



# **Revision of the Financial Regulation**

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# THE 2018 FINANCIAL REGULATION\*

Simpler and more flexible EU funding rules ...

BEFORE	AFTER
2 rulebooks (Financial Regulation + Rules of Application)	 1 rulebook (merging RAP & FR) <i>Fewer rules (-50%)</i> <i>Shorter text (-25%)</i>
Specific rules per area/management modes	 <i>Harmonized:</i> key rules common - all management modes - direct and indirect management

\* 2016/0282 (COD) – doc 15783/17 ADD 1

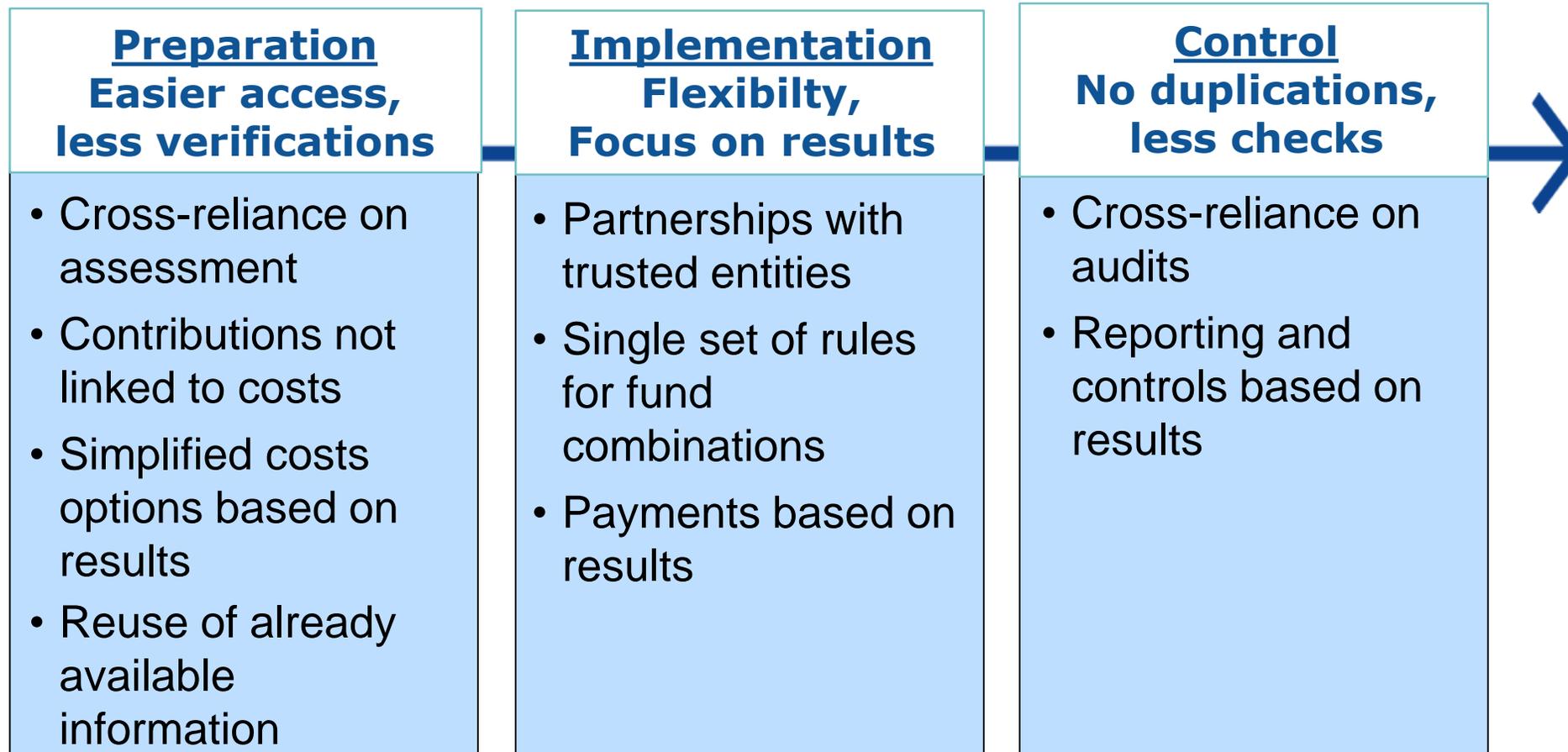
# THE 2018 FINANCIAL REGULATION

... paving the way for the post-2020 Multiannual Financial Framework (MFF) including the future FP9

