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***Framework Agreement no. 23/22.08.2011***

***for the evaluation of Structural Instruments between 2011-2015***

***Lot 1 - Evaluations***

**Subsequent Contract no. 15**

**Evaluating Administrative Burdens of Structural and Investment Funds Beneficiaries**

**Project implemented by:**

**GEA Strategy&Consulting, NTSN CONECT and CPD**

###### **Final Evaluation Report**

###### **April 2015**

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**Project co-financed by the European Regional Development Fund under OPTA 2007 - 2013**

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# List of abbreviations

|  |  |
| --- | --- |
| CBC | Cross-border Cooperation |
| CF | Cohesion Fund |
| EAFRD | European Agricultural Fund for Rural Development |
| EFF | European Fisheries Fund |
| EFRD | European Fund for Regional Development |
| ERDF | European Regional Development Fund |
| ESF | European Social Fund |
| ESIF | European Structural and Investment Funds |
| EU | European Union |
| FIDIC | Fédération Internationale Des Ingénieurs-Conseils |
| ICT | Information and Communication Technology |
| LAG | Local Action Groups |
| MA | Management Authority |
| MDI | Major Domain of Intervention |
| NGO | Non-governmental Organization |
| NPRD | National Programme for Rural Development |
| NSI | National Statistics Institute |
| OP | Operational Programme |
| OPACD | Operational Programme Administrative Capacity Development |
| OPF | Operational Programme Fishery |
| ORP | Operational Regional Programme |
| SCF | Structural and Cohesion Funds |
| SCM | Standard Cost Model |
| SOPE | Sectorial Operational Programme Environment |
| SOPHRD | Sectorial Operational Programme Human Resources Development |
| SOPIEC | Sectorial Operational Programme Increase of Economic Competitiveness |
| SOPT | Sectorial Operational Programme Transport |

The concern for optimal use of European funds is the cause of the European preoccupation to simplify procedures and reduce the costs supported by beneficiaries of EU funds, especially private actors, assuming that resources consumed in order to fulfill bureaucratic norms should be invested in income and profit-generating activities by those private agents.

The existence of a complex system of eligibility norms and projects implementation can result in poor use of EU funds and a low rate of absorption. In addition, potential beneficiaries are discouraged to apply for financial support from EU funds, and complex rules make more difficult and expensive the management authorities task to ensure, on the one hand, that public money are spent observing all rules and on the other hand, that the beneficiaries are satisfied and do not face larger administrative costs than expected benefits.

The present evaluation is the main result of a project that aims to explore exactly these aspects – identifying the factors that determine administrative costs incurred by the private beneficiaries of the EU funds, measuring these costs and providing recommendations to reduce administrative costs. The assessment examines the administrative tasks that represent additional administrative activities carried out in order to access EU structural instruments.

**The general objective** of the projectis to **contribute to the cohesion policy objectives for 2014-2020** on ensuring efficient use of funds, focus on results and providing a good value for money by identifying and reducing the administrative task supported by beneficiaries.

The evaluation study provides answers and recommendations to the following evaluation questions:

1. *What are the information obligations of beneficiaries of structural instruments, Common Agricultural Policy (2007-2013) and the European Structural and Investment Funds (ESIF) (for 2014-2020) due to enforcement of European law at national level? What are the administrative activities to be undertaken to meet these obligations?*
2. *What are the administrative costs resulting from information obligations subsequent to EU legislation governing the Structural and Cohesion Funds, EAFRD and EFF obligations arising from application of their national?*
3. *What are, according to the perceptions of beneficiaries, the most burdensome information obligations, in terms of conducted administrative activities? What measures can be taken to reduce administrative tasks for beneficiaries?*
4. *What could be the impact of changing requirements of draft regulations for 2014-2020 on administrative costs and administrative tasks related to the implementation of structural and investment funds?*

The research had two dimensions, one quantitative and one qualitative – the first focused on measuring administrative costs and providing real value (in Ron and/or Eur) of effort of funds beneficiaries, and the second one identifying those obligations incurred by beneficiaries who have most administrative burdens for which we have proposed a number of simplification recommendations. Thus, besides the simplification solutions included by the European Commission in programming documents and related regulations for 2014-2020, the authorities in Romania can initiate a process of simplification of rules and procedures applied in relation to the beneficiaries of funds.

The identification of administrative and costs was based on the Standard Cost Model methodology, widely used at the level of the European Union and in Member States, in order to identify and calculate administrative costs, that calculates standard cost using the following formula:

**Administrative Costs = Ʃ Price (Time x Tarrif ) x Quantity (Frequency x Population)**

The methodology was adapted to the specific of European Funds and to the project requirements. In particular, for the tariff parameter of the administrative costs formula, multiple income categories corresponding to a wider range of employees types (from unqualified workers to personnel with various types of higher education and qualifications) were not used. Alternatively, a unique national rate was used, calculated based on all earnings, on average, based on figures provided by NSI. Also, the research addressed only the private beneficiaries of the projects financed from structural instruments.

The methodology was used to conduct both quantitative and qualitative research, and its main advantage is that, once established, could be used for future measurements ensuring the compatibility of study dates with any study of this kind made in Europe. Thus, the present study can be considered a **zero-based measurement**, and subsequent measurements will determine if the amount of administrative costs increased or decreased and by how much, as a percentage value.

The first part of the evaluation focused on **identifying information obligations** of beneficiaries of structural instruments and the common agricultural policy for 2007-2013 and of European structural and investment funds for 2014-2020, due to the application of EU legislation at national level, and also **identifying administrative activities** undertaken to meet the obligations.

A first step consisted in **identifying the relevant European legislation** (European regulations regarding the management of EU financial assistance programs – ESF, ERDF, EAFRD and EFF) and national regulations implementing these regulations. 44 general or specific funds regulations were identified corresponding to 2007-2013, plus 12 acts of domestic origin.

Also, changes that are already set for European regulations regarding ESIF implementation were identified. In this respect, 11 regulations that are part of the legal framework of the new programming period were analyzed.

Analyzing information obligations contained in European regulations and national legislation, it was concluded that they have a high application degree and do not have the necessary specificity needed to fundament interviews conducted according to the SCM methodology. Therefore, the research has been extended to the **applicant guidelines** corresponding to the last call for projects/projects ideas for each individual operation or call, for each operational programme, and for manuals and guidelines published by the Management Authority.

Altogether approx. 120 guidelines, plus instructions or corrigenda, corresponding to an equivalent number of analyzed MID, operations or measures, were identified and examined.

The situation of analyzed documents on operational programmes is as follows: 22 for SOPIEC, 1 for SOPT (common guide for all MID), 2 guides for SOPE, 6 guides for ORP, 38 guides for SOPHRD, 4 guides for CBC, 17 guides for NPRD and 24 guides for OPF.

Concrete information obligations of beneficiaries were extracted from reviewed documents, and classified over the following stages of project implementation:

* Developing and submitting financing requests
* Signing the financing contract
* Pre – financing application
* Payment request
* Reimbursement application
* Implementation
* Developing and submitting progress reports
* Monitoring, control and audit
* Information and publicity.

Besides standardized administrative activities, the SCM methodology recommends using the concept of **requested data**, namely the accurate unstandardized description of documents that beneficiaries must draw/copy/obtain and submit to the authorities. Given the large number of requested dates identified – nearly 7.000 – we considered appropriate and beneficial to fundament our research on these elements, more specifically building the questionnaires on requested data.

