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# Special Reports of the European Court of Auditors

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A Rolling Check-List of  
recent findings

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STUDY

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Authors: Biliana Tzarnoretchka, Gabriella Zana, Marco Scagliusi, Stephan Huber

**Policy Performance Appraisal Unit**

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**Special Reports of the European Court of Auditors:  
A Rolling Check-List of recent findings**

## **AUTHORS**

Biliana Tzarnoretchka, Gabriella Zana, Marco Scagliusi, Stephan Huber, Policy Performance Appraisal Unit

## **ABOUT THE PUBLISHER**

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To contact the Unit, please e-mail [EPRS-PolicyPerformanceAppraisal@ep.europa.eu](mailto:EPRS-PolicyPerformanceAppraisal@ep.europa.eu)

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## Introduction

This rolling check-list is intended to present a comprehensive overview of the European Court of Auditors' (ECA) Special Reports, concentrating on those relevant for the 2013 EU Discharge procedure. It strives to link the topics discussed by the Special Reports to the relevant debates and positions within the European Parliament, including notably the working documents of the Committee of Budgetary Control, to the work of the specialised parliamentary committees, and to individual Members' questions. It is produced by the Policy Performance Appraisal Unit of the European Parliamentary Research Service (EPRS), the EP's in-house research service and think tank, as part of its on-going support for parliamentary committees and individual Members in scrutinising the executive in its implementation of EU law, policies and programmes.

The European Court of Auditors' (ECA) Special Reports present the results of ECA's performance audits, which cover a wide range of topics on issues related to the management of EU funds, programmes and policies. ECA performance audits assess the quality of EU spending or revenue in the specific policy area, and whether the principles of sound financial management have been applied. EU programmes, operations, management systems and procedures of bodies and institutions that manage EU funds are examined, to evaluate whether resources have been used efficiently, effectively and economically sound.

ECA's Special Reports form an integral part of the Discharge procedure, and the European Parliament adopts a separate resolution on the Special Reports published during the year of the specific Discharge. At the same time, they are a useful tool for policy makers, pointing at issues of implementation and enforcement of EU policies and programmes, but also at good practices and lessons learned. They contribute to Better Law-Making by providing valuable information to the co-legislators as to where the design of future EU legislation or programmes needs further improvements.

The check-list seeks to assist Members both in their work on scrutinising how the EU general budget is spent and in their role as a co-legislator. The document will be updated on a regular basis to include the most recent Special Reports.

The European Parliament is strongly committed to the concept of Better Law-Making, and particularly to the effective use of ex-ante impact assessment and ex-post evaluation throughout the whole legislative cycle. It is in this spirit that the Parliament has a particular interest in following the transposition, implementation and enforcement of EU law, and more generally, monitoring the impact, operation, effectiveness and delivery of policy and programmes in practice.

### **Stephan HUBER**

Head of Policy Performance Appraisal Unit,  
Directorate-General for Impact Assessment and European Added Value,  
European Parliamentary Research Service (EPRS).

March 2015

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## Special Report No 11/2013 of 10 December 2013

### Getting the Gross National Income (GNI) data right: a more structured and better-focussed approach would improve the effectiveness of the Commission's verification

EU Budget | Own Resources

Policy Area	 EU Budget / Own resources
Report No / Date / Title	<a href="#">Special Report No 11/2013 of 10 December 2013 <i>Getting the Gross National Income (GNI) data right: a more structured and better-focussed approach would improve the effectiveness of the Commission's verification</i></a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did Eurostat appropriately plan and prioritise its verification work?</li> <li>2. Did Eurostat examine effectively the quality of Gross National Income (GNI) data in respect of reliability, comparability and exhaustiveness?</li> <li>3. Were Eurostat's verifications adequately reported (in terms of completeness, transparency and consistency)?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The Commission's verification can be expected to improve the quality of Member States' GNI data. However, the verification was not sufficiently structured and focused because Eurostat did not appropriately plan and prioritise its work - risk assessment of GNI components was not appropriately carried out; cost-benefit analysis for planning and prioritising the work was not properly carried out;</li> <li>2.1. Eurostat did not apply a consistent verification approach between Member States - checks based on the GNI Inventory Assessment Questionnaire were not adequately documented; there were weaknesses in the performance of direct verification; there was a lack of criteria for setting country-specific reservations; transversal specific reservations were set inappropriately;</li> <li>2.2. Eurostat did not carry out sufficient work at Member State level - there was a limited scope in Eurostat's verification of GNI Inventories; problems regarding compliance with the European system of national and regional accounts in the European Community (ESA95) and the quality of National Accounts' estimates were not detected by Eurostat; better-focused verification would have an impact on Member States' relative contributions;</li> <li>2.3. Eurostat completed its verification cycle late - 10 years elapsed between the year the verification was completed and the first reference year of the GNI data under review; excessive use of general reservations was observed; major revisions were not sufficiently examined;</li> <li>3.1. Eurostat's verifications were not adequately reported - Eurostat's assessment reports on Member States' GNI were not always complete, transparent and consistent; annual opinions of the GNI Committee were not in line with legislation and were not informative; Annual Activity Reports of DG Budget and of Eurostat only provided a partial assessment of the management of GNI-based own resources.</li> </ol>



	<p><b>Recommendations:</b> The European Commission should:</p> <ol style="list-style-type: none"> <li>1. Undertake a structured and formalised planning and prioritisation exercise;</li> <li>2. Shorten duration of the verification cycle and limit use of general reservations;</li> <li>3. Improve reporting to the GNI Committee;</li> <li>4. Apply a more focused verification - to include risk assessment of the compilation procedures described in the GNI inventories and in-depth verification of material and risky GNI components;</li> <li>5. Pay particular attention to the verification of the exhaustiveness of GNI;</li> <li>6. Maintain complete control files and documentation;</li> <li>7. Consider that specific reservations should only cover material findings;</li> <li>8. Improve coordination between Eurostat's departments;</li> <li>9. Improve reporting.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT working document of 8/12/2014</a> on European Court of Auditors' Special Report No 11/2013 (2013 Discharge): "Getting the Gross National Income (GNI) data right: a more structured and better-focussed approach would improve the effectiveness of the Commission's verification" (PE536.027) Rapporteur: Bart Staes (Greens)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. The Commission should carry out a structured and formalised analysis that takes into consideration costs and benefits allowing it to plan and prioritise its verification on specific areas or compilation (sub-) processes. Such an analysis should consider the risks relating to the Member States' compilation of their national accounts and the relative size of the GNI components in the total economy. This risk assessment should be based on all qualitative and quantitative information available in all departments of Eurostat and concentrate on the compilation procedures described in GNI inventories and recent GNI quality reports of Member States;</li> <li>2. The Commission should shorten the duration of its verification cycle in order to limit the use of general reservations. Such reservations should be limited to exceptional cases where there are significant risks that the financial interests of the EU are not protected;</li> <li>3. Eurostat should report clearly and in a timely manner to the GNI Committee on cases where the cost-benefit principle is considered to apply;</li> <li>4. The Commission's verification process should involve a structured and formalised qualitative risk assessment of the compilation procedures described in the GNI inventories and in-depth verification of material and risky GNI components. Refer to the cost-benefit analysis described in Recommendation 1 for GNI components selection;</li> <li>5. The Commission should verify the exhaustiveness of Member States' GNI and the use of comparable estimation procedures to cover the underground economy in national accounts. Eurostat should check Member States' compliance and take appropriate actions ensuring a comparable treatment of this issue between Member States;</li> <li>6. Eurostat's control files should allow management to clearly identify the results of the GNI component check, in compliance with the internal control standards (ICS);</li> <li>7. Eurostat should assess the potential impact and/or the amount at risk of the action points, and set clear materiality criteria, either qualitative or quantitative;</li> <li>8. Reservations should be placed on specific GNI components relating to action points not addressed by the NSIs within the deadlines set and whose impact may be material;</li> </ol>



	<p>9. Eurostat should improve coordination between its department in charge of the verification of GNI. If possible actions undertaken by other Eurostat's departments may have an impact on the compilation of GDP and/or GNI, the GNI Committee should be consulted and the final decision should be taken in Eurostat;</p> <p>10. Eurostat should improve its assessment reports to provide a complete, transparent and consistent evaluation of the Member States' GNI data. The annual opinions of the GNI Committee should include a clear assessment on whether Member States' GNI data are appropriate (or not) for own resource purposes, their contents should comply with the requirements of the GNI regulation and they should be used appropriately in the budgetary procedure as provided for in the own resources' regulation;</p> <p>11. The Annual Activity Reports (AARs) of DG Budget and Eurostat should provide a true and fair view of the verification of Member States' GNI data and of the management of GNI-based own resources. The Commission should establish requirements for Eurostat to report regularly on the results of its verification of GNI data, allowing DG Budget to draw the required assurance to be used in the context of its AARs.</p>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 16/04/2014</a> on the draft Council regulation on the methods and procedure for making available the traditional, VAT and GNI-based own-resources and on the measures to meet cash requirements (recast), based on 2011/0185(CNS)(P7_TA-PROV(2014)0433; A7-0268/2014) Leading committee BUDG (JURI for opinion)</p> <p>Final Act: Regulation 2014/609 on the methods and procedure for making available the traditional, VAT and GNI-based own-resources and on the measures to meet cash requirements</p> <ol style="list-style-type: none"> <li>1. Parliament approved, unamended, the Council draft as adapted to the recommendations of the Consultative Working Party of the legal services of the European Parliament, the Council and the Commission;</li> <li>2. The Council's draft does not significantly alter the proposal of the Commission, except for adjusting it to the final outcome of Multiannual Financial Framework (MFF)/own resources negotiations, where the proposals for a new VAT-own resource and a Financial Transaction Tax (FTT) own resource did not receive support in the Council.</li> </ol> <p><a href="#">EP Resolution of 4/07/2006</a> on the proposal for a Council decision on the system of the European Communities' own resources, based on 2006/0039(CNS) (P6_TA(2006)0292; A6-0223/2006) Leading committee BUDG (REGI for opinion)</p> <p>Final Act: Decision 2007/436 on the system of the European Communities' own resources Content: the Council adopted a Decision amending the EU's system of own resources for the financing of its general budget. The Decision gives effect to the conclusions of the European Council meeting of December 2005 as regards the EU's budgetary framework for 2007-2013, introducing adjustments to update the existing decision on own resources. These concern in particular the budgetary correction mechanism in favour of the United Kingdom, which remains in full for all expenditure, except those in relation to Member States which joined the EU after 30 April 2004.</p>



	<p><a href="#">EP Resolution of 12/03/2003</a> on the proposal for a regulation on the harmonisation of Gross National Income at market prices, based on 2002/0245(CNS) (P5_TA(2003)0083; A5-0040/2003) Leading committee ECON</p> <p>Final Act: Regulation 2003/1287 on the harmonisation of gross national income at market prices. Purpose: to adopt measures to reinforce the comparability, reliability and exhaustiveness of Member States' GNP data. <u>Legislative Act</u> : Council Regulation 1287/2003/EC, Euratom on the harmonisation of gross national income at market prices (GNI Regulation). <u>Content</u>: the increasing share of the Community's own resource based on the gross national product at market prices (hereinafter referred to as GNPmp) of the Member States, makes it necessary to further reinforce the comparability, reliability and exhaustiveness of this aggregate. This Regulation responds to this objective: - it defines the methods of calculation of gross national income at market prices (GNI) and gross domestic product at market prices (GDP) shall be defined in accordance with the European system of national and regional accounts (ESA 95); - it establishes a committee, the "GNI Committee", composed of representatives of the Member States and chaired by the representative of the Commission in order to do checks on the calculation of GNI and the Commission shall verify the sources and methods used by Member States to calculate GNI. ENTRY INTO FORCE : 19/07/2003.</p> <p><a href="#">CNS - Consultation procedure 1997/0352(CNS)</a> on the proposal for a regulation implementing Decision 94/728/EC, Euratom on the system of the Communities' own resources Leading committee JURI</p> <p>The European Parliament approved this proposal under the consultation procedure. (Procedure without report) Final Act: Regulation 2000/1150 implementing Decision 94/728/EC, Euratom on the system of the Communities' own resources</p> <p><a href="#">CNS - Consultation procedure 1994/0314(CNS)</a> on the European system of national and regional accounts in the European Community (ESA 95) Leading committee ECON</p> <p>Final Act: Regulation 1996/2223 on the European system of national and regional accounts in the Community Objective: to obtain, with a view to the implementation and supervision of EMU, comparable, up-to-date and reliable information on the structure and development in the economic situation of each country and/or region. Community Measure: Council Regulation (EC) No 2223/96 on the European system of national and regional accounts in the Community SUBSTANCE: the purpose of the regulation is to set up a European system of accounts (the 1995 ESA) by establishing for: - a methodology on common standards, definitions, classification and accounting rules intended to be used for compiling accounts and tables on comparable bases for the purposes of the Community (Annex A), - a programme for transmitting to the Commission (Eurostat), on precise dates, the accounts and tables compiled according to the ESA 95 (Annex C). ENTRY INTO <u>Force</u>: 1 November 1996.</p>
Oral / Written Questions	1. <a href="#">E-002430/2011</a> WQ COM Rule 117 Niki Tzavela (EFD) on Own resources



# Special Report No 13/2013 of 14 January 2013

## EU Development Assistance to Central Asia

EU Development Aid | EU Humanitarian Aid | Foreign Affairs

<b>Policy Area</b>	 <b>EU Development Aid / EU Humanitarian Aid / Foreign Affairs</b>
<b>Report No / Date / Title</b>	<a href="#">Special Report No 13/2013 of 14 January 2013</a> <a href="#">EU Development Assistance to Central Asia</a>
<b>Short summary of questions asked, observations, findings and recommendations</b>	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. In allocating its budget, did the Commission follow best practice and respect its declared priorities for development assistance in Central Asia?</li> <li>2. Did the Commission deliver development assistance in an appropriate way?</li> <li>3. Did the Commission successfully implement its aid policy, develop it in the light of experience and report appropriately?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Allocation of the budget - the Commission set broad overall priorities for its spending; it departed in some respects from best practice (OECD, Paris Declaration on Aid Effectiveness, 2005) when planning and allocating assistance but in practice took reasonable decisions about allocation; aid levels mirrored relative prosperity; aid was allocated to too many sectors but it reflected the Commission's strategic priorities;</li> <li>2. Putting the policy into effect - the Commission provided aid through a range of delivery modes - numerous small projects and financing instruments added to the complexity to the management of EU spending; little focus was given to administrative costs; objectives and indicators for assessing the programs: a mixed picture as to setting SMART objectives and the indicators to assess them; the Commission could have been more rigorous with budget support and it did not decisively link it with conditions designed to minimise corruption;</li> <li>3. Implementing and reporting - implementation of programmes was slow overall but variable; the regional programmes failed to achieve a genuine regional dimension; learning from experience: successes but also missed opportunities; reporting: on activity rather than results.</li> </ol> <p><b>Recommendations:</b></p> <p>The European Commission and the European External Action Service (EEAS) should:</p> <ol style="list-style-type: none"> <li>1. Design any future regional programmes so that they are likely to achieve a genuine regional dimension;</li> <li>2. Concentrate all assistance provided on a small number of sectors;</li> <li>3. Set up a system for calculating and reporting on the overall administrative cost involved in delivering its development assistance;</li> <li>4. Define and apply robust and objectively verifiable conditions for any continuing budget support programmes, in particular giving sufficient attention to support for anti-corruption mechanisms;</li> <li>5. Improve programme design and delivery in the light of lessons learnt and changing circumstances;</li> <li>6. Report on results and impact in a way that allows comparison with plans and objectives.</li> </ol>



<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 3/9/2014</a> on European Court of Auditors Special Report No 13/2013 (2013 Discharge): "EU Development Assistance to Central Asia" (PE536.022)          Rapporteur: Gilles Pargneaux (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <p>2. Welcomes the observations of the report showing that the Commission and the EEAS have undertaken efforts in a rather challenging geographical and political context;</p> <p>3-4. Points out that there is still room for improvement for a better targeting and tailoring of the EU development strategies through adequate assistance patterns to enhance the visibility and impact of the EU political objectives at regional level. The level and nature of the EU's engagement must depend on measurable progress in the fields of democratisation, human rights, good governance, sustainable socio-economic development, the rule of law and the fight against corruption;</p> <p>5. Considers that the continued promotion by the EU of programmes targeted at the Central Asian countries is an important trans-border tool for fostering understanding and cooperation among the states of the region;</p> <p>6-7. Reiterates the European Parliament position (P7_TA(2011)0588), adopted in 2011, which concluded that EU funds were insufficient to allow the EU to have an impact in all of the Council's seven priority areas. The cooperation with the Central Asian states can yield results only if these states comply with international standards of democracy, governance, the rule of law and human rights; underlines likewise that EU development cooperation must not be subordinated to economic, energy or security interests.</p> <p>Future developments with regard to the planning and implementing of the coming development assistance:</p> <p>8-10. Considers that the Commission should design any future regional programmes so that they are likely to achieve a genuine regional dimension, concentrating all assistance provided on a small number of sectors. The development assistance should be enhanced through intensified internal EU coordination and through intensified engagement with other international donors and regional stakeholders;</p> <p>11-15. Calls on the Commission to set up a system for calculating and reporting on the overall administrative cost involved in delivering its development assistance and to define robust and objectively verifiable conditions for any continuing budget support programmes, in particular giving sufficient attention to support for anti-corruption mechanisms. Such pervasive corruption may affect the Commission's reputation and reduce the effectiveness of the support programmes;</p> <p>16-17. Disbursement decisions should be based on progress achieved by partner countries rather than on their commitments to reform; underlines the importance to ensure an appropriate policy dialogue based on an incentive-based approach and a continuous monitoring of sector reforms and programmes measuring performance and the sustainability of the results. Need for greater transparency in the allocation of EU and Member States' embassies to support genuinely independent non-governmental partners so as to help them play an effective role in the development and consolidation of civil society;</p> <p>18. Requests the Commission to improve programme design and delivery in the light of lessons learnt and changing circumstances;</p> <p>19. Asks the Commission to report on results and impact in a way that allows comparison with plans and objectives.</p>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 15/12/2011</a> on the state of implementation of the EU strategy for Central Asia, based on 2011/2008(INI) (PE469.951v03-00; A7-0338/2011)          Leading committee AFET (DEVE, INTA for opinion)</p> <p>Content of the Resolution:</p> <p>1. Rigorously target and prioritise its assistance;</p>






	<ol style="list-style-type: none"> <li>2. The effects of deep-seated corruption and insufficient administrative expertise on the effectiveness of its aid notably in Kyrgyzstan and Tajikistan, which have the greatest needs in this respect;</li> <li>3. Greater transparency in the allocation of EU and Member States' development cooperation funding and its recipients and for EU delegations and Member States' embassies to support genuinely independent non-governmental partners so as to help them play an effective role in the development and consolidation of civil society;</li> <li>4. 4. Greater transparency in the allocation of EU and Member States' development cooperation funding and its recipients.</li> </ol>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-000621/2014</a> WQ COM Rule 117 Philippe de Villiers (EFD) on Corruption and development assistance in republics in Central Asia</li> <li>2. <a href="#">E-007896/2013</a> WQ COM Rule 117 Marc Tarabella (S&amp;D) on Anti-fraud provisions in bilateral agreements</li> <li>3. <a href="#">H-0436/2010</a> OQ Rule 116 David Martin (S&amp;D) on Transparency and the Stabilisation Fund in Turkmenistan</li> </ol>



## Special Report No 15/2013 of 17 January 2014

### Has the Environment component of the LIFE programme been effective?

Environment

Policy Area	 Environment
Report No / Date / Title	<a href="#">Special Report No 15/2013 of 17 January 2014 <i>Has the Environment component of the LIFE programme been effective?</i></a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Does the LIFE “Environment” component of the LIFE programme operate effectively?               <ol style="list-style-type: none"> <li>1.1. Was the LIFE “Environment” programme well designed in order to facilitate effective results?</li> <li>1.2. Was the LIFE “Environment” programme well implemented in order to obtain effective results?</li> </ol> </li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. Design of the LIFE programme - the large number of objectives of the programme was not consistent with the limited budget available; the national allocations hampered competition among project proposals; the templates used to evaluate project proposals did not require enough justification of the evaluation results, which undermined transparency in the selection process; the monitoring framework was not appropriate and this hampered efficient programme management;</li> <li>1.2. Implementation of the LIFE programme - key aspects of the projects were not always appropriately assessed during project selection; the Commission’s monitoring of project implementation was insufficient in some respects; low dissemination, sustainability and replication of projects jeopardised the ‘catalytic’ role expected from the programme.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. In the establishment of the multiannual work programmes foreseen in the new LIFE programme, the legislative authorities should enable the Commission and the Member States to restrict eligible applications to limited strategic priorities and to set clear, specific, measurable and achievable objectives for projects to be funded;</li> <li>2. The Commission’s proposal for the new LIFE programme ends the national allocations for traditional projects, but keeps a geographical balance for integrated projects. In its application, the Commission should ensure that integrated projects are selected based on their merit and that geographical balance should not breach the principle of equal opportunities for applicants;</li> <li>3. The Commission should improve the project selection evaluation forms and require the evaluators to provide separate assessments and scores for major project aspects in order to improve the quality and transparency of the selection process and to ensure that selected projects have the potential to contribute most towards the achievement of the programme’s objectives;</li> <li>4. The Commission should improve its programme management tools and consider introducing adequate common output and result indicators as well as follow-up information at project level, in order to facilitate an appropriate monitoring of the programme. To the extent possible, such indicators should be relevant, accepted, credible, easy and robust (‘RACER’ criteria);</li> </ol>



	<ol style="list-style-type: none"> <li>5. The Commission should improve its assessment of the reasonableness of claimed personnel costs, particularly for comparable projects, by making better use of information collected during the monitoring phase. This could then be better used to facilitate the identification of excessive costs;</li> <li>6. The Commission should increase its focus on the dissemination, sustainability and replication of LIFE projects.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 15/9/2014</a> on European Court of Auditors' Special Report No 15/2013 (2013 discharge) (PE535.987) Rapporteur Tomáš Zdechovský (EPP)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1-2. Highlights the need for the LIFE Programme to act as a catalyst for changes in policy development and implementation; stresses the need for the Commission to set clear, specific, measurable and achievable objectives for projects to be funded. The projects financed by the LIFE Programme shall contribute to achieve the specific objectives of more than one of the Programme's priority areas. Moreover, they should avoid isolation and on the contrary to encompass transnational character, and to contribute in a measurable fashion to dissemination, sustainability and replication of their output across other Member States;</li> <li>3. Notes that selection of the best projects can sometimes be distorted by the national allocations; Member States should keep geographical balance by proposing more integrated projects, but accentuates that the funds should be distributed based on the merits of the projects and not in a manner detrimental to the quality of the projects;</li> <li>4. Notes that particular attention should be paid to potential of projects to be disseminated, sustained and replicated; the Commission should set clear indicators assessing dissemination, sustainability and replication potential of assessed projects in order to achieve the programme's objectives;</li> <li>5. Calls on the Commission to improve its programme management tools in order to avoid non-transparent selection procedures; this includes improvement of the project selection evaluation forms, introducing detailed templates for assessments of the claimed costs, appropriate project monitoring, introducing adequate common output and result indicators, and thorough follow-up project monitoring.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 21/11/2013</a> on the programme for the environment and climate action, LIFE 2014-2020. based on 2011/0428(COD) (P7_TA-PROV(2013)0507; A7-0294/2012) Leading committee ENVI (BUDG, ITRE, REGI for opinion)</p> <p>Final Act: Regulation 2013/1293 on the establishment of a Programme for the Environment and Climate Action (LIFE)</p> <ol style="list-style-type: none"> <li>1. The sub-programme for Environment should have three priority areas: (i) Environment and Resource Efficiency; (ii) Nature and Biodiversity; (iii) Environmental Governance and Information. The Commission shall be empowered to adopt delegated acts to add, delete or amend the thematic priorities;</li> <li>2. At least 55% of the budgetary resources allocated to projects supported by way of action grants under the sub-programme for Environment shall be dedicated to projects supporting the conservation of nature and biodiversity;</li> <li>3. Geographical balance: the Commission shall ensure geographical balance for integrated projects by indicatively allocating at least three integrated projects to each Member State, ensuring at least one integrated project under the sub-programme for Environment and at least one integrated project under the sub-programme for Climate Action during the LIFE programming period;</li> <li>4. Co-financing rate: in principle it should be up to 60 % of eligible costs for all projects and may reach up to 75 % of eligible costs for projects funded under the priority area Nature and Biodiversity in the sub-programme for Environment that concern priority habitats or species; or up to 100 % of eligible costs for capacity-building projects;</li> <li>5. Conditions for the eligibility of costs are laid down in Article 126 of Regulation (EU, Euratom) No 966/2012. Such costs shall include VAT and staff costs. The Commission shall provide an overview, in the mid-term and ex-post evaluations of the LIFE Programme, of VAT reimbursements per Member State that project beneficiaries under the LIFE Programme have requested at the final payment stage.</li> </ol>




