



## EXECUTIVE SUMMARY

The ad hoc evaluation to support the establishment of simplified cost options for the Education and Employment Operational Programme (POEO) 2021-2027, is part of the contract *“Implementation of the Evaluation Plan of the Human Capital Operational Programme 2014-2020 Lot 2: Evaluation of technical assistance interventions”*, together with three evaluation exercises aiming at the Retrospective Evaluation of the Human Resources Development Operational Programme 2007-2013, an intermediate evaluation and a final one of the Human Capital Operational Programme 2014-2020 and six other ad-hoc evaluations that are defined according to needs.

The ad-hoc evaluation that is the subject of this report was based on the request for services no. 101287/09.11.2020, formulated by the Ministry of Investments and European Projects and aims to support, identify and define the simplified cost options applicable in the implementation of ESF(European Social Fund)+ interventions financed by POEO 2021-2027.

Two specific targets have been established, corresponding to the stages of implementation of the evaluation, namely:

- Identifying simplified cost options appropriate to the funded actions and cost category, consistent with the existing regulatory framework and previous implementation experience;
- Defining simplified cost options identified as a priority, in accordance with the requirements of ESIF (European Structural and Investment Funds) regulations and operational programme formats.

Two requirements were specified in the request for services regarding:

- the analysis of 10 topics corresponding to the priorities of the programme as the object of the analysis, in order to identify the simplified cost options appropriate to the actions and context of the programme,
- application of data collection methods and calculation of CSTs (Common Safety Targets) for at least 5 types of costs among those identified.

The evaluation questions correspond to the two specific targets, namely:

- 1. What are the actions related to the evaluation topics for which the simplified cost options apply?**
- 2. What is the methodology for calculating the selected simplified cost options?**

To answer the evaluation questions, the proposed methodology included a set of methods and tools tailored to the complexity of the operational programme with a very large number of priorities, actions, types of costs, beneficiaries and target groups.

The first stage of the research focused on the specialized literature on the one hand targeting simplified cost options, a topic of the European Structural and Investment Funds, still having limited experience, but of great interest and intensely promoted by the European Commission. On the other hand, the research aimed at mapping the actions and their related costs in order to identify and prioritize the definition of new simplified costs for the period 2021-2027. Mapping also allows for an overview of the programme, given that a simplified cost may be appropriate for several operations of different actions and priorities, or several simplified costs may be implemented in one operation. The result of this analysis remains a reference tool throughout the implementation



of the programme because the adoption and implementation of simplified cost options does not end with the approval of the operational programme, but continues throughout its duration. New simplified cost options identified as suitable at this stage can be defined later during the implementation, once the implementation mechanisms are clarified. Following an in-depth analysis of the implementation processes and sub-processes associated with the eligible costs, six simplified costs were selected, fully covering the requirements for the request for services.

In order to define the six simplified costs, data were collected both from the 2014-2020 programming period and from 2007-2013 period, interviews, surveys, videoconferencing or written consultations, sector expert consultation were conducted. All these have been analysed and presented in substantiation studies and in the standard format established by the Common Provisions Regulation (CPR) 2021/1060, more precisely Appendix 1 of Annex V, which is filled in for all simplified costs and submitted to the Audit Authority for ex-ante evaluation.

The main conclusions of the ad hoc evaluation are the following:

- The analysis confirms the benefits associated with simplified costs, primarily in terms of reducing the administrative burden for beneficiaries and authorities.
- Within the evaluation, the following simplified costs were identified as a priority and applicable, for which the necessary analyses and substantiations were performed:
  - standard scale of unit costs for preschool education services
  - unit cost for preschoolers' meals
  - unit cost participating in qualification programmes level 2,3,4
  - unit cost participating in apprenticeship programmes
  - unit cost participating in internship programmes
  - unit cost for employer subsidy to stimulate employment
- The adoption and application of simplified cost options is a complex and time-consuming process, practically extending throughout the implementation of the programme, so that simplified cost options are adapted and capitalize on favourable conditions that cannot be identified from the beginning of programming.
- The definition of simplified cost options needs to be done from a broader perspective of the whole programme or fund (ESF+ in this case) because a simplified cost option may be applicable to several actions with similar processes and associated cost elements.
- Simplification through simplified cost options has huge potential for all ESF programmes, for which evaluations point to excessive bureaucracy. Their impact on the efficient implementation of the programme can be driven by complementary simplification measures aimed at all stages of evaluation, selection and implementation of projects.

The ad hoc evaluation provides recommendations for a future set of 9 simplified costs, which can be addressed as a matter of priority, due to the high potential for simplification.

1. SCOs (Simplified Cost Options) for operations aimed at financing youth centres and other similar centres;
2. SCOs for the cost of continuous professional training;
3. SCOs for preschoolers' education services;



4. SCOs for “Școala după școală” (School After-School) Programme;
5. SCOs for “A doua șansă” (Second Chance) Programme;
6. SCOs for accompanying measures to prevent early school leaving;
7. SCOs for teachers’ training;
8. SCOs for indirect costs - review of methodology and scales;
9. SCOs for salary costs of the project management team.

It is recommended to set up a working group under the coordination of the Ministry of Investments and European Projects to continue the process of identifying and defining simplified cost options and coordinating them between operational programmes, correlating them with evaluation results.