The target group of the assessment is represented by projects beneficiaries in the private sector, private legal persons, non-governmental organizations (NGOs), given the national and European growing interest for reducing administrative burdens borne by the private sector, on the assumption that any consumed resource by companies for administrative activities is a “stolen” resource from the production process, which could bring added value and competitiveness. The methodology considered only private beneficiaries, stating that **the research was conducted only on beneficiaries**, not on applicants, whose projects were on the reserve list or were rejected.

Among the target group thus defined, a sufficient number of beneficiaries were selected, based on selecting and sampling criteria, on which the research was conducted.

As sampling method, those beneficiaries who meet (preferably simultaneously) two important conditions were selected for interviews:

1. They have completed project implementation and can provide information regarding all implementation phases (see figure below), involving different sets of activities and required data.

**and**

1. They responded to the last published call on each project proposal request. To answer to this latter condition, the experts were guided by a comprehensive situation of the last calls published for each Operational Programme (OP), Major Intervention Domain (MID), request for proposals or indicative operation.

In this research the sampling technique based on probability was applied, namely the units were randomly selected from the population by probabilistic methods. This element has enabled achieving statistical deductions (generalizations) from the studied sample to the population of interest, namely all European funds beneficiaries.

The sample covered all OPs, in proportion to the magnitude and importance of each priority axis or each MID in relation to the number of funded projects. Beneficiaries were chosen from each development area and from each Operational Programme, leading to the **identification of 11.683 private beneficiaries of European funds**.

Information collection was based on standardized questionnaires for each operational programme and for each information obligation, which formed the basis of interviews. The interviews with beneficiaries were aimed at collecting information on the expected/final amount of work and cost for preparing and submitting the funding request and for managing all financed activities. Also, throughout the interviews, suggestions, recommendations and comments on cutting bureaucracy associated with European funds for 2014-2020 were collected. The research was conducted over a period of 9 months (March – November 2014) and it involved 350 interviews with beneficiaries and experts and 18 focus groups and workshops.

The interviewers used an interview guide, and interviews were conducted as a direct dialogue between beneficiaries and interviewers. It proved to be very important that beneficiaries understand the research approach and believe that the research results will reach the responsible authorities and simplification measures will be taken.

Data from interviews and field research were afterwards summarized and aggregated though an instrument comparable to a database, which then allowed making the final calculations, representative for all structural and investment funds beneficiaries in Romania for 2007-2013. Thus, although the analysis was conducted on separate components, one for SCF, CF and ERDF and one for EAFRD and EFF, with separate legislation research, information obligations and required data, with dedicated and adapted interviews, the results are uniform and were centralized in such a manner that provides an accurate picture of the administrative costs and tasks.

Analyzed Operational Programmes:

* SOPIEC (Sectorial Operational Programme for Increasing the Economic Competitiveness);
* OPACD (Operational Programme Administrative Capacity Development);
* SOPHRD (Sectorial Operational Programme Human Resources Development);
* ORP (Operational Regional Programme);
* SOPT (Sectorial Operational Programme Transports);
* OPE (Operational Programme Environment);
* Cross-border Operational Programme Romania-Serbia;
* Cross-border Operational Programme Romania-Bulgaria;
* Cross-border Operational Programme Hungary-Romania;
* NPRD (National Programme for Rural Development);
* OPF (Operational Programme for Fisheries).

The research stage ranged from March to November 2014. More precisely, the 350 interviews with beneficiaries and experts were organized and held from March to August, and the 18 focus groups and workshops were held between June-November 2014.

The administrative costs were calculated according to the SCM method and were ranked and presented for each obligation information. To provide a comparison base, the administrative costs (in EUR and RON) were presented in parallel with financial allocations corresponding to the analyzed axes of each program.

The table below (table 1) contains figures for administrative costs for the analyzed programmes, arranged by size.

The first place in the hierarchy belongs to the National Programme for Rural Development, generating the highest administrative costs incurred by private beneficiaries – 1.41 billion Lei (232.1 mil Eur), representing about 4% of the public value of the NPRD projects contracted by the end of 2013. The figure is justified by the large number of measures and beneficiaries (including individuals), and by the fact that several investment projects with high values were implemented, that required matching administrative costs. The assessed level of administrative costs of the rural development program is determined by the high number of program beneficiaries (over 85.000 for the analyzed measures) and their low level of knowledge in the field of accessing European funds.

The next programme in the costs hierarchy is SOPIEC, for which the calculated amount of administrative costs is 396.277.463 Lei, followed closely by SOPHRD with 371.700.076 Lei. ORP is located at a considerable distance, with 57.441.302 Lei administrative costs. The relatively small value is explained by the fact that only two MID within this programme addressed private beneficiaries and were thus included in the research, and the total number of beneficiaries (number of submitted projects on 6 axes is 2.133) was low compared to other programmes. The following programmes in the hierarchy are the Cross border Programme Romania – Bulgaria, SOP Transports, SOP Environment, OPACD, OPF, CBC Hungary-Romania and CBC Romania-Serbia, the last one being estimated at 609.666 Lei administrative costs.

Table 1 Administrative costs by analyzed program

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Programme** | **Costs RON** | **Costs EUR** | **Financial allocation for analyzed axes EUR** | **% administrative costs reported to financial allocation** |
| **NPRD** | 1.040.904.144,67 | 232.101.176,14 | 7.505.987.010 | 3,09% |
| **SOPIEC** | 396.277.463,11 | 88.362.089,57 | 2.486.691.879 | 3,55% |
| **SOPHRD** | 371.700.076,35 | 82.881.815,14 | 3.176.780.788 | 2,61% |
| **OPR** | 57.441.302,67 | 12.808.282,09 | 1.206.920.000 | 1,06% |
| **CBC Romania Bulgaria** | 7.735.489,63 | 1.724.862,23 | 204.754.332 | 0,84% |
| **SOPT** | 6.742.934,87 | 1.503.542,01 | 4.565.937.295 | 0,03% |
| **SOPE** | 6.119.600,54 | 1.364.550,70 | 4.512.470.138 | 0,03% |
| **OPACD** | 3.848.102,29 | 858.051,22 | 199.682.518 | 0,43% |
| **OPF** | 1.865.925,32 | 416.064,69 | 219.975.000 | 0,19% |
| **CBC Hungary Romania** | 1.415.267,00 | 315.576,74 | 224.474.935 | 0,14% |
| **CBC Romania Serbia** | 609.666,56 | 135.943,67 | 17.062.564 | 0,80% |
| **TOTAL** | **1.894.659.973** | **422.471.954,19** |  |  |

At the level of each Operational Programme, a hierarchy of information obligations has also been made. Thus, for OPR, SOPT and SOP Environment, the most burdensome administrative task is “drafting and submitting the financing request”, followed by the “reimbursement request”, given that the projects usually have an important infrastructure and investment component, therefore feasibility studies and cost-benefits analyses are required. For SOPIEC, SOPHRD, CBC Programme Romania Serbia and NPRD, the most important administrative task is related to “expenses reimbursement”, followed by the “financing application”. For the other programmes, the second place in the hierarchy is held by “information and publicity” activities (in the case of CBC Hungary-Romania), or “contract addendums” (CBC Romania-Bulgaria) and “reporting” (for OPACD).