	<p>6. Specific objectives for the priority area Environment and Resource Efficiency:</p> <ul style="list-style-type: none"> <li>- To develop, test and demonstrate policy or management approaches, best practices and solutions, including development and demonstration of innovative technologies, to environmental challenges, suitable for being replicated, transferred or mainstreamed, including with respect to the link between the environment and health, and in support of resource efficiency-related policy and legislation, including the Roadmap to a Resource Efficient Europe;</li> <li>- To support the application, development, testing and demonstration of integrated approaches for the implementation of plans and programmes pursuant to Union environmental policy and legislation, primarily in the areas of water, waste and air;</li> <li>- To improve the knowledge base for the development, implementation, assessment, monitoring and evaluation of Union environmental policy and legislation, and for the assessment and monitoring of the factors, pressures and responses that impact on the environment within and outside the Union.</li> </ul> <p>7. Specific objectives for the priority area Nature and Biodiversity:</p> <ul style="list-style-type: none"> <li>- To contribute to the development and implementation of Union policy and legislation in the area of nature and biodiversity, including the Union Biodiversity Strategy to 2020, and Directives 92/43/EEC and 2009/147/EC, in particular by applying, developing, testing and demonstrating approaches, best practices and solutions;</li> <li>- To support the further development, implementation and management of the Natura 2000 network set up under Article 3 of Directive 92/43/EEC, in particular the application, development, testing and demonstration of integrated approaches for the implementation of the prioritised action frameworks prepared on the basis of Article 8 of that Directive;</li> <li>- To improve the knowledge base for the development, implementation, assessment, monitoring and evaluation of Union nature and biodiversity policy and legislation, and for the assessment and monitoring of the factors, pressures and responses that impact on nature and biodiversity within and outside the Union.</li> </ul> <p>8. Specific objectives for the priority area Environmental Governance and Information:</p> <ul style="list-style-type: none"> <li>- To promote awareness raising on environmental matters, including generating public and stakeholder support of Union policy-making in the field of the environment, and to promote knowledge on sustainable development and new patterns for sustainable consumption;</li> <li>- To support communication, management, and dissemination of information in the field of the environment, and to facilitate knowledge sharing on successful environmental solutions and practice, including by developing cooperation platforms among stakeholders and training;</li> <li>- To promote and contribute to more effective compliance with and enforcement of Union environmental legislation, in particular by promoting the development and dissemination of best practices and policy approaches;</li> <li>- To promote better environmental governance by broadening stakeholder involvement, including NGOs, in consultation on and implementation of policy.</li> </ul>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-000808/2014</a> WQ COM Rule 117 Roberta Metsola (EPP) on Report of the European Court of Auditors on the LIFE Programme</li> <li>2. <a href="#">E-000772/2014</a> WQ COM Rule 117 Constance Le Grip (EPP) on Report of the European Court of Auditors on the LIFE Programme</li> <li>3. <a href="#">E-002981/2012</a> WQ COM Nikos Chrysogelos (Verts/ALE) on Clarification regarding the Commission's proposals on the LIFE Programme</li> <li>4. <a href="#">E-000090/2012</a> WQ COM Rule 117 Rule 117 Monika Flašíková Beňová (S&amp;D) on LIFE Programme</li> <li>5. <a href="#">E-003468/2011</a> WQ COM Rule 117 Roger Helmer (ECR) on EU funding of environmental NGOs</li> <li>6. <a href="#">E-4102/2010</a> WQ COM Rule 117 João Ferreira (GUE/NGL) on Member States' use of annual indicative data concerning the LIFE+ programme</li> <li>7. <a href="#">E-4101/2010</a> WQ COM Rule 117 João Ferreira (GUE/NGL) on Financing of biodiversity and nature conservation actions under the LIFE+ programme</li> <li>8. <a href="#">E-6096/2009</a> WQ COM Romana Jordan Cizelj (EPP) on Uptake of LIFE+ funding</li> </ol>



## Special Report No 16/2013 of 18 December 2013

### Taking stock of 'single audit' and the Commission's reliance on the work of national audit authorities in Cohesion

Regional Development | Cohesion fund | Budgetary control

Policy Area	 Regional Development / Cohesion fund / Budgetary control
Report No / Date / Title	<a href="#">Special Report No 16/2013 of 18 December 2013 <i>Taking stock of 'single audit' and the Commission's reliance on the work of national audit authorities in Cohesion</i></a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>Has the Commission made proper use of the information provided by national audit authorities for its own assurance and when granting Article 73 status to Operational Programmes (OP)?</li> <li>Has the Commission ensured a consistent audit approach in Cohesion through its guidance and support of audit authorities?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>Use of the information provided by national audit authorities for Commission's own assurance and when granting Article 73 status to OPs - the Commission relied on the information provided by audit authorities for almost three quarters of all OPs in 2012; risks associated with the Commission's use of information provided by national authorities: insufficient accuracy and reliability of error rates and financial corrections; limited take up of the option to apply the 'single audit' provisions, delays in granting Article 73 status and minimum conditions not always in place; the monitoring arrangements for article 73 OPs need to be strengthened and 'single audit' status should be revoked if minimum conditions are no longer met - as a result the Commission may underestimate the problems in its reporting to the European Parliament and the Council and incorrectly assess what is needed to achieve an unqualified audit opinion;</li> <li>Consistent audit approach across all OPs - improvements in the Commission's methodological guidance to audit authorities since the start of the programming period; exchange of good practices with and between audit authorities promoted by the Commission; the Commission supports audit authorities through specific training;</li> <li>Costs of the audit arrangements introduced in the 2007–13 programming period - ECA estimates that specific annual 'cost of control' which relates to the verification, certification and audit activities carried out by national authorities accounts for 0,2 % and is eligible under technical assistance Article 46 of Regulation 1083/2006 (max 4%) and is in line with Commission's estimate.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>The Commission should ensure that its calculation of residual error rate does not understate the extent to which expenditure remains affected by error. In particular, the Commission should strengthen its verifications of the accuracy and reliability of the error rates reported by audit authorities and the information on financial corrections reported by Member States before using these elements in its own assurance process;</li> </ol>



	<ol style="list-style-type: none"> <li>2. For the 2014–20 programming period, the Commission should introduce a system of net financial corrections for OPs in respect of which the audit authorities repeatedly under-report problems. This system should be based on the applicable provisions in the regulations;</li> <li>3. The Commission should in all cases apply robust, consistent and transparent criteria when granting 'single audit' status to Operational Programmes;</li> <li>4. The Commission should comply in its monitoring of Article 73 OPs (and the corresponding audit authorities) with the International Standard of Auditing (ISA) requirements on using the work of other auditors; In particular, the Commission should continue to carry out a minimum level of checks and controls at the level of the national audit authorities so as to implement the 'single audit' model effectively;</li> <li>5. The Commission should take appropriate measures so that audit authorities can draw on a stable and binding methodological framework which ensures that EU spending in all Member States is checked according to the same standards and that the results are reported accurately. Further improvements are necessary as regards the disclosure of information in annual control reports, the scope and detail of the checks carried out for audits of operations and the follow up of audit findings (including financial corrections by Member State authorities);</li> <li>6. The Commission should propose arrangements for Member States and the Commission to share the cost of Cohesion controls, based on a more recent evaluation of the actual costs incurred by Member States.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 17/12/2014</a> on the European Court of Auditors' Special Report No 16/2013 (2013 discharge) "Taking stock of 'single audit' and the Commission's reliance on the work of national audit authorities in cohesion" (PE536.052)  Rapporteur: Bogusław Liberadzki (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Emphasises the potential efficiency gains from a single audit chain based on common principles and standards; encourages the Member States, the ECA and the Commission to continue their efforts in this respect;</li> <li>2. Highlights in this context the significance of introducing National Declarations and building on annual management declarations (Article 59 of the Financial Regulation);</li> <li>3-4. Reminds the Commission of the <a href="#">ECA findings in its 2012 Annual Report</a> as adopted by the European Parliament; that is why Parliament endorsed the reservation issued by the Director-General of DG REGIO concerning ERDF/Cohesion Fund/IPA management and control systems for the 2007-2013 programming period in 17 Member States (72 programmes) and asked for rapid actions to be taken; remains therefore convinced that Member States must become much more vigilant in managing structural funds;</li> <li>5. Welcomes that since 2009 the Commission carried out 269 audit missions and reviewed 47 and 84 Audit Authorities for ERDF and ESF; the missions covered approximately 96% and 99% of the total allocations, respectively; is of the opinion that during a financing period the Commission should audit all OP at least once;</li> <li>6. Welcomes also the Commission's use of payment interruptions and suspensions when errors exceed the 2% materiality threshold; these are useful instruments to protect the Union's financial interests; is convinced that the Commission should concentrate their own audit efforts on "bad performers";</li> <li>7. Is of the opinion that Member States should supply the Commission with sufficiently detailed information about their audits; although the Commission has developed, over time, a robust methodology for verifying error rates reported by national authorities;</li> <li>8. Supports the Court's recommendation that the Commission should take appropriate measures so that audit authorities can draw on a stable and binding methodological framework which ensures that EU spending in all Member States is checked according to the same standards and that the results are reported accurately;</li> <li>9. Notes with satisfaction that the Commission presented on 13 December 2013 a communication on the application of net financial corrections on Member States for Agriculture and Cohesion Policy; however it is unsure whether the new instrument will lead to more net corrections and hence to a lower error rate in cohesion policy;</li> </ol>




	<p>10. Calls on the Court and the Commission to develop an audit instrument which, on the one hand, records annually errors and irregularities while, on the other hand, also taking into consideration financial correction during the programming period;</p> <p>11. Welcomes that the Commission has updated the roadmap for the implementation and monitoring of the correct implementation of the 'single audit' principle in September 2013, compliance with which should put national authorities in a position to obtain the "single audit status"; requests a copy of this document;</p> <p>12. Is sensitive to the idea that control of expenditure could represent an administrative burden; the obligation of accountability must not discourage potential beneficiaries to apply for financial assistance.</p>
Related EP Reports / Resolutions of other committees	<p><a href="#">EP Resolution of 20/11/2013</a> on the amended proposal for a regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Council Regulation (EC) No 1083/2006, based on 2011/0276(COD) (P7_TA-PROV(2013)0482; A7-0274/2013) Leading committee REGI (BUDG, CONT, ECON, EMPL, EVNI, ITRE, TRAN, AGRI, PECH, CULT, FEMM for opinion) Final Act: Regulation 2013/1303 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund</p> <p><a href="#">EP Resolution of 04/07/2006</a> on the proposal for a regulation laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999, based on 2004/0163(AVC) (P6_TA(2006)0289; A6-0224/2006) Leading committee REGI (BUDG, CONT, EMPL, EVNI, PECH, FEMM for opinion)</p> <p>Final Act: Regulation 2006/1083 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund</p>
Oral / Written Questions	<p>1. <a href="#">E-011211/2010</a> WQ COM Rule 117 Monica Luisa Macovei (EPP) on Errors in connection with cohesion spending</p>



# Special Report No 17/2013 of 17 December 2013

## EU climate finance in the context of external aid

EU Development Aid | EDF Fund | Environment

<b>Policy Area</b>	 <b>EU Development Aid / EDF Fund / Environment</b>
Report No / Date / Title	<a href="#">Special Report No 17/2013 of 17 December 2013</a> <a href="#">EU climate finance in the context of external aid</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Has the Commission managed climate-related support funded from the EU budget and the European Development Fund (EDF) well?</li> <li>2. Has the Commission taken appropriate steps to promote coordination with EU Member States in respect of climate finance for developing countries; and has such coordination been adequate?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission managed climate related support funded from the EU budget and the EDF well - it increased the priority given to climate finance and tailored its climate finance to partner country specific;</li> <li>2. Coordination between the Commission and Member States to assist developing countries in responding to climate change is inadequate - the Commission has not exercised sufficient leadership in some areas and the Member States have not been sufficiently responsive to some of its initiatives; coordination of EU and Member States country programmes needs improvement; the Commission and Member States have not agreed how to scale up long term climate finance; an effective monitoring, reporting and verification system is not yet in place; the extent to which the Fast Start Finance (FSF) initiative commitment has been fulfilled is unclear; the Commission and Member States did not act jointly to reduce the fragmentation of climate funds.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should propose a roadmap to the Council for the scaling-up of climate finance towards the Copenhagen Accord 2020 target, including a definition of private finance;</li> <li>2. To improve the transparency and accountability of the EU's climate finance, the Commission and the Member States should, in the framework of the Monitoring Mechanism Regulation, agree common standards for monitoring, reporting and verification;</li> <li>3. The Commission and the EEAS should report on the extent to which the EU target of spending 20 % of the EU budget and EDF between 2014 and 2020 on climate-related action is implemented in development aid, specifying what has been committed and disbursed;</li> <li>4. The Commission should have an independent evaluation made of the Global Climate Change Alliance, including an examination of why most Member States did not choose to co-finance it;</li> <li>5. The Commission and Member States should intensify their cooperation to implement the EU Code of Conduct on Division of Labour in the field of climate finance, notably with respect to the exchange of information on allocations by countries, joint programming and preventing and combating corruption in climate finance.</li> </ol>





<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 17/7/2014</a> on European Court of Auditors Special Report N° 17/2013 (2013 Discharge): "European Union Climate Finance in the context of External Aid" (PE536.023) Rapporteur: Derek Vaughan (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>2. Welcomes the findings of the report which show that the Commission has managed EU climate-related spending from the EU budget and the EDF well;</li> <li>3. Welcomes also the work begun by the Commission and Member States on a common EU standard for monitoring, reporting and verification of public climate finance;</li> <li>4-5. Reiterates the DEVE Committee position, noted by the Court (p.23) which insists that climate finance should be additional to the 0.7 % target, and regrets the failure to confirm the Parliament's concept of additionality, in the DCI negotiations. However there is a need for the Commission to exercise sufficient leadership to maximize its international impact and to consolidate the tools for shaping conditions for the Union's climate / green diplomacy in future years; particularly to deliver the climate-related benchmarks within the DCI as adopted in December 2013. Annex IV also specifies that under GPGC, 27% of the funds are allocated to Environment and Climate Change and at least 50% of the GPGC programme will serve for climate related action and environment-related objectives;</li> <li>6. Welcomes that a commitment to improving EU Joint Programming since 2011 has been made in some 40 countries, however points out that coordination between the Commission and Member States in climate finance for developing countries should be considerably improved;</li> <li>7. Recalls the DEVE position adopted on the Geographic Programmes indicating that: "Parliament congratulates the Commission and the EEAS, in particular the EU Delegations, on the achievements so far on joint programming, and welcomes the Commissioner's commitment that Parliament will be re-consulted whenever the launch of joint programming leads to changes in the DCI programming documents, independent of the mid-term review";</li> <li>8. Notes the explanations about the difficulties in tracking and reporting, due to the divergent reporting practices of Member States, given in the Accountability Report from the Commission on Financing for Development (p.93/94), published on 3 July 2014 in the form of a Staff Working Paper, including a section in Volume I on Climate Finance which provides information on EU climate financing.</li> </ol> <p>Future developments:</p> <ol style="list-style-type: none"> <li>9-10. Calls for more earmarking of funds to sectors including climate finance, when channelled via Budget Support, and more transparency over use of funds. The Commission and the European External Action Service (EEAS) should strengthen their communication policy on the support provided globally or to individual recipient countries and to project Union's values;</li> <li>11. Recognises that corruption remains a significant barrier to effective climate finance and urges the Commission to step up its efforts in regards to working with development partners on anti-corruption issues;</li> <li>12-13. Requests the Commission to propose a road map to the Council for the scaling-up of climate finance towards the Copenhagen Accord 2020 target, including a definition of private finance as well as to make an independent evaluation of the Global Climate Change Alliance, including an examination of why most Member States did not choose to co-finance it;</li> <li>14. Asks the Commission and the EEAS to report on the extent to which the target of spending 20 % of the EU budget and the EDF over 2014 to 2020 on climate related action is implemented in development aid, specifying what has been committed and disbursed;</li> <li>15. Calls on the Commission and Member States, in the framework of the Monitoring Mechanism Regulation, to agree common standards for monitoring, reporting and verification, notably with respect to the definition of 'new and additional', the application of the Rio Markers and reporting on the disbursement of climate finance;</li> <li>16. Invites the Commission and Member States to intensify their cooperation to implement the EU Code of Conduct on Division of Labour in the field of climate finance, notably with respect to the exchange of information on allocations by countries, joint programming and preventing and combatting corruption in climate finance.</li> </ol>
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<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 8/06/2011</a> on Regulation (EC) No 1905/2006 establishing a financing instrument for development cooperation: lessons learned and perspectives for the future, based on 2009/2149(INI) (P7_TA(2011)0261; A7-0187/2011) Leading committee DEVE</p> <p>Lastly, Parliament points out that one of the reasons why the Millennium Development Goals (MDGs) have not been fulfilled is the failure to recognise the contributions of the environment, natural resources and ecosystems to human development and poverty elimination. It notes with concern that, while current European Official Development Assistance (ODA) allocates only 3% of total spending to environmental issues, an additional problem is that a part of the EU and Member States' funding to developing countries is invested in projects that foster climate change, rather than mitigate it. It stresses that policy coherence for development must be improved in the area of climate change, especially in relation to climate funding and mainstreaming of climate change concerns into EU development cooperation.</p> <p><a href="#">EP Resolution of 5/07/2011</a> on Increasing the impact of EU development policy, based on 2-11/2047(INI)(P7_TA(2011)0320; A7-0205/2011) Leading committee DEVE</p> <ol style="list-style-type: none"> <li>1. The following recommendations are made in order to reduce and eradicate poverty in line with one of the MDGs: High-impact development policy: Efforts must be made in order to: <ul style="list-style-type: none"> <li>- Better assess the projects and policies funded by the EU;</li> <li>- Enhance the promotion of good governance and the fight against corruption in beneficiary countries;</li> <li>- Enhance capacity development to improve the capability of citizens, organisations, governments and societies to design sustainable development strategies;</li> <li>- Enhance democratic ownership (parliaments, local and regional authorities, civil society and other stakeholders);</li> <li>- Enable meaningful participation for citizens in Civil Society Organisations;</li> <li>- Highlight the role played by local and regional authorities and their networks.</li> </ul> </li> <li>2. Meeting financial commitments: Parliament reaffirms its position according to which the collective target of devoting 0.7% of the Union's Gross National Income (GNI) to ODA by 2015 must be met. Promoting pro-poor growth: Parliament stresses that growth is only one instrument among many, and that maximising growth is not equivalent to maximising development. The resolution stresses that economic growth policies cannot succeed without promotion of social and environmental standards and the implementation of social protection mechanisms. Further measures are laid down: <ul style="list-style-type: none"> <li>- Favour measures which provide security of land tenure and facilitate poor people's access to land, markets, credits and other financial services and skills development;</li> <li>- Promote industrial development and the development of infrastructure ;</li> <li>- Limit the effects of greenhouse gas emissions;</li> <li>- Strengthen large-scale export and property rights;</li> <li>- Diversify the economies of developing countries and reducing their dependence on imports need to be priority objectives for policies supporting growth;</li> <li>- Promote gender equality.</li> </ul> </li> </ol>
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	<p>3. Human development: Parliament emphasises that the provision of basic social services is crucial to pro-poor growth and reaching the MDGs. It calls for 20% of all EU assistance to be earmarked for basic social services.</p> <p>Involving the private sector, Parliament calls on the Commission to:</p> <ul style="list-style-type: none"> <li>- Promote and support, among other things, social-economy enterprises that work in accordance with ethical and economic principles;</li> <li>- Strengthen public investments in public goods, infrastructure and services;</li> <li>- Object to any kind of cooperation with private entities which would contribute directly or indirectly to any form of tax evasion or tax avoidance;</li> <li>- Favour investors that support the partner country's development strategy, and to give preferential treatment to domestic and regional investors in order to promote regional integration;</li> <li>- Strengthen Public Private Partnerships (PPP), which involve the private sector in development;</li> <li>- Fight corruption, within both businesses and NGOs, as well as in governments and public authorities.</li> </ul> <p>4. Climate change, energy and sustainable development: Parliament prioritises support for local and regional sustainable energy solutions, and decentralised energy production in particular, so as to bring development priorities in line with environmental concerns;</p> <p>5. Parliament reiterates its position that mainstreaming cannot replace the provision of new and additional resources which the EU and other donors have committed towards developing countries climate change mitigation efforts and adaptation needs;</p> <p>6. Food security and agriculture: Parliament reiterates its position that the EU should focus its development assistance on safeguarding the food security of developing countries and promoting sustainable, local, small-scale and organic agricultural production.</p>
<p>Oral / Written Questions</p>	<p>1. <a href="#">E-005687-14</a> WQ COM Rule 130 Alain Cadec (EPP) on Climate finance: towards the Copenhagen Accord 2020 target</p> <p>2. <a href="#">E-0599/2010</a> WQ Council Daciana Octavia Sărbu (S&amp;D) on Climate financing</p> <p>3. <a href="#">E-4558/2009</a> WQ COM Fiorello Provera (EFD) on EU aid to China on climate change</p>



## Special Report No 18/2013 of 17 March 2014

### The reliability of the results of the Member States' checks of the agricultural expenditure

Agriculture and Rural Development | Common Agricultural Policy (CAP) | EAGF Fund | EAFRD Fund | Budgetary control

Policy Area	 Agriculture and Rural Development / Common Agricultural Policy (CAP) / EAGF Fund / EAFRD Fund / Budgetary control
Report No / Date / Title	<a href="#">Special Report No 18/2013 of 17 March 2014</a> <i>The reliability of the results of the Member States' checks of the agricultural expenditure</i> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Are the results of the checks of agricultural expenditure carried out by Member States and reported by the Commission reliable?</li> <li>1.1. Are the administrative and on-the-spot checks carried out by the paying agencies effective?</li> <li>1.2. Are the statistical reports containing the results of the paying agencies' checks correctly compiled and verified before their submission to the Commission?</li> <li>1.3. Does the work of the certification bodies provide sufficient assurance regarding the quality of the on-the-spot checks and the reliability of the statistical reports?</li> <li>1.4. Does the Commission ensure that the statistical reports are reliable?</li> <li>1.5. Is the Commission's calculation of the residual error rate statistically valid?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The administrative and on-the-spot checks carried out by almost all paying agencies audited are only partially effective - weaknesses in the quality of the administrative and on-the-spot checks of the European Agriculture Guarantee Fund (EAGF) area related measures and European Agriculture Fund for Rural Development (EAFRD) measures result in irregularities not being detected or reported;</li> <li>1.2. Inadequate compilation and verification of the statistical reports by paying agencies further affect their reliability - imprecisions in the Commission's guidelines affect the accuracy and relevance of the information collected; the audited paying agencies' systems for the compilation and verification of the reports are not effective;</li> <li>1.3. The work of the certification bodies does not provide sufficient assurance on the quality of the on-the-spot checks and the reliability of the statistical reports - the checks performed by certification bodies of the on-the-spot checks carried out by paying agencies are insufficient in number and quality; the assessments of the results of the extended samples tested by the certification bodies which have applied the 'reinforcement of assurance' option are hampered by serious deficiencies; the review of the statistical reports by certification bodies audited is limited in scope and does not provide reasonable assurance on the reliability of these reports;</li> <li>1.4. Shortcomings identified in the Commission's review of the Member States' statistical reports - the design of the Commission's information system is not suited for the different purposes for which the information is used; despite the abovementioned shortcomings, the Commission detected errors in more than half of the member states' reports; the Commission's review of the statistical reports during its conformity audits is not sufficient;</li> </ol>



