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OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council

On: 29 June 2020

To: Delegations

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Subject: Council conclusions on the European Court of Auditors' Special Report No 07/2020: "Implementing Cohesion policy: comparatively low costs, but insufficient information to assess simplification savings"
- Council conclusions (29 June 2020)

Delegations will find in the annex the Council conclusions on European Court of Auditors' Special Report 07/2020 entitled "Implementing Cohesion policy: comparatively low costs, but insufficient information to assess simplification savings", approved by written procedure by the Council of the European Union on 29 June 2020.

Council conclusions on Special Report No 7/2020 by the European Court of Auditors:

Implementing Cohesion policy: comparatively low costs, but insufficient information to assess simplification savings

THE COUNCIL OF THE EUROPEAN UNION:

- (1) WELCOMES Special Report No 7/2020 by the European Court of Auditors (hereafter referred to as "the Court") and the Commission's observations to the Report.
- (2) NOTES that the Court's audit described in the Report focused on the examination of cost data and related procedures mainly for the 2014-2020 programming period and covered the work of both the Commission and selected Member State authorities responsible for collecting, using, recording, verifying and reporting cost data from the implementation of cohesion policy funds through operational programmes.
- (3) TAKES NOTE of the findings of the Report, in particular that:
 - The Commission reports annually on the costs of implementing the cohesion policy funds, but this should be more consistent over time;
 - The type of costs declared differs from authority to authority, even within certain individual Member States, and this leads to incomplete information on administrative costs;
 - Although the input data from Members States was in some cases limited, the Commission's 2018 ad hoc study estimating administrative costs shows that in some Member States and for some programmes these costs might be comparatively low;

- The data collected by the Commission could not contribute efficiently to the impact assessment on simplifying EU rules in implementation of cohesion policy funds.
- (4) NOTES that the overall cost of implementing the cohesion policy funds presented by the Commission is relatively low compared to other EU funds and internationally funded programmes.
- (5) CONSIDERS the Report as a useful contribution to reflections of the Commission and Member States on how to further improve their work on cost data related procedures for implementation of cohesion policy funds and NOTES that future comparative studies should also take into account the number of beneficiaries of such policies and programmes.
- (6) Broadly SHARES the observations of the Commission to the findings and recommendations included in the Court's Report, in particular that:
- To ensure a significant study response rate, the Commission should improve the approach to studies of administrative costs by announcing at an early stage of the programming period what will be examined and when;
 - When the programme implementation is sufficiently advanced, the Commission should assess whether estimated administrative cost savings have materialised;
 - The Member States and the Commission should examine administrative practices and procedures and disseminate examples of efficient administrative practices and procedures to all relevant Member States authorities; however, these assessments should not result in an increase of the administrative burden.
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