Given that the Standard Cost Manual defines the administrative tasks as a subunit of administrative costs, being generated exclusively by legislation, not to be performed by companies in the lack of legal obligation in that regard, the research also comprised an analysis of the administrative tasks compared to administrative costs, taking into account implicit activities that a company would achieve even without legislation, the so called best practice (BP). In order to issue recommendations for future simplifications, those information requirements where the amount of administrative tasks is close to the cost were mainly taken into account, which is equivalent to the statement that all (or almost of all) obligation information are perceived as administrative burdens, and that no part of process dedicated to its achievement is to be useful for companies or funds beneficiaries.

The completed analysis shows that the information obligations which produce most ”irritation” among funds beneficiaries are related to reimbursement expenses/payment requests, reporting or financing application. At the opposite pole, obligations such as “project implementation”, “monitoring” or “obtaining pre-financing” are to be found, which the beneficiaries do not consider generating great administrative costs or burdens.

Once the administrative costs and burdens have been identified and measured, the qualitative research focused on concrete simplification recommendations, in order to facilitate their adoption and implementation in the near future. The identified suggestions for simplification were grouped into several broad categories, applicable to all operational programmes, depending on the factor that they act upon – time, frequency, population – or according to types of interventions:

* Extensive use of ICT instruments, for all information obligations, from “applying for funding” to the last “request for reimbursement”;
* Revisions/repeal: the elimination from technical and financial reports of report requirements with too much information content and with redundant character;
* Approach based on trust between authorities and grants beneficiaries, less focused on control and sanctions and more on guidance and communication.

In addition to the above, research has revealed other cross-cutting issues on which the authorities must intervene in order to achieve the aforementioned objectives: timeliness, procurement, definition of eligible expenses, specialization of public servants, efficiency and transparency of the evaluation process, the need for a consolidated applicant’s manual, simplified forms, finding a balanced mix between calls with deadline and open calls.

The simplification analysis took into account what has been already achieved in this regard, given that the need for measures to simplify and streamline the implementation of structural and cohesion funds is a constant concern of the authorities.

Problems and simplification suggestions are presented both from a general perspective, applicable to all funds and from a specific perspective, on each operational programme or cross-border programme. To ensure a consistent approach of the simplification proposals, we opted for a method regarding the 3 phases of a project: application, implementation and post-implementation, fragmented into the following steps:

* Developing and submitting financing requests
* Signing the financing contract
* Pre – financing application
* Payment request
* Reimbursement application
* Implementation
* Developing and submitting progress reports
* Monitoring, control and audit
* Information and publicity.

Our general recommendations, valid for all operational programs (table 2) were extracted through an analysis of administrative tasks in each operational program. These recommendations are applicable for all types of beneficiaries, whether from the public or the private sector.

Specific recommendations have also developed, for each operational programme (see tables 3-13).

It is important to note that all simplification proposals involve implementation costs that can range from simple adjustments or legislative changes to major investments in IT infrastructure. Where considered relevant, details were provided on investments that will be needed and their potential financing source, usually the technical assistance axes of each programme. It is equally important to note that decisions over the simplifications measures to be implemented should be taken balancing the desired effect with the required effort from the authorities.

The research includes an analysis of new ESIF regulations (2014 – 2020) and their impact on administrative costs and burdens, as a comparative matrix. The novelty element compared to the previous programming period is the obvious concern for reducing administrative burdens on beneficiaries of projects, including the introduction, for example, of the obligation of Member States to transfer all communication processes with the beneficiaries in electronic format only, or the possibility of reducing the frequency of inspections for projects that fall below a certain threshold value or use of lump sums or simplified costs for certain operations.

However, the current evaluation exercise of administrative costs for Structural and Cohesion Funds for 2007-2013 showed that an overwhelming proportion of administrative costs is generated by national legislation implementing the provisions of EU legislation and specifically, fund management rules imposed by the authorities responsible for the implementation:

- Managing Authority/intermediate bodies,

- Certifying and Paying Authority within the Ministry of Finance

- Audit Authority of the Romanian Court of Accounts.

In this respect, the approach contour of an image on the comparative administrative costs between 2007-2013 programming period and the years 2014-2020 proved a difficult in the absence of national regulations (primary legislations, secondary and tertiary) and especially guides for applicants and implementation manuals. The main reason for absence of these documents is that the approval process of future operational programs is in full swing, following the adoption of implementing documents to be made after the approval of these programs.

In conclusion, the approach to assessing administrative costs offered the opportunity to identify the perceptions of beneficiaries of funds through an established methodology that can be replicated in the future. Some perceptions disclosed to decision makers were already known, being expressed by users through various communication tools and channels which are available to transmit messages authorities. The absolute novelty, however, was represented by quantifying the effort of beneficiaries, highlighting, ranking and finding explanations for the state of things. Further, the project, through this report, systematically presents a series of simplification proposals, whose implementation will contribute to the objectives set at high level related to European funds - their efficient use, increased absorption rates and augmented trust of beneficiaries regarding financing instruments and the managing authorities.

Therefore, we suggest that the methodological approach used in this project be used whenever a measure may impose significant administrative costs on the beneficiaries of funds, especially private beneficiaries.

As a guarantee to achieve the project objectives in the medium and long term, the authorities may follow a series of steps, starting from this evaluation study:

- Setting clear targets for reducing administrative burdens for beneficiaries of EU funds;

- Establishing a set of cost-reducing measures with clear responsible institutions and a system for monitoring and evaluating the results of the measures;

- Reviewing institutional mechanisms for consultation with beneficiaries and civil society in the implementation of ESI funds, including better collaboration between management authorities, intermediate bodies, the Ministry of European Funds, the Audit Authority and the Certification and Payments Authority within the Ministry of Public Finance;

- Improving the implementation of structural and investments funds, translated into increased absorption rate for the specific programmes for the period 2014-2020;

- Increasing trust of beneficiaries in the representatives of funds management.