	<p>1.5. The Commission's estimate of irregular payments is not statistically valid and impacts on the reliability of the annual statement of assurance of DG Agriculture and Rural Development - Member States' approaches in drawing random samples are not always statistically valid, thus affecting the representativity of such samples; the method used by the Commission to estimate a residual error rate is not statistically valid - the level of error reported by DG Agriculture and Rural Development cannot be compared with the Court's most likely error, i.e. the Court's annual best estimate of the error affecting a class of payments.</p> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should ensure that the administrative and on-the-spot checks carried out by the paying agencies are effective. The Court reiterated the specific recommendations included in its last two annual reports;</li> <li>2. The Commission should improve the clarity of its guidelines for the compilation of the statistical reports. The guidelines should in particular provide instructions on the cut-off dates to be used and the treatment of applications not yet processed as well as the nature and extent of tests to be carried out by paying agencies before reports are submitted to the Commission. Member States' paying agencies should establish written procedures for the verification and compilation of the data included in the reports and should adequately document all checks carried out;</li> <li>3. The Commission should amend the guidelines issued to certification bodies and monitor their correct implementation;</li> <li>4. The Commission should ensure that it receives complete information on the checks carried out by paying agencies at the most appropriate time; should harmonise the systems for the verification of the statistical reports; the Commission's conformity audits should also cover the review of verifications carried out by the paying agencies and certification bodies;</li> <li>5. The Commission should, based on the work of the paying agencies and the expanded role of the certification bodies, take the necessary measures to arrive at a statistically valid estimate of the current impact of irregularities on payments after all checks have been carried out. The reliability and statistical validity of the work carried out both by the paying agencies and the certification bodies would need to be substantially improved in order to enable the Commission to derive from it a valid estimate of a residual rate of error.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 8/9/2014</a> on European Court of Auditors Special Report No 18/2013 (2013 Discharge): "The reliability of the results of the Member States' checks of the agricultural expenditure" (PE536.028) Rapporteur: Karin Kadenbach (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Acknowledges that the systems examined in the Special Report 18/2013 have been changed by the new CAP Regulations, with increased responsibilities of the certification bodies in the Member States in the field of verification of legality and regularity of expenditure, and verification of control results communicated to the Commission;</li> <li>2. In order to ensure that the problems encountered are not repeated, the European Parliament reminds the Commission of the ECA findings in its <a href="#">2012 Annual Report</a>:       <ol style="list-style-type: none"> <li>a. that the supervisory and control systems of the Member States for expense payments and for rural development were partially effective and that for a significant number of transactions affected by error the national authorities had enough information to detect and correct the errors concerned;</li> <li>b. that the effectiveness of the Internal Management and Control System (IACS) is adversely affected mainly by inaccurate databases used for cross-checks.</li> </ol> </li> <li>3. Stresses that it has endorsed on 3 April 2014 the reservation put by the Director General of DG AGRI in its Annual Activity Report for 2012 as regards the deficiencies found by the Commission and the ECA in the eligibility of land;</li> <li>4. Asks the Commission and the Member States to take immediate action when administrative and control systems are found to be deficient or out of date;</li> </ol>



	<ol style="list-style-type: none"> <li>5. Urges the Commission and the Member States to ensure that payments are based on inspection results and that on-the-spot inspections are of the quality necessary to determine the eligible area in a reliable manner;</li> <li>6. Urges the Commission to ensure that the design and quality of the work performed by the directors of paying agencies and the certification bodies provide a reliable basis for the assessment of the legality and regularity of underlying transactions;</li> <li>7. Welcomes the change in the approach used by DG AGRI to calculate the residual error rate for decoupled area aid in 2012, as it takes into account the fact that the inspection statistics, the declarations of the directors of paying agencies and the work carried by the certification bodies can be affected by deficiencies impacting their reliability and calls for this new approach to extend to all CAP expenditure in DG AGRI's Annual Activity Reports in the new funding period;</li> <li>8. Reminds that it has endorsed the reservation contained in DG AGRI's annual activity report for the total EAFRD expenditure for 2012;</li> <li>9. Calls on the Member States to carry out their existing administrative checks in an efficient way by using all relevant information available to the paying agencies, as this has the potential to detect and correct the majority of the errors;</li> <li>10. Calls on the Commission to ensure in the area of rural development that uniform standards and procedures are being equally applied and observed both by its approving and auditing bodies.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 20/11/2013</a> on the proposal for a regulation of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy, based on 2011/0288(COD) (P7_TA-PROV(2013)0490; A7-0363/2013)  Leading committee AGRI (DEVE, BUDG, CONT, REGI for opinion)  Final Act: Regulation 2013/1306 on the financing, management and monitoring of the common agricultural policy  Accreditation of paying agencies: in order to be accredited, paying agencies responsible for the management and control of expenditure must have an administrative organisation and a system of internal control which provide sufficient guarantees that payments are legal and regular and properly accounted for. Member States will be authorised to maintain the number of paying agencies which have been accredited before the entry into force of the Regulation;</p> <p><b>Evaluation Clause:</b> Before the end of 2016, the Commission shall present a report to the Council and the European Parliament on the operation of the system of paying agencies in the Union accompanied, where appropriate, by legislative proposals;  Certification bodies: the certification body shall be a public or private audit body designated by the Member State. Where it is a private audit body, and the applicable Union or national law so requires, it shall be selected by the Member State by means of a public tendering procedure. It shall provide an opinion, drawn up in accordance with internationally accepted audit standards.</p> <p><a href="#">EP Resolution of 18/05/2010</a> on simplification of the CAP, based on 2009/2155(INI) (P7_TA(2010)0172; A7-0051/2010)  Leading committee AGRI (ENVI for opinion)  The Commission should also review the system of control and settlement of accounts as well as adopt a more proportionate and, ultimately, a risk-based approach to the application of regulatory controls, the conduct of compliance audits and the imposition of financial corrections. The Commission is invited to come forward with proposals by means of which the audit and control framework for the CAP might be improved.</p>
<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-003560/2014</a> WQ COM Rule 117 Gerben-Jan Gerbrandy (ALDE) on Follow-up to the European Court of Auditors Special Report on the reliability of the results of the Member States' checks of the agricultural expenditure</li> <li>2. <a href="#">E-003432/2014</a> WQ COM Rule 117 Gerben-Jan Gerbrandy (ALDE) on Reasons for the drafting of the European Court of Auditors' Special Report on the reliability of the results of Member States' checks on agricultural expenditure</li> <li>3. <a href="#">E-004484/2014</a> WQ COM Rule 117 Marc Tarabella (S&amp;D) on CAP money</li> <li>4. <a href="#">E-008697/2011</a> WQ COM Rule 117 Ulrike Rodust (S&amp;D) on Agricultural expenditure: conformity audits</li> </ol>




	<p>5. <a href="#">E-3307/2010</a> WQ COM Hans-Peter Martin (NI) on Financial corrections in Greece</p> <p>6. <a href="#">E-010706/2012</a> WQ COM Rule 117 Claudio Morganti (EFD) on Problems relating to the use of EU funds</p> <p>7. <a href="#">E-002303/2011</a> WQ COM Rule 117 Albert Deß (EPP) on Audit authority of certification bodies in Member States</p> <p>8. <a href="#">E-004417/2012</a> WQ COM Rule 117 James Nicholson (ECR) on Work by the Commission to minimise area aid disallowances</p> <p>9. <a href="#">E-2921/2010</a> WQ COM Diogo Feio (EPP) on Direct support regimes for farmers - deadline for administrative and on-the-spot checks - Regulations (EC) Nos 1122/2009 and 73/2009</p> <p>10. <a href="#">E-011210/2010</a> WQ COM Rule 117 Monica Luisa Macovei (EPP) on Commission measures concerning agricultural funds in Greece</p> <p>11. <a href="#">E-012799/2013</a> WQ COM Rule 117 James Nicholson (ECR) on Integrated Administration and Control System in Court of Auditors report</p>
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## Special Report No 19/2013 of 4 March 2014

### 2012 report on the follow-up of the European Court of Auditors' Special Reports

Budgetary control | Discharge procedure

Policy Area	 Budgetary control / Discharge procedure
Report No / Date / Title	<a href="#">Special Report No 19/2013 of 4 March 2014</a> <a href="#">2012 report on the follow-up of the European Court of Auditors' Special Reports</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Does the Commission adequately follow up audit recommendations made by the Court in its special reports?               <ol style="list-style-type: none"> <li>1.1. Has the Commission established proper guidelines and procedures for follow-up activities?</li> <li>1.2. Has the Commission adequate and reliable management information on audit recommendations and their state of implementation?</li> </ol> </li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission adequately follows up and implements a large majority of the Court's recommendations;               <ol style="list-style-type: none"> <li>1.1. The commission has established proper guidelines and procedures relating to its follow up activities;</li> <li>1.2. The IT application RAD (recommendations, actions, discharge) does not ensure that the Commission has adequate and reliable management information concerning the implementation status of recommendations which have only been partially implemented.</li> </ol> </li> </ol> <p><b>Recommendations:</b></p> <p>The Commission should refine the RAD application to better reflect recommendations that have only been partially implemented.</p>
CONT Committee Working Document; Rapporteur	-
Related EP Reports / Resolutions of other committees	-
Oral / Written Questions	






## Special Report No 1/2014 of 8 April 2014

### Effectiveness of EU-supported public urban transport projects

Transport

Policy Area	 <b>Transport</b>
Report No / Date / Title	<a href="#">Special Report No 1/2014 of 8 April 2014</a> <a href="#">Effectiveness of EU-supported public urban transport projects</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Were the projects implemented as planned in the grant applications?</li> <li>2. Did the services provided by the projects meet user needs?</li> <li>3. Did the projects achieve their objectives in terms of utilisation?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Project implementation - most projects were physically implemented; four out of 18 infrastructure projects had significant implementation delays; three out of 19 projects exceeded their initial budget by more than 20%;</li> <li>2. Services provided by the projects - feedback from operators' monitoring indicators were positive; user satisfaction surveys, when available, had positive results; transport services were generally accessible;</li> <li>3. Utilisation of the projects - few projects have as many users as expected; several causes of underutilisation could have been tackled; 40% of the projects assessed lacked utilisation targets and/or data, which prevented measurement of the project utilisation rate; underutilisation may affect the achievement of expected benefits which is not monitored and it may also increase the financial burden for the public authorities.</li> </ol> <p><b>Recommendations:</b></p> <p>The Commission should, for projects subject to its approval:</p> <ol style="list-style-type: none"> <li>1. Require that management tools will be put in place to monitor the quality of services and the level of user satisfaction once a project is operational, such as:             <ol style="list-style-type: none"> <li>(a) a minimum set of indicators with related targets to be included in operating contracts and, where possible, a link between the operator's remuneration and the results achieved;</li> <li>(b) user satisfaction surveys, which would enable appropriate action to be taken so as better to meet users' expectations;</li> </ol> </li> <li>2. Require that a minimum number of result indicators with related targets are included in the grant agreements and are subsequently measured, so that:             <ol style="list-style-type: none"> <li>(a) the utilisation rate of public transport, which is a key performance indicator for this type of project, is monitored and assessed;</li> <li>(b) expected benefits such as a reduction in pollution, noise and congestion, and better road safety, are monitored and assessed;</li> </ol> </li> <li>3. Require that the estimation of the number of expected users is more rigorously analysed and that the choice of the mode of transport is supported by a quantified comparison of different transport options;</li> <li>4. Require that the projects are included in a mobility policy which:             <ol style="list-style-type: none"> <li>(a) addresses the consistency of all modes and forms of transport, including parking policy, in the entire urban agglomeration;</li> </ol> </li> </ol>




	<p>(b) demonstrates that it is a priority and the most appropriate project;</p> <p>(c) indicates to what extent it will contribute to its overall objectives (e.g. modal shift).</p> <p>5. Require that the aspects mentioned under recommendations 1 to 4 are addressed by the Member States' authorities when managing EU-funded urban transport projects.</p>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 1/9/2014</a> on European Court of Auditors Special Report N°1/2014 (2013 Discharge): "Effectiveness of EU-supported public urban transport projects" (PE536.049) Rapporteur: Georgi Pirinski (S&amp;D)</p> <p>[Rapporteur's recommendations.]</p> <ol style="list-style-type: none"> <li>1. Underlines that the European Structural and Investment Funds (ESIF) are the single most important source for EU funding for urban mobility projects, and that such projects are not only crucial for the accessibility of urban areas in the EU's less developed regions but that they also have important social and environmental aspects for the quality of life of EU citizens;</li> <li>2-3. Stresses the increasing importance of continued EU financial assistance, considering in particular the negative consequences of growing urban sprawl and in light of the prospects for the further steady growth of the proportion of urban population; the delivery of urban mobility projects both by the Commission and Member States must therefore be responsible, effective and efficient;</li> <li>4. Reiterates, whilst mindful of the principle of subsidiarity, the call on Member States made in the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "Together towards competitive and resource-efficient urban mobility" COM(2013)913: <ul style="list-style-type: none"> <li>- To ensure detailed assessments of present and future performance, co-ordination and integration of Sustainable Urban Mobility Plans (SUMPs) into wider urban and territorial strategies, amending, where necessary, technical and other tools at the disposal of planning authorities;</li> <li>- To focus on appropriate vehicles in addition to infrastructure as a tool to deliver sustainable urban mobility in urban logistics;</li> </ul> </li> <li>5. Calls on the Commission and authorities in Member States to pay more attention to the objectives, targets and indicators, in particular those in the project application forms, in order to identify potential risks and guard against any optimism bias in future projects;</li> <li>6. Urges the Commission to perform more thorough cost-benefit analyses of indicative budgets of urban transport projects and to share best practices with the Member States, as well as to encourage such exchange amongst them, thus supporting authorities in successfully developing projects that are not subject to Commission approval;</li> <li>10. Insists that the elements set out in Annex to COM (2013)913 be implemented, including: <ul style="list-style-type: none"> <li>- Comprehensive Status analysis and baseline through an "urban mobility performance audit", against which future performance can be measured;</li> <li>- Identification of "hotspots" within the urban areas where performance of the present transport system is particularly poor;</li> <li>- Suitable performance indicators which can then be properly monitored;</li> <li>- Specific performance objectives which are realistically ambitious with regard to the objectives of a Sustainable Urban Mobility Plan (SUMP);</li> <li>- Measurable targets, based on a realistic assessment of the baseline and available resources, to reflect the specific SUMP objectives;</li> </ul> </li> <li>11. Points to the lack of sufficient indicators for measurement of the effectiveness of the urban transport projects listed in the ERDF regulation and insists that the Commission includes in the implementing and delegated acts related to these kinds of projects more appropriate indicators taking into consideration the indicators recommended by the ECA.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p>-</p>
<p>Oral / Written Questions</p>	<p>1. <a href="#">E-005688-14</a> WQ COM Rule 130 Alain Cadec (EPP) on ECA's report's recommendations</p>



## Special Report No 2/2014 of 21 May 2014

### Are preferential trade arrangements appropriately managed?

International Trade

Policy Area	 International Trade
Report No / Date / Title	<a href="#">Special Report No 2/2014 of 21 May 2014</a> <i>Are preferential trade arrangements appropriately managed?</i> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Has the Commission appropriately assessed the economic effects of Preferential Trade Arrangements (PTAs)?</li> <li>2. Were the supervision and controls on PTAs effective?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. Despite improvements over time the Commission has not appropriately assessed all the economic effects of PTAs - it did not always carry out an assessment of all the economic effects of PTAs; the assessments carried out in most cases contained inaccuracies and were not fully useful or comprehensive, but there have been improvements;</li> <li>1.2. The interim evaluation of the Generalised tariff preferences (GSP) shows that the policy has not yet delivered all its intended benefits;</li> <li>2.1. Customs controls applied by the authorities of the selected Member States are weak - there are weaknesses in control strategy and risk management and in the management of the administrative cooperation by the authorities of the selected Member States; Member States' risk management systems do not always include MA (mutual assistance) communications by European Anti-fraud Office (OLAF); errors in recovery procedures in three of the selected Member States;</li> <li>2.2. There are weaknesses in the Commission's supervision of Member States and beneficiary/partner countries in respect of PTAs - the Commission has carried out few prior evaluations and no monitoring visits to countries benefiting from preferential treatment; the Commission has taken steps to ensure the smooth working of the administrative cooperation arrangements, but problems remain; OLAF's origin investigations are essential but there are weaknesses in their financial follow-up; insufficient use of preventive and reactive measures to protect the financial interests of the EU;</li> <li>2.3. The legal provisions of the PTAs do not contain sufficient safeguards to protect the financial interests of the EU - cumulation rules are too complex; the possibilities to counter fraud are limited.</li> </ol> <p><b>Recommendations:</b></p> <p>In order to improve the assessment of the economic effects of PTAs and the sound financial management of PTAs the Commission should:</p> <ol style="list-style-type: none"> <li>1. Unless duly justified, carry out an Impact Assessment (IA) and an Sustainability Impact Assessment (SIA) for each PTA, providing an in-depth, comprehensive and quantified analysis of the expected economic effects, including an estimate of revenue foregone;</li> <li>2. Involve Eurostat routinely in the quality assessment of the statistical data sources used in SIAs, and ensure the timeliness of the analysis carried out for negotiators;</li> <li>3. Carry out interim and ex post evaluations in order to assess the extent to which PTAs with a significant impact meet their policy objectives and how their performance can be improved in key economic sectors, including an estimate of revenue foregone;</li> </ol>



	<ol style="list-style-type: none"> <li>4. Monitor the scheme of GSP beginning on 1 January 2014 to make sure that it better meets its policy objectives to contribute to combating global poverty and promoting sustainable development. In order to improve protection of the EU's financial interests the Commission should:</li> <li>5. Create EU risk profiles on PTAs so that Member States have a common approach to risk analysis in order to reduce losses to the EU budget;</li> <li>6. Verify that Member States improve the effectiveness of their risk management systems and control strategy to reduce losses to the EU budget;</li> <li>7. Encourage Member States to adopt appropriate precautionary measures upon receipt of a Mutual Assistance (MA) communication;</li> <li>8. Evaluate and carry out monitoring visits on a risk basis to countries benefiting from preferential treatment, notably regarding the rules of origin and cumulation;</li> <li>9. Require the Member States to improve the quality of the information provided by them concerning administrative cooperation;</li> <li>10. Follow up those countries benefiting from preferential treatment where problems concerning administrative cooperation exist;</li> <li>11. Improve the financial follow-up of the OLAF investigations in order to prevent losses to the EU budget due to time-barring;</li> <li>12. Reinforce the EU's position in reciprocal PTAs and make more use of precautionary and safeguard measures, including them in all future trade agreements;</li> <li>13. Promote the replacement of origin and movement certificates with exporters' self-certification.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 2/10/2014</a> on European Court of Auditors Special Report No 2/2014 (2013 Discharge) "Are Preferential Trade Arrangements adequately managed?" (PE536.036)  Rapporteur: Bart Staes (Greens)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>2. Expresses serious concerns to the fact that the Commission has not appropriately assessed all the economic effects of PTAs and also the fact that the completeness of revenue collection is not ensured;</li> <li>3. Recalls that it is a top priority to adequately inform the policymakers, various stakeholders and European taxpayers of the main added value and disadvantages of the different trade policy options and scenarios;</li> <li>4-5. Finds it not acceptable that SIA's are in some cases missing, incomplete, based on old or outdated information and in other cases (Chili) only available after the agreement was signed; before signing any new agreement the underlying SIA study should be finalized and made public;</li> <li>6. Regrets that not in all cases partners under the GSP system did sign up to international conventions on human and labour rights, calls on the Commission to put more emphasis on the environment and good governance in PTA's;</li> <li>7. Would like to be informed on measures taken by the Commission on the basis of the Parliament and the Court of Auditors' recommendations and observations by October 2015.</li> </ol> <p>Future developments. In order to improve the assessment of the economic effects of PTAs the Commission should:</p> <ol style="list-style-type: none"> <li>8. Unless duly justified, carry out an IA and a SIA for each PTA, providing an in-depth, comprehensive and quantified analysis of the expected economic effects, including an accurate estimate of revenue foregone;</li> <li>9. Involve Eurostat routinely in the quality assessment of the statistical data sources used in SIAs, and ensure the timeliness of the analysis carried out for negotiators;</li> <li>10. Carry out interim and ex post evaluations on all PTAs in order to assess the extent to which PTAs with a significant impact meet their policy objectives and how their performance can be improved in key sectors and including an estimate of revenue foregone.</li> </ol> <p>In order to improve the protection of the EU's financial interests the Commission should:</p> <ol style="list-style-type: none"> <li>11. Create EU risk profiles on PTAs so that Member States have a common approach to risk analysis in order to reduce losses to the EU budget;</li> <li>12. Verify that Member States improve the effectiveness of their risk management systems and control strategy to reduce losses to the EU budget;</li> <li>13. Encourage Member States to adopt appropriate precautionary measures upon receipt of an MA communication;</li> <li>14. Evaluate and carry out monitoring visits on a risk basis to countries benefiting from preferential treatment notably regarding the rules of origin and</li> </ol>



	<p>cumulation;</p> <ol style="list-style-type: none"> <li>15. Require the Member States to improve the quality of the information they provide concerning administrative cooperation;</li> <li>16. Improve the financial follow-up of OLAF investigations in order to prevent losses to the EU budget due to time-barring;</li> <li>17. Reinforce the EU's position in reciprocal PTAs and make more use of precautionary and safeguard measures including them in all future trade agreements;</li> <li>18. Insists to receive an overview of recoveries made over the period 2010 till 2014 without delay;</li> <li>19. Would like to be informed on the results of the Compact initiative in Bangladesh.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 16/04/2013</a> on advancing development through trade, based on 2012/2224(INI) (P7_TA-PROV(2013)0119; A7-0054/2013) Leading committee DEVE (INTA for opinion)</p> <p><a href="#">EP Resolution of 13/06/2012</a> on Scheme of generalised tariff preferences (GSP), based on 2011/0117(COD) (P7_TA(2012)0241; A7-0054/2012) Leading committee INTA (DEVE for opinion)</p> <p>Final Act: Regulation 2012/978 applying a scheme of generalised tariff preferences</p> <ol style="list-style-type: none"> <li>1. The proposal contains a series of safeguard and surveillance measures to protect European producers.</li> <li>2. Safeguards in the textile, agriculture and fisheries sectors: special safeguard measures exist for certain sectors such as textile, agriculture and fisheries.</li> <li>3. It is the first time that Parliament has exercised its power, introduced by the Lisbon Treaty, to legislate on the GSP. Members negotiated a rule to ensure that Parliament will have power of veto over any changes in country coverage, product coverage, import thresholds or temporary withdrawals of GSP preferences (which currently apply to Belarus and Myanmar).</li> <li>4. Transparency of statistical sources: the text states that Member States shall transmit statistical data no later than 40 days after the end of each monthly reference period. In order to facilitate information and increase transparency, the Commission shall also ensure that the relevant statistical data for the GSP sections are regularly available in a public database.</li> </ol> <p><u>Report, Article 35(2)</u>: the text states that the Commission report submitted to the Council and the European Parliament must include a detailed analysis of the impact of the Regulation on trade and on the EU's tariff income, with particular attention to the effects on beneficiary countries.</p> <p><a href="#">EP Resolution of 10/03/2010</a> on the regulation applying a scheme of generalised tariff preferences based on 2010/2594(RSP) (P7_TA(2010)0059; B7-0181 and 0182/2010) Tabled by EPP, S&amp;D, ALDE, Verts/ALE, ECR, GUE/NGL</p> <p>Parliament calls on the Commission to do the following:</p> <p>...</p> <ol style="list-style-type: none"> <li>1. Define, in its revised GSP regulation, the monitoring bodies which are to recommend whether additional steps for the effective implementation of a convention should be taken by a specific country;</li> <li>2. Evaluate the effectiveness of the special incentive arrangements in fulfilling their aim and recommend, where appropriate, revision of Annex III;</li> <li>3. Make provision in its revised GSP regulation for a regular assessment of compliance by each beneficiary country with its commitments under GSP+, and thus ensure that none of the reasons set out in Article 15(1) and (2) and Article 16(1) and (2) for the temporary withdrawal of preferential arrangements applies;</li> </ol>




