

# SIMPLIFICATION HANDBOOK

80 simplification measures in cohesion policy 2021-2027



No.	Simplification	Description	Legal reference (article)
<b>I. Legal framework – A shorter, unified legal framework providing certainty from the start</b>			
1	<b>Single rulebook for 7 shared management funds</b>	For the first time, 7 shared management funds are covered in a single framework. This simple, yet comprehensive rulebook provides aligned implementation rules for all.	CPR
2	<b>User-friendly CPR</b>	Legislative structure: the structure of the CPR is changed to make it easier to understand.  Many provisions are either cut, incorporated in the main body of the legislative text or in annexes. Overlaps and repetitions have been rationalised to create a single comprehensive framework.	CPR and its annexes
3	<b>A common CF and ERDF regulation,  The merging of 3 funds to create ESF+</b>	Simpler, shorter and just one regulation (rather than two).  The merger of ESF, FEAD and YEI will result in increased visibility and readability of EU action in the employment and social areas. It will also facilitate combination of social inclusion and activation measures, whilst ensuring that simpler rules for addressing material deprivation are maintained.	ERDF/CF  ESF+
4	<b>(Almost) all rules in one place, at one time</b>	The number of empowerments is significantly reduced. Empowerments regulate operational details in implementing or delegated regulations, but are only elaborated after the entry into force of the CPR. This change therefore increases legal certainty and reduces potential delay.  There were more than 50 empowerments in 2014-2020; we have 9 for 2021-2027 (not counting Commission implementing decisions).	DA - Articles 63(10), 73(4), 88(4), 89 (4), 107 and IA - Articles 37(6) 38(5), 63(11), 66(4), 98(4), 103(2), 104(4)
5	<b>More certainty regarding transition - clarity on phasing</b>	Explicit provisions are introduced for phasing of operations between programme periods.  These provisions give new legal certainty and predictability to managing authorities and Member States. The result: it is simpler and less risky to start projects towards the end of the period.	Art. 111 CPR
6	<b>Common templates available upfront</b>	The annexes contain templates commonly used by the funds. This will help speed up implementation as all elements relevant for programming and start of implementation are known upfront.	Annexes II, V-VII, XIV-XX CPR
7	<b>Key provisions, shorter and simpler text</b>	The number of words in the regulation is reduced by almost 50%. Simpler, clearer wording is used throughout.	CPR, ERDF/CF, ESF+

## II. Policy framework – A streamlined framework for easier programming

8	<b>Shorter menu, more flexibility</b>	11 thematic objectives in 2014-2020 are consolidated into 5 policy objectives. Broader policy objectives are simpler for reporting and allow Member States to be more flexible in shifting funds within a priority.  Reduced number of specific objectives too.	Art. 4 CPR  Art.2 ERDF/CF  Art. 4 ESF+
9	<b>Administrative capacity integrated with sectoral objectives</b>	Investments in administrative capacity can now be delivered under each policy objective instead of needing a separate policy objective (cf. T011 in 2014-2020).	Art.2 ERDF/CF
10	<b>Simpler rules for thematic concentration</b>	Thematic concentration will now be calculated at the national level, giving Member States more flexibility and choices at the regional level. ERDF thematic concentration takes account of levels of development, ESF+ thematic concentration requirements in the areas covered by relevant CSRs, youth and addressing material deprivation are adjusted to Member States' needs.	Art.3 ERDF/CF  Art. 7 ESF+
11	<b>Simpler wording for policy objectives</b>	Policy objectives (and specific objectives) set out objectives instead of a long description of elements, means and details of possible actions.	Art. 4 CPR  Art.2 ERDF/CF  Art. 4 ESF+

## III. Conditions – Fewer, strategic requirements to increase policy effectiveness

12	<b>Fewer enabling conditions</b>	20 conditions instead of almost 40 in 2014-2020.  Conditions are tightly focused on the policy areas with the most impact on the effectiveness of cohesion policy. They do not cover existing legal obligations. Moreover they do not cover areas where other means (such as programming priorities, project eligibility criteria or administrative capacity measures) are more appropriate.	Annexes III, IV CPR
13	<b>Fewer and clearer fulfilment criteria</b>	Criteria are fewer, clearer, more tangible and easier to measure.	Annexes III, IV CPR
14	<b>Automatic applicability</b>	There is no need for assessing whether an enabling condition is applicable or not – if the corresponding specific objective is chosen, it applies.	Art. 11 CPR
15	<b>Obligation for action plans discontinued</b>	Conditions are set from the beginning of the programming period. There is no obligation for defining and submitting action plans if conditions are not fulfilled at the beginning of the programme – the conditions are themselves the basis for action. This should shift focus to implementation rather than reporting, and decrease the administrative burden.	Art. 11 CPR
16	<b>No verification of additionality</b>	This technical exercise consisted of detailed calculations and corresponding guidance. It involved considerable resources on both the Member States' and the Commission's side and is now discontinued.	No provision