# Simplification recommendations

Table 2 General simplification proposals

|  |
| --- |
| **Application submission** |
| **Planning applications for projects** |
| * **Publication of an annual plan for calls for projects by the managing authorities. The potential beneficiaries can thus prepare their documents accordingly** |
| * **Expanding the range of guidelines consultation for applicants and better communication with those who submit comments and opinions.** * Although guidelines have a period of 30 days for public consultation, the beneficiaries are dissatisfied with the short available time to convey views (especially for organizations that need to centralize the views of all their members) and that ***submitted observations and comments are not taken into consideration and no reply from the responsible authorities is provided***. |
| **Launching applications for projects** |
| * **The applicant guide or beneficiary manual should contain clear, simple, unambiguous, requirements with no room for interpretation**. * **The guidelines should contain customized sections on beneficiary type and types of expenditures of the beneficiary.** * Simple content, a clear manner of presentation, easy to follow and understand, with a common language and accessible design, containing applicable legislation, procedures, necessary forms. However, such approach has its limitations , given the diverse nature of the interventions financed and the legislation that a beneficiary is required to meet - accounting and finance, procurement , Labor Code , health, transport , construction safety , etc. . |
| * **Regular meetings with applicants and guidelines release events.** * In addition to the date of submission of projects, **regular meetings with potential beneficiaries** should be organized, in order to offer answers to questions related to the applicable guidelines. |
| * **Developing a manual or guide to provide to potential applicants a clear and detailed image of the implementation process.** * Generally, information and promotion actions supported by authorities are **limited to presenting the opportunities** already public on websites, **without giving particular interest in the dialogue with the potential beneficiaries** and provide further details, reflecting the effort that is needed for a project. The implementation mechanism is not therefore carefully explained, examples are not given, information is not provided over the institutional processes, the average length of time before signing the contract, the financial and administrative effort involved in the implementation of a project, risks etc. Such details would be very useful for beneficiaries with limited experience. |
| * **Meetings of potential beneficiaries with IO or** **MA** **specialists** to explain the operations to be carried out after approval of the project: from applying for funding to the actual mechanism of the project (presentation of the main documents specific for each operation). All these operations can be carried out with funding from technical assistance programmes. |
| * Adoption of SOP HRD model for developing a **general guide**, which contains general provisions applicable to projects financed through a specific operational program relating to the financial, procurement , technical reporting . Subsequently, for each call for proposals may be published **specific guidance** that only contain specific information about the call for proposals respectively |
| * **Develop clear procedures** for modifications made by corrigenda or specific instructions of guidelines or procedures for the implementation of projects and the development of consolidated guidelines / manuals for beneficiaries. |
| **Financing request** |
| * **Clear separation of requested documents during the evaluation and the selection and contracting phase.** * Documents specific to the submission, evaluation and selection phase should be **required to demonstrate project and organization eligibility, with the observation that authorities should opt for:**   + **a request for a confirmation** by the legal representative certifying that the organization complies with minimum conditions for funding, e.g. it has no debts to the state budget, it has positive balance, is eligible, is headquartered in Romania etc.   + **interconnection of databases of public authorities** through which managing authorities will have access to databases with relevant information on applicants (directions of local taxes, decentralized units of the Ministry of Finance, Office of Trade Registry etc.).   + **supporting documents** such as CVs of experts from the project team, proof of ownership or other documents could be brought in the contracting stage. |
| * An alternative could be represented by the introduction of **a period for the submission of project sheets, synthesizing the project idea in 3-4 pages** (OP ACD model), thereby allowing selection based on **strategic criteria of eligibility and regional interest** and even **implementation capacity**. In this way, it will save time and money, both for applicants and the MAs, since in the subsequent financing applications will be fewer, but with a real chance to be proposed for contracting. |
| **Implementation** |
| * **Decentralization of decision-making on administrative levels in the vicinity of the beneficiary** to reduce the time for a concrete solution. Thus, closer to the beneficiary authorities would take decisions on behalf of the MA, on certain aspects of project implementation: budget modification, types of goods or services to be procured, the project team - in general changes which currently require MA’s notification. |
| * **Removing or streamlining of verification or audit procedures** – it refers to the **external audit of the project**, largely a formality, since the findings of the external auditors may prove, with the occasion subsequently checks, as not being accurate and leading to completely different findings. Therefore, **accountability by those who audit projects is needed.** |
| * **Streamline procedures for verifying procurements** - there are many regulations and procedures relating to the procurement process intended to minimize fraud and streamline the process, but the question of accountability remains one of the most frequently invoked by the beneficiaries. Thus, **there are several levels of verification which, in most cases, are redundant and uneven**, depending very much on the authority concerned.   + The institution that regulates and monitors procurement, ANRMAP, is releasing notices over public procurement procedures conducted in accordance with the Emergency Ordinance no. 34 of 2006, but the responsibility of carrying out the procurement process belongs solely to the beneficiary.   + The managing authority covers a stage of administrative review of procurements together with processing reimbursement requests on the basis of documents submitted by beneficiaries. Based on these checks amounts spent on projects are reimbursed.   + The Certification and Payments Authority pursues verification prior to the approval of requests for payment to the Commission, which also includes procurements. Findings related to procedures may occur in this stage, being submitted for verification to the management authority.   + The Management Authority carries out activities according to the internal procedures or as a result of complaints or findings of other control authorities. Findings that were not made ​​in previous steps may occur in this situation.   + The Audit Authority covers audit operations activities according to Community rules, based on sampling. In these checks transactions already audited or controlled by the managing authority or other control bodies may also be included, and contrary findings may result, including proceedings to recover amounts already refunded.   Practice has shown that procedures that have already been approved and submitted for payments by the management authority are occasionally subject to corrections, after other processes of verification and control.  For the purposes of the above, **we recommend better management control and approval responsibilities for public procurement**, related to compliance with the Commission's recommendations and identified weaknesses regarding the implementation system. |
| * **Digitizing and introducing electronic applications in the management process**. Expanding the use and functions of the Single Management Information System - SMIS. |
| * **Elimination of redundant documents** in the sense that a document sent to authorities can no longer be asked in later stages (e.g. job descriptions of the project implementation team members, in some cases, are asked to be sent with each request for reimbursement) and existing documents already in possession of state institutions not to be required from the beneficiaries (e.g. land book excerpt, the balance sheet for the last three years, criminal records, etc.) and made available on the basis of inter-institutional cooperation agreements. |
| * **Drafting a manual dedicated to the costs of project implementation**, explaining to the beneficiaries the administrative costs of implementing projects, by types of projects, investments and contractual requirements, which provides an estimate of these costs according to various parameters, starting from the results of this research. The need for such a document arises from the fact that there are expenses that beneficiaries cannot foresee and are unaware of having to cover them, even if they have access to models of financing contracts (annex applicant's guide). |
| * **Establish a viable help-desk service within the management authorities, in order** to maintain a direct link with beneficiaries, implement risk-prevention activities and promote a permanent dialogue with beneficiaries. These measures will lead to reduction of administrative burdens for beneficiaries and authorities. |
| * **Stronger technical expertise of public servants, through training and strengthening teams by hiring additional staff** with experience in EU funds. |
| **Post-implementation** |
| * **Establishment of a registry of beneficiaries of EU funds at the Ministry of European** **Funds** that will allow the release of certificates of completion, thus helping beneficiaries in the case in which they would like to apply again. |
| * **Streamlining electronic SMIS**, in order for it to be used more intensively and updated by all authorities with responsibilities in this regard. It can meet the need of obtaining reports to substantiate future measures or decisions of the authorities involved in the management |
| * **Promoting the achievement of electronic** **archives**, on the beneficiaries and the authorities’ level. It helps reducing administrative burden related to the multiplication, searching or storing information and project implementation documents. |