	<ol style="list-style-type: none"> <li>4. Conduct an impact assessment of the effects of the GSP over the period from 1 January 2006 to 31 December 2009, before revision of the system, and to evaluate how its initial aims have been met as regards the specific socio-economic indicators relevant for each country, and, in particular, poverty reduction;</li> <li>5. Ensure the results of the impact assessment are taken into consideration in the new regulation; submit the report and impact assessment to Parliament and Council.</li> </ol>
<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">P-005170/2014</a> WQ COM Rule 117 Lara Comi (EPP) on Protectionism regarding raw materials for the leather industry, to the detriment of Italian and EU companies</li> <li>2. <a href="#">P-003679/2013</a> WQ COM Rule 117 Pablo Zalba Bidegain (EPP) on Unfair trading practices in Latin America</li> <li>3. <a href="#">E-014283/2013</a> WQ COM Rule 117 Sergio Berlato (EPP) on Abolition of customs duties for Pakistan and difficulties for the Italian textile sector</li> <li>4. <a href="#">O-000133/2013</a> OQ COM Rule 115 Vital Moreira on GSP+ monitoring mechanism and GSP+ scorecards</li> <li>5. <a href="#">E-004059/2012</a> WQ COM Rule 117 William (The Earl of) Dartmouth (EFD) on GSP+ scheme - compliance inspection</li> <li>6. <a href="#">E-005505/2011</a> WQ COM Rule 117 João Ferreira (GUE/NGL) on Proposal for review of the Generalised System of Preferences - impact on the textile and clothing industry</li> <li>7. <a href="#">E-010541/2011</a> WQ COM Louis Michel (ALDE) Coherence of EU trade and development policy</li> <li>8. <a href="#">P-4018/2010</a> WQ COM Rule 117 Czesław Adam Siekierski (EPP) on Resumption of trade negotiations with the Mercosur countries</li> <li>9. <a href="#">E-1397/2010</a> WQ COM Georgios Papastamkos (EPP) on Generalised system of preferences</li> <li>10. <a href="#">P-2094/2010</a> WQ COM Kader Arif (S&amp;D) on Implications of the trade agreement with Colombia and Peru for bananas and sugar</li> <li>11. <a href="#">H-0377/2010</a> OQ Rule 116 Georgios Papastamkos (EPP) on Developing countries and preferential access to the EU market</li> <li>12. <a href="#">O-0022/2010</a> OQ With Debate COM Rule 115 Daniel Caspary (EPP), Kader Arif (S&amp;D) Niccolò Rinaldi (ALDE), Yannick Jadot (Verts/ALE), Joe Higgins (GUE/NGL), and Robert Sturdy (ECR) on Regulation applying a scheme of generalised tariff preferences</li> </ol>



## Special Report No 3/2014 of 19 May 2014

# Lessons from the European Commission's development of the second generation Schengen Information System (SIS II)

Justice and Home Affairs | Civil Liberties

Policy Area	 Justice and Home Affairs / Civil Liberties
Report No / Date / Title	<a href="#">Special Report No 3/2014 of 19 May 2014</a> <a href="#">Lessons from the European Commission's development of the second generation Schengen Information System (SIS II)</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did the Commission deliver Schengen Information System (SIS II) on time?</li> <li>2. Did the Commission deliver SIS II in line with initial cost estimates?</li> <li>3. Was there a robust business case for SIS II throughout the project which took into account major changes to the costs and expected benefits?</li> <li>4. Did the Commission learn and apply lessons from its management of the SIS II development project?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission delivered SIS II albeit over 6 years late - the initial project deadline was unrealistic; until 2007 the Commission did not allocate sufficient staff with the expertise to manage outsourced development work effectively; working relations between some member countries and the Commission were initially poor, and, until the Commission created the Global Project Management Board, it did not manage to draw on the experience of all end-users; it was not clear to all stakeholders who made key decisions; system requirements were not sufficiently stable until the final project phase;</li> <li>2. The cost of developing the central system and network increased from 23 million euro to 189 million euro - the Commission did not update its 2003 global project budget until 2010; the delays in delivering SIS II resulted in increased costs; the main development contractor delivered an underperforming system in the first part of the project; changes to system requirements resulted in increased costs; the Commission increased the value of the main development contract from 20 million euro to 82 million euro through negotiated amendments;</li> <li>3. The Commission did not ensure that the business case for SIS II included a thorough reassessment of the costs and expected benefits, updated to take into account major changes - after being made responsible for the project, the Commission's updated business case for SIS II did not include a thorough reassessment of all costs, expected benefits and alternatives; the Commission did not thoroughly reassess the business case during the project even though there were major changes to the costs and expected benefits;</li> <li>4. The Commission learnt lessons from its experience during the first part of the project to complete SIS II and prepare future projects - the Commission applied lessons from the first part of the project to the final phase; the Commission has already applied lessons from SIS II to other projects.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should base the project timetable for the development of large-scale IT systems on a technical analysis of the tasks to be performed, taking into account the risks and complexity of the project;</li> <li>2. The Commission should include all large-scale IT projects under its responsibility in its corporate IT governance arrangements. There should be no</li> </ol>



	<p>distinction between IT projects funded from operational budgets and those funded from the administrative budget. The Commission should involve IT experts from DG Informatics or other directorates-general at the inception of large-scale IT projects. It should include a representative of DG Informatics in the project steering committee. When outsourcing development work, the Commission should ensure that it makes full use of in-house expertise to manage the contract and supervise the work of the development contractor effectively in order to minimise the risk of poor performance;</p> <ol style="list-style-type: none"> <li>3. The Commission should ensure that those representing users of the system understand and take into account business needs and end-user requirements;</li> <li>4. The project steering committee should approve the transition of a project through approval gates to the next key project phase. Before proceeding from project initiation to project planning, the project steering committee and the relevant Commission IT governance body should approve the business case. The business case should include possible alternatives, a comprehensive cost-benefit analysis which identifies the full costs of the project and a resource plan which specifies the staffing needed on the user and IT sides. The business case should be kept up to date and reapproved in the event of major changes to project costs, expected benefits, risks or alternatives;</li> <li>5. The Commission should document key project decisions in a decision log so that they are easily traceable;</li> <li>6. When a project requires the development of different but dependent systems by various stakeholders, the Commission should ensure that there is an effective overall project management to coordinate the whole project;</li> <li>7. The Commission should ensure that contracts to develop large-scale IT systems contain prices for smaller, carefully defined work packages which can be used as the basis for adjusting the project without renegotiations. Furthermore, the Commission should develop large-scale IT systems using interlinked building blocks which can easily be reused, for example to pass completed work from one contractor to another. Although it requires an investment in design, this component-based software development approach minimises the impact of changes to requirements and is a means to benefit from advances in technology and avoid technical lock-in with contractors;</li> <li>8. The Commission should pass on the lessons learnt from the Court's audit to directorates-general and EU institutions, agencies and other bodies. The Commission should evaluate whether the expected benefits of SIS II were achieved.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 25/11/2014</a> on European Court of Auditors' Special Report No 3/2014 (2013 Discharge) "Lessons from the European Commission's development of the second generation Schengen Information System (SIS II)" (PE537.479) Rapporteur: Monika Hohlmeier (EPP)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>2-4. Criticises the European Commission for not having provided enough expert staff at the outset of the project neither in terms of technical implementation nor of quality assessment related to the SIS II project;</li> <li>5,6. Criticises that both the European Commission who was meant to inter alia represent the interests of the SIS II-end users and the leading stakeholders were not even aware of the technical and end users' requirements at the outset of the project. The Commission in cooperation with the Member States shall establish at the outset of the project an exact profile of technical and end-users' requirements to be met;</li> <li>7-9. Considers it as a waste of taxpayers' money that the European Commission has published a general call for proposals for the project without having clearly defined its requirements. The European Commission should establish a realistic business plan and timetable for future IT-projects, based on clearly defined requirements in form and content and a clear analysis of costs and time planning taking into account the risks and complexity of the project;</li> <li>10. Requests the highest possible transparency in future IT-projects, especially when it comes to vital decisions triggering consecutive project's phases;</li> <li>11. Is of the opinion that future contracts should have an effective penalty mechanism to ensure a timely delivery meeting required standards;</li> <li>12. Criticises that the European Commission has not ended the contract with the main contractor agent despite the poor results delivered in the first project phase;</li> <li>13. Criticises that the European Commission has not insisted on a component based development system for the implementation of SIS II. Had there been</li> </ol>





	<p>introduced linkable work blocks, complete elements could have been handed over to another contractor agent in order to avoid the binding to one specific contractor agent;</p> <p>14. Criticises that the Commission has exceeded the value of the original contract by eight times of the original value by renegotiating the contract, despite article 126 I e of the implementing rule of the financial regulation which foresees that the value of the contract shall not exceed more than 50 % of its original value;</p> <p>15. Notes that in this regard article 134 I b of the application rule of the financial regulation might have to be revised; the technical or artistic binding to one specific contractor agent according to article 134 I b may not circumvent the protective provision in article 134 I e and allow the multiplication of the original value of the main contract to a disproportionate extend;</p> <p>16,17. Notes that in the case of serious increase of the original costs of the project or major changes in terms of the expected benefits, risks or alternative solutions, the budget authority should have to give its prior approval; Condemns the rededication of budgetary funds without approval of the budget authority in several cases;</p> <p>18. Welcomes the guidelines for project management PMG, recommended by DG Informatics since 2011; on the basis of those guidelines the leading project committee has to approve the introduction of the next project steps, which is known as the so called "approval gates";</p> <p>19. Highlights the need to look forward, as by the end of this decade SIS II might come to saturation and SIS III will be needed; hopes in this regard that the preparations of the SIS III will be significantly better conducted.</p>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">Preparatory phase in Parliament</a>. Functioning of the Schengen area 1 November 2013 - 30 April 2014. Fifth bi-annual report, COM(2014)0292. Leading committee LIBE (AFET and DEVE for opinion)</p> <p><a href="#">EP Resolution of 4/07/2012</a> on the mandate for the trilogue on the 2013 Draft Budget, based on 2012/2016(BUD) (P7_TA(2012)0289; A7-0215/2012) Leading committee BUDG (AFET, DEVE, INTA, CONT, EMPL, ITRE, REGI, AGRI, LIBE, AFCO, and FEMM for opinion)</p> <p>Members stress the need to take note of the significant increase in commitments and comparatively low level of payments for SIS II. Members recommend maintaining a substantial part of the budget for SIS II in the reserve until its operational progress and compliance with the financial planning have been justified.</p> <p><a href="#">EP Resolution of 05/07/2011</a> on the amended proposal for a regulation of the European Parliament and of the Council establishing an Agency for the operational management of large-scale IT systems in the area of freedom, security and justice, based on 2009/0089(COD) (P7_TA(2011)0304; A7-0241/2011) Leading committee LIBE (BUDG, CONT and JURI for opinion)</p> <p>Final Act: Regulation 2011/1077 establishing a European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice</p> <ol style="list-style-type: none"> <li>1. Objectives: the Agency shall ensure:(a)the implementation of effective, secure and continuous operation of the large-scale IT systems (b) the efficient and financially accountable management of those systems;(c) an adequately high quality of service for users of those large-scale IT systems;(d) continuity and uninterrupted service;(e) a high level of data protection, in accordance with the applicable rules, including specific provisions for each large-scale IT system (f) an appropriate level of data- and physical security, in accordance with applicable rules, including specific provisions for each of the large-scale IT systems and; (g) the use of an adequate project management structure for efficiently developing large-scale IT systems;</li> <li>2. Tasks: besides its core mission ... the Agency should perform tasks related to training on the technical use of SIS II, VIS and EURODAC and other large-scale IT systems which might be entrusted to it in the future;</li> </ol>



**Evaluation:** within three years from the date of the Agency having taken up its responsibilities(1 December 2012), and every four years thereafter, the Commission, shall perform an evaluation of the action of the Agency examining the way and extent to which the Agency effectively contributes to the operational management of large-scale IT systems and fulfils its tasks described in the regulation. The evaluation should also evaluate the role of the Agency in the context of a Union strategy aimed at a coordinated, cost-effective and coherent IT environment at Union level that is to be established in the coming years. The Commission's recommendations following the evaluation must be forwarded to the European Data Protection Supervisor, as well as the Council and the European Parliament.

[EP Resolution of 22/10/2009](#) on progress of Schengen Information System II and Visa Information System, based on 2009/2721(RSP) (P7\_TA(2009)0055; B7-0097/2009)

Tabled by EPP, S&D, ALDE and ECR Groups

1. Parliament calls for full transparency as regards the implementation process, and the financial aspects, and asks to be informed, as co-legislator, whether the so-called milestone 1 and 2 tests (the latter to take place in the summer of 2010) are still within the scope of the present SIS II development contract or whether they will have to be treated as additional requirements, and what extra costs are envisaged in that case. Parliament also wants to know the following:
  - If any penalties have been imposed on the contractor for the delays and technical errors that led to the failure of the earlier tests and, if so, what they amounted to;
  - What extra costs were involved in those delays and technical errors in terms of the need to carry out the new tests and the extended timetable for the deployment of SIS II;
  - A reasoned explanation from Commission and Council of the grounds on which they continue to have confidence in the current contractor and in its ability to take the VIS and SIS II systems forward successfully and without further delays;
  - Whether any cancellation of the contract will automatically lead, in the case of the SIS II project, to the back-up or contingency solution being implemented, and to outline the possible effects on the VIS project.
2. Members stress that the Council and the Commission must involve Parliament in any decision related to the development of SIS II and VIS, in particular if the results of the tests are not satisfactory, thus leading to a change of direction regarding both the SIS II and the VIS projects, which might include cancelling the present contract with the company responsible for them.

[EP Resolution of 21/11/2012](#) on the draft Council regulation on migration from the Schengen Information System (SIS 1+) to the second generation Schengen Information System (SIS II) (recast), based on 2012/0033B(NLE) (P7\_TA(2012)0441; A7-0370/2012)

Leading committee LIBE (JURI for opinion)

1. Schengen area: migration from the Schengen Information System (SIS 1+) to the second generation Schengen Information System (SIS II) - without the participation of United Kingdom and Ireland;
2. **Revision of the Regulation:** Parliament calls for the elaboration of an alternative technical scenario for developing SIS II based on SIS 1+ evolution (SIS 1+ RE) as the contingency plan, in case the tests demonstrate non-compliance with the milestone requirements. In this case, the Commission should present a proposal to revise this Regulation;
3. Completion of the switchover process: at the end of the complex migration process, there should be a validation to determine if the migration and the following switchover were successful. As a result, on the basis of information provided by the Member States and the responsible supervisory authorities, the Commission shall report to the European Parliament and the Council on the completion of the migration, in particular on the switchover of the




	<p>Member States to SIS II. This report shall confirm whether the migration and in particular the switchover have been carried out in full compliance with this Regulation at central as well as at national level, and that the processing of personal data during the entire migration was in accordance with Regulation (EC) No 45/2001 and Directive 95/46/EC of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data;</p> <p>4. Information to the European Parliament: Parliament considers that the sis-monthly report prepared by the Commission on the progress of the development of SIS II and the migration from SIS I+ to SIS II should also include information of the results of the migration tests.</p> <p><a href="#">EP Resolution of 18/05/2010</a> on the proposal for a Council regulation amending Decision 2008/839/JHA on migration from the Schengen Information System (SIS 1+) to the second generation Schengen Information System (SIS II), based on 2010/0006(NLE) (P7_TA(2010)0162; A7-0127/2010) Leading committee LIBE (BUDG for opinion)</p> <ol style="list-style-type: none"> <li>1. Schengen: migration from the Schengen Information System (SIS 1+) to the second generation Schengen Information System (SIS II);</li> <li>2. Towards a technical solution in the case of a failure of the SIS II: it is necessary to adapt the legal framework to allow for migration to a possible alternative technical solution if tests show that SIS II cannot be implemented successfully. Members propose that in the event of a failure of the current SIS II project, after testing, an alternative technical solution should be devised and its full financial implications should be disclosed to all parties concerned. This solution should be based on the best available technology and should be cost-effective and implemented in accordance with a precise and reasonable timetable. The Commission should present a thorough budgetary assessment of the costs associated with such an alternative technical solution in a timely fashion. It should be explicitly stated that the legal framework established by Decision 2007/533/JHA applies to every solution, regardless of its technical nature;</li> <li>3. Similarly, if the current SIS II project is discontinued and an alternative technical solution is implemented, references to SIS II in this Decision shall be read as references to that alternative technical solution;</li> <li>4. Maintaining the sunset clause: the current legislation sets the date for the completion of the migration at 30 September 2009, with the possibility for extension, through comitology, until 30 June 2010 at the latest. The Commission did use this and extended the date until 30 June 2010. However, Members consider that the sunset clause should be kept. The new date should be in line with the current forecasts that SIS II will become operational by the end of 2011. The Commission should be granted some flexibility again to extend the date through comitology, in order to cover the possible need to switch from SIS II to an alternative scenario in case the tests fail. Accordingly, the text now provides that Member States participating in SIS 1+ shall migrate from N.SIS to N.SIS II using the interim migration architecture, with the support of France and of the Commission by 31 December 2011 at the latest. If an alternative technical solution is implemented, that date may be changed in accordance with the comitology procedure specified in the text. It should also be noted that this Regulation shall expire no later than on 31 December 2013;</li> <li>5. Full association of the European Parliament as co-legislator: as the European Parliament is responsible as a co-legislator for the establishment, operation and use of SIS II as laid down in Regulation (EC) No 1987/2006, and as the migration is financed from the Union budget, for which the European Parliament is also co-responsible, the European Parliament should be integrated in the decision making process concerning migration. A favourable opinion from the European Parliament, on the basis of information provided by the Commission on the test results, should be required before the switchover to a new Schengen Information System.</li> </ol>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-008978/2011</a> WQ COM Rule 117 Monika Hohlmeier (EPP) on Second-generation Schengen Information System (SIS II)</li> <li>2. <a href="#">E-6172/2009</a> WQ COM Hans-Peter Martin (NI) on Cost of the EU police database</li> <li>3. <a href="#">P-4663/2009</a> WQ COM Carlos Coelho (EPP) on SIS II - current state of play</li> <li>4. <a href="#">E-9632/2010</a> WQ COM Martin Ehrenhauser (NI) on Changes to the CISA</li> <li>5. <a href="#">E-2682/2010</a> WQ COM Franz Obermayr (NI) on Schengen Information System - collection of biometric data</li> </ol>



## Special Report No 4/2014 of 13 May 2014

### Integration of EU water policy objectives with the CAP: a partial success

Environment | Agriculture and Rural Development

Policy Area	 Environment / Agriculture and Rural Development
Report No / Date / Title	<a href="#">Special Report No 4/2014 of 13 May 2014</a> <a href="#">Integration of EU water policy objectives with the CAP: a partial success</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Have the EU's water policy objectives been successfully integrated into the CAP?             <ol style="list-style-type: none"> <li>1.1. Have EU's water policy objectives been properly and effectively reflected in the CAP, both at strategy and implementation levels?</li> </ol> </li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Weaknesses in the implementation of EU water policy have hindered its integration into the CAP;</li> <li>2. The impact of cross-compliance on water issues has so far been limited - the cross-compliance mechanism has impact but is not fully exploited; there are weaknesses in the application of cross-compliance;</li> <li>3. The potential of rural development to address water concerns is not fully exploited - Member States' plans for rural development spending do not always take account of the EU's water policy objectives and the Member States' needs in relation to water; rural development funding has been underused as a response to water concerns;</li> <li>4. The polluter pays principle has not been integrated into the CAP;</li> <li>5. Monitoring and evaluation systems do not give the whole picture.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. At the policy level, the Commission should propose to the EU legislator the necessary modifications to the current instruments (cross-compliance and rural development) or, where appropriate, new instruments capable of meeting the more ambitious goals with respect to the integration of water policy objectives into the CAP;</li> <li>2. Member States should:             <ul style="list-style-type: none"> <li>- Address the weaknesses identified by the audit in their performance of cross compliance checks;</li> <li>- Impose the appropriate penalties in cases of infringement;</li> <li>- Put increased emphasis on identifying water related problems in their Rural and Development Programmes (RDPs) and ensuring they are consistent with River Basin.</li> </ul> </li> </ol> <p>Management Plans (RBMPs):</p> <ul style="list-style-type: none"> <li>- Devise and rigorously implement safeguard mechanisms to avoid negative side effects on water of activities financed by rural development;</li> <li>- More actively consider and appropriately promote the use of the funds earmarked for water related issues, in a way that is consistent with sound</li> </ul>



	<p>financial management;</p> <ol style="list-style-type: none"> <li>3. The Commission should propose appropriate mechanisms that can effectively exercise a positive influence on the quality of Member States' Water Framework Directive (WFD) programming documents and avoid departing from the timeframe set by the WFD. To this end, minimum conditions as regards the implementation of the WFD could be ensured before committing rural development funds. Member States should urgently speed up the process of implementing the WFD and for the next management cycle (2015) improve the quality of their RBMPs by describing individual measures (e.g. in terms of scope, timeframe, targets and costs) and making them sufficiently clear and concrete at an operational level;</li> <li>4. The Commission should strengthen its knowledge of the link between water quality/quantity and agricultural practices by improving its existing monitoring systems and ensuring that they are capable at least of measuring the evolution of the pressures placed on water by agricultural practices; this would help with identifying the areas in which CAP funds are most needed. Given that the quality of the information about water for the EU as a whole depends on the quality of the information Member States provide and that the availability of this information is a prerequisite for taking sound policy decisions, Member States are encouraged to improve the timeliness, reliability and consistency of the data they provide to the Commission and the European Environment Agency (EEA).</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 24/10/2014</a> on European Court of Auditors' Special Report No 4/2014 (2013 Discharge): "Integration of EU water policy objectives with the CAP: a partial success" of 24/0/2014 (PE536.029) Rapporteur Karin Kadenbach (S&amp;D)</p> <p>[Rapporteur's recommendations,] Endorses the main recommendations issued by the Court, in particular:</p> <ol style="list-style-type: none"> <li>1. At the policy level, the Commission should propose to the EU legislator the necessary modifications to the current instruments (cross compliance and rural development) to ensure compliance with the WFD or, where appropriate, new instruments capable of meeting the more ambitious goals with respect to the integration of water policy objectives into the CAP;</li> <li>2. The Member States should in compliance with the WFD: <ul style="list-style-type: none"> <li>- Address the weaknesses identified by the audit in their performance of cross compliance checks;</li> <li>- Impose systematically the appropriate penalties in cases of infringement;</li> <li>- Put more emphasis on identifying and addressing water-related problems through their RDPs and ensuring they are consistent with RBMPs;</li> <li>- Devise and rigorously implement safeguard mechanisms to prevent negative effects on water of activities financed by rural development;</li> <li>- More actively consider and appropriately promote the use of the funds earmarked for water-related issues, in a way that is consistent with sound financial management.</li> </ul> </li> <li>3. The Commission should propose appropriate mechanisms that can effectively exercise a strong positive influence on the quality of Member States' WFD programming documents and avoid departing from the timeframe set by the WFD. Member States should urgently speed up the process of implementing the WFD and for the next management cycle (2015) improve the quality of their RBMPs by describing individual measures (e.g. in terms of scope, timeframe, targets and costs) and making them sufficiently clear and concrete at an operational level, and down to local/farm level;</li> <li>4. The Commission should strengthen its knowledge of the link between water quality/quantity and agricultural practices by improving its existing monitoring systems and ensuring that they are capable at least of measuring the evolution of the pressures placed on water by agricultural practices;</li> <li>5. Given that the quality of the information about water for the EU as a whole depends on the quality of the information Member States provide, Member States are strongly urged to improve the timeliness, reliability and consistency of the data they provide to the Commission.</li> </ol>



