



2.7 Use of simplified cost options for partners of OGs

Rationale

The implementation of multi-actor approaches (MAA) to cooperation for innovation is a challenge for many stakeholders, as they require certain commitment and the distraction from typical on-field farming activities which is due to their participation in interactions with the partners within the EIP-Agri Operational Groups (e.g. participation in project meetings, European CAP Network).

Given the example of use of Simplified Cost Options in other Member States and other regions of Spain, it was decided to seek their use.



Keywords

CAP intervention, Supra-regional operational groups, EIP-Agri, Simplified Cost Options, unit costs



Potential users

Managing authorities of the CAP strategic Plans, Paying agencies, auditors and certifying bodies, Partners of OGs, Advisors, Innovations brokers



Country

Spain. Ministry of Agriculture, Fisheries and Food

The Ministry of Agriculture decided to carry out a study to reduce the administrative burden of the procedure and to speed up the concession deadlines.

The data used in the SCO study, which will make it possible to identify SCO for the current programming, come from sub-grant payment files under coordination sub-measures 16.1 and 16.2. These are aid for the creation of supra-regional operational groups in relation to the EIP-Agri granted under the National Rural Development Programme (NRDP) 2014-2020 and aid for the implementation of innovation projects of general interest by operational groups of the EIP-Agri granted under the NRDP 2014-2020, respectively. The data, provided by the paying agency (FEGA), responsible for the management and control of expenditure, at the request of the instructor body of aid (General Subdirectorate of Innovation and Digitalisation) have been from different calls for grants.

Solution

The Directorate-General for Rural Development, Innovation and Agri-Food Training, through the Subdirectorate-General for Innovation and Digitalisation; promoted a SCO study in order to address, on the one hand, the repeated recommendations of the European Court of Auditors (ECA), on the promotion and extension of the use of SCO, and on the other, to respond to the difficulties encountered during the management of EIP-AGRI aid, of the current cooperation measure in the 2014-2020 programming period.

Aid for the establishment of operational groups of the EIP AGRI and the implementation of innovative projects by these groups have been programmed in 15 of the 17 regional Rural Development Programmes as well as in the NRDP, with a great reception by the agricultural sector, forestry and livestock.

Despite the differences in the implementation of these aids in the different programs, the managers agree on the complexity of their management (and justification by the beneficiaries); by the typology of the beneficiary (groups of beneficiaries of different legal nature), diversity of innovation projects, the multiannual nature of innovative projects, the wide variety of eligible costs, among others.

The SCO study chosen, has been carried out by TRAGSATEC (MAPA's entity), following the work scheme drawn up by the Subdirectorate. Thus, to prepare the proposal for the implementation of SCO, in the next programming period of the CAP 2023-2027, in the aid for the cooperation of OGs of the EIP-AGRI, it has been necessary to identify different SCO alternatives, determined from the study of costs of aid files for the creation and operation of OG at supra-reguiba level, and for the execution of innovative projects of general interest to be executed by supra-regional OGs (submeasures 16.1 and 16.2 of the NRDP), observing in all phases of the study the applicable regulations, and selecting the proposal for the implementation of SCO, which guarantees compliance with the principle of sound financial management and in particular the principles of economy, efficiency and prohibition of double financing.

This SCO study with comparable data would be the key element to implement SCO in the intervention 7161.

In practice...

Alternative 1: sets a unit cost (EUR/hour), calculated from the average hourly cost value determined using the staff costs available in the sample of files reviewed by the managing body with expenditure documents. In this case, the average value resulting from the calculation of the real hourly cost per worker without limits and with social security, by occupational group is taken. The values considered atypical of each of the occupational groups have been excluded from the calculation.

Calculation method: application of the average unit cost, calculated for each occupational group, shown in the following table, to each justified hour of the workers participating in the project.

Unit cost according to professional group (EUR/hour)				
SC1	SC2	SC3	SC4	SC5
27,59	19,61	15,93	15,42	12,47

Source: own elaboration based on Staff Costs review data of files of submeasure 16.2 of calls 2018, 2019 and 2020

Alternative 2: application of the unit cost (EUR/hour), calculated from the median and mode obtained using the staff costs available in the sample of files reviewed by the managing body with expenditure documents. In this case, the value of the median resulting from the calculation of the real hourly cost per worker with limits and with social security by occupational group, for groups SC1, SC2 and SC3, and mode, for groups SC4 and SC5 to provide the best results. Outliers are excluded from the calculation.