Table 3 Summary of simplification proposals ROP

| Regional Operational Programme | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observations** | **Simplification recommendation** | **Instrument** |
| **Developing and submitting financing requests** | * The preparatory stage of funding application is time-consuming and it consumes financial resources * Poor grant application forms that are returned for further clarifications * The numerous rules and instructions are sometimes difficult to read and understand by persons not accustomed to European projects | * Authorities offering support to potential beneficiaries to write the financing application forms (within the limits of a competition-based process among applicants) * The elaboration of clear guides that use a common vocabulary, contain clear requirements and avoid redundancies * The publication of evaluation grids at an easily-understandable level * Budget simplification – a more flexible form, with less rows * The simplification of the Business Plan format (diminishing the number of requirements and keeping only the relevant ones for the evaluation process, depending on the type of investment) * The specification of the update rate of the financial flows | * The creation of a “single office” that would allow potential beneficiaries to obtain information on the feasibility of the project, eligibility, and accordance with the programme’s objectives   or,   * help-desk offices/   specialized units in offering support to applicants in the elaboration of financing applications   * Information events * The elaboration of a general application guide for each category of beneficiaries.   Specific rules have to be defined in distinct materials, published with each call for applications. |
| * Numerous complex additional documents required together with the financing application, which are not specifically necessary in the first stage | * The analysis of required documents in order to reduce their number * The use of statutory declarations to certify the fulfillment of specific requirements in the case of certain documents that can be required at contracting (e.g. the act of empowerment legalized in original form or the title of ownership for the building or terrain that will be subject to investment, or even cadastral documents and land book excerpt (real estate register excerpt) | * Internal procedures and analysis |
| * The approach in a very bureaucratic manner of the whole transmission process of financing application forms, with official communications and addresses, the transmission of clarification requests, notifications, and official approvals, lead to significant delays in projects evaluation and therefore, in contracting | * Online submission of financing applications * In the case that printed documents are requested at submission, the maximum number of copies should be limited to two: the original documents and a set of copies. | * Online tool, such as MySMIS |
| * The time between the publication of guides and the opening of the financing line is too short, not allowing beneficiaries enough time to prepare high quality financing applications together with studies and other specific documents | * An increase in the time interval between the date of publication of documents and the opening of the financing line to 1-2 months when clarifications should be discussed by potential beneficiaries and Management Authority/Intermediate Body in organized meetings * The elaboration and publication of the annual plan of financing applications | * Meetings with potential beneficiaries * The publication by the end of each year of the calendar of financing opportunities planned for the following year and quarterly updates of this calendar |
| * Lack of transparency of the evaluation process of financing application forms and of the supporting documents | * The development of a simple online tracking system through which applicants could follow the status of their application and submit documents requested in clarifications. | * The development of an “online tracking system” |
| * The cost/benefit analysis is a complex document that calls for time and financial resources | * The analysis of the possibility to use other types of ex-ante evaluation depending on the extent of the financing that would call for less effort from beneficiaries and that would ensure the necessary elements for the evaluation process | * The replacement, where possible, of the cost/benefit analysis with a cost/effectiveness analysis |
| **Signing the financing contract** | * The lengthy procedure of signing the financing contract | * The reduction of the contracting period, especially the time between the transmission of contracts from OI and the effective signing of the contract | * Internal working procedures * The analysis of personnel workload |
| * There is an imbalance in parties’ obligations, since beneficiaries are liable to penalties in the case of infringement of contract provisions | * The analysis of requested documents to avoid the request of the documents * The introduction of the possibility to obtain certain documents directly from the issuing institution (Fiscal Agency, Trade Register Office, Cadaster) | * The signing of an inter-institutional protocol to give the possibility to obtain certain documents directly from those institutions databases. * The development of an inter-institutional communication system |
| **Pre – financing application** | * The pre-financing is considered insufficient in order to start the activities, notably in the case of investments | * The increase of the pre-financing percentage at 30% in order to facilitate the project’s start and development | * The change of legislation regarding the financial management of structural instruments |
| **Payment request** | * For the payment request there are certain documents also required in the acquisitions file in the next reimbursement request | * The additional documents should be requested only with the reimbursement request | * The change of procedures in the case of the payment request * The creation of a simplified list of requested documents in order to avoid their multiple request |
| * There are too many supporting documents requested in the case of payment/reimbursement requests related to constructions | * Only the signed statement (minutes of proceedings) should be requested in the case of payment requests, and not together with the quality-related documents which are attached to the construction book and should be only verified when the construction is finished, on site. |
| **Progress reports** | * Progress reports are complex documents and the beneficiaries need help in order to elaborate them * The elaboration of a progress report is lengthy * There are certain types of data that cannot be filled until the 10th of the following month | * The issuing of a clear set of instructions to clarify on the elaboration of progress report, the simplification of the form, the elimination of redundancies in its headings * The reduction of the number of the requested progress reports, that should be elaborated quarterly * The change in the submission date, from the 10th of the reporting month to the 25th | * Assistance from project officers * Change in procedures |
| **Expenditure reimbursement** | * Significant differences between the manners of processing reimbursement requests from one monitor to another | * The development of clear and unitary procedures of reimbursement requests processing | * The elaboration of clear and unitary procedures * Instructions and/or the unitary instruction of project officers in order for them to apply the same set of rules |
| * The exceeding of periods mentioned in the contracts for expenditure reimbursement | * The diminishing of the reimbursement period in order to avoid blockages or the impossibility of payment of the beneficiaries | * Respecting or changing the procedures * Introducing clear deadlines for the analysis of the reimbursement requests and for making the payments |
| **Implementation** | * Insufficient information of beneficiaries on the rules to be followed during the implementation phase | * Organizing post-contracting training sessions for the beneficiaries who already started the implementation or signed the contracts | * Training sessions for the beneficiaries in order to become aware of the implementation rules * The elaboration of check-lists for each stage of the implementation that should be made known to beneficiaries |
| * Public acquisitions are one of the most burdensome administrative activities | * The reduction at a minimum of acquisitions attributed by the criteria of the “lowest price” and the shift towards “the most profitable offer from an economic point of view”, with clear criteria and no room for interpretations * The possibility to approve changes in technical specifications in the sense of their diminishing or the replacement of one piece of equipment with another one | * The elaboration of a guide/manual of ROP projects implementation that would include the process of public acquisitions procedures and standardized documents |
| * A simplified procedure for the assignment of contracts concerning goods, services or constructions was identified as an extremely useful simplified procedure which needs improvements, nonetheless. | * The adding of new options, such as the publication of a single announcement with many lots and individual assignment thereafter * The possibility of maintaining attached supporting documents * The possibility to introduce errata |  |
| * There are plenty of implementation instructions perceived by beneficiaries as compulsory requirements, although they do not possess legal character * RDAs do not have the same approach and understanding of instructions and this leads to difficulties for beneficiaries and to problems in implementation | * The centralization of instructions on stages of implementation, their analysis and the issuing of consolidated instructions in a clear language that leaves no room for interpretations | * The elaboration of a ROP guide/manual that would contain the list of all issued instructions * Instructions and/or the unitary instruction of project officers in order for them to apply the same set of rules |
| * The requests concerning the documents and the development of the implementation process, mainly in construction-related projects, are very different | * The introduction of FIDIC rules in order to standardize the documentation and to ensure the accountability of all stakeholders involved in the implementation process: beneficiaries-consultants-designers-contractors | * The decision to use FIDIC rules |
| **Audit and control** | * The monitoring visits should become an instrument of obtaining support and consultancy in implementation by the beneficiaries | * On site visits should involve a representative of the project on behalf of the beneficiary, who would assist the control and auditing team, who would explain and answer questions and deliver technical details * The monitor’s check lists should be available to the beneficiaries * The monitoring visits should be streamlined (a maximum of 3 visits) and should encompass simultaneously both the financial and technical monitoring * More visits should be made only in the case of projects suspected of fraud, in the base of a risk analysis | * The revision of internal rules and procedures of MA/IB * The elaboration of a manual of audit and controlling that should be made known to all beneficiaries of European funds |
| **Information and publicity** | * The announcements related to the publicity of the project are not visible if they appear on beneficiaries’ websites, some of which have very few visitors | * The creation of a page on [www.fonduri-ue.ro](http://www.fonduri-ue.ro) website where announcements related to the publicity and informing on the project could be made public | * Online instruments |