<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 23/06/2011</a> on the CAP towards 2020: meeting the food, natural resources and territorial challenges of the future, based on 2011/2051(INI) (P7_TA(2011)0297; A7-0202/2011) Leading committee AGRI (DEVE, ENVI, ITRE and REGI for opinion)</p> <ol style="list-style-type: none"> <li>1. Resource protection and environmental policy component: Members believe that natural resource protection should be more closely linked to the granting of direct payments and call for the introduction, through a greening component, of an EU-wide incentivisation scheme with the objective of ensuring farm sustainability and long-term food security through effective management of scarce resources (water, energy, soil) while reducing production costs in the long term by reducing input use. This scheme should go hand-in-hand with a simplification of the cross-compliance (CC) system for recipients of direct payments and should balance environmental and economic performance;</li> <li>2. Members consider that rural development measures must respond to the challenges in the fields of food security, sustainable management of natural resources, climate change, biodiversity loss, depletion of water and soil fertility, and must enhance balanced territorial cohesion and employment</li> </ol> <p><a href="#">EP Resolution of 19/01/2012</a> on farm input supply chain: structure and implications, based on 2011/2124(INI) (P7_TA(2012)0011; A7-0421/2011) Leading committee AGRI (ENVI for opinion)</p> <ol style="list-style-type: none"> <li>1. Water: Parliament calls on the Commission to work, as part of the CAP reform and the Water Framework Directive, towards better irrigation and water drainage and storage systems for agriculture that use water more efficiently, improving water storage capacities in soils, water harvesting in dry areas and water drainage in moist areas.</li> <li>2. The Commission is asked to work towards solutions to drainage problems. Members draw the Commission's attention to the positive effect that precision farming has on water use (through GPS-based monitoring of soil conditions and weather forecasts) and demand that investments in these and other innovative solutions which decrease the use of inputs such as water, fertilisers and plant protection products can be covered by 'greening' options of the future CAP. They also call for greater support for training farmers in efficient water management, drainage and irrigation</li> </ol> <p><a href="#">EP Resolution of 3/07/2012</a> on Implementation of EU water legislation, ahead of a necessary overall approach to European water challenges, based on 2011/2297(INI) (P7_TA(2012)0273; A7-0192/2012) Leading committee ENVI (ITRE and PETI for opinion)</p> <ol style="list-style-type: none"> <li>1. Water Efficiency and Management of Resources: more efficient water usage especially in sectors such as energy and agriculture. Water use should be taken into account when assessing the sustainability of traditional as well as low-carbon energy sources, including in particular bioenergy and hydropower. The efficiency and sustainability of water use by the agriculture sector can be improved by the introduction of innovative technologies and practices, and by improvements to information and the awareness of farmers and end users. The EU water legislation should be updated to properly take into account technological advances for the reuse and recycling of water. The legislation underlines the importance of ecodesign and water-saving devices and calls for water metering to be made binding across all sectors and users in all EU countries. The Commission is asked to regulate the water efficiency of devices in domestic and agricultural use.</li> <li>4. Water Mainstreaming: the resolution stresses the need for better consistency and better integration of water-related objectives into the legislation at EU, national regional and local levels. It calls for a full evaluation of the effects on water resources to be taken into account in the design of the overarching economic governance policies such as EU2020 and of joint EU policies such as the common agricultural policy and cohesion policy.</li> <li>5. Water and the Economy: Members call on the Commission and Member States to ensure the application of the 'polluter pays' and 'user pays' principles. Social issues should be taken into account when setting water tariffs and clean water should be available at an affordable price for human needs. The report calls on the Commission and Member States to assess and revise subsidies harmful for water.</li> </ol>
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	<p><a href="#">EP Resolution of 24/10/2013</a> on General Union Environment Action Programme to 2020: 'Living well, within the limits of our planet', based on 2012/0337(COD) (P7_TA-PROV(2013)0451; A7-0166/2013) Leading committee ENVI (AGRI for opinion)</p> <p>Final Act : Decision 2013/138 on a General Union Environment Action Programme to 2020 'Living well, within the limits of our planet'</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-000819-14</a> WQ COM Rule 117 Iñaki Irazabalbeitia Fernández (Verts/ALE) on Water policy and cross-cutting application thereof</li> <li>2. <a href="#">E-001026-14</a> WQ COM Rule 117 Iñaki Irazabalbeitia Fernández (Verts/ALE) on Water Framework Directive and CAP</li> <li>3. <a href="#">E-014178-13</a> WQ COM Rule 117 Raül Romeva i Rueda (Verts/ALE) , Dolores García-Hierro Caraballo (S&amp;D) on Water management in the EU: chemical status and pollution</li> <li>4. <a href="#">E-006653/11</a> WQ COM Rule 117 Bas Eickhout (Verts/ALE) on Tension between the Water Framework Directive and the aims of the CAP</li> <li>5. <a href="#">E-2733/10</a> WQ COM by Giancarlo Scottà (EFD) on CAP instruments for water resources management</li> <li>6. <a href="#">E-5989/10</a> WQ COUNCIL Rule 117 Christophe Béchu (EPP) to the Council on agriculture and water in Europe</li> <li>7. <a href="#">E-3193/10</a> by Georgios Papastamkos (EPP) to the Commission on sustainable management of water resources in agriculture</li> </ol>



## Special Report No 5/2014 of 2 July 2014

### European banking supervision taking shape — EBA and its changing context

Economic and Monetary Affairs | EU Institutions and Other Bodies

Policy Area	 <b>Economic and Monetary Affairs / EU Institutions and Other Bodies</b>
Report No / Date / Title	<a href="#">Special Report No 5/2014 of 2 July 2014</a> <a href="#">European banking supervision taking shape — EBA and its changing context</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did the Commission and the European Banking Authority (EBA) carry out satisfactorily their responsibilities in setting up the new arrangements for the regulation and supervision of the banking sector and are these new arrangements functioning successfully?</li> <li>2. Has the Commission's introduction of new regulations been well managed?</li> <li>3. Has EBA's role in banking supervision been effective?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Regulatory reform:             <ol style="list-style-type: none"> <li>1.1. The Commission has been timely in drafting legislation;</li> <li>1.2. EBA contributed through its development of the technical standards and guidelines;</li> <li>1.3. There were tight deadlines for EBA, brief public consultation and no overall impact assessment by Commission;</li> <li>1.4. Risk of sub-optimal decision-making by the EBA Board of Supervisors.</li> </ol> </li> <li>2. Supervisory reform:             <ol style="list-style-type: none"> <li>2.1. EBA has contributed to cross-border supervision but challenges remain;</li> <li>2.2. Supervisory convergence through the colleges of supervisors has improved but remains limited;</li> <li>2.3. EBA's role in mediation was limited due to legal constraints;</li> <li>2.4. Role of EBA in stress tests - Issues with the reliability of the 2011 bank stress tests, however recapitalisation exercise in 2012 contributed to restoring confidence;</li> <li>2.5. Consumer protection and key management systems have yet to be developed;</li> <li>2.6. Minimal resources and few voting members with a full mandate in consumer protection;</li> <li>2.7. EBA still has to implement key internal systems to ensure efficient and effective performance.</li> </ol> </li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. Sufficient time should be allowed for drafting and for consultation and cross-sectorial impact analysis should be considered;</li> <li>2. EBA should continue to promote the effectiveness of the colleges of supervisors;</li> <li>3. A clear and wide-ranging mandate and sufficient experienced staff are needed for the reliability of bank stress tests;</li> <li>4. Strengthened measures are needed for consumer protection in the EU financial sector;</li> </ol>





	<ol style="list-style-type: none"> <li>5. Establishment of a performance measurement system within EBA;</li> <li>6. Clarification of roles and responsibilities is necessary between EBA, the European Central Bank (ECB) and the National Supervisory Authorities (NSAs), both in and outside the Single Supervisory Mechanism (SSM).</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 3/11/2014</a> on the European Court of Auditors Special Report No 5/2014 (2013 Discharge): European banking supervision taking shape - EBA and its changing context (PE537.486) Rapporteur Marco Valli (EFDD)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Highlights the need for cross-sectorial impact analysis as well as taking into account the time needed for drafting technical standards. Welcomes the Commission's proposal to provide for deadlines on empowerments for technical standards and notes that a cross-sectorial analysis examining the EU financial legislation adopted over the last years the measures of the regulatory package is being performed;</li> <li>2-3. Stresses that the actions of the European Banking Authority should continue to be neutral from a political point of view, although believing that it is essential to enhance as soon as possible the supervisory convergence in order to carry out its tasks and role; expresses concern about the political decision to make considering the European Banking Authority only an authority of coordination and not of micro-prudential supervision in a historical period when confidence in financial institutions requires strong actions;</li> <li>4-5. Notes the European Banking Authority's constraints as regards the colleges of supervisors as well as its impact on supervisory convergence and welcomes the progress made by the Authority within those constraints in improving the functioning of colleges, in particular in relation to taking joint risk assessments and reaching joint decisions; although the role of the European Banking Authority to initiate and coordinate the stress tests has been strengthened as part of the overall Single Supervisory Mechanism package, the legal responsibility for the conduct of the stress testing exercises still remains within the remit of the competent authorities;</li> <li>6. Notes with concern the European Banking Authority's inability to entirely fulfil its consumer protection mandate, in particular due to lack of legal instruments for addressing these issues and a limited scope for taking legally binding decisions to ban certain products or activities. Highlights, however, the role of the Joint Committee to facilitate and improve the exchange of views across sectors and agrees with the Court that strengthened measures are needed for consumer protection in the Union's financial sector;</li> <li>7. Believes that a greater coordination with the national authorities of consumer protection could increase the impact of the European Banking Authority in this area;</li> <li>8. Agrees with the Court that the establishment of a performance measurement system is essential for effective monitoring and acknowledges by the European Banking Authority that it is in the process of implementing a performance management system;</li> <li>9. Notes that EU-wide banking supervision requires a clear division of roles and accountability between the European Banking Authority, the European Central Bank and National Supervisory Authorities both inside and outside of the Single Supervisory Mechanism. Therefore calls for further clarification of their roles and duties;</li> <li>10. Consider the necessity to improve the actual supervision rules in order to include a closer supervision on national banks in those countries which adopted the euro but outside the European Union, as Vatican, Andorra, Monaco, Liechtenstein;</li> <li>11. Believes that it is necessary to revise the parameters for risk-weighted assets (RWA), RWA in order not to penalize the banks most exposed to credit related banking products as well as not to reward the banks with poor or dubious financial products such as derivatives.</li> </ol>
<p>Related EP Reports / Resolutions of other</p>	<p><a href="#">EP Decision of 2/4/2014</a> on 2012 discharge: EBA based on 2013/2237(DEC) (P7_TA(2014)0307; A7-0220/2014) Leading committee CONT (ECON for opinion)</p>



committees	<ol style="list-style-type: none"> <li>1. Performance: Parliament requests that the Authority communicate the results and impact its work has on European citizens in an accessible way, mainly through its website;</li> <li>2. Parliament also makes a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.</li> </ol> <p><a href="#">EP Resolution of 12/09/2013</a> on European Banking Authority (EBA): adjustment of procedural modalities based on 2012/0244(COD) (P7_TA-PROV(2013)0371; A7-0393/2012) Leading committee ECON (BUDG and AFCO for opinion)</p> <p>Final Act: Regulation 2013/1022 amending Regulation (EU) No 1093/2010 establishing a European Supervisory Authority (European Banking Authority) as regards the conferral of specific tasks on the European Central Bank pursuant to Council Regulation (EU) No 1024/2013</p> <ol style="list-style-type: none"> <li>1. Accountability of the Authorities: the supervisory Authorities shall be accountable to the European Parliament and to the Council. The European Central Bank shall be accountable to the European Parliament and to the Council with regard to the exercise of the supervisory tasks conferred on it.</li> <li>2. Tasks and competences of the EBA. The amended text states that the EBA will: <ul style="list-style-type: none"> <li>– Contribute to the establishment of high-quality common regulatory and supervisory standards and practices, in particular by providing opinions to the Union institutions and by developing guidelines, recommendations, draft regulatory and implementing technical standards, and other measures;</li> <li>– Develop and maintain up to date, taking into account, inter alia, changing business practices and business models of financial institutions, a European supervisory handbook on the supervision of financial institutions in the Union as a whole, which sets out supervisory best practices for methodologies and processes;</li> <li>– Promote the coherent functioning of colleges of supervisors, the monitoring, assessment and measurement of systemic risk, the development and coordination of recovery and resolution plans;</li> <li>– Provide a high level of protection to depositors and investors throughout the Union;</li> <li>– Develop methods for the resolution of failing financial institutions and an assessment of the need for appropriate financing instruments, with a view to fostering cooperation between competent authorities involved in the management of crisis concerning cross-border institutions that have the potential to pose a systemic risk.</li> </ul> </li> <li>3. Consumer protection and financial activities: the Authority shall establish a Committee on financial innovation, which brings together all relevant competent supervisory authorities with a view to achieving a coordinated approach to the regulatory and supervisory treatment of new or innovative financial activities and providing advice for the Authority to present to the European Parliament, the Council and the Commission.</li> <li>4. The Authority may also assess the need to prohibit or restrict certain types of financial activity and, where there is such a need, inform the Commission and the competent authorities in order to facilitate the adoption of any such prohibition or restriction.</li> <li>5. Emergency action: in exceptional circumstances where coordinated action by competent authorities is necessary, the Authority may adopt individual decisions requiring competent authorities to take the necessary action.</li> <li>6. Information: at the request of the Authority, the competent authorities shall provide the Authority with all the necessary information to carry out the tasks conferred on it. The information shall be accurate, coherent, complete and timely.</li> </ol> <p><a href="#">EP Resolution of 22/09/2010</a> on Financial supervision: powers of the European Banking Authority, the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority based on 2009/0161(COD) (P7_TA(2010)0336; A7-0163/2010)</p>
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	<p>ECON (JURI for opinion)</p> <p>Final Act: Directive 2010/78 amending Directives 98/26/EC, 2002/87/EC, 2003/6/EC, 2003/41/EC, 2003/71/EC, 2004/39/EC, 2004/109/EC, 2005/60/EC, 2006/48/EC, 2006/49/EC and 2009/65/EC in respect of the powers of the European Supervisory Authority (European Banking Authority), the European Supervisory Authority (European Insurance and Occupational Pensions Authority) and the European Supervisory Authority (European Securities and Markets Authority)</p> <p>1. Objectives: the proposed directive should include the sustainability of the financial system, the protection of the real economy and the safeguard of public finances.</p> <p>The directive includes texts on technical standards, settlement of disagreements, comitology and confidentiality</p> <p><b>Report (37):</b> the Commission should, by 1 January 2014, report to the European Parliament and to the Council on the submission by the European Supervisory Authority (ESA) of the draft technical standards provided for in this directive and present any appropriate proposals.</p> <p>Commission Decision <a href="#">C(2014)335</a> of 28/01/2014 on rejecting the draft implementing technical standards to amend Implementing Regulation (EU) No 1247/2012.</p> <p><a href="#">EP Resolution of 22/09/2010</a> on the establishment of the European Supervisory Authority based on 2009/0142(COD) (P7_TA(2010)0337; A7-0166/2010)</p> <p>Leading committee ECON (BUDG, JURI and AFCO for opinion)</p> <p>Final Act: Regulation 2010/1093 establishing a European Supervisory Authority (European Banking Authority)</p> <p><b>Review:</b> By 2 January 2014 and every three years thereafter, the Commission shall publish a general report on the experience acquired as a result of the operation of the Authority and the procedures laid down in this Regulation. That report shall evaluate, inter alia: the convergence in supervisory practices reached by competent authorities; the convergence in functional independence of the competent authorities and in standards equivalent to corporate governance; the impartiality, objectivity and autonomy of the Authority; the functioning of the colleges of supervisors; progress achieved towards convergence in the fields of crisis prevention, management and resolution, including European funding mechanisms, the role of the Authority as regards systemic risk; the application of the safeguard clause; and the application of the binding mediation role.</p> <p>The report shall also examine whether:</p> <ul style="list-style-type: none"> <li>- It is appropriate to continue separate supervision of banking, insurance, occupational pensions, securities and financial markets;</li> <li>- It is appropriate to supervise prudential supervision and the conduct of business separately or by the same supervisor;</li> <li>- It is appropriate to simplify and reinforce the architecture of the ESFS in order to increase the coherence between the macro and the micro levels and between the <ul style="list-style-type: none"> <li>- European Supervisory Authorities;</li> <li>- The evolution of the ESFS is consistent with that of the global evolution;</li> <li>- There is sufficient diversity and excellence within the ESFS;</li> <li>- Accountability and transparency in relation to publication requirements are adequate;</li> <li>- The resources of the Authority are adequate to carry out its responsibilities;</li> <li>- The appropriateness of the seat of the Authority and whether it is appropriate to move the Authorities to a single seat to enhance better coordination between them.</li> </ul> </li> </ul> <p>Concerning the issue of direct supervision of institutions or infrastructures of pan-European reach and taking account of market developments, the Commission shall draw up an annual report on the appropriateness of entrusting the Authority with further supervisory responsibilities in this area.</p> <p><a href="#">COM(2014)509</a> of 8 August 2014 : Report from the Commission on the operation of the European Supervisory Authorities (ESAs) and the European System of Financial Supervision (ESFS).</p>
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<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-003708/2014</a> WQ COM Rule 117 Elena Băsescu (EEP) on Financing the European Banking Authority</li> <li>2. <a href="#">E-013489/2013</a> WQ COM Rule 117 Antigoni Papadopoulou (S&amp;D) on Upcoming bank stress tests</li> <li>3. <a href="#">E-011445/2013</a> WQ COM Rule 117 Elena Băsescu (EEP) on European Banking Authority</li> <li>4. <a href="#">E-008718/2012</a> WQ COM Rule 117 Nuno Melo (EEP) on Consumer protection by the European Banking Authority</li> <li>5. <a href="#">E-007845/2012</a> WQ COM Rule 117 Marietta Giannakou (EEP) on Towards a European Banking Union</li> <li>6. <a href="#">E-006538/2012</a> WQ COM Rule 117 David Casa (EEP) on Stress tests</li> <li>7. <a href="#">E-005917/2012</a> WQ COM Rule 117 Geoffrey Van Orden (ECR) on European Banking Authority</li> <li>8. <a href="#">E-000703/2012</a> WQ COM Rule 117 Alfredo Pallone (EEP), Salvatore Iacolino (EEP), Antonio Cancian (EEP), Giovanni La Via (EEP) on Operation of EBA</li> <li>9. <a href="#">E-002857/2012</a> WQ COM Rule 117 Francisco Sosa Wagner (NI) on Necessary integration of banking supervision</li> <li>10. <a href="#">E-004246/2011</a> WQ COM Rule 117 Ole Christensen (S&amp;D) on Composition of the new stakeholder group for the European Banking Authority</li> </ol>
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## Special Report No 6/2014 of 8 July 2014

### Cohesion policy funds support to renewable energy generation — has it achieved good results?

Regional Development | Cohesion fund | Energy

Policy Area	 Regional Development / Cohesion fund / Energy
Report No / Date / Title	<a href="#">Special Report No 6/2014 of 8 July 2014</a> <i>Cohesion policy funds support to renewable energy generation — has it achieved good results?</i> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Were the audited projects implemented and have they delivered outputs as planned and have they attained their energy generation targets?</li> <li>2. Have the funds in the operational programmes in the 2007–13 programming period been allocated to well prioritised, cost-effective and mature renewable energy generation projects with rational objectives?</li> <li>3. What was the extent of the projects' contribution in achieving the 2020 Renewable Energy Sources (RES) target?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The overall picture is one of well-planned projects delivering according to plan;</li> <li>1.2. There were weaknesses in implementation: concerning performance indicators, measuring and reporting of project results as well as procurement procedures and outcomes;</li> <li>1.3. RES (renewable energy sources) data collection and reporting can be improved;</li> <li>1.4. Project results were not always achieved;</li> <li>2.1. The principle of cost-effectiveness is not fully considered in planning the RES projects;</li> <li>3.1. Cohesion policy funds having limited EU added value — the RES projects did not make their full contribution to the EU's energy objectives.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should ensure that future cohesion policy co-funded RES programmes are guided by the principle of cost-effectiveness;</li> <li>2. The Commission should promote the establishment by the Member States of a stable and predictable regulatory framework for RES in general, along with smoother procedures for the integration of electricity from RES into the grid networks;</li> <li>3. The Member States should establish and apply, based on Commission guidance, minimum cost-effectiveness criteria which are adapted to the projects' circumstances, they should enhance the added value of cohesion policy funds.</li> </ol>
CONT Committee Working Document; Rapporteur	<a href="#">CONT Working Document of 12/11/2014</a> on European Court of Auditors' Special Report No 6/2014 (2013 discharge): Cohesion Policy Funds support to renewable energy generation - has it achieved good results? (PE539.505) Rapporteur Miroslav Poche (S&D)



	<p>[Rapporteur's recommendations,]</p> <p>1-2. Welcomes the Court's Special Report, endorses its recommendations and its finding of non-problematic implementation in selected RES projects and considers this fact to confirm the maturity of key technologies in renewable energy production;</p> <p>3-4. Is of the opinion that in the renewable energy projects, which generally take several years to be fully operational, it is difficult to make an accurate evaluation of performance before those years have lapsed. The principle of cost-effectiveness should be fully enshrined in cohesion policy instruments as well as other instruments such as the European Energy Programme for Recovery even when they serve broader purposes; suggests therefore that the Commission and the Member States discuss the ways to streamlining that idea to provide more efficient guidance for implementing the RES projects;</p> <p>Is concerned that the EU regulatory framework of renewable energy sources does not fully match the requirements set in the EU financial instruments – European Regional Development Fund and the Cohesion Fund – which are the most important funding sources of the renewables; invites the Commission to do an in-depth screening of the legislation and to correct existing inconsistencies;</p> <p>Believes that public funding in this area should complement and play a key role in stimulating private investment; is however of the opinion that some projects, especially of larger scale, require enhanced public investment;</p> <p>7-8. Considers that unstable and unpredictable incentives and support regimes are hampering investment in renewable energy. The difficulties and uncertainties for RES's grid integration not only represent an obstacle for private sector investment in renewable energy development, but it can also undermine economic and financial sustainability of on-going projects as well as the implementation of future ERDF and Cohesion fund programmes; invites the Commission to carry out an up-to date screening of regulatory and technical barriers at Member States level in order to allow better access for both small and large scale RES projects to the electricity grid;</p> <p>Notes that the Commission needs to oversee more rigorously the new regulatory framework for 2014-2020 including its starting objectives and performance indicators which would allow for effective monitoring and evaluation;</p> <p>Asks the Member States to make further efforts to exchange best practices and establish common procedures in order to harmonise their national administrative systems;</p> <p>Notes that very detailed selection criteria of RES can become a way of excluding competitors; asks the Commission to reinforce guidance in that matter and to monitor carefully those cases;</p> <p>12. Takes note of the Commission's replies stating that some of the Court's recommendations have already been put in place through the renewable energy directive.</p>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 16/01/2013</a> on the role of EU cohesion policy and their actors in implementing the new European energy policy, based on 2012/2099(INI) (P7_TA(2013)0017; A7-0437/2012) Leading committee REGI (ITRE for opinion)</p> <p>4. Energy efficiency, renewables and infrastructure: Parliament agrees that energy efficiency is vital to the EU's energy goals and should be promoted above all within the thematic concentration structure and Operational Programmes. EU measures should support energy efficiency in the energy production, distribution and consumption phases. It considers it to be of paramount importance for investments to be made in energy efficiency and renewable energy use, in particular in the housing sector.</p> <p><a href="#">EP Resolution of 11/11/2010</a> on the amendment of Regulation (EC) No 663/2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy based pm 2010/0150(COD) (P7_TA(2010)0395; A7-0246/2010) Leading committee ITRE (BUDG for opinion)</p>