#### IV. Faster and more strategic programming – For a quick and simple start to implementation

17	<b>One less layer in the process</b>	No more Common Strategic Framework – one less layer in the programming exercise.	No provision
18	<b>One strategic document per Member State to guide the negotiations</b>	The Partnership Agreement (PA) is a single strategic document covering 7 shared management funds at national level and setting out coordination arrangements between these and other EU instruments. Fewer details, less description, more structured data.	Art. 8 CPR
19	<b>No more changes of the PA after initial adoption</b>	The PA will steer programme negotiations at the beginning, but will not be amended after this. In the 2014-20 period, all programme changes had to be reflected in a changed PA – an administrative burden for programme authorities.	Art. 9 CPR
20	<b>Clarity from the moment of adoption of the Commission proposal</b>	Templates for PA and programmes, types of intervention, climate change earmarking, indicators are all annexed to the proposals. This gives more clarity and time to prepare programmes in a format ready for submission.	Annexes I, II CPR and I and II ERDF
21	<b>Less text, more focus in the PA</b>	Only key information is required in the PA – and in structured form.	Art. 8 CPR
22	<b>No overlaps between PA and programmes</b>	No overlaps between the content of PA and programmes (for example, enabling conditions or analysis to be provided only in programmes, not in the PA).	Art. 8, 17 CPR and Annexes II, V, VI
23	<b>Two processes, one submission</b>	PA can be submitted together with relevant annual National Reform Programme (if timing is appropriate).	Art. 7(3) CPR
24	<b>Reduced document burden</b>	The PA can be included within the first programme submitted.	Art. 7(4)CPR
25	<b>Shorter, better structured programmes</b>	The text of programmes will be “lighter”, focusing on the achievement of objectives and allocations per fund. Information is required only one time in practical context - lengthy repetitive descriptions can be avoided.	Art. 17 CPR and Annexes V and VI
26	<b>Streamlined intervention logic</b>	The intervention logic will be focused on broad policy objectives and specific objectives. All indicators and types of intervention are at one level – specific objective only (not spread between priorities and specific objectives as in the past).	Art. 17 CPR
27	<b>No Commission decision for non-substantial financial transfers within a programme</b>	There is greater flexibility in making smaller financial adjustments to a programme – transferring up to 5% of a priority's financial allocation within the same Fund and programme (with an overall ceiling of 3% of programme allocation) does not require programme modification.	Art. 19(5) CPR
28	<b>Minor changes and corrections do not require a Commission decision</b>	Changes to programme authorities and clerical and editorial changes can now be made directly by Member States.	Art. 19(6) CPR
29	<b>No separate procedure for adjustment</b>	Combining the technical adjustment process with the performance review in 2025.	Art. 14(2) CPR
30	<b>Encouraging the use of simplified cost options from the start</b>	Special templates attached to the programme model in CPR which can (as an option) make discussion of SCOs part of the programming. This should also result in easier and wider use of these options. There is no need for a separate decision as it is incorporated in the programming decision. The use of SCOs could reduce the total administrative costs by some 25%.	Art. 88 CPR Annex V CPR
31	<b>Encouraging the use of financing not linked to costs</b>	Special templates attached to the programme model in CPR which facilitate the use of financing not linked to costs. This should also result in easier and wider use of this option.	Art. 89 CPR Annex V CPR

