

MEUSAC welcomes proposed changes to simplifying access to EU funds

Changes proposed recently by the Commission aimed at simplifying access to EU funds by cutting red tape and saving costs for beneficiaries should motivate a greater number of potential beneficiaries to apply for EU funds, said Dr. Vanni Xuereb, Head of MEUSAC, reacting to a proposal by the European Commission's announced last Friday.

The Commission's proposal, to be applicable for the post-2013 programmes, and which now needs to be adopted by the European Parliament and by the Council, a process expected to be completed by the end of 2011, focuses on eliminating a lot of the current paperwork, saving costs to beneficiaries by reducing the current heavy procedures and shifting funds from merely reimbursing bills to rewarding performance.

The proposal strives to keep the balance between simplifying measures and ensuring effective control of taxpayers' money. As some 80% of the EU budget is spent at national level, the Commission proposes further steps to improve the accountability of Member States for the way they manage EU funds. Their national paying agencies for regional aid would be required to issue management declarations of assurance on EU funds (as is already the case for EU payments in agriculture), subject to independent audit.

Dr. Xuereb stated that many entities claim to be put off from applying for EU funded projects because of the workload caused by what are sometimes described as excessively complicated procedures that often also entail significant costs to the potential beneficiaries. The simplification of procedures together with the experience that the country has gained throughout these past years as well as the setting up of an agency such as MEUSAC to assist local councils and non-governmental organisations to apply for EU funds will hopefully translate in increased participation by local councils and NGOs in particular in EU funded projects.

The proposed changes focus on three areas:

- (1) cutting red tape and shifting the focus from paperwork to performance,
- (2) improving the effectiveness and efficiency of control, and
- (3) introducing innovative financial mechanisms.

The simplified procedures would be focusing on actual results and would not need complicated itemised billing for funding reimbursement. Lump sums and flat rates have so far not been widely spread, although available, and the proposed changes head towards this direction.

Finally, the proposed changes also provide for the Commission to set up dedicated trust funds which would bring together EU institutions, Member States and citizens towards one common goal. This would allow Member States to pool their resources for quick financial assistance in the case of crisis, as well as the new ability to pool resources with the private sector through public-private partnerships. Currently, such partnerships have to adhere to all EU's budgetary and financial rules. In future, PPPs could apply the national legislation of the country where they are based.