	<p>Final Act: Regulation 2010/1233 amending Regulation 663/2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy</p> <ol style="list-style-type: none"> <li>1. Financial Facility: the aforementioned resolution states that the financial facility shall be used for the development of energy saving, energy efficiency and renewable energy projects and shall facilitate the financing of investments in those areas by local, regional and, in duly justified cases, national public authorities. Such investment projects contribute to green growth, the development of a competitive, connected, sustainable and green economy, as well as to the protection of employment, job creation and tackling climate change, in accordance with the "Europe 2020" objectives. These shall include, in particular, projects concerning:</li> <li>2. The facility shall be used for sustainable energy projects, in particular in urban settings. This shall include, in particular, projects concerning : <ul style="list-style-type: none"> <li>- Public and private buildings incorporating energy efficiency and/or renewable energy solutions including those based on the usage of Information and Communication Technologies (ICT);</li> <li>- Investments in high energy efficient combined heat and power (CHP), including micro-cogeneration, and district heating/cooling networks, in particular from renewable energy sources;</li> <li>- Decentralised renewable energy sources embedded in local settings and their integration in electricity grids ;</li> <li>- Microgeneration from renewable energy sources;</li> <li>- Clean urban transport to support increased energy efficiency and integration of renewable energy sources, with an emphasis on public transport, electric and hydrogen vehicles and reduced greenhouse gas emissions ;</li> <li>- Energy efficiency and renewable energy technologies with innovation and economic potential using the best available procedures.</li> </ul> </li> <li>3. Synergies: Parliament considers that when granting financial or technical assistance, attention shall also be paid to synergies with other financial resources available in the Member States, such as the Structural and Cohesion Funds and the European Local Energy Assistance (ELENA) Facility, in order to avoid overlaps with other instruments. The facility shall make available online all information on programme management that is relevant for interested parties.</li> <li>4. Factors to be taken into account: as regards the selection of projects, particular attention shall be paid to the geographical balance.</li> </ol> <p><b>Evaluation and reporting:</b> by 30 June 2013 the Commission shall submit a mid-term evaluation report on the measures taken under the Financial Facility. The report shall be accompanied by a legislative proposal for the continuation of the facility.</p> <p><a href="#">EP Resolution of 18/04/2012</a> on the role of cohesion policy in the outermost regions of the European Union in the context of EU 2020 based on 2011/2195(INI) (P7_TA(2012)0125; A7-0084/2012) Leading committee REGI (BUDG, ITRE for opinion)</p> <p>[The European Parliament,]</p> <ol style="list-style-type: none"> <li>13. Considers that EU intervention should aim to play a key role and boost initiative by developing, in the ORs, centres of excellence based on sectors which exploit their advantages and their know-how, such as waste management, renewable energy, energy self-sufficiency, biodiversity, student mobility, climate research and crisis management. Considers that while measures taken at European mainland level and on the basis of the general characteristics of the European mainland are not always effective in the outermost regions, experimental schemes approved under Article 349 of the Treaty which have had real success can be extended to the rest of the EU; encourages the Commission to maximise these schemes within these regions with a view to achieving innovative, solidarity-based and sustainable growth;</li> <li>22. Points out that the ORs' dependence on imported fossil fuels results in substantial additional costs; notes also the relatively low level of regional policy investments in ORs to combat climate change; proposes strengthening the renewable energy sector and energy efficiency through initiatives such as the</li> </ol>
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	<p>'Pact of Islands', aimed at developing local action plans for renewable energy and projects suitable for financing, in order to achieve a reduction in CO2 emissions of at least 20% by 2020 by setting up a dedicated programme for research projects in the fields of renewable energy and diversification of the regional energy base, specifically with regard to geothermal, wave and hydrogen energy, and setting up a specific programme in the field of energy to reduce the costs due to remoteness, infrastructure and provision of services, in order to promote the ambitious policies the ORs have committed to on the development of renewable energy;</p> <p>23. Notes with concern the effects of climate change in the ORs, most notably rising water levels; calls on the Union to address these issues in its climate change prevention and response strategy; recommends the appropriate use of energy resources and the development of the potential of renewable energies.</p>
<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-007032/12</a> WQ COM Rule 117 Nuno Teixeira (EEP) on Support from the structural and cohesion funds for the development of renewable energy and energy efficiency in the outermost regions</li> <li>2. <a href="#">E-012949-13</a> WQ COM Rule 117 Csanád Szegedi (NI) on Supporting an increase in the use of solar collectors</li> <li>3. <a href="#">E-009136-12</a> WQ COM Rule 117 Nuno Teixeira (EEP) on POSEI programme for energy, transport, and information and communications technology in the outermost regions</li> <li>4. <a href="#">E-010677/2011</a> WQ COM Rule 117 Monika Flašíková Beňová (S&amp;D) on Cohesion policy regulations</li> <li>5. <a href="#">H-000208/2011</a> OQ Rule 116 Hans-Peter Martin (NI) on Reallocation of financial resources in the regional and cohesion funds</li> <li>6. <a href="#">E-011272/2010</a> WQ COM Rule 117 Juozas Imbrasas (EFD) on Promoting the use of alternative energy sources and attainment of the 20-20-20 objectives in Lithuania</li> <li>7. <a href="#">E-010714/2010</a> WQ COM Rule 117 Zigmantas Balčytis (S&amp;D) on Implementation of cohesion policy programmes in Member States (2007-13)</li> </ol>






## Special Report No 7/2014 of 8 July 2014

# Has the European Regional Development Fund (ERDF) successfully supported the development of business incubators?

Regional Development

Policy Area	 Regional Development
Report No / Date / Title	<a href="#">Special Report No 7/2014 of 8 July 2014</a> <a href="#">Has the European Regional Development Fund (ERDF) successfully supported the development of business incubators?</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Had beneficiaries applied good practices in establishing and operating incubators?</li> <li>2. Had the bodies responsible for managing the European Regional Development Fund (ERDF) put in place effective mechanisms for selecting appropriate incubators to receive support and ensuring their successful operation?</li> <li>3. Had the Commission taken appropriate action to maximise the impact of ERDF support on co-financed incubators?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The quality of infrastructure was generally good, but incubators' performance lagged behind - incubation facilities were well adapted and had been constructed and equipped as planned, but the business support offered to clients was only moderately successful;</li> <li>1.2. Audited ERDF incubators had not made sufficient use of good practices - when established, too little attention was paid to the effectiveness of incubators' business support functions; incubation services were only loosely linked to clients' needs; monitoring systems within the incubators did not provide adequate management information; Incubators' financial sustainability was conflicting with the objective of providing adequate incubation services to relevant businesses;</li> <li>2.1. ERDF management systems did not focus on the efficiency of the services provided by business incubators - procedure for selecting incubators did not give due consideration to certain crucial elements for incubation activity (project assessment and selection, project objectives and indicators, project monitoring and follow-up); incubators were not required to continue incubation activities for a sufficiently long period of time;</li> <li>3.1. The Commission did not take sufficient steps to facilitate the exchange of knowledge and good practices.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should require Member States to make authorisation for the establishment of new incubators using EU co-funding dependent on the following considerations : detailed and realistic business plans, suitably skilled staff, proactively seeking and acquiring new clients irrespective of their geographical origin, ability to prepare tailor-made incubation programmes for clients and following up the achievement of objectives, setting up monitoring systems based on data from their activity and from their customers;</li> <li>2. The Commission should require Member State authorities to incorporate the following elements into the design of the procedures for selecting and supervising ERDF co-financed incubator projects - greater emphasis should be placed on the expected results of the projects rather than on the delivery of physical outputs, more use should be made of expert knowledge of business incubation activities, value of ERDF payments should be linked to the results</li> </ol>



	<p>achieved by the incubator, sustainability period should be adjusted to correspond to the actual life cycle of the business incubator assets;</p> <p>3. The Commission should update its knowledge concerning the effectiveness and efficiency of business incubation, and should apply this knowledge with a view to ensuring that ERDF support is well-adapted to the needs of the business incubation sector; resume its efforts to support the community of business incubators, and in particular those in receipt of EU support, for instance by organising knowledge and experience exchange with responsible bodies in Member States.</p>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document</a> of 12/12/2014 on European Court of Auditors' Special Report No 7/2014 (2013 Discharge): Has the ERDF successfully supported the development of business incubators? (PE537.487) Rapporteur Zigmantas Balčytis (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Welcomes the Court's Special Report and endorses its recommendations;</li> <li>2. Notes that business incubators support the establishment and development of young businesses, putting SME's at the heart of the EU economic growth and job creation;</li> <li>3-6. Believes that cohesion policy funding programmes applied to these audit incubators should have structured planning, a clear set of objectives and effective assessment; is of the opinion that the audited incubators had weaknesses in all of these elements; recalls that the ERDF made a significant financial contribution to the creation of business incubator infrastructure, but the performance of audited incubators was limited; points out that the number of business plans created with incubator support, was on average much smaller than the figures from benchmarked incubators used by the Court as a comparison; notes that audited ERDF incubators offered a more limited range of services and lower range of skills than benchmarked incubators</li> <li>7. Stresses that a business support value chain with skilled staff, good practices and regular monitoring is important for the effectiveness of business incubators;</li> <li>8. Takes note of the Commission's explanation that Member States which joined the EU in 2004 and after were lacking business infrastructure, expertise and experience and could not for those reasons reach better outputs; however the audit run through incubators in 4+2 Members States and only two of them joined the EU in 2004;</li> <li>9-10. Is of the opinion that the Commission showed, during the successive programming periods 2000-2006 and 2007-2013, a lack of engagement and guidance in the support of these enterprises; recalls that establishing and sharing of good practices, in particular in newly created businesses, is an important measure to improve effectiveness; deplores the disappointing results delivered by the audited incubators; invites the Commission to improve guidance to the Member States' managing authorities;</li> <li>11. Stresses that investment in staff training, to ensure effective support to incubated companies and potential clients, is important for the effectiveness of the business; regrets that this element was also generally neglected in the audited incubators;</li> <li>12. Notes that the support of business incubators could be based on a comprehensive and in-depth analysis as well as a set of individual, specific, tailored-made examinations for particularly supported projects (such as a feasibility study, a business plan, etc.); these examinations could present a clear reasoning for such support;</li> <li>13. Believes that only incubators that fulfil introductory preconditions should be supported;</li> <li>14-15. Underlines that the support for business incubators could be provided through the use of the Public Private Partnerships (PPP) method; notes that business incubators should be created in close cooperation with schools and research facilities;</li> <li>16. Notes that it is important to find complementarities and synergies in business incubators' support from the European Regional Development Fund (ERDF), HORIZON 2020 and COSME sources in the 2014-2020 period.</li> </ol>



<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 20/11/2013</a> on the proposal for a regulation of the European Parliament and of the Council on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal and repealing Regulation 1080/2006, based on 2011/0275(COD) (P7_TA-PROV(2013)0484; A7-0268/2013) Leading committee REGI ( BUDG, ENVI, ITRE and TRAN for opinion)</p> <p>Legal Act: Regulation 2013/1301 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006</p> <p><a href="#">EP Resolution of 15/04/2014</a> on how can the European Union contribute to creating a hospitable environment for enterprises, businesses and start-ups to create jobs?, based on 2013/2176(INI) (P7_TA-PROV(2014)0394; A7-0101/2014) Leading committee EMPL (ITRE and REGI for opinion)</p> <p>[The European Parliament,]</p> <p>31. Notes the importance of establishing and supporting business incubators, to provide young entrepreneurs with the opportunity to test their ideas and familiarise themselves with business networks and help them contact potential partners, clients and investors. The EU funding can play an essential role, and stresses the success of EU-funded projects and university programmes such as the ERDF-financed Birmingham Skills for Enterprise and Employability Network (BSEEN) in the UK which nurture enterprises and entrepreneurial skills by providing mentoring, intensive start-up support and incubator space for new ventures, and are thus key to future job creation;</p> <p>72. Believes that public policy measures play an important role in supporting and stimulating the creation and development of SMEs (e.g. affordable loans, advisory services on public initiatives and legislation, incubators and accelerators, clusters, technology transfer offices, coaching and mentoring schemes, etc); considers that networking and the exchange of best practice play an important role in this respect; believes that intangible and non-financial forms of support, such as access to knowledge and information, financial education and business networks, are essential for new entrepreneurs and SMEs to develop their businesses; considers that, in order to stimulate the internal market and trade among small businesses, it is particularly important to ensure the mutual recognition of occupational qualifications and the interoperability of different commercial regulatory systems;</p> <p><a href="#">EP Resolution of 23/10/2012</a> on Small and Medium Size Enterprises (SMEs): competitiveness and business opportunities based on 2012/2042(INI) Leading committee ITRE (INTA, EMPL and REGI for opinion)</p> <p>[The European Parliament,]</p> <p>15. Supports the proposal that a large number of local, regional, national and EU support schemes should undergo a 'mapping exercise'; believes that this exercise should include private-sector and local initiatives to help SME access funding, in particular initiatives facilitating access to loans for micro-enterprises, as well an assessment of the effectiveness of existing EU support schemes; believes that the mapping should be conducted in regular intervals and serve as basis for a benchmark and scoreboard system; believes that the initial mapping exercise should serve as a basis for the assessment of the effectiveness of existing EU support schemes; notes that any mapping exercise may not capture all initiatives, in particular if they are small or informal and if the cost and/or practicality of doing so is not viable;</p> <p>20. Considers that practical and cost-effective solutions to help SMEs in overcoming the shortage of working capital, especially capital to make the initial investment required and to start financing exports, should be designed and implemented through the EU common commercial policy or other suitable EU instruments if, on the basis of the mapping, it is deemed necessary and feasible;</p>
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	<p><u>Structural funds</u>: Parliament considers that the Structural Funds, and in particular the European Regional Development Fund (ERDF), are an important instrument for supporting innovative SMEs by boosting their competitiveness and, especially, their internationalisation. In this context, eligibility for such support should therefore be interpreted as broadly as possible. It calls on the European Council to preserve the cohesion policy budget for the next programming period, as the Structural and Cohesion Funds are among the EU's most effective instruments for creating growth and jobs, increasing competitiveness of the European economy and supporting SMEs.</p>
Oral / Written Questions	1. <a href="#">E-001362/2014</a> WQ COM Rule 117 Mojca Kleva Kekuš (S&D) on Support mechanisms for young entrepreneurs



## Special Report No 8/2014 of 9 July 2014

### Has the Commission effectively managed the integration of coupled support into the single payment scheme?

Agriculture and Rural Development | Common Agricultural Policy (CAP)

Policy Area	 Agriculture and Rural Development / Common Agricultural Policy (CAP)
Report No / Date / Title	<a href="#">Special Report No 8/2014 of 9 July 2014</a> <a href="#">Has the Commission effectively managed the integration of coupled support into the single payment scheme?</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did the Commission adequately supervise and verify the calculation of payment entitlements?</li> <li>2. Did Member States' legislation comply with the conditions and principles set out in EU legislation and did the competent authorities calculate and allocate the farmers' payment entitlements correctly?</li> <li>3. Did the competent authorities in the Member States effectively check that the calculation and allocation of payment entitlements was correct?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1 The Commission has not adopted implementing provisions and not properly assessed the Member States' criteria for the distribution of available amounts;</li> <li>1.2. Some criteria defined by Member States did not always comply with EU legislation or principles;</li> <li>1.3. Side-effects of the integration of coupled support into the Single Payment Scheme (SPS) were not treated consistently;</li> <li>2.1. No clear conditions under which farmers could have access to payment entitlements from the national reserve;</li> <li>2.2. In some cases Member States allocated payment entitlements without a legal basis in EU legislation or calculated unit values of payment entitlements according to non-transparent criteria;</li> <li>2.3. Unclear procedures at the Commission level for monitoring compliance with SPS ceilings, which resulted in an overstatement of the values of payment entitlements;</li> <li>3.1. Member States had for the most part correctly used the farmers' reference data, but several errors were systematic;</li> <li>3.2. Member States' control systems were of varying quality and did not detect all calculation errors;</li> <li>3.3. Reduced effectiveness of the Commission's conformity clearance.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. Commission should establish clear guidelines and require Member States to demonstrate that the criteria adopted are objective and non-discriminatory;</li> <li>2. The Commission's procedures should ensure the effective supervision of compliance with applicable ceilings;</li> <li>3. The Commission should ensure compliance of national legislation with the conditions and principles in EU legislation;</li> <li>4. The Commission should ensure that paying agencies adopt clear procedures to include effective checks on the reliability of the data and on the accuracy of payment entitlements.</li> </ol>



<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 17/10/2014</a> on European Court of Auditors' Special Report No 8/2014 (2013 Discharge) "Has the Commission effectively managed the integration of coupled support into the Single Payment Scheme?" (PE539.488) Rapporteur Patricija Sulin (EPP)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Endorses the recommendations of the Court and welcomes the Commission's constructive position;</li> <li>2. Regrets that some Member States, according to the Court (point 62) did not always follow the principle of sound financial management when they defined the criteria for the calculation of payment entitlements;</li> <li>3. Notes that this has led farmers in certain sectors realising windfall benefits, which in themselves did not infringe existing rules;</li> <li>2. 4-5. Calls therefore on the Commission to adequately supervise the calculation of payment entitlements of farmers by Member States, including the respect of the ceilings available for allocating such entitlements; even where the Commission had identified errors, payment entitlements have not been corrected because administrative procedures are too slow;</li> <li>5. Calls on the Commission to improve timely supervision and pay more attention to risks linked with entitlements;</li> <li>6. Notes that as of 2015 the Single Payment Scheme (SPS) will be replaced by a "Basic Payment Scheme" (BPS);</li> <li>7. Is of the opinion that the new system should aim at reducing the administrative burden for farmers;</li> <li>8. Is convinced that the Commission controls and audits should essentially be risk-based;</li> <li>9. Insists that the new system must avoid unjustified discrepancies in payment entitlement calculations in the different Member States and also unequal treatment of       <ol style="list-style-type: none"> <li>3. farmers, irrespective of any level of discretion the regulation may offer; asks the Commission to reassure the Parliament and the Committee on Budgetary Control that the appropriate measures to achieve this objective are in place;</li> </ol> </li> <li>10. Is worried that incorrect payment entitlements could lead to incorrect payments even beyond 2014, as Member States may choose to pay up to 2021 a part of future aid on the basis of the current level of SPS support; although such payments can be corrected and recovered, they should be avoided in the first place;</li> <li>11. Reminds the Commission that Article 317 of the TFEU stipulates that: " The Commission shall implement the budget in cooperation with the Member States[...], on its own responsibility and within the limits of the appropriations, having regard to the principles of sound financial management."; expects therefore the Commission to provide sufficient guidance to Member States in order for them to implement the BPS in accordance with the principles of sound financial management, and to put in place the appropriate monitoring structures with the view to assuming overall responsibility for the budget implementation.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 20/11/2013</a> on the proposal for a regulation of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, based on 2011/0280(COD) (P7_TA-PROV(2013)0493; A7-0362/2013) Leading committee AGRI (DEVE, BUDG, CONT, ENVI and REGI for opinion)</p> <p>Legal Act: Regulation 2013/1307 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Regulation 637/2008 and Council Regulation 73/2009</p> <p>Coupled support: Member States should be allowed to use part of their national ceilings for direct payments for coupled support in certain sectors or regions in clearly defined cases. The resources that may be used for any coupled support should be limited to an appropriate level, while allowing such support to be granted in Member States in their specific sectors or regions facing particular situations where specific types of farming or specific agricultural sectors are particularly important for economic, environmental and/or social reasons. Member States should be allowed to use up to 8 % of their national ceilings for this support, or 13 % in case their level of coupled support in at least one of the years of the period 2010- 2014 exceeded 5 %.</p>



[EP Resolution of 11/09/2012](#) on the proposal for a regulation of the European Parliament and of the Council amending regulation 1234/2007 as regards the regime of the single payment scheme and support to vine-growers of 11/09/2012, based on 2011/0285(COD) (P7\_TA(2012)0316; A7-0203/2012)  
Leading committee AGRI (JURI for opinion)

Legal Act: Regulation 2012/1028 amending Regulation 1234/2007 as regards the regime of the single payment scheme and support to vine-growers Regulation 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) provides for a possibility for Member States to grant decoupled aid under the single payment scheme to vine-growers. The support programmes had a five-year duration whilst payment entitlements giving rise to direct payments are granted for an indeterminate period of time.

1. In order to simplify the management of this specific support measure and to ensure its consistency with the objectives of the rules for direct support schemes for farmers, the amended regulation adapts the regime to allow Member States to definitively decrease the funds allocated to the support programmes in the wine sector and thereby increase the national ceilings for direct payments.
2. The amended regulation provides for the definitive transfer of the measure on support to vine-growers to the SPS. This transition will occur in two stages: Member States must notify:
  - by 1 December 2012 their decision concerning support for vine-growers for one year applicable to the 2014 calendar year and
  - by 1 August 2013 their decision concerning the single payment from 2015.
3. This Regulation is one of two transitional regulations adopted ahead of the Common Agricultural Policy (CAP) reform which is scheduled to enter into force in 2014. The first transitional regulation adopted by the Council in July 2012, concerned the application of direct support schemes for farmers for the calendar year 2013 and provides for a smooth transition from the current direct payments system (Regulation 73/2009) to the new payments scheme foreseen by the Commission in the CAP reform proposals.

[EP Resolution of 4/07/2012](#) on the proposal for a regulation of the European Parliament and of the Council amending Regulation 73/2009 as regards the application of direct payments to farmers in respect of the year 2013, based on 2011/0286(COD) (P7\_TA(2012)0288; A7-0163/2012)  
Leading committee AGRI (BUDG for opinion)

Legal Act: Regulation 2012/671 amending Regulation 73/2009 as regards the application of direct payments to farmers in respect of the year 2013  
The aim of the regulation is to provide for a smooth transition from the current direct payments system (Regulation 73/2009) to the new payments scheme foreseen by the Commission in the CAP reform proposals.

[EP Resolution of 19/11/2008](#) on the proposal for a regulation establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, based on 2008/0103(CNS) (P6\_TA(2008)0549; A6-0402/2008)  
Leading committee AGRI (BUDG, ENVI and REGI for opinion)

Legal Act: Regulation 73/2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers

**Report:** the Commission shall draw up a report by 31 December 2012 on the implementation of the "Health Check", particularly with regard to progress on decoupling.

[COM\(2013\)617](#) Report on Decoupling Progress.



	<p><a href="#">EP Resolution of 24/05/2007</a> on the proposal for a regulation establishing a common organisation of agricultural markets (CMO) and on specific provisions for certain agricultural products based on 2006/0269(CNS) (P6_TA(2007)0207; A6-0171/2007) Leading committee AGRI</p> <p>Legal Act: Regulation 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) This Regulation brings together, in one Regulation, 21 existing CMOs and 23 acts of the Council covered by it, by a horizontal approach.</p>
Oral / Written Questions	<p><a href="#">E-002830/2012</a> WQ COM Rule 117 Csaba Sándor Tabajdi (S&amp;D), Kinga Göncz (S&amp;D) on Application of directives regarding single payment scheme (SAPS)</p> <p><a href="#">E-012310/2011</a> WQ COM Rule 117 Inese Vaidere (EPP) on Commission proposal concerning direct payments under the CAP: the proposal's impact on the fairness of competition among the EU's farmers</p> <p><a href="#">E-2826/2010</a> WQ COM Georgios Papastamkos (EPP) on Implementation of CAP 'health check'</p> <p><a href="#">E-1337/2010</a> WQ COM Georgios Papastamkos (EPP) Consequences of the single payment scheme in agriculture</p>





## Special Report No 9/2014 of 1 July 2014

# Is the EU investment and promotion support to the wine sector well managed and are its results on the competitiveness of EU wines demonstrated?