Table 4 Summary of simplification proposals SOPIEC

| ***Sectorial Operational Programme Increase of Economic Competitiveness*** | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financing requests** | * Applicants guide contains numerous elements that are unclear to beneficiaries | * Applicants guide should be clear, concise, should use a common vocabulary and should not leave room to interpretations * The introduction in the evaluation grid of eligibility conditions and the mentioning of the documents and elements that are verified | * The revision of guides and materials for applicants / beneficiaries |
| * Financing application files are complex documents, may have many pages, together with the annexed documents | * Online submission of financing application files * The replacement of sections where the applicant is asked to detail how he/she is going to apply the principles of equality of chances, stimulative effect, sustainable development, with the request to thick some boxes in order to provide evidence on their commitment to respect those principles | * Online submission and evaluation system of grant application forms, electronic communication with applicants * The change of grant application file format |
| * Large number of documents that are required together with the financing application file, some of which are very costly in terms of time and budget. * Some of these additional documents are necessary only in the implementation stage and are also limited in validity | * In the case of projects that include constructions, a statement containing the description of what will be done and the concrete manner should be enough, together with a current situation plan and a proposed one to provide enough information for the evaluation stage * The elimination of the request of some documents in this stage: feasibility studies, notifications and official approvals, and the replacement with their request at contracting or at a further date after the application and checking of the grant application form * Disclaming the letter of comfort, since the decision of the General Assembly is sufficient at this stage * The grant application file could be accompanied by a feasibility study or a business plan, and the complexity of checking should increase with the advancement towards contracting * The simplification of the content of the business plan | * The change of MA’s internal rules and procedures * The change of legislation |
| * In the application stage, apart from the requested documents, other documents are requested to fundament the project, through clarifications | * The issuing of a complete list of all documents that must be submitted together with the grant application form, depending on the project’s specificity | * Changes in the applicable rules/legislation |
| * There is no standard template for financial projections that contains a clear suggestion of the indicators to follow | * For each call, customized templates for financial projection are necessary | * The creation and dissemination of templates for the requested documents * Standard software tools (Excel) |
| **Signing the financing contract** | * The request of additional documents, other than those specified in the guide and manual | * The elimination of those procedural clauses because of which some projects are rejected as a result of a missing document or due to some form problems * The elimination of subjective interpretations by introducing only measurable, objective criteria of project scoring | * Changes in the applicable rules/ legislation |
| * The time between the submission of the grant application form/financing approval and the signing of the contract is very big | * The enforcement of a maximum period of time to answer financing application forms * Accepting technical specifications updates for equipment in the contracting phase | * Changes in the applicable rules/ legislation * Providing training and better management of teams of evaluators |
| **Obtaining pre-financing** | * Difficulties in obtaining the letter of bank guarantee and high costs of this procedure | * The elimination of the request concerning the necessity of a letter of bank guarantee | * Changes in the applicable rules/ legislation |
| **Payment request** | * Difficulties in purchasing from foreign suppliers | * The payment system should allow external transfers from the Treasury directly into the foreign company’s accounts that issued the invoice making the object of the payment request | * Changes in rules and procedures of MPF * Inter-institutional collaboration |
| **Progress reports** | * Too high frequency of requests for progress reports and the redundancy of the required information from one report to another | * The reduction of the frequency of requesting progress reports * The simplification of the content – the adaptation of the report to the activities taking place during the reporting period * The reduction of the number of signatures necessary for obtaining different notifications or official approvals | * The change of progress report form, the change of internal procedures |
| * Non-unitary procedures between RDAs in reports processing | * Procedures unification | * The analysis of procedure application * Taking measures accordingly |
| **Expenditure reimbursement** | * The manner in which the reimbursement request is transmitted is time-consuming and generates unnecessary costs | * Submission of reimbursement requests electronically * The documents in original copies could be kept by the beneficiaries * The simplification of the reimbursement request form, keeping the invoices, payment orders, payrolls, acquisition contracts as annexes * The use of only one photocopied version of documents * The use of Excel in the case of documents containing calculations | * Online systems * Internal procedures |
| * Beneficiaries use their own templates of documents that are submitted together with the reimbursement requests | * The issuing of standard templates for all the necessary forms that must be submitted together with the reimbursement request | * Changes in the applicable rules/ legislation |
| **Implementation** | * The same documents are required twice or more, at different occasions | * The avoidance of such situations of requiring the same documents from the beneficiary more than once | * Changes in the applicable rules/ legislation * The creation of databases with the documents from beneficiaries |
| **Audit and control** | * The projects are monitored, audited, and controlled under the visible preoccupation for administrative control, and less focused on understanding the activities undertaken or on the interest for objectives and indicators | * Rethinking the monitoring system that should become more dynamic, based on: unforeseen visits (in the case of projects under fraud suspicion), visits upon the demand of the beneficiary, visits focused on a specific problem, visits to assist the completion of an important stage of the project * The results of visits should be adequately reflected in the documents elaborated as a result of visits * Allowing the project officers to make some decisions, they should assume as well the role of information and methodology supplier for the beneficiary | * Changes in the applicable rules/ legislation * Redefining the role of monitoring and auditing the projects |

Table 5 Summary of simplification proposals OPACD

| ***Operational Programme Administrative Capacity Development*** | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financing requests** | * The period of time between the submission of the application and the signature of the contract is lengthy and difficult to estimate | * The specification of a clear interval of time for the evaluation and contracting | * Communication with potential beneficiaries |
| **Pre-financing** | * The pre-financing is given only after making the proof of having had benefited from contracts of similar value | * The elimination of the condition to present contracts of a value at least equal to the requested pre-financing * The pre-financing should be awarded exclusively based on the pre-financing request | * Changes of rules/ procedures/ beneficiary’s manual |
| **Implementation** | * The MA sends to beneficiaries request of documents/ situations/ summary tables that are not specifically mentioned in the beneficiary’s manual or in the contract | * The elimination of additional documentation request, such as up-to-date situations or forecasts * The adaptation of the imposed requirements to beneficiaries to their specificity of private beneficiaries * The elimination of the request of the same document repeatedly | * Changes of internal procedures |
| **Expenditure reimbursement and reporting** | * The request of justificatory documents that beneficiaries cannot present due to objective reasons | * The elimination of the compulsory measure of presenting supporting documents that are impossible to obtain, such as a handover protocols for goods purchased online * The elimination of requesting supporting documents for small amounts * The analysis of support documents requested in order to reduce their number | * The use of option regarding simplified costs |
| * Complexity and high frequency of reporting | * The elimination of redundant documents (timesheets and narrative reports i.e.) * The elimination of internal notes in the case of private beneficiaries * The clarification of the legal aspects related to timesheets and courses * The reduction of the number of requested copies of documents * No need for both statement of account and order of payment, since the order of payment is included in the statement of account | * The increase in the number of project officers in teams * The development of their capacity to manage the monitoring of projects, the public acquisitions and any other applicable procedures |

