**SUMMARY OF CONCLUSIONS**

Technical meeting MA-NA-SZPO\_JS on Programming process

via Zoom, July 17th, 2020

Participants:

Managing Authority: Mrs. Adriana Ivancea, Mrs. Diana Gheorghe

National Authority: Mrs. Horváth Nikoletta, Ms. Dékány Dóra, Ms. Hujbert Szilvia, Mr. Molnár Tamás

SZPO: Erdős Krisztina

BRECO/JS: Mrs Livia Banu, Mrs. Monica Terean, Mrs. Adriana Ghiță, Ms. Mihaela Cozma, Mr. Marius Olariu

The following subjects were discussed at the meeting:

1. **Using SCOs in future Programme**
2. **Future weekly meetings agenda**

**OBJECTIVE OF THE MEETING:**

The Technical meeting was organised in the context of programming process, in order to reach consensus on different topics, in order to better prepare the future decisions of the Programming Committee.

The proposed subject to be discussed during the 3rd technical meeting was related to simplified cost options (SCOs) that might be used in the future programme.

1. **SCOs in future Programme**

Simplified Cost Options (SCOs) are an innovative way of reimbursing grants and repayable assistance under the ESI Funds. Instead of reimbursing ‘real costs’, SCOs allow reimbursing expenditure according to predefined methods based on process, outputs or results. SCOs can take the form of flat rate financing, standard scales of unit costs, and lump sums.

The main advantage of the use of simplified costs is that the tracing of every euro of co-financed expenditure to individual supporting documents is no longer required. Also, they significantly reduce the administrative burden for both managing authorities and beneficiaries.

The analysis of all simplified cost options is to be developed under the external services contract for programming, the consultants will be required to address all available options.

It has been underlined that the use of SCOs in the next Programme will ease the implementation process and reduce the administrative burden both at project and Programme level. Therefore, during the meeting, each type of SCOs has been briefly addressed, highlighting relevant aspects such as: references and data to be considered, which types of SCOs are more suitable and could be used in the future Programme, the thresholds to be used in case of flat rates option (e.g for travel and accommodation, staff costs), aspects to consider for lump sums, using unit costs for events, etc.

Within the programming process, while the external experts will make proposals and establish the methodology for using simplified cost options, the Programme bodies will support them by providing feedback related and all relevant data and information. So, as one starting point for setting/using certain type of SCOs and references, it will be used the data from previous two Programmes, HURO and ROHU.

Continuing the discussions from the last technical meeting (in Gyula) where the SCOs subject was tackled, the following options of SCOs have been discussed and analysed, more or less:

* Off the shelf:

- flat rate for Staff costs (up to 20 % from the direct cost; this seems to be more suitable)

- flat rate for Travel and accommodation costs (up to 15% of the direct staff costs- this is still under negotiation)

- flat rate for Admin costs (up to 15% flat rate on direct staff costs)

The rates and also, the approach (to impose a fixed percentage or to let the beneficiaries to select the percentage, not exceeding the maximum rate set by the Programme) will be established later on by the external experts, during the next meetings.

* Lump sums:

- for preparation costs- depending on the type of operation- soft and instrastructure projects,

- for external expertise and services costs related to communication activities (mandatory ones, related to visibility, for example)

* Unit costs for external expertise and services costs related to organisation of events

**Conclusion:** The methodology for using simplified cost options will be elaborated by the external experts, however, the programme bodies will provide the necessary data and support for shaping the simplified cost options. The Programme bodies agreed with the timeframe regarding SCOs, proposed by the external experts and concluded that, also, further discussions with the external experts on the topic are needed.

**B. Future meetings agenda**

The next technical meeting will take place in July (the exact date will be set later on, via email). This will tackle the remained open issues from the previous meetings. The supporting document(s) will sent to the relevant bodies before the meeting.