



ECA measures taken in response to the COVID-19 pandemic

The European Court of Auditors (ECA) has taken the necessary steps to be able to continue providing an effective public audit service in the EU, and to deliver timely audit reports, opinions and reviews during the COVID-19 pandemic, as far as this is possible in these challenging times. At the same time, we express our gratitude to all those who are working to save lives and fight the pandemic, in Luxembourg, in the EU and around the world. We also remain committed to supporting the Luxembourg government's policy on safeguarding public health. We are mitigating the effects of the ongoing health crisis on our staff and have taken precautions to minimise the risk to them and their families.

Press Release

Luxembourg, 16 April 2020

Implementation costs of EU cohesion policy: comparatively low, but insufficient information to estimate simplification savings

The European Structural and Investment funds (ESIF) are the EU's main investment policies, but implementing them generates administrative costs. According to a report by the European Court of Auditors, those administrative costs are relatively low compared to those of other similar EU and internationally funded programmes. However, the collected data on costs was insufficient to assess the impact of simplifying EU cohesion policy funds rules.

The aim of the EU's cohesion policy is to reduce development disparities between regions, restructure declining industrial areas, and encourage cooperation across the European Union. Expenditure in this area accounts for around 37 % of overall spending under the EU budget: it amounted to €352 billion in the 2014-2020 period.

Cohesion policy is implemented through operational programmes (OPs), whereby the Commission adopts a proposal by a Member State of how the EU and national funds allocated to the programmes are to be spent. The actual management and control is then delegated to the Member State authorities. Member States can ask financial support from the EU budget for "technical assistance" for all activities necessary to carry out a programme, including the necessary personnel costs.

"Information on administrative costs for EU-funded programmes should be complete and publicly available to demonstrate to our citizens that policies are being implemented efficiently", said Pietro Russo, the Member of the European Court of Auditors responsible for the audit. "Our findings and

The purpose of this press release is to convey the main messages of the European Court of Auditors' special report. The full report is on eca.europa.eu.

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conclusions are relevant for the 2021-2027 programme period, as well as for increasing the effectiveness of the management and control systems in the Member States”.

The auditors found that the administrative costs of implementing the EU cohesion policy funds are comparatively lower than for other European and international funding programmes. However, they concluded that the Commission had not collected the underlying data on costs in a complete, consistent and coherent way, making it difficult to use them, for example, for assessing the impact of simplifying EU rules on the administrative costs of running the programmes. For the 2014-2020 period, for instance, the Commission estimated that the introduction of several simplification measures should lead to a reduction of administrative costs. Conversely, in a survey carried out by the ECA, Member States said they expected an increase. In this regard, the auditors note that the estimated cost savings from simplification measures for the 2014-2020 and 2021-2027 periods may not be reached, as the ultimate impact depends largely on national or regional administrative practices.

The auditors recommend that the Commission should aim to identify further potential savings by assessing administrative practices in Member States, in close cooperation with them, and follow-up whether the estimated costs savings have materialised.

Notes to Editors

Cohesion policy is structured around three of the five European Structural and Investment Funds (ESIFs): the European Regional Development Fund (ERDF), the Cohesion Fund (CF) and the European Social Fund (ESF). These three funds are governed by common rules, subject to exceptions in the specific Regulation governing each fund. There are 391 OPs for the 2014-2020 programme period. These OPs are still ongoing.

The ECA regularly examines Cohesion policy. Our recent publications on the topic include [Review No 03/2019: Allocation of Cohesion policy funding to Member States for 2021-2027](#) and [Review No 08/2019: Delivering performance in Cohesion](#).

Special report 07/2020 *“Implementing Cohesion policy: comparatively low costs, but insufficient information to assess simplification savings”* is published on ECA’s website in 23 languages.

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