staff members to declare, and have recorded, conflicts of interest.

**Where a LAG decision is deemed invalid due to a conflict of interest, all funding will be deemed ineligible and must be repaid by the LAG to the Department – no liability will accrue to the project promoter(s) in such cases.**

### 3. Conflict of Interest and Register of Interests contd.



LAG decision making members, LAG Evaluation Committee members, and the staff of LAGs and their Implementing Partners/Animating Partners must complete the **Annual Conflict of Interest Declaration** template (appendix 25) and the **Register of Interests Declaration** template (appendix 26).

The Authorised Officer is responsible for ensuring compliance with these requirements.



## **3. Conflict of Interest and Register of Interests contd.**

### **Register of Interests**

Upon appointment, and where any change occurs, each LAG decision making member / LAG Evaluation Committee member / staff member shall furnish full particulars of their interests.

## 3. Conflict of Interest and Register of Interests contd.



OR 26.26 Appendix 26

### Register of Interests Declaration

The decision-making members and staff shall:

- a) Complete a Register of Interests initially upon appointment and
- a) Update this Register of Interests **annually** thereafter or when any change occurs

## 3. Conflict of Interest and Register of Interests contd.



### Conflict of Interest

LAGs and their Implementing Partners and Animating Partners must ensure, and record, that conflicts of interest have been managed correctly in regard to members of staff and should be updated as a conflict occurs and reviewed **annually**



## 3. Conflict of Interest and Register of Interests contd.

### Conflict of Interest

An Annual Conflict of Interest Declaration must be completed in January of any given year and the information provided must relate to the period 1st of January to 31st December of the **previous** year. See Appendix 25.

## 4. ARACHNE & Antifraud



*Arachne is a risk scoring IT tool developed by the European Commission, to identify effectively and efficiently most risky projects, contracts, contractors and beneficiaries.*

*The Arachne Risk Scoring Tool represents a modern technology in terms of data mining and data enrichment, establishing a comprehensive database of projects*

# 4. ARACHNE

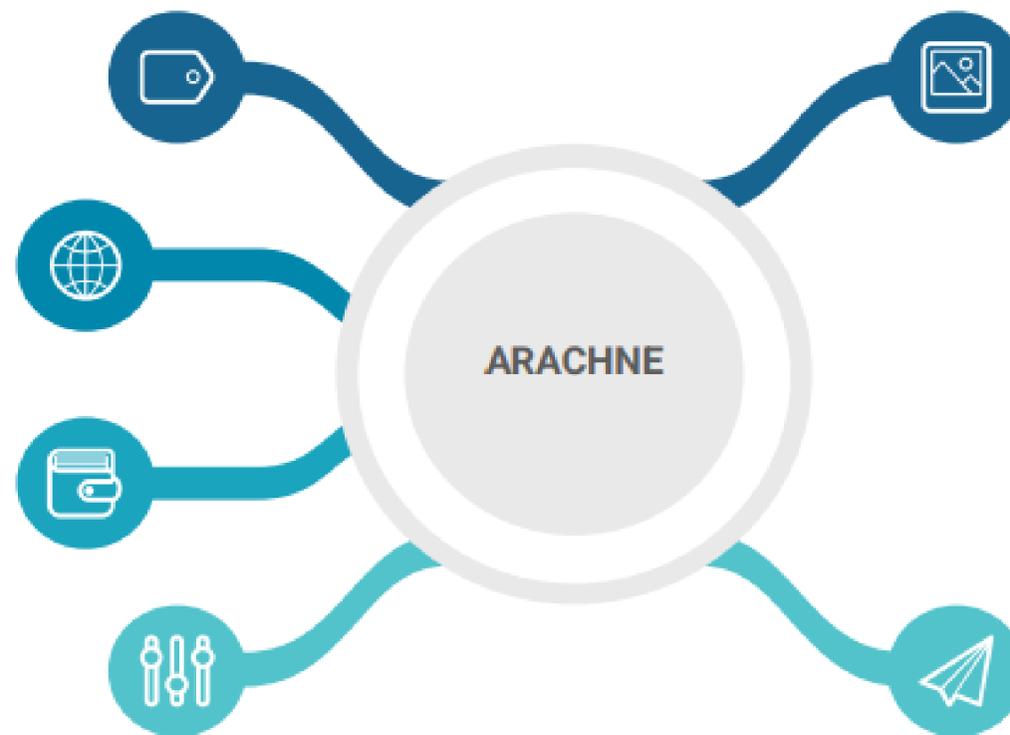
## Data gathered from countries

**Beneficiaries:** name, address, VAT number, number of employees, turnover

**Sub-Contractors:** name, address, VAT number, turnover

**Key experts for service contracts:** name, date of birth;

**Involved persons:** name, date of birth, functions



**from commercial provider ORBIS:**  
*Information on companies:* financial information, address, historical data; shareholders / management / key staff: name, date of birth, functions.

**WORLD COMPLIANCE** from commercial provider :  
*Profiles of Politically Exposed Persons (PEP)*, as well as those of their family members and close associates;  
Sanction List, which includes individuals and companies with the highest risk rating;  
*Enforcement List*, and the content of warnings and actions against individuals and companies;  
Monitoring of newspapers and magazines for risk relevant info.

# 4. Antifraud



- OR 26.2 Appendix 2 - Application Form  
LAG's may share information with each other and government departments/agencies to enable them to prevent fraudulent applications or for detecting crime

Inspections for 2023-2027 LEADER Programme are underpinned by antifraud measures for the Protection of the financial interests of the Union (REGULATION (EU) 2021/2116).



Thank You.

Happy to take any questions...