



Press Release
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Simpler, more flexible rules proposed for cohesion funds after 2020, but additional safeguards needed, warn EU Auditors

New plans for how EU cohesion funds are spent are simpler and more flexible, according to an Opinion published today by the European Court of Auditors. Nevertheless, the auditors make a number of suggestions on how to make sure that Member State spending has a real impact and complies with the rules.

The proposed Common Provisions Regulation (CPR) for 2021-2027 covers seven funds for investment in regional development and employment, security and border protection, and measures to support migrants in the EU Member States. Together these funds could amount to some €360 billion, up to a third of the total EU budget for the period 2021-2027. The regulation sets out common policy objectives, defines the allocation of funds between Member States, and provides rules for policy programming and enforcement.

“Overall our assessment shows that the European Commission’s proposal has succeeded in simplifying the text, but the focus on value for money has not been increased and the accountability arrangements have in part been significantly weakened”, said Iliana Ivanova, the Member of the European Court of Auditors responsible for the Opinion. “We make 58 proposals for the legislators and the Commission to consider, which, if taken up, will lead to a more effective and efficient cohesion policy”.

In their Opinion, the auditors welcome the European Commission’s continued efforts towards simplification, which, if properly implemented, have the potential to reduce the administrative burden and shift the focus from inputs to results. However, a number of provisions lack clarity, which is likely to lead to different interpretations, affecting legal certainty, say the auditors. Simplification should not result in greater risks to compliance with the rules, or hinder optimal use of the limited EU funds available, warn the auditors.

The document also notes that the Commission proposes five high-level policy objectives rather than linking spending to an EU-wide strategy. These objectives are, however, not designed to be translated into measurable results or targets at EU level. As a result, the proposed reform may turn out to be even less performance-oriented than in the period 2014-2020, say the auditors.

The purpose of this press release is to convey the main messages of the Opinion adopted by the European Court of Auditors. The full Opinion is on www.eca.europa.eu

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The auditors emphasise that the proposed regulation shifts additional responsibility for managing and controlling EU funds to the Member States. Limiting, or even eliminating, the Commission's supervision of how Member States spend EU funds could jeopardise the progress made in recent years in reducing the level of irregular and ineffective spending in the area of cohesion, warn the auditors.

Note to Editors

On 29 May 2018, the Commission published its proposal for a common provisions regulation (CPR) for seven EU funds for the next programme period, 2021-2027. These seven funds are the European Regional Development fund (ERDF), the European Social Fund Plus (ESF+), the Cohesion Fund (CF), the European Maritime and Fisheries Fund (EMFF), the Asylum and Migration Fund (AMF), the Internal Security Fund (ISF) and the Border Management and Visa Instrument (BMVI). The responsibility for managing these funds is shared between the Commission and Member States.

The European Court of Auditors contributes to improving EU financial governance by publishing opinions on proposals for new or revised legislation with a financial impact. These opinions provide an independent assessment of the legislative proposals by the EU's external auditor.

The legal basis of the Commission's proposal means that consultation with the ECA is mandatory.

The European Parliament and the Council – the EU's co-legislators – will need to adopt the final legislation for the CPR. They can draw on this opinion to propose amendments to the Commission's proposal.

On 7 November, the ECA will publish an Opinion on the proposed CAP reform after 2020.

ECA Opinion No 6/2018 on the Commission's proposal of 29 May 2018 on the Common Provisions Regulation is currently available in English on the ECA website eca.europa.eu – other languages will be added in due course.