## V. Territorial tools – Simpler design tailored to local situations

32	<b>A dedicated policy objective – building on the 2014-2020 tools</b>	Existing programming and implementation structures can be continued, including the Community-led Local Development (CLLD) and Integrated Territorial Investments (ITIs) established in 2014-2020.  Choosing a single dedicated policy objective means fewer specific objectives and simplicity in using indicators. Territorial tools used under PO5 can combine activities financed under all other policy objectives – enabling a genuinely multi-sectorial integrated approach tailored to the local context.	Art. 4(1)(e), 22-27 CPR  Art. 8-9 ERDF/CF
33	<b>Clarity on requirements, simpler wording</b>	Much shorter provisions on CLLD and ITI. Key requirements are identified in the regulations, national territorial tools are recognised.	Art. 22-28 CPR  Art. 8-9 ERDF/CF
34	<b>Building on national tools that work</b>	For the first time, existing territorial tools in the Member States can be used and count towards the 6% target for sustainable urban development.	Art. 22(c)CPR
35	<b>Same rules for all territorial tools</b>	Common approach to all territorial tools, covering different territories with a defined minimum set of requirements for territorial strategies.	Art. 22-23 CPR
36	<b>Clarity on status of local authorities</b>	Simpler rules on the status of local authorities, clarification of when "intermediate body" status is needed.	Art. 23(4) CPR
37	<b>Clear goal for sustainable urban development with more flexibility</b>	Earmarking counts all interventions under all territorial tools focused on urban areas.	Art. 23 CPR and Art. 9 ERDF
38	<b>Multiple funds - one set of rules for CLLDs</b>	When using a CLLD, it is now possible to nominate a "lead" fund and apply only the rules of that fund.	Art.25(4-6) CPR
39	<b>A coherent approach for the cities</b>	A single instrument, the European Urban Initiative, will replace several different instruments and initiatives in the area of urban policy.	Art. 10 ERDF/CF
40	<b>Simpler structure for meeting the 6% target</b>	CLLDs, ITIs and amounts programmed under PO5 all count towards the target.	Art. 22 CPR and Art. 9 ERDF

## VI. Simpler implementation – Faster and simpler delivery of results

41	<b>No specific rules and procedure for major projects</b>	The major project process is discontinued: Commission approval will not be necessary for any particular projects.	No provisions
42	<b>No specific rules for revenue generating projects beyond State aid rules</b>	Specific rules on revenue generating investments are no longer part of the legal framework (although of course, Member States should comply with State aid rules). This measure is expected to reduce total administrative costs by some 1%.	No provisions
43	<b>Extended use of simplified cost options ("SCOs")</b>	<p>Instead of reimbursing actual expenditure based on invoices, payment will increasingly be based on flat-rate reimbursement, unit costs or lump sums.</p> <p>SCOs are further encouraged by simplifying rules and calculation methods, providing more off-the-shelf options and making them compulsory for operations of small amounts.</p> <p>SCOs not only reduce bureaucracy linked to verifications, they also reduce the risk of errors.</p>	Art. 48-51 CPR
44	<b>A new option: financing not linked to costs / moving away from invoices</b>	Payments from the Commission to the Member State or region conditional on the achievement of pre-agreed results/outputs or completion of policy actions or processes. This option is the continuation of the «payments based on conditions» introduced in the Omnibus. It represents a radical simplification in implementation as it changes the focus from costs, reimbursement and checks linked to individual projects to tracking deliverables and results for the projects, a group of projects or schemes.	Art. 46 CPR
45	<b>Technical assistance reimbursed in line with implementation progress</b>	<p>Technical assistance will be reimbursed in proportion to progress in implementation, using a flat-rate. In the case of the ERDF and Cohesion Fund, reimbursement from the Commission will be topped up by a flat rate of 2.5% to cover technical assistance, and in the case of the ESF+ it will be 4% (5% for the material deprivation programme).</p> <p>In addition, Member States or regions may undertake additional technical assistance actions in order to further reinforce capacity of the national, regional and local authorities as well as beneficiaries.</p>	<p>Art. 31 CPR</p> <p>Art. 32 CPR</p>

46	<b>VAT eligibility</b>	Clearer, simpler rules on VAT eligibility – full eligibility for projects below EUR 5 million, no eligibility above. No grey areas of recoverability/deductibility.	Art. 58(1) CPR
47	<b>Expenditure and projects outside the Member State</b>	Projects may be implemented outside the Member State – and outside the Union – provided they contribute to the objectives of the programme.	Art. 57(4) CPR
48	<b>Expenditure calculations where projects cover different categories of region</b>	<p>For ERDF, a simplified, pro rata approach to the use of funding is proposed to help implementation and administration of projects in different categories of region. This will particularly help projects which cover an entire Member State.</p> <p>For ESF+ the condition is that operations are for the benefit of the programme. Member States are thus free to allocate the expenditure entirely to one of the categories of region in a priority or they can use a pro rata, if the programme covers more than one category of region.</p>	Art. 57(3) CPR
49	<b>Straightforward transfer system among Funds and instruments</b>	A flexible, simple transfer mechanism to enable effective support where it is required. Complex issues arising from combination of funding may be avoided – a single set of rules apply (those of the receiving fund or instrument).	Art. 21 CPR
50	<b>"Seal of Excellence" concept: applied integration of EU instruments</b>	Projects which, due to lack of available funding under a centrally managed instrument, cannot be supported (notably Horizon Europe, LIFE+ or ERASMUS+), may be picked up by the managing authority and funded under the same conditions (including the same State aid regime) as the projects supported by the corresponding Union instrument. For such projects, there is no need to organise another call for proposals or a selection process.	Art. 67(5) CPR