Calculation method: application of the unit cost calculated for each professional group, is shown in the following table to each justified hour of the workers participating in the project.

Unit cost according to professional group (EUR/hour)				
SC1	SC2	SC3	SC4	SC5
21,35	17,76	14,03	11,68	11,00

Source: own elaboration based on Staff Costs review data of files of submeasure 16.2 of calls 2018, 2019 and 2020

Alternative 1, unit cost (euros/hour), calculated from the average value of unlimited personnel costs, is selected as the fairest and most equitable.

Tabla 9. Comparación CU gastos personal (Importes propuestos OCS/Importes convocatoria 2022).

Costes Unitarios - Opción de simplificación de coste de personal seleccionada en el estudio			Coste horario máximo de la última convocatoria de ayuda 16.2 (2022)		
Grupo profesional	Coste horario sin SS (EUR/hora)	Coste horario con SS (EUR/hora)	Grupo profesional	Máximo coste horario sin SS (EUR/hora)	Máximo coste horario con SS (EUR/hora)
		SS % (moda GP)*			SS 31,55%*
1	21,00	27,59	1	17,62	23,18
2	14,91	19,61	2	14,63	19,24
3	12,12	15,93	3	11,56	15,21
4	11,74	15,42	4	10,00	13,16
5	9,23	12,47	5	9,73	12,8
* Se aplica la moda obtenida, para cada grupo profesional, en la muestra de datos de personal utilizados en el Análisis "Consultas GP_% SS".			* Se toma el coeficiente de SS más frecuente y que coincide con la media de los datos del Análisis "Consultas GP_% SS".		

Source: own elaboration based on Staff Costs review data of files of submeasure 16.2 of calls 2018, 2019 and 2020, and call 2022

Practical implications for replicability

Under the CAP Regulation 2023-2027 the adoption of unit costs has been furtherly simplified. However, some administrative arrangements still remain relevant:

- The maximum of 1,720 annual hours is maintained, applied in the 2014-2020 programming (in its last calls) or its proportional part in case of reductions in working hours, as well as your maximum monthly hours.
- Its application is proposed to all workers of the beneficiary member, whether they are employed or self-employed workers (provided they justify a relationship with the member beneficiary, for example, corporate self-employed or dependents). They will not be included those independent self-employed workers who provide subcontracted services.
- The Professional Groups that will determine the unit cost to be applied will be assigned by contribution group of the worker in employed workers (supporting document Quote Data Report-employed worker) and with an academic degree in self-employed workers, to avoid erroneous assignments and unify necessary information in a single document exhibit.
- The calculation may be carried out globally for the entire subsidized project or by activity blocks, if established in the new programming and depending on the options that are selected for other expenses

Benefits

- Reduction of the administrative burden.
- Simpler supporting documentation.
- Simplify cost moderation.
- Calculation and control that does not require technical profiles with training in labor issues.
- Efficiency improvement.
- Unit cost known in advance by the beneficiary, which makes it easier to establish more realistic budgets.
- Fewer involuntary errors due to ignorance of aspects of justification of expenses.
- Speeding up the administrative procedure.

Further information

- [Regulatory bases 7161 intervention for supra-regional operational groups \(2023-2027\) \(SP\)](#)
- [Call of 2023 for 7161 intervention for supra-regional operational groups \(2023\) \(SP\)](#)
- [MAPA associated electronic headquarters for 7161 intervention for supra-regional operational groups \(SP\). Spain.](#)
- [Regulation \(EU\) No 1303/2013 of 17 december 2013](#)
- [Regulation \(EU\) No 1305/2013 of 17 december 2013](#)
- [Regulation \(EU\) No 1306/2013 of 17 december 2013](#)
- [Commission Delegated Regulation \(EU\) No 640/2014 of 11 March 2014](#)
- [Commission Delegated Regulation \(EU\) 2017/891 of 13 March 2017](#)
- [Regulation \(EU, Euratom\) 2018/1046 of 18 July 2018](#)
- [Regulation \(EU\) 2021/1060 of 24 June 2021](#)
- [Regulation \(EU\) 2021/2115 of 2 December 2021](#)
- [Commission notice guidelines on the use of simplified cost options within the european structural and investment funds \(esi\) – revised version \(2021/c 200/01\). \(En\) European Union](#)

Contacts:

Ministry of Agriculture, Fisheries and Food (MAPA): Alba Gallardo Álvarez - agalvarez@mapa.es