

CoR Workshop on the “Simplification of the Implementation of Cohesion Policy: auditing, reporting requirements and guidance”

The Committee of the Regions and the Dutch Presidency of the EU organised the first of a series of workshops on simplification last 27.01.2016. The focus of this workshop was on auditing, reporting requirements and guidance. The workshop followed Chatham House rules (no personalised minute-taking and people talked based on their personal experience). Chairing was Dutch Perm Rep representative, Harry Oldersma. Two expert presentations were presented by an expert from the European Court of Auditors and by John Batchler (head of European Policies research Centre, University of Strathclyde). Representatives from DG REGIO and from the High-level Group on Simplification were also present.

The CoR reported on the answers of participants to a previously circulated questionnaire on the three main issues at discussion: auditing and reporting requirements and guidance. These are the main findings of the questionnaire:

1. Main findings Auditing

- Risk aversion and over securitisation seems to be the root of complexity (principle of proportionality)
- Flat rates and lump sums are seen as useful simplification but are impossible to implement in many cases (various obstacles: e.g. national legislation; auditing practices)
- Lack of appetite for far reaching legislative changes given that implementation is ongoing (legal certainty)

Most comments on:	Problems:	Proposals
Designation Procedure (Art. 124 CPR)	<ul style="list-style-type: none"> - Too many details (checklists) - Late approval of legislation - IT systems 	<ul style="list-style-type: none"> - Delete the whole procedure - Modify ANNEX III Impl Reg 1011/2014 - Increase the materiality level or errors (Delg Reg 480/2014)
Functions of MA, CA and AA (Arts. 125, 126, 127 CPR)	<ul style="list-style-type: none"> - Link to ETC programmes unclear - Too many requirements and details 	<ul style="list-style-type: none"> - Delete parts of the articles (e.g. 125(4)e ; 125.3d); 125.4a): - Allow for more discretion in determining the functions - Review Delg Reg 480/2014
System audits and audits of operations (Art 74 and Art 75)	<ul style="list-style-type: none"> - Lack of coordination between auditors at diff. levels - Statistical sampling and error projection calculations - Gold-plating 	<ul style="list-style-type: none"> - better cooperation between MA and AAs - EC to be more explicit about what is required

2. Main findings on Reporting

- Difficulty to assess complexity of reports to be prepared in future
- General complaints about the number of documents to be prepared and detail of checklists and models
- Lack of coordination btw requirements of different documents (e.g. dates of submission)
- Reporting on Financial Instruments seen as particularly complex

Most comments on:	Problems:	Proposals
Reporting on Financial instruments (EC impl reg (EU) No 821/2014)	- Instructions are not clear	- Simplify Annex I
Progress Report (Art. 52 CPR); Evaluation Plan (Art 56, 114 CPR); Implementation Reports (Art. 50 CPR, Art 111)	- Overall number of reports to be submitted - Too many indicators and details (esp. ESF)	- Light reports - Review reporting requirements - Review guidance
Availability of documents (Art 140 CPR)	- Differences in requirements on availability of projects	- Remove distinctions (uniform deadlines)

Beyond these findings other common issues voiced by participants were:

- The lack of trust between different institutions and levels of government: the European Commission should be able to speak with one voice but instead the EC services give
- Single audit would be an ideal solution but it is unclear how to achieve it
- Architecture of the Policy is now more complicated, the already done simplification was only partial
- There are way too many documents: in the future only one delegated act would be ideal. Layers have been introduced in each programming period
- There is a continuous lack of legal certainty due to the multiplicity of texts, their inconsistency and gold-plating
- Need for harmonization of rules and interpretation in guidance
- Some voice the need for a fundamental review of shared management: making it more efficient and effective
- A proposal was made to keep the legislative package untouched for more than a programming period ensuring that managing authorities etc. are well aware of and have the expertise and experience on the framework in place. Other however see the need for a radical change of the legislative package to simplify it from the very beginning.

The next workshop will take place on 10 March and will focus on public procurement, state aid and eligibility criteria.