Table 6 Summary of simplification proposals SOPHRD

| ***Sectorial Operational Programme Human Resources Development*** | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financial request** | * The low quality of the information, excessive bureaucracy attached to the application process and the lack of a unitary approach in the MA’s relation with the potential applicants | * The elaboration of a manual for the beneficiaries of SOP HRD projects that is clear, consolidated, coherent and that comprises details related to each stage of a financing application: from application to implementation * Help-desk efficiency improvement * Informing sessions for potential beneficiaries before the submission of the grant application file and after signing the contract for the chosen beneficiaries | * Applicant’s guide * Beneficiary’s manual * Help-desk services |
| * The request of the same type of information at different stages of the grant application | * The revision of the format of the grant application form * The elimination of redundant requirements | * The revision of guides and manuals |
| * A website that is difficult to use, containing outdated information, while the useful information is easier to identify on other websites. | * The creation and launching in the closest future of a new website, which is easy to follow, updated permanently with information and instructions, purposefully designed to meet beneficiaries’ needs | * website |
| * the period of time is considered to be very short and thus insufficient for the submission of the grant application file | * Minimum one month period for the submission of the grant application file * Abolishing the principle “first come, first served” * The increase in the level of transparency of the evaluation process of the financing application files | * Changes in procedures/ rules |
| **Obtaining the pre-financing** | * The pre-financing amount is not enough to cover the proper start of the projects | * The returning to a pre-financing level of projects within the limit of maximum 30% of the project value * Re-introduction of the possibility of submitting at 6 months intervals the declarations regarding fiscal obligations for wage expenditures, regardless of the number of employees (an alternative measure to the “accelerated reimbursement”) for all the organizations of the civil society | * Changes in procedures/ rules |
| **The payment request** | * The time period available for submission is too short | * The increase of the 3-day interval following the issue of the invoice/ payment order, after which the payment request can be submitted | * Changes in procedures/ rules |
| **Progress reports** | * The numerous justificatory documents additional to the progress reports and the double requirement of other documents that have been sent or will be sent together with the reimbursement request form | * The diminishing of the number of justificatory documents useful to certify the personnel qualification * The diminishing of the number of annexes * The elimination of the request of documents that already exist in SOP DHR data base * The simplifying of the activity report form | * Changes in procedures/rules |
| **Expenditure reimbursement** | * A consistent amount of supporting documents that must be submitted together with the reimbursement request forms | * The analysis of the required documents at reimbursement and the use of costs simplification options * The submission of reimbursement request forms twice a year | Changes in procedures/ rules |
| * Reimbursement delays | * The simplification of the processing system of the reimbursement request forms * The ensuring of a working mechanism where answers to beneficiaries in similar cases are alike and not contradictory * The payment should become possible based on the auditor’s report, given his status of independent expert | Collaborations with the representative auditor organizations |
| * The target group registration form contains personal information and data that overlap the same kind of data required in the annexes | * The creation of a single annex format that would comprise all the necessary information regarding the target group | Standard simplified models |
| Implementation | * Numerous modifications, new instructions, which are not properly systematized and poorly explained to beneficiaries | * The organization of periodical consultation sessions with the relevant stakeholders (depending on the project type and the major intervention area), by the means of thematic working groups that would generate a better anticipatory capacity of further modifications * The creation of a new ActionWeb module that would generate the required reports | * Communication * Online systems |
| **Auditing and control** | * Dysfunctions of the external auditing process, since the same documents are requested and analyzed by three different entities | * The financing guide should contain clear detailing on the principles, criteria and methodology of an auditing process * General revision of the monitoring, controlling and auditing activities | * Changes in rules/ procedures * communication |
| **Information and publicity** | * The diversity of the financed projects is not covered by the rigidity of information and publicity rules | Conferences schedule should be decided by the beneficiaries and not imposed by the guide  * The re-evaluation of the minimal promotion and publicity rules, so that they reflect each project’s specificity | * Changes in rules/ procedures  Communication |

Table 7 Summary of simplification proposals SOPE

| Sectorial Operational Programme Environment | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financing request** | * The complexity of the grant application file | * The submission of a single copy * The file should contain only the technical proposal, the financial proposal and the minimum number of eligibility documents in order to certify the beneficiary’s status * Several documents should not be considered annexes of the grant application form: Nature 2000 form, job descriptions for the personnel involved in the Project Implementation Unit, availability statements and CVs for the involved personnel * Online submission of the grant application form | * Changes in rules/ procedures * Online system |
| **Reimbursement requests** | * The numerous supporting documents that are submitted together with the reimbursement request form, the burdensome process of submission by postmail or courier | * Reduction in the number of supporting documents in printed copy, or their submission by e-mail or online together with the reimbursement request form, the replacement of official addresses by e-mails * The reimbursement requests should be reshaped into a technical and financial report, while the justificatory documents could be submitted online * The enforcement of precise rules and instructions concerning the documents’ content. | * Online systems * The development of instructions * The modification of procedures |
| * Numerous instructions emitted by the MA create administrative burden to beneficiaries | * Development of clear instructions that could be applied rapidly, in the case of unforeseen or additional work, improvements or the update of technical specifications in the case of equipment acquisitions | * Changes in rules/ procedures |
| **Consultation, awareness and information activities** | * The need for support from the authorities | * An improved communication between regional and central authorities * The organization of informing sessions regarding the content of the grant application form and the implementation process | * Inter-institutional communication * Communication with the beneficiaries |

Table 8 Summary of simplification proposals SOPT

| Sectorial Operational Programme Transports | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financing request** | * The complexity of the grant application form, numerous documents must be submitted together with the form | * Re-analyzing the Applicant’s Guide, the identification of the documents of utmost importance and the precise indication of the information the beneficiary must provide * Online submission * Single printed copy, if the measure remains unchanged | * Online systems * Internal procedures |
| * In the case of projects regarding the development of harbour infrastructure that would be financed through SOPT, the necessity and opportunity of their implementation with the help of non-reimbursable funds must be certified and approved by JASPERS experts | * It is recommended to submit a lighter documentation to JASPERS experts, prior to the submission of the financing application form, that would contain the essential information on which the approval could be offered | * Internal working procedures |
| **Signing the financing contract** | * The lengthy period between the approval of the financing application form and the signing of the contract | * Reducing the number of copies for each document * Increasing transparency in the MA’s verification procedure * Periodical informing of applicants on the evaluation status * The request to update the project calendar and the acquisitions procedures calendar should be done only once, after the grant application form is considered to be approved | * Internal working procedures |
| **Progress reports** | * The complexity of progress reports * The request of the same information at every new reporting | * The analysis of the content of the monthly Progress Reports and the rationalization of the requested information * The simplification of the monthly report format * The change of the reporting date in the second half of the following month (e.g. the 25th of the month, in order to be able to provide accurate data on the physical progress and discounts * A clear situation of the data that can be collected from SMIS and the operationalization of the reporting function of MySMIS | * Changes in rules/ procedures * Online systems |
| **Expenditure reimbursement** | * Significant delays in the reimbursement of expenditure, sometimes due to very complex situations * The unclear boundary between eligible and non-eligible expenses | * The reimbursement of the expenditure concerning expropriations should be done only after the release of a definitive and irrevocable decision of a justice court, without the need for an Emergency Decision of the Government to approve such decisions * The elimination of the lack of correlation between the budget and the approval of payments according to the requests of budgetary credits and reimbursement openings (credits) at the Ministry of Transports | * Changes in legislation, rules and procedures |
| **Implementation** | * The request of additional supporting documents | * The training of personnel involved in projects on specific, punctual issues regarding the SOPT projects and the creation of a data base comprising different cases and the manner of solving them * The issuing of an implementation manual that would contain a good practices section collected for the 2007-2013 period | * Internal procedures * training |
| * Numerous informing procedures requested in different formats, Word or Excel | * the standardization of the data submission format to Excel | * the simplification of forms |
| * the difficulty of MA’s personnel to manage projects, both from the procedures perspective and from a content understanding, objectives and results point of view | * the specialization of MA’s personnel for a better supervision of the work from a technical perspective, which is more complex and diverse, in order to have a better understanding of the projects in their integrality * the communication of the technical expertise results firstly to beneficiaries, in order for them to make the necessary steps to improve the current situation | * training * communication |