Agriculture and Rural Development

Policy Area	 <b>Agriculture and Rural Development</b>
Report No / Date / Title	<a href="#">Special Report No 9/2014 of 1 July 2014</a> <u><a href="#">Is the EU investment and promotion support to the wine sector well managed and are its results on the competitiveness of EU wines demonstrated?</a></u> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Is the investment measure under the wine CMO (common market organisation) appropriately designed and implemented with due regard to the principle of economy?</li> <li>2. Is the promotion measure appropriately designed and efficiently implemented?</li> <li>3. Are the effects of the measures appropriately demonstrated?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The need for supplementary investment measures under the wine CMO is not demonstrated;</li> <li>1.2. Implementation of wine CMO investments was delayed or restricted in some Member States;</li> <li>1.3. Member States visited give limited assurance that only the financially viable projects are supported;</li> <li>1.4. Member States do not systematically evaluate the reasonableness of project costs;</li> <li>2.1. Support for promotion is also granted to big companies with an already strong reputation and export tradition;</li> <li>2.2. Unclear definition of eligible expenditure until 2013;</li> <li>2.3. Member States do not always check whether irregular duplicate funding occurs;</li> <li>2.4. Member States controls do not ensure the occurrence and eligibility of promotion actions;</li> <li>3.1. Monitoring and evaluation focuses on outputs and financial implementation, no sufficient information on results achieved;</li> <li>3.2. Effects of CMO investments cannot be easily separated from the effects of rural development investments;</li> <li>3.3. Difficult to determine to what extent increase in wine export is directly attributable to the promotion measure.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. Monitoring absorption of funds, assessing the need of the wine sector for aid compared to other agricultural sectors;</li> <li>2. Member States shall carry out checks on reasonableness of the costs and the financial viability prospects of projects;</li> <li>3. The governing regulation should restrict individual beneficiaries from presenting in each programming period a promotion programme for the same targeted countries;</li> </ol>



	<ol style="list-style-type: none"> <li>4. Eligibility of brand advertising shall be limited, more emphasis of SMEs to the promotion measure;</li> <li>5. Beneficiaries shall demonstrate their need for EU aid and that normal operating costs are not financed by the EU budget;</li> <li>6. Ancillary costs such as for the implementing body and overheads shall be properly justified and limited;</li> <li>7. Sufficient audit trail shall link every promotion aid to specific and adequately documented actions; no double funding;</li> <li>4. 8. Member States shall evaluate more closely the results of promotion projects. The European Commission shall analyse the program.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 01/12/2014</a> on European Court of Auditors' Special Report No 9/2014 (2013 Discharge) "Is the EU investment and promotion support to the wine sector well managed and are its results on the competitiveness of EU wines demonstrated?" (PE537.549) Rapporteur: Martina Dlabajová (ALDE)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Welcomes the findings and recommendations of the European Court of Auditors' Special Report;</li> <li>2. Notes the adoption by the Council and the Parliament of the Regulation (EU) No 1308/2013 on the new common organisation of the markets for the period 2014–20;</li> <li>3. Recalls the Court's Special Report No 7/2012 (Discharge 2011) on the reform of the common organisation of the market in wine: Progress to date and the Committee on Budgetary Control report that followed;</li> <li>4. Fully endorses that the aid scheme should be rationalised and the Commission should periodically monitor the absorption of funds; insists on the absolute need that the investment measure should be business and result oriented and that best practice models should be encouraged and lessons learned from them;</li> <li>5. Expresses its concerns about the low attraction of SMEs for the promotion support to the wine sector; the co-financing rates should be revised in order to benefit SMEs;</li> <li>6. Considers to establish a system to ensure that the Commission and the Member States will be able to analyse the extent of progress and achievement of the defined objectives and its impact on the wine sector competitiveness at Member States' level, for instance the increase of global market share;</li> <li>7. Endorses the Court of Auditors' recommendation that ancillary costs and overheads are justified and limited to a percentage of the total costs;</li> <li>8. Emphasises the key importance that an appropriate policy mix between investment and promotion is available; believes that the Commission and Member States should be more efficient in the application of the measures; beneficiaries should be required to demonstrate their need for EU aid, normal operating costs should not be financed, and the support for beneficiaries presenting, in each programming period, promotion programmes in the same targeted countries should be restricted; points out furthermore that the results of the promotion actions should be assessed at beneficiary level rather than for the entire EU wine sector;</li> <li>9. Supports the Court's recommendation that the Commission should analyse how the budget allocated to the NSPs for the period 2014–18 matches the needs of the EU wine sector, the absorption capacity of the Member States and readjust the budget where appropriate;</li> <li>10. Welcomes the positive evolution of the Union's exports of quality wines; the Union should identify and exploit its competitive advantage in multilateral and ever competitive world wine market and should work for encouraging Union's wine producers.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 11/09/2012</a> on the proposal for a regulation of the European Parliament and of the Council amending Council regulation 1234/2007 as regards the regime of the single payment scheme and support to vine-growers, based on 2011/0285(COD) (P7_TA(2012)0316; A7-0203/2012) Leading committee AGRI (JURI for opinion)</p> <p>Final Act: Regulation 2012/1028 amending Council Regulation 1234/2007 as regards the regime of the single payment scheme and support to vine-growers</p>



1. Increase national ceilings for direct payments: in order to simplify the management of this specific support measure and to ensure its consistency with the objectives of the rules for direct support schemes for farmers, it is appropriate to convert it into the possibility for Member States to definitively decrease the funds allocated to the support programmes in the wine sector and thereby increase the national ceilings for direct payments.
2. Accordingly, by 1 August 2013, Member States may decide to reduce, from 2015, the amount available for the support programmes referred to in Annex Xb of Regulation 1234/2007, in order to increase their national ceilings for direct payments referred to in Article 40 of Regulation 73/2009.
3. The amount resulting from the decrease shall definitively remain in the national ceilings for direct payments referred to in Article 40 of Regulation 73/2009 and shall no longer be available for the measures listed in Articles 103p to 103y.

[Examination of delegated act 2014/2652\(DEA\)](#) on new measures under the national support programmes in the wine sector, Supplementing 2011/0281(COD)  
 Leading committee AGRI  
 Awaiting Council decision on delegated act

[EP Resolution of 20/11/2013](#) on the proposal for a regulation of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products (Single CMO Regulation), based on 2011/0281(COD) (P7\_TA-PROV(2013)0492; A7-0366/2013)  
 Leading committee AGRI (DEVE, BUDG and REGI for opinion)

Final Act: Regulation 2013/1308 establishing a common organisation of the markets in agricultural products

[EP Resolution of 20/11/2012](#) on promotion measures and information provision for agricultural products: what strategy for promoting the tastes of Europe, based on 2012/2077(INI) (P7\_TA(2012)0420; A7-0286/2012)  
 Leading committee AGRI

1. Parliament calls for the objectives of EU promotion policy to be clearer and adequately defined and stresses that promotion activities should cover all agri-food products that meet European quality standards. It considers that the budget for improved information and promotion measures should be significantly increased
2. Parliament notes that the EU's information and promotion policy should have three main objectives:
  - In local and regional markets it should highlight the diversity and freshness of products and the proximity between producers and consumers, with a view to the economic revitalisation and social enhancement of rural life;
  - In the internal market it should reap the full benefits of the European area without borders and its 500 million consumers, with a view to boosting production and stimulating the consumption of European products;
  - In external markets it should exploit the high standards followed by the European production model in order to obtain greater value-added for the agri-food sector.

[EP Resolution of 4/07/2012](#) on common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation), based on 2010/0385(COD) (P7\_TA(2012)0280; A7-0322/2011)  
 Leading committee AGRI




	<p>62 It is important to provide for support measures in the wine sector which are liable to strengthen competitive structures. While those measures should be financed and defined by the Union, it should be left to Member States to select the appropriate set of measures to meet the needs of their regional bodies, taking their particularities into account, where necessary, as well as to integrate them into national support programmes. Member States should be responsible for the implementation of such programmes.</p> <p>63 One key measure eligible for national support programmes should be the promotion and marketing of Union wines in third countries. Restructuring and conversion activities should continue to be covered on account of their positive structural effects on the wine sector. Support should also be available for investments in the wine sector which are geared towards improving the economic performance of the enterprises as such. Support for by-product distillation should be a measure available to Member States which desire to use such an instrument to ensure the quality of wine, while preserving the environment.</p> <p>71 The proper working of the single market would be jeopardised by the granting of national aids. The provisions of the Treaty governing State aids should in principle apply to the products of the wine sector covered by the CMO for wine. However, the provisions on the grubbing-up premium and certain measures under the support programmes should not by themselves preclude the granting of national aid for the same purposes.</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">O-000097/2013</a> OQ COM Rule 115 Astrid Lulling, Paolo De Castro, on behalf of the Committee on Agriculture and Rural Development on Future of the EU wine sector after the 2008 reform of the COM in wine and the recent CAP reform</li> <li>2. <a href="#">E-5732/2010</a> QWA COM Rule 117 Dominique Vlasto (EPP) on Assessment of the reform of the common organisation of the market in wine</li> <li>3. <a href="#">E-4982/2010</a> QWA COM Rule 117 Marielle De Sarnez (ALDE) on Implementing the reform of the COM in wine</li> </ol>



## Special Report No 10/2014 of 16 September 2014

### The effectiveness of European Fisheries Fund support for aquaculture

Fisheries | Environment

Policy Area	 Fisheries / Environment
Report No / Date / Title	<a href="#">Special Report No 10/2014 of 16 September 2014</a> <a href="#">The effectiveness of European Fisheries Fund support for aquaculture</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did the European Fisheries Fund (EFF) offer effective support for the sustainable development of aquaculture?             <ol style="list-style-type: none"> <li>1.1. Have EFF measures, in supporting the sustainable development of aquaculture, been well designed and monitored at EU level?</li> <li>1.2. Have EFF measures, in supporting the sustainable development of aquaculture, been well designed and implemented by the Member States?</li> <li>1.3. Has the EFF delivered value for money and supported the sustainable development of aquaculture?</li> </ol> </li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. Measures to support the sustainable development of aquaculture have not always been well designed and monitored at EU level - the Common Fisheries Policy (CFP) and the EFF did not provide sufficient details on the content of the measures in support of the sustainable development of aquaculture; the Commission's review of national strategic plans and operational programmes did not systematically ensure that they were designed to maximise the effectiveness of aquaculture policy; the Commission did not provide comprehensive aquaculture-related guidance on environmental matters; the Commission did not sufficiently ensure the comparability of data on the overall progress towards the aquaculture policy objectives; there were few relevant audits and evaluations by the Commission, and limited monitoring; results of publicly funded innovative and research projects were not fully exploited;</li> <li>1.2. Measures to support the sustainable development of aquaculture have not been well designed and implemented by the Member States - there was a lack of initiatives to support aquaculture in the Member States audited; there were weak spatial planning and licensing procedures; the financial and economic crisis had a significant impact on the aquacultural sector; national strategic plans did not provide clear objectives for aquaculture; operational programmes had various weaknesses; Member States gave insufficient consideration to environmental and health policies; there were serious inaccuracies in the reporting of results by some Member States;</li> <li>1.3. The EFF measures have not delivered sufficient value for money to date in support of the sustainable development of aquaculture - the overall objectives at EU level were not met; the objectives at Member State level were not met; a significant number of projects audited were unlikely to contribute cost-effectively to objectives; there was limited support for sustainable development and poor targeting; anticipated project results were not achieved or not verified; insufficient value for money was obtained to date.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should:             <ol style="list-style-type: none"> <li>a. when approving Member States' operational programmes, consider whether objectives for the sustainable development of aquaculture are realistic and appropriate, and whether support is targeted at measures which are likely to meet those objectives;</li> </ol> </li> </ol>



	<ul style="list-style-type: none"> <li>b. establish guidelines for the consideration of relevant environmental factors when determining public funding;</li> <li>c. ensure, where relevant, that Member States' operational programmes are only approved if appropriate national strategies for the development of the aquaculture sector are prepared;</li> <li>d. encourage Member States to implement relevant spatial planning and to simplify the licensing and administrative procedures to support the development of the aquaculture sector;</li> <li>e. improve the comparability of the statistical data on aquaculture compiled from its different sources, in order to enhance its accuracy and completeness.</li> </ul> <p>2. Member States should:</p> <ul style="list-style-type: none"> <li>a. prepare and apply coherent national strategies for the development of the aquaculture sector;</li> <li>b. implement relevant spatial planning, and simplify the licensing and administrative procedures to support the development of the aquaculture sector;</li> <li>c. ensure that public funding is prioritised towards projects which best contribute to the sustainable development of aquaculture and provide value for money;</li> <li>d. monitor project results more closely by setting and applying relevant indicators.</li> </ul>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 8/12/2014</a> on the European Court of Auditors' Special Report No 10/2014 (2013 Discharge): "The effectiveness of European Fisheries Fund support for aquaculture" (PE541.359) Rapporteur Tomáš Zdechovský (EPP)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Endorses the main recommendations of the ECA whilst noting that the Commission is developing the requested guidance to the water framework directive and the marine strategy framework directive; welcomes that the Commission took note of the recommendations related to spatial planning and the need of administrative simplification;</li> <li>2. Welcomes that the lessons learned from the 2007-2013 period have been incorporated in the new European Maritime and Fisheries Fund for the 2014-2020 period, however the Commission shall ensure that all recommendations were and will be put in practice;</li> <li>3. Stresses that one of the main objectives of the EFF, a growth and sustainability of aquaculture, has not been achieved also due to other factors than the financial crisis;</li> <li>4. Urges the Commission to improve programme design at the national level in order to strengthen measures supporting aquaculture and to ensure better implementation;</li> <li>5. Points out that stronger, sustainable aquaculture is one of the key objectives of the Commission, although very little have been done to successfully achieve this objective;</li> <li>6. Urges the Commission to re-shape its financial management and to change its approach from spending all available sources into concentrating on whether the spending aligns with the rules, whether it delivers value for money and whether it provides effective support to achieving main objectives;</li> <li>7. Notes that the Member States must address the poor selection of projects instead of granting funds to all projects and must ensure that the selection procedure is subject to detailed evaluation rules; stresses that the Commission should support the Member States in doing so (e.g. follow-up monitoring and post-evaluation);</li> <li>8. Is convinced that the Member States shall improve their reporting tools and channels since the data provided to the European Commission are often inaccurate; recommends to the Commission to a) develop stronger means of pressure on the Member States to deliver reliable data, especially in the case when there are obvious discrepancies b) consider penalization of Member States suspected of intentionally delivering incorrect data;</li> <li>9. Points out that the Commission needs to develop stronger framework for all of its financial programmes, including the new EMFF measures for aquaculture;</li> <li>10. Calls on the Commission to ensure that the Member States clarify their own strategies and implement them in a manner that will complement the objectives</li> </ol>




	<p>of the EMFF; requests that the Commission oversees that the Member States bring extra effort into project evaluation;</p> <ol style="list-style-type: none"> <li>11. Recommends that the funding of projects that have already commenced is reconsidered as it has no additional impact;</li> <li>12. Encourages simplification of administrative procedures to secure high quality of projects applying for funding;</li> <li>13. Welcomes the proposal for a new monitoring system in the EMFF that will include a database at Member State level storing information on every operation and an aggregated report with key information, but insists on implementing this proposal and keeping it to high standards.</li> </ol>
Related EP Reports / Resolutions of other committees	<p><a href="#">EP Resolution of 16/04/2014</a> on European Maritime and Fisheries Fund (EMFF) 2014-2020, based on 2011/0380(COD) (P7_TA-PROV(2014)0443; A7-0282/2013) Leading committee PECH (BUDG, EMPL, ENVI, REGI and JURI for opinion)</p> <p>Final Act: Regulation 2014/508 on the European Maritime and Fisheries Fund</p> <ol style="list-style-type: none"> <li>1. Objectives: Parliament and the Council stated that the EMFF should contribute to the following objectives of: a) promoting environmentally sustainable, economically viable and socially responsible fisheries; b) fostering the implementation of the CFP; c) promoting a balanced and inclusive territorial development of fisheries and aquaculture areas. The pursuit of these goals should not result in any increase in fishing capacity.</li> <li>2. Aquaculture: entrepreneurs entering the sector should provide a business plan and, where the amount of investments is more than EUR 50 000, a feasibility study including an environmental assessment of the operations. Support should be granted only where it has been clearly demonstrated in an independent marketing report that good and sustainable market prospects exist for the product.</li> <li>3. The EMFF should not give incentives to the farming of genetically modified organisms.</li> </ol> <p><a href="#">EP Resolution of 14/03/2012</a> on European Fisheries Fund (EFF): increased payments for certain Member States, proposal for a regulation amending Council Regulation (EC) No 1198/2006, based on 2011/0212 (P7_TA(2012)0074; A7-0447/2011) Leading committee PECH</p> <p>Final Act: Regulation 2012/387 amending Council Regulation (EC) No 1198/2006 on the European Fisheries Fund, as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability</p> <p><a href="#">EP Resolution of 17/06/2010</a> on a new impetus for the Strategy for the Sustainable Development of European Aquaculture, based on 2009/2107(INI) (P7_TA(2010)0243; A7-0150/2010) PECH (ENVI for opinion)</p> <ol style="list-style-type: none"> <li>1. The European Fisheries Fund in support of the reformed Common Fisheries Policy should provide for specific budget lines for sustainable aquaculture development and support for investment in that sector. Need to ensure increased financial contributions for scientific research, innovation and technology transfers in the field of sustainable, organic, offshore and freshwater aquaculture.</li> <li>2. The Commission is called to: ... launch impact assessment studies concerning the possible effects that Community trade agreements may have on the aquaculture sector.</li> </ol>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-012721/2013</a> QWA COM Rule 117 Iliana Malinova Iotova (S&amp;D) on Problems in Bulgaria concerning final payments for projects implemented under the European Fisheries Fund</li> <li>2. <a href="#">E-000402/2013</a> QWA COM Rule 117 Dolores García-Hierro Caraballo (S&amp;D) on European Fisheries Fund in EU Member States</li> <li>3. <a href="#">E-001220/2012</a> QWA COM Rule 117 João Ferreira (GUE/NGL) on Reduction of the envisaged national cofinancing for the EU funds</li> <li>4. <a href="#">E-009069/2011</a> QWA COM Rule 117 Raúl Romeva i Rueda (Verts/ALE) on Subsidies for the fishing industry</li> <li>5. <a href="#">P-3574/2010</a> WQ COM Rule 117 Maria do Céu Patrão Neves (EPP) POSEI and the European Fisheries Fund POSEI and the European Fisheries Fund</li> </ol>



## Special Report No 11/2014 of 1 July 2014

### The establishment of the European External Action Service

Foreign Affairs | EU Institutions and Other Bodies

Policy Area	 Foreign Affairs / EU Institutions and Other Bodies
Report No / Date / Title	<a href="#">Special Report No 11/2014 of 1 July 2014</a> <a href="#">The establishment of the European External Action Service</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Was the establishment of the EEAS adequately prepared?</li> <li>2. Were the resources of the EEAS prioritised, organised and allocated efficiently?</li> <li>3. Has the EEAS coordinated effectively with the Commission and the Member States?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The role of the EEAS was decided late and defined in vague terms;</li> <li>1.2. The EEAS has faced a number of political and financial challenges;</li> <li>2.1. No overarching strategic framework for EU foreign policy, no internal strategy;</li> <li>2.2. Due to complex organisation of EEAS, no timely cooperation between departments;</li> <li>2.3. EU special representatives are not sufficiently integrated in the EEAS;</li> <li>2.4. Difficulties in staffing critical functions with the resources transferred;</li> <li>2.5. Lengthy and costly recruitment procedures, that did not fully correct pre-existing imbalances;</li> <li>3.1. Coordination with the Commission was partly effective;</li> <li>3.2. The new set-up of EU delegations demands more coordination work and its administrative management is less efficient;</li> <li>3.3. Potential for synergies between MS's and EEAS' networks of diplomatic representations not fully exploited;</li> <li>3.4. Potential benefits from EEAS being permanent chair of Council preparatory bodies have not been fully realised.</li> </ol> <p><b>Recommendations: The EEAS is invited to:</b></p> <ol style="list-style-type: none"> <li>1. Clarify its objectives, tasks and competencies, streamline its organisational design and simplify the administrative framework in which it operates;</li> <li>2. Examine the necessity and feasibility of a new overarching strategic framework for EU foreign affairs and security policy;</li> <li>3. Strengthen the internal coherency of its activities and to better connect them with the Commission's annual work programme and the trio programme of the rotating presidencies;</li> <li>4. Propose to the Council a review of the existing framework applicable to the EU special representatives;</li> <li>5. Review its recruitment procedures;</li> <li>6. Propose a new administrative and financial framework for the management of EU delegations;</li> <li>7. Continue its efforts to promote information sharing and co-location with Member States; and to prepare a feasibility study for initiating consular services.</li> </ol>





<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 17/10/2014</a> on European Court of Auditors' Special Report No 11/2014 (2013 Discharge): The establishment of the European External Action Service (PE537.488) Rapporteur Ryszard Czarnecki (ECR)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Welcomes the Court's special report "The establishment of the European External Action Service" and endorses its recommendations;</li> <li>2. Is of the opinion that the EEAS is not yet a fully-fledged EU diplomatic service because of resources constraints; considers that the Commission and the Member States are the right actors to push for the consolidation the Service;</li> <li>3. Notes that the EEAS has had practical difficulties in the coordination of actions concerning the Association Agreement with Ukraine, as well as the current security situation within Europe regarding this Agreement; these difficulties, in addition to other actions towards Russia, may lead to a situation where in the future Russia may use military tools when negotiating economic agreements in Ukraine or other frozen conflicts to force economic concessions from the EU;</li> <li>4. Finds that the EEAS continues to lack sufficient expertise on how to manage relations with neighbouring countries, in particular with Russia;</li> <li>5-6. Points out that the principle of budget neutrality is most welcomed, however this should not be viewed in isolation from the savings which the Member States have made from in the establishment of the EEAS whose top-heavy administration needs to be corrected; the measures already implemented to correct this matter are in the right path and the Commission shall strengthen its engagement in improving the inter-service cooperation;</li> <li>7. Regrets that the proportion of staff coming from the Member States accessing in 2004, 2007 and 2013 is still much lower than staff from the EU-15; is of the opinion that equivalent geographical representation within the EEAS is an important element contributing to enhance its performance;</li> <li>8. Considers the responsibilities of the Union Special Representatives to be very unclear, lacking a proper monitoring and performance analysis; suggests that to bridge this gap they are integrated into the EEAS;</li> <li>9-11. Thematic expertise in the Delegations is most needed; the Commission together with the EEAS shall put in place a concerted approach to optimise the profile of delegation staff; need for a better overview on the costs incurred in the recruitment procedures. Commission and Member States should take measures promoting a better coordination and cooperation between their external relations services and the EEAS without disregarding the horizontal thematic issues;</li> <li>12. Invites the EEAS to consistently take measures to correct the imbalanced situation due to influences of particular Member States' foreign policies; Insists on the need for simplification of the budget scheme for supporting Delegations; emphasises the difficult situation faced by the delegations with the fewest members of staff; calls on the EEAS and the Commission to consider how the procedure for authorising funds might be made easier whilst ensuring that financial control rules are complied with;</li> <li>13. Underlines the need to ensure greater flexibility in the funding of CSDP missions to guarantee the internal and external security of European Union due to the danger posed by conflicts in countries which border it, as well as the heightened risk of possible terrorist activities connected to IS;</li> <li>14. Urges the EEAS to maximise the benefits of economies of scale by creating new synergies within the EEAS headquarters and delegations as well as in cooperation with Member States and national diplomatic services, in the spirit of a true Union external policy and services; notes with satisfaction that the co-location of EU delegations and Member State diplomatic representations is increasing, even if continue to be limited, and congratulates the EEAS for considering this matter as primordial in its action;</li> <li>15. Accepts that there is still work to be done in relation to the consular services.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 3/04/2014</a> on EU comprehensive approach and its implications for the coherence of EU external action, based on 2013/2146(INI) (P7_TA-PROV(2014)0286; <a href="#">A7-0138/2014</a>) Leading committee AFET (DEVE and FEMM for opinion)</p>



	<p>EU comprehensive approach: Parliament stressed the importance of effective coordination and coherence in the European Union's external action. It underlined the fact that the Lisbon Treaty provides the framework for the Union to achieve a more coherent, joined-up and comprehensive approach for the effective pursuit of the Union's external relations, including by creating the triple-hatted High Representative (HR) of the Union for Foreign Affairs and Security Policy, who is also Vice-President of the Commission and Chair of the Foreign Affairs Council, and by establishing a unifying and effective European External Action Service (EEAS).</p> <p>Priority areas for a comprehensive approach:</p> <ol style="list-style-type: none"> <li>1. Institutional coherence: all relevant institutions (the EEAS and the Commission's relevant services, including ECHO, DEVCO, TRADE and ELARG, but also Parliament and the Council) should work together;</li> <li>2. Financial coherence: Parliament recalled its determination to ensure that the Union's external financial instruments for the period 2014-2020 are designed so as to facilitate the pursuit of a comprehensive approach to external relations Union;</li> <li>3. Coherence in practice: Parliament insisted that EU strategies should clearly set out the EU's objectives and priorities and the specific timeframe for implementation and determine what instruments are best suited for action (ranging from inter alia humanitarian and development aid to diplomatic action and mediation, economic sanctions, and the CSDP);</li> <li>4. Partnerships: Parliament stressed that a successful comprehensive approach also requires developing partnerships outside the Union's institutions and Member States, to include other international and multilateral partners, strategic partners, host countries, regional organisations, civil society actors and the private sector.</li> </ol> <p><a href="#">EP Resolution of 13/06/2013</a> on 2013 review of the organisation and the functioning of the EEAS. Recommendation to the High Representative of the Union for Foreign Affairs and Security Policy and Vice President of the Commission, to the Council and to the Commission, based on 2012/2253(INI) (P7_TA-PROV(2013)0278: A7-0147/2013)</p> <p>Leading committee AFET (DEVE, BUDG, CONT and JURI for opinion)</p> <ol style="list-style-type: none"> <li>1. The Parliament recalls that the EEAS is a new body of hybrid nature, drawing upon community and intergovernmental sources, which has no precedent in the EU and which therefore cannot be expected to be fully functional within two years of its establishment. It is putting forward this draft recommendation to the HR/VP, to the Council and to the Commission, bearing in mind that there has been good progress in setting up the EEAS but that more can be achieved in terms of synergy and coordination between institutions, political leadership and visibility, as well as in terms of tasks;</li> <li>2. Leadership and a more rational and efficient structure for 21st century diplomacy: on the whole, Parliament calls for a simplification of the command structure of the EEAS and an enhancement of the role of its Executive Secretary General by establishing a clear chain of command to support effective decision-making as well as timely policy response. In this context, it calls for the rationalisation of the posts of Chief Operating Officer and Managing Director in charge of Administration, to reduce and simplify the hierarchical structure of the Managing Directorates.</li> <li>3. Among other things, Parliament calls for: <ul style="list-style-type: none"> <li>- A strengthening of the HR/VP's coordinating, initiating and political leadership roles, in particular as chair of the Foreign Affairs Council, by ensuring that, in the next Commission, (s)he realises his/her full potential;</li> <li>- The possibility of qualified majority voting on CFSP matters, as laid down in Article 31(2) TEU;</li> <li>- The safeguarding of the 'community' character of the neighbourhood policy, bearing in mind that Parliament rejects any intergovernmentalisation of Union policies and that the Treaty bestows upon the Commission the main responsibility for negotiating international agreements for and on behalf of the Union;</li> <li>- The improvement of the interface between the Directorate for Foreign Policy Instruments and the EEAS;</li> </ul> </li> </ol>
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- The development of the practice of joint technical and logistical services between institutions, with a view to achieving economies of scale and improved efficiency; as a first step, to put under a 'single joint structure' the various logistical services of the Commission and EEAS for early warning, risk assessment and security tasks covering events outside of the Union, in which these services have to cooperate;
- Deeper cooperation with Member States and the development of joint political reporting between delegations and embassies.