## VII. Management, control and audit – Simpler and proportionate system with high reliance on national systems

51	<b>Designation procedure discontinued</b>	<p>Simplified «designation» of authorities. For post-2020, systems would largely be «rolled over» to the next programming period, without requirement for programmes to undergo a new designation process.</p> <p>Assurance would still be obtained by early systems audits. Rollover is expected to contribute to a speedier start of the next programming period.</p>	Art. 72(1) CPR
52	<b>Reducing the number of verifications</b>	<p>A more proportionate approach to management checks by making management verifications risk-based, instead of covering 100% of operations.</p> <p>This is an important reduction of the control burden, reducing total administrative costs by 2-3% for cohesion policy funds.</p>	Art. 68(2) CPR
53	<b>A more proportionate approach to audits</b>	<p>Simpler audit requirements and fewer burdens for programmes with good track record and proper functioning of the management and control systems. The selection of «low-risk» programmes is based on objective criteria.</p> <p>The number of audits covering territorial cooperation programmes will be drastically reduced, by introducing a common audit sample for ETC programmes (to be drawn by the Commission).</p>	Art. 77-79 CPR
54	<b>Single audit arrangement</b>	<p>The Commission will audit only the audit authority if its opinion is reliable and the Member State is part of the collaboration with the European Public Prosecutor's Office.</p> <p>ERDF and Cohesion Fund projects below EUR 400.000 eligible cost and ESF projects below EUR 300.000 will be audited once only prior to completion. Other projects only once per accounting year.</p>	Art. 74 CPR
55	<b>Simplified acceptance of accounts</b>	<p>Expenditure in the accounts is cleared by Member State audit authorities. No obligation to submit "zero accounts" when no payment claims are submitted in a given accounting year.</p>	Art. 92-96 CPR
56	<b>Simpler template for accounts and payment application</b>	<p>Less information is required for accounts and payment applications.</p>	Annexes XIX-XX CPR
57	<b>Clear document retention period for beneficiaries</b>	<p>A simpler and clearer rule about the starting point and length of document retention. Documents will need to be kept over a five-year period starting from the end of the year where the managing authority makes the last payment to the beneficiary.</p>	Art. 76 CPR

## VIII. Financial instruments (FIs) – simpler and less detailed provisions

58	<b>FIs better integrated into programming process</b>	Provisions on financial instruments are better integrated into the programming and implementation process from the outset.	across CPR
59	<b>Better integrated <i>ex-ante</i> assessment containing fewer elements</b>	The number of elements covered in an <i>ex-ante</i> assessment has been reduced to make the focus more strategic. Existing <i>ex-ante</i> assessments may be reviewed and updated leading to a quicker launch of the FI. The assessment of market failures, investment needs and complementarity with other forms of support are part of the needs analysis in the programmes.	Art. 17(3), 52(3) CPR
60	<b>Contribution to InvestEU – combining EU resources under one set of rules</b>	Managing authorities may decide at PA stage to contribute to InvestEU and have their FIs implemented through the four policy windows thus benefitting from an EU-level budgetary guarantee mechanism: increased leverage, better complementarity, increased coverage of risks, higher economies of scale, lower administrative burden, simplified accountability framework. Applicable rules are those of InvestEU – no more complexity arising from multiple rulebooks.	Art. 10 CPR
61	<b>More flexible combination of grants with financial instruments</b>	Grant aid can often be a key enabling factor for an FI investment. In 2014-20, this required two separate operations. Now it will be possible to combine grants and FIs as a single operation following the rules of an FI operation.  Bodies providing FIs will also be allowed to provide grants (both investment grants and grants to support the preparation of investments)	Art. 52(5) CPR
62	<b>Simpler rules on management costs and fees</b>	Rules on management costs and fees have been simplified while keeping them performance based to encourage efficient management.	Art. 62(3) CPR
63	<b>Streamlined payment applications</b>	The rules on payments have been considerably simplified while maintaining the all-important link between payments to financial instruments and the corresponding disbursements to final recipients.	Art. 85-86 CPR
64	<b>Clearer rules on fund recycling</b>	The rules on re-use of returning money have been made simpler and clearer. This enables a smoother flow and transition from one programming period to the next.	Art. 56 CPR
65	<b>One reporting system for all forms of finance</b>	Various reporting streams will be integrated, and there will no longer be specific reporting on individual FIs. FIs are just one delivery tool among others to reach programme objectives, and so can be part of general reporting and monitoring.	Art. 37 CPR
66	<b>A simplified assurance system for grants and FIs</b>	The simplified overall audit system integrates grant and FI operations, as well as giving increased clarity on FI audits.	Art.75 CPR