Table 9 Summary of simplification proposals CBC Romania-Bulgaria

| Cross border Cooperation Programme Romania-Bulgaria | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Grant application file** | * the complexity of the grant application file | * the elimination of the annex declarations from the grant application file until the approval of the eligibility of project’s proposals * the compulsory character of submitting the financial situation of the partner/applicant in the same time with the submission of the application is not necessary * the clarification in the Applicant’s Guide of the legislation and application norms between Romania and Bulgaria * the use of the Excel format for documents related to the grant application form, pre-selected information boxes, or formulas that would not allow for filling in errors * online submission | * simplification of forms * changes in rules/ procedures * Applicant’s Guide * Online systems |
| **The reimbursement request form** | * The numerous justificatory documents, delays in processing requests and in expenditure reimbursement | * The diminishing of the number of requested documents, in order to avoid the analysis of some documents that were previously analyzed in the progress reports, thus reducing the time necessary for the approval of the reimbursement request form | * changes in rules/ procedures |
| **Implementation** | * the situations when the signing of an addendum is necessary are rather frequent, thus wasting considerable time and blocking the implementation | * the increase of competence level in regional offices so that they can have decisional power in what concerns addedums to some extent, without involving the Management Authority | * changes in rules/ procedures |
| **Archiving** | * all documents are subjected to post-financing control in the purpose of project’s sustainability | * the elimination of paper copies and the archiving of scanned copies of the documents in newly-created data bases of each institution/ applicant | * online systems |

Table 10 Summary of simplification proposals CBC Romania – Serbia

| ***Cross border cooperation programme Romania-Serbia*** | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Grant application file** | * numerous documents requested at the submission of the grant application file | * the request of documents such as fiscal certificates, tax records, etc, should be done following the approval * the ensuring of the coherence between the Applicant’s Guide and the grant application * single signed declaration by/ between partners | * changes in rules/ procedures |
| * the evaluation, selection and contracting procedures are confidential | * increasing the transparency of the evaluation process of the submitted requests | * changes in rules/ procedures |
| **Implementation** | * The beneficiaries are in favor of reducing the official communication, decentralizing the decision making process at the level of regional offices, and adapting requests to each particular case | * simplification of procedures * certain approvals should be assigned to the authorities from one state solely * more decisions should be made only by BRCT Timisoara on behalf of the Romanian authorities * the clarifying and limiting to a minimum the situations when an addendum is needed * the elimination of the obligatory character of NGOs’ providing certain documents not under their property, by law * the elaboration of an implementation manual | * changes in rules/ procedures * implementation manual |
| **Audit and control** | * external auditing is perceived as a formal controlling action | * raising the awareness of the personnel involved in the auditing process |  |

Table 11 Summary of simplification proposals Hungary-Romania

|  |  |  |  |
| --- | --- | --- | --- |
| Cross border cooperation programme Hungary Romania | | | |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financing request** | * the necessity minimize the number and categories of documents that must be submitted together with the grant application form | * the creation of a data base with applicants (that could be permanently updated), the submission of a project intent form and only after the pre-contracting the request of documents concerning the applicant’s status | * changes in rules/ procedures |
| **Reporting** | * the process of reporting is complex | * accepting scanned copies of all justificatory documents without requesting n copies * the request of documents strictly related to the project’s activity on site (original copy) | * changes in rules/ procedures |
| **Audit and control** | * external auditing is perceived as a formal controlling action | * rethinking the benefits of external auditing and transforming it into a useful one | * changes in rules/ procedures |

Table 12 Summary of simplification proposals NPRD

| National Programme for Rural Development | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Grant application file** | * the financing application file contains a significant number of supporting documents, approvals that need a longer period of time to obtain and have a limited validity term | * the diminishing of the number of requested documents, the reduction of the number of certificates (environment, electricity, veterinary) * the creation of a unique office to submit documents and obtain certificates and approvals, as well as the differentiation between investment projects and equipment acquisition * the creation of a model project for small farms, as many standardized forms as possible for all types of projects, and the possibility to submit online the grant application file, also the enlargement of the period between the applicant guide’s publication and the submission deadline and of the application period, too * the ensuring of a unique and unitary interpretation of the guide at all levels | * online systems * changes in rules/ procedures * standardized forms * inter-institutional communication |
| **Financing contract signing** | * the lengthy period between the grant application submission and the signing of the contract | * shortening the period for file checking * unitary interpretation of procedures by APDRP * certified companies or independent evaluators in projects’ evaluation | * improving the efficiency of authorities’ internal activity |
| **Expenditure reimbursement** | * delays in expenditure reimbursement | * respecting the reimbursement deadlines of FEADR co-financing | * respecting internal norms and procedures |
| **Implementation** | * modifications occurred in the implementation of contracts | * the reduction of time periods in the process of certification of both modifications in projects and in acquisitions * the simplification of procedures in the case of auctions * the creation of real data bases regarding the prices for acquisitions * the assignment of a person responsible with support during implementation for beneficiaries at the level of local halls * the reduction of the time of answer in the case of objective notifications * training sessions for rural development agencies personnel in order to gain a proper perception on LAG (Local Action Groups) and their objectives * the re-evaluation of expenses that are eligible in LAGs | * improving the efficiency of authorities internal activity |

Table 13 Summary of simplification proposals OPF

| ***Operational Programme Fisheries*** | | | |
| --- | --- | --- | --- |
| **Stage of the project** | **Observation** | **Simplification recommendation** | **Instrument** |
| **Financing request** | * the financing application file comprises a significant number of support-documents that are already available to public authorities | * the documents that are publicly available (balance sheets, fiscal certificates/records) or that could be made public (certificates) should be obtained directly by the MA from the data bases of the issuing institutions or they should be replaced by statutory declarations * the elimination of certain documents that are already part of the grant application file: * the evaluation report and specialized technical expertise, sanitary certificate, urbanism certificate, environment certificate etc are already comprised in the feasibility study and can be eliminated as being considered already requested data * the copy of the registry certificate issued by the Official Commerce Registry (it contains information that are also found in the fiscal record and in the registration certificate) * Property documents, cadaster extracts, given that the vast majority of lands hosting piscicultural facilities are owned by public authorities and therefore the legal obligation for entry in the land register belongs to the respective public authorities. * The publication on the MA OPF website of the schedule of the application sessions for long term * The introduction of NGOs that undertake activities related to aquaculture and fishing on the category of eligible beneficiaries * Lengthier periods of time for project submission, more detailed information on grant application forms’ content | * Changes in rules/ procedures |
| **Financing contract signing** | * The lengthy period between the submission of the grant application form and the signing of the contract | * The reduction of the period between the submission of the grant application form and the signing of the contract | * Increasing the efficiency of the internal activity |
| **Expenditure reimbursement** | * Delays in the reimbursement of expenses | * The creation of a support office for beneficiaries during the implementation process | * Increasing the efficiency of the internal activity |
| **Implementation** | * Difficulties and delays caused by the public acquisitions process | * The assignment of a monitoring officer to maintain the relation and supervise the implementation process * ANRMAP should check and validate in maximum 3 days the tender documentation sent by the public beneficiaries in SEAP * The beneficiaries should have available more than five days to answer the clarification requests * The possibility to assign the contract to another supplier in the case where the service supplier entered insolvency | * Changes in regulations/ procedures * Inter-institutional communication |