See also full [Summary](#) of the Resolution for further details.

[EP Resolution of 20/10/2010](#) on Financial Regulation applicable to the general budget of the European Communities, as regards the European External Action Service (EEAS) based on 2010/0054(COD) (P7\_TA(2010)0368; A7-0263/2010)  
 Leading committee BUDG (AFET, DEVE, INTA, CONT and AFCO for opinion)  
 Final Act: Regulation 2010/1081 on the Financial Regulation applicable to the general budget of the European Communities, as regards the European External Action Service

[EP Resolution of 8/07/2010](#) on European External Action Service (EEAS): organisation and functioning, based on 2010/0816(NLE)(P7\_TA(2010)0280; A7-0228/2010)  
 Leading committee AFET (DEVE, INTA, BUDG, CONT, AFCO and FEMM for opinion)

Final Act: Council Decision 2010/427 establishing the organisation and functioning of the European External Action Service  
**Report and revision of the EEAS, Article 13:** the High Representative shall submit a report to the European Parliament, the Council and the Commission on the functioning of the EEAS no later than the end of 2011. She should, by mid-2013, carry out a review of the functioning and organisation of the EEAS, accompanied, if necessary, by proposals for a revision of this Decision. The measures resulting from such revision should be adopted no later than the beginning of 2014.  
[Final Report of 15/10/2013](#) by the High Representative on the Common Security and Defence Policy

[EP Resolution of 20/10/2010](#) on amendment of the staff regulations of officials of the European Communities and the conditions of employment of other servants of those Communities, based on 2010/0171(COD) (P7\_TA(2010)0369; A7-0288/2010)  
 Leading committee JURI (AFET, DEVE, BUDG and, CONT for opinion)

Final Act Regulation 2010/1080 amending the Staff Regulations of Officials of the European Communities and the Conditions of Employment of Other Servants of those Communities  
**Report, Article 4:** By mid-2013, the High Representative shall submit a report to the European Parliament, the Council and the Commission on the implementation of this Regulation, with a particular emphasis on gender and geographical balance of staff within the EEAS

[EP Resolution of 22/10/2009](#) on institutional aspects of creating a European service for external action, based on 2009/2133(INI) (P7\_TA(2009)0057; A7-0041/2009)  
 Leading committee AFCO (AFET and DEVE for opinion)




<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-003885/2014</a> QWA COM Rule 117 Mara Bizzotto (EFD) on Cost of the European External Action Service</li> <li>2. <a href="#">E-002904/2014</a> QWA COM Rule 117 Matteo Salvini (EFD) on Costs of the European Union's diplomatic presence throughout the world</li> <li>3. <a href="#">E-007334/2013</a> QWA COM Rule 117 Diogo Feio (PPE) on VP/HR - European External Action Service - material and human resources</li> <li>4. <a href="#">E-006950/2013</a> QWA COM Rule 117 Rareş-Lucian Niculescu (PPE) on VP/HR - Returning to the question for a written answer E-004398/2013</li> <li>5. <a href="#">E-004804/2013</a> QW COM Rule 117 Diane Dodds (NI) on VP/HR - EEAS reorganisation</li> <li>6. <a href="#">E-001668/2013</a> QWA COM Rule 117 Zbigniew Ziobro (EFD) on VP/HR - Optimising recruitment to the European External Action Service</li> <li>7. <a href="#">E-007881/2012</a> QWA COM Rule 117 Martin Ehrenhauser (NI) on VP/HR - security rules for the European External Action Service (EEAS)</li> <li>8. <a href="#">E-006598/2012</a> QWA COM Rule 117 Franziska Katharina Brantner (Verts/ALE) on VP/HR - Staff structure of the European External Action Service</li> <li>9. <a href="#">E-005138/2012</a> QWA COM Rule 117 Marina Yannakoudakis (ECR) on VP/HR - Women in senior positions in the European External Action Service</li> <li>10. <a href="#">E-004235/2012</a> QWA COM Rule 117 William (The Earl of) Dartmouth (EFD VP/HR - Cost-effectiveness of the EEAS</li> <li>11. <a href="#">E-003961/2012</a> QWA COM Rule 117 William (The Earl of) Dartmouth (EFD) on VP/HR - Directorates-General/European External Action Service: duplication of effort</li> <li>12. <a href="#">E-003016/2012</a> QWA COM Rule 117 María Muñoz De Urquiza (S&amp;D) and Alexander Graf Lambsdorff (ALDE) on VP/HR - Role of the EU in multilateral organisations</li> <li>13. <a href="#">E-011381/2011</a> QWA COM Rule 117 Monika Flašíková Beňová (S&amp;D) on VP/HR - Rules relating to presentation of EU statements in international organisations</li> <li>14. <a href="#">E-010753/2011</a> QWA COM Rule 117 Franziska Katharina Brantner (Verts/ALE) on VP/HR - First anniversary of the European External Action Service: Functioning of the human rights and evaluation structures</li> <li>15. <a href="#">E-010092/2011</a> QWA COM Rule 117 Franziska Katharina Brantner (Verts/ALE) on VP/HR - Functioning of the crisis management structures and report on the functioning of the EEAS</li> <li>16. <a href="#">E-005688/2011</a> QWA COM Rule 117 Ingeborg Gräßle (EEP) on Added value provided by EU special representatives (EUSRs) within the European External Action Service (EEAS)</li> <li>17. <a href="#">E-002014/2011</a> QWA COM Rule 117 Niki Tzavela (EFD) on EEAS guidance</li> <li>18. <a href="#">E-001426/2011</a> QWA COM Rule 117 Angelika Werthmann (NI) on Avoiding duplication</li> </ol>
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## Special Report No 12/2014 of 17 September 2014

# Is the European Regional Development Fund (ERDF) effective in funding projects that directly promote biodiversity under the EU biodiversity strategy to 2020?

Regional Development | Environment

Policy Area	 Regional Development / Environment
Report No / Date / Title	<a href="#">Special Report No 12/2014 of 17 September 2014 <i>Is the European Regional Development Fund (ERDF) effective in funding projects that directly promote biodiversity under the EU biodiversity strategy to 2020?</i></a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did Member States take advantage of the available European Regional Development Fund (ERDF) funding for directly promoting biodiversity?</li> <li>2. Were ERDF co-financed projects directly promoting biodiversity effective in halting biodiversity loss?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. ERDF funding opportunities have not been exploited to their full potential by Member States;</li> <li>2. Effectiveness of ERDF co-financed projects that directly promote biodiversity - the projects are in line with biodiversity priorities at national and EU level but ERDF expenditure for biodiversity is not well defined; one third of the projects audited focused on the preparation of protection measures and benefits for biodiversity from investments were not assessed; project sustainability is based on local commitment and relies on future public financing.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should:             <ol style="list-style-type: none"> <li>a. support Member States in setting biodiversity restoration priorities in operational programmes;</li> <li>b. assess the complementarity of the actions to promote biodiversity identified by the Member States in the operational programmes with projects financed by other EU funds;</li> <li>c. monitor the actual implementation of operational programmes in view of an early and proactive identification of difficulties.</li> </ol> </li> </ol> <p>The Member States should collaborate with the Commission in achieving this.</p> <ol style="list-style-type: none"> <li>2. The Commission should:             <ol style="list-style-type: none"> <li>a. support Member States in following up preparatory projects with a view to an active protection policy, especially regarding the effective implementation of specific protection and management plans for habitats and species;</li> <li>b. require provision in operational programmes for procedures to evaluate the environmental changes in habitats and species following the interventions;</li> <li>(c) advise Member States in applying ERDF rules in interaction with other EU funds.</li> </ol> </li> </ol> <p>In addition, the Commission should make sure that an accurate record of direct and indirect EU spending on biodiversity (including Natura 2000) is maintained, and the Member States should facilitate this by providing the necessary data.</p>



<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 10/11/2014</a> on the European Court of Auditors' Special Report No 12/2014 (2013 discharge) entitled "Is the ERDF effective in funding projects that directly promote biodiversity under the EU biodiversity strategy to 2020?" (PE539.487) Rapporteur Louis-Joseph Manscour (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Points out that the Convention on Biological Diversity (CBD) defines biodiversity as variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; points out that the CBD recognises several major threats to biodiversity;</li> <li>2-3. Emphasises that biodiversity is essential for human life and for the wellbeing of societies; climate change, the loss of biodiversity, the threats posed by invasive species and the overconsumption of natural resources are major challenges affecting every EU citizen; regrets that the EU has been unable to meet its headline target of curbing biodiversity loss in the EU by 2010;</li> <li>4-5. Notes that, economically speaking, the loss of biodiversity is enormously costly to society, and that not enough attention has yet been paid to this in global policies; notes, furthermore, that the Economics of Ecosystems and Biodiversity study estimates that the cost of inaction and the deterioration of ecosystem services could amount to as much as 7% of global GDP per year by 20501;</li> <li>6. Notes that project outcomes often take a long time to materialise, which makes the assessment of those outcomes difficult;</li> <li>7. Takes the view that, despite the limitations relating to the low level of funding allocated to biodiversity and to the difficulties involved in assessing the way in which such funding is used, it is essential to maintain the funding at this stage;</li> <li>8. emphasises the fact that protecting biodiversity also has significant potential to create new skills, jobs and business opportunities;</li> <li>9. Highlights the importance of mainstreaming biodiversity protection and conservation in the development, setting-up and financing of all other European policies (including agriculture, forestry, fisheries, regional development and cohesion, energy, industry, transport, tourism, development cooperation and aid, and research and development) so as to make European sector-specific and budget policies more consistent and to ensure that the EU honours its binding commitments to protect biodiversity;</li> <li>10. Notes that, despite the guidance and impetus provided by the Commission, it is for the Member States alone to set financing priorities in accordance with their own needs, and that the vast majority of Member States does not use the ERDF as an instrument with which to protect biodiversity;</li> <li>11. Takes the view, therefore, that given the low take-up rate (0.79%) there is a need to consider making it mandatory for a proportion of ERDF funding (percentage to be confirmed) to be earmarked for the promotion of biodiversity.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 20/11/2013</a> on the proposal for a regulation on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal, based on 2011/0273(COD) (P7_TA-PROV(2013)0485; A7-0280/2013) Leading committee REGI (BUDG, CONT and TRAN for opinion)</p> <p>Final Act: Regulation 2013/1299 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal</p> <p><a href="#">EP Resolution of 24/10/2013</a> on General Union Environment Action Programme to 2020: 'Living well, within the limits of our planet', based on 2012/0337(COD) (P7_TA-PROV(2013)0451; A7-0166/2013) Leading committee ENVI (AGRI for opinion)</p> <p>Final Act: Decision 2013/1386 on a General Union Environment Action Programme to 2020 Living well, within the limits of our planet</p>




	<p><a href="#">EP Resolution of 20/04/2012</a> on our life insurance, our natural capital: an EU biodiversity strategy to 2020, based on 2011/2307(INI) (P7_TA(2012)0146; A7-0101/2012) Leading committee ENVI (ITRE, REGI, AGRI and PECH for opinion)</p> <ol style="list-style-type: none"> <li>1. The Parliament deplores the fact that the EU failed to meet its 2010 biodiversity target. It supports the EU Biodiversity Strategy to 2020, including all its targets and actions and takes the view, nevertheless, that some actions may have to be strengthened and specified more clearly, and that more concrete measures should be deployed in order to ensure effective implementation of the strategy;</li> <li>2. The resolution also emphasises: <ul style="list-style-type: none"> <li>- The importance of mobilising both EU and national financial support from all possible sources, including the creation of a specific instrument to finance biodiversity, and of developing innovative financial mechanisms – in particular habitat banking in conjunction with offsetting – in order to reach the targets set in the area of biodiversity;</li> <li>- Efforts to achieve the six targets set out in the Biodiversity Strategy, and that funding for the LIFE programme is stepped up.</li> </ul> </li> </ol> <p><a href="#">EP Resolution of 21/09/2010</a> on the implementation of EU legislation aiming at the conservation of biodiversity based on 2009/2109(INI) (P7_TA(2010)0325; A7-0241/2010) Leading committee ENVI (PECH and PETI for opinion)</p> <ol style="list-style-type: none"> <li>1. The EU and biodiversity: Members deeply regret that the EU's objective, as agreed to at the Gothenburg Summit in 2001, to halt biodiversity loss by 2010 has not been met and shares the concern expressed by many petitioners to the European Parliament;</li> <li>2. Integration into other policy areas: Parliament is convinced that the Natura 2000 land and marine network is not the only EU instrument for biodiversity conservation, but that a more integral approach is needed for the EU biodiversity policy to be successful. It calls on the Commission to ensure a further mainstreaming of biodiversity into other EU policy areas – such as agriculture, forestry, fisheries, regional policy and cohesion, energy, industry, transport tourism, development cooperation, research and innovation – in a mutually reinforcing way and to make the EU's sectorial and budgetary policies more consistent. Members stress the great opportunities that exist, particularly in the common agricultural policy, regional policy and the common fisheries policy, to give biodiversity a higher priority, and discuss the role that the CAP and fisheries policy could play in achieving the EU's biodiversity objective.</li> </ol>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-009530/2013</a> WQ COM Rule 117 Rodi Kratsa-Tsagaropoulou (EPP) on Impact of fiscal adjustment on the management bodies of protected areas and the protection of these areas</li> <li>2. <a href="#">E-009528/2012</a> QWA Rule 117 Angelika Werthmann (ALDE) on Biodiversity targets not met</li> <li>3. <a href="#">E-008379/2011</a> QWA Rule 117 Liam Aylward (ALDE) on Biodiversity</li> <li>4. <a href="#">E-004092/2011</a> QWA Rule 117 Karin Kadenbach (S&amp;D) on Financing for biodiversity conservation</li> <li>5. <a href="#">E-4508/2010</a> QWA Rule 117 Elena Oana Antonescu (EPP) on An integrated approach to reducing biodiversity loss in the EU'S ecosystems</li> <li>6. <a href="#">E-4535/2010</a> QWA Rule 117 Michail Tremopoulos (Verts/ALE) on Effectiveness of European policies on biodiversity</li> <li>7. <a href="#">E-4384/2010</a> QWA Rule 117 Daciana Octavia Sârbu (S&amp;D) on Sectoral policies for biodiversity</li> </ol>



## Special Report No 13/2014 of 23 September 2014

### EU support for rehabilitation following the earthquake in Haiti

EU Humanitarian Aid

Policy Area	 EU Humanitarian Aid
Report No / Date / Title	<a href="#">Special Report No 13/2014 of 23 September 2014</a> <a href="#">EU support for rehabilitation following the earthquake in Haiti</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did the Commission address priority rehabilitation needs?</li> <li>2. Did the Commission ensure linkage between relief, rehabilitation and development?</li> <li>3. Did the Commission ensure effective implementation of EU support for rehabilitation?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission addressed priority rehabilitation needs - rehabilitation needs were well identified; EU support for rehabilitation was set within a sound strategy; the division of labour between the Commission and other main donors was appropriate but coordination during implementation was difficult;</li> <li>2. Despite some Commission efforts, relief, rehabilitation and development were not sufficiently linked - the Commission used different instruments in a flexible manner; coordination within the Commission was not optimal; Linking of relief, rehabilitation and development was well thought-out with regard to the design of individual rehabilitation programmes but sometimes difficult to ensure in practice;</li> <li>3. The Commission did not sufficiently ensure effective implementation of EU support for rehabilitation - most programmes encountered delays and some achieved limited progress; some significant risks were not sufficiently managed; monitoring was based on an appropriate framework but was allocated insufficient resources.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. Risk management - the Commission should, at the outset of programmes and, where appropriate, during implementation, assess the likelihood and potential impact of the main risks to the achievement of programme objectives and take measures to prevent or mitigate these risks;</li> <li>2. Linking relief, rehabilitation and development - EuropeAid and ECHO should adopt a common strategy to ensure effective linkage and synergy between their respective activities. The strategy should set the objectives and mandates of the respective departments, the procedures to prepare coordinated country action plans, exit strategies and handover procedures;</li> <li>3. Budget support - the Commission should, in coordination with other donors - provide adequate capacity-building support and focus on key PFM functions, including accountability and anti-corruption mechanisms; support the timely preparation of an appropriate PFM reform programme; where appropriate, set out shorter term measures for safeguarding EU funds against waste, leakage and inefficiency;</li> <li>4. Emergency provisions for EU delegations - in cases involving natural disasters or other similar events, and particularly those affecting the functioning of the EU delegation, the Commission and the EEAS should develop business continuity procedures, including provisions for emergency personnel redeployment.</li> </ol>





<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 20/11/2014</a> on European Court of Auditors' Special Report No 13/2014 (2013 Discharge): "EU support for rehabilitation following the earthquake in Haiti" (PE541.419) Rapporteur Jens Geier (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Welcomes the special report evaluating the EU support for rehabilitation following the earthquake in Haiti as an important contribution to the overall political debate about the European Union's external humanitarian and development policies; supports the Court's recommendations with regard to EU support for rehabilitation following the earthquake in Haiti and welcomes the Commission's response to also accept the recommendations;</li> <li>2. Welcomes the main conclusions and recommendations of the final report on the evaluation of the EU cooperation with the Republic of Haiti carried out by DG DEVCO;</li> <li>3. Reiterates the overall satisfaction with the work and efforts carried out by the Commission's services in response to the earthquake in Haiti in 2010; welcomes the Commission's ability to withhold payments as a consequence to unsatisfactory progress in the Government's financial management ;</li> <li>4. Regrets the weaknesses identified in the coordination between donors and within the Commission's services; calls in this respect for a better articulation of the humanitarian aid and development aid by means of a permanent LRRD interservices platform; integrated approaches with clearly stated coordination objectives and a coherent country strategy between ECHO and EuropeAid have to be set up wherever possible; welcomes the inclusion of the systematic integration of the LRRD approach in the funding cycle covering 2014–20; calls furthermore on the Commission services for a better transition from short-term humanitarian activities to long-term development interventions, a coherent coordination among different EU actors and with national priorities through a common strategy; invites the Commission to enter into a dialogue with the Parliament if an effective coordination among the various financial instruments in humanitarian and development aid is hindered by the existing legal framework; the involvement of local civil society' NGOs can better identify rehabilitation needs and to supervise progress achieved by national authorities;</li> <li>5-6. Recalls the recommendations in the aftermath of the CONT delegation visit to Haiti in February 2012 and insists on the salient issue of traceability and accountability of EU development funds in particular by linking budget support to performance and duties in the national administration to ensure adequate transparency, traceability and accountability; reiterates its call for putting more emphasis on the fight against endemic corruption; points out that humanitarian aid should be based on an exit strategy and stresses that funds should be channelled through the Haitian Procurement Agency; invites the Commission and the EEAS to emphasize on the conditionality matrix for sectorial budget support; recalls that 'State building' to be at the centre of the EU development strategy, in line with the principles for intervention in fragile contexts: support institutional building, transparency and efficiency of public financial management, budgetary allocations and effectiveness of public expenditure;</li> <li>7. Calls for the definition of a good policy mix in the logic of the EU intervention through a comprehensive approach to state and non-state/non-governmental stakeholders and to the sectors support to be provided through rapid sectorial needs assessment;</li> <li>8. Needs to strengthen the policy framework of intervention and disaster risk reduction with the ultimate purpose to limit the risk for human lives and their living conditions to a minimum; believes that investment in disaster risk reduction is crucial as a full component of sustainable development;</li> <li>9. Considers that those situations of crisis and fragility require to develop policies which call for new approaches, new methods and expertise, particularly concerning activities such as (i) identifying risks at different operational levels, (ii) making scenario and projections of likely consequences and (iii) designing instruments to avoid, reduce and prepare for risks and potential disaster; calls for a flexible approach; the Commission shall set up a system to mobilize experts to increase the deployment of additional staff to EU delegations or headquarter services;</li> <li>10. Encourages the European Commission and the EEAS to work systematically on the four phases of the disaster management cycle i.e. mitigation and preparedness, response and recovery towards the definition of strategic framework for disaster risk management and resilience-building; calls them to inform the European Parliament about the developments in particular with regard to risk management and the preparedness to implement and achieve programme objectives in a post-disaster context;</li> <li>11. Recalls that in any such crisis circumstances, due care has to be attributed to the soundness and operational effectiveness of the national governance framework for managing disaster risk reduction as a pre-condition for the success of the EU intervention.</li> </ol>
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<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 19/01/2011</a> on the situation in Haiti one year after the earthquake: humanitarian aid and reconstruction, based on 2010/3018(RSP) (P7_TA(2011)0018; B7-0023, 0024, 0025, 0027 and 0032/2011). Tabled by PPE, S&amp;