## IX. Monitoring and evaluation – More frequent but lighter reporting, streamlined provisions

67	<b>No obligation to conduct an <i>ex ante</i> evaluation</b>	The <i>ex ante</i> evaluation of future programmes is an option instead of being an obligation.	No provision
68	<b>Real time reporting instead of annual reports</b>	<p>Frequent electronic data transmission of the most up-to-date information and data will feed into the Open Data Platform.</p> <p>The administrative burden linked to monitoring and reporting will be radically reduced, while the policy dialogue between the key partners – the Commission, the Member States and the monitoring committee – will be better structured, more transparent and focused on resolving any implementation issues. Annual implementation reports and progress reports are discontinued.</p>	<p>Art. 37 CPR</p> <p>Art. 35 and 36 CPR</p>
69	<b>Single set of indicators; higher coverage by common indicators</b>	<p>For the future all indicators used in the programmes will be part of the performance framework. The common output and result indicators proposed will cover a high share of programme interventions – no obligation to have programme specific indicators.</p> <p>For ESF+ : reduced number of indicators for general ESF+ support, use of registers when data is available in registers, use of informed estimates by beneficiaries for certain indicators, reporting on results indicators which are relevant for the operation.</p>	<p>Art. 12-13 CPR</p> <p>Art. 7 ERDF</p> <p>Art. 15 ESF+ and Annex I ESF+</p>
70	<b>Elimination of performance reserve</b>	This removes the rigidity and complexity linked to the management of 6% of the allocations, set aside within the financial tables.	No provision

## X. Interreg – A single integrated regulatory framework tailored to the specific cooperation context

71	<b>More user-friendly, comprehensive legislative act</b>	Whole articles/chapters have been transferred from the CPR to the ETC Regulation. This makes the Interreg legislation more comprehensive and the elements easier to follow.	ETC (Interreg) Regulation
72	<b>A more proportionate approach to audits for Interreg</b>	Given the generally lower error rates found for ETC programmes, the number of audits covering territorial cooperation programmes will be drastically reduced, by introducing a common audit sample for Interreg programmes. A number of Interreg programmes will therefore see their audit work considerably reduced.	Art. 48(1) ETC (Interreg) regulation
73	<b>Incorporation of the co-operation outside the EU</b>	Co-operation with countries other than EU Member States is fully integrated into the five components of the Interreg regulation, thus providing a comprehensive framework for cooperation at internal and external borders.	ETC (Interreg) Regulation
74	<b>Streamlining maritime and cross-border funds</b>	Transnational and maritime cooperation are integrated into component 2 and support the corresponding macro-regional strategy. The Interreg Regulation provides great flexibility with regard on how to organise bilateral maritime cross-border cooperation inside a larger maritime cooperation programme by not imposing rules on setting-up a sub-programme, on setting-up a specific Steering Committee, on defining a cooperation sub-area, on the requirements for cross-border partnerships (from only two participating countries).	Art. 3(2) ETC
75	<b>Interreg – a single brand</b>	A simple name with a single brand for all strands and initiatives to promote cooperation in Europe.	Art. 1 Interreg and throughout
76	<b>Interreg eligibility rules in one place</b>	Interreg-specific eligibility rules have been transferred from a separate Delegated Act into the ETC Regulation and are therefore clarified upfront.	Art. 36-43 ETC
77	<b>Deletion of expenditure limit for spending outside the programme area</b>	The deletion of expenditure limits for spending outside the programme area removes an important rigidity from the system and promotes simpler and more flexible cooperation arrangements.	Art. 57(4) CPR and Article 22(1) ETC (Interreg)
78	<b>Small project fund</b>	Simple implementation arrangements for selecting smaller projects as long as the overall volume of the small project fund does not exceed EUR 20 million or 15% of the programme. There is no requirement to become an intermediate body for this purpose and legal certainty has increased. Projects under the SPF are defined as "small projects", the actors implementing them are "final recipients" and not beneficiaries, thus reducing their administrative burden. Obligatory use of SCO's is further reducing the administrative and control burden for the final recipients.	Art. 24 ETC
79	<b>Simplified Review</b>	The review of ETC (Interreg) programmes can be conducted at a time that best fits – no obligation to be annual nor to be organised in the form of a meeting.	Art. 30 ETC (Interreg)
80	<b>European Cross-Border Mechanism</b>	The ECBM enables Member States to agree on a single set of standards/rules used for projects implemented in more than one Member State (ie rules of one Member State may be applied in the other related to the joint project).	ECBM