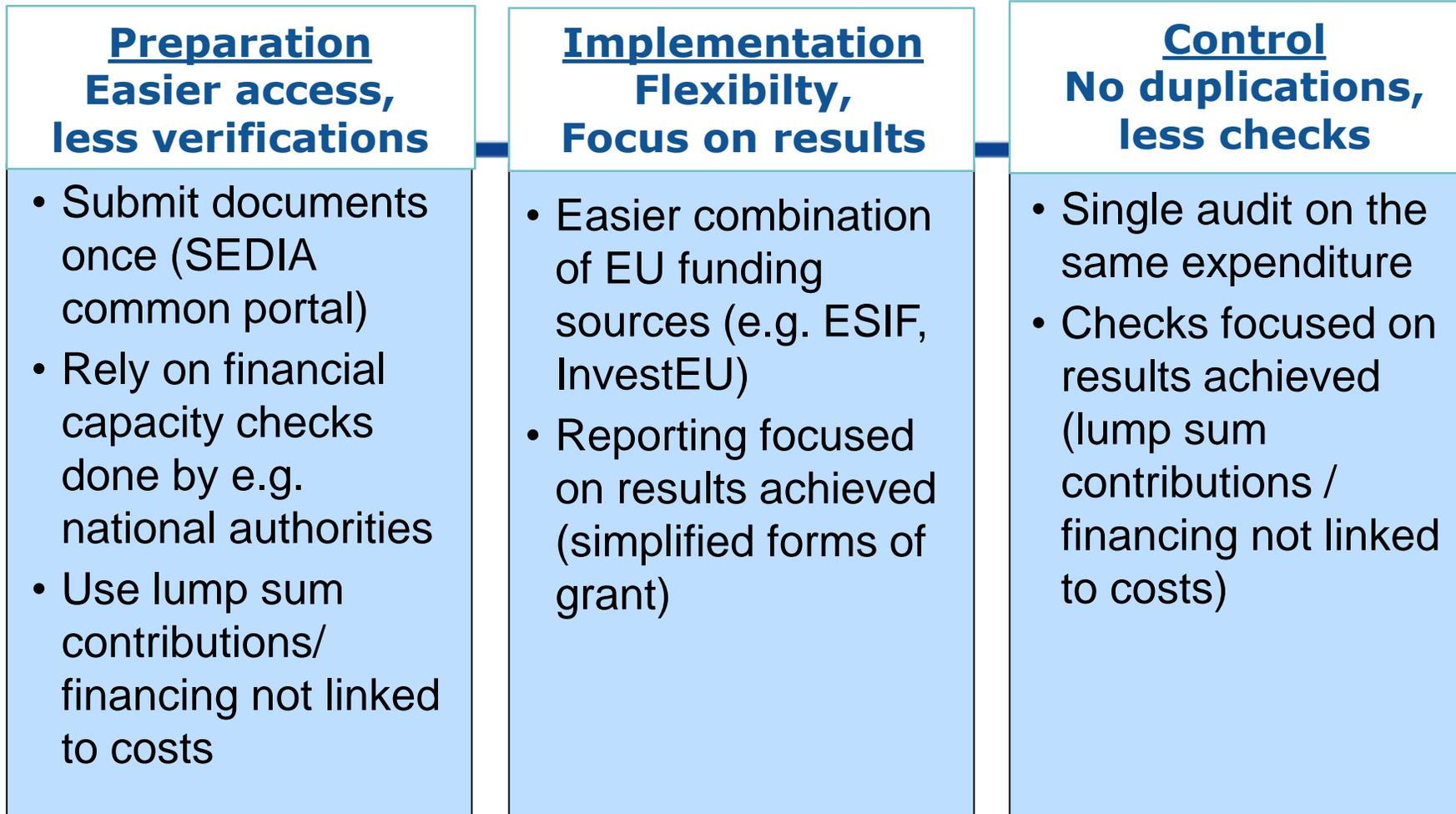
- Well-designed and less complex rules to **reduce the costs** for final recipients and the **risk of errors**
- **Change of culture** / key novelties
  - Focus on results/outputs, e.g. financing not linked to costs, lump sum contributions
  - Actively cross-rely on existing audits and assessments

# SIMPLER ACCESS, USE AND CONTROL OF EU FUNDS

## Cumulative simplification effect !



## CONCRETE EXAMPLE OF A SME



## LUMP SUMS FOR TRAVEL COSTS

Example of lump sums applying **across Programmes**

- For travel within and outside Europe
- **Who is potentially concerned?** Stakeholders participating in projects (persons) and experts invited by the EC (evaluations, meetings...)
- **Simplification impact:** No more real costs:
  - ✓ Less paperwork for Commission and stakeholders/experts
  - ✓ Shorter payment delays (no more calculation needed)
- **Implementation:** Post 2020 Programmes

## **DRIVING PRINCIPLES FOR THE POST-2020 MULTIANNUAL FINANCIAL FRAMEWORK**

- Less programmes (merged if similar objectives)
- Better coherence between programmes / interoperability
- Simpler and more flexible rules
- Result-oriented approach
- Simplify sectoral rules and guidelines

**➔ Commission sectoral proposals by 29/05/2018**

## MAXIMISE THE IMPACT OF SIMPLIFICATION: BUILDING ON H2020 ACHIEVEMENTS

- **Focus on results and performance** instead of administrative work and input documentation (i.e. invoices, timesheets, etc)

*e.g. Lump sums pilot projects*

- **Fully exploit** cross-reliance on audits/assessments
- **Further rely** on beneficiaries' cost accounting practices

**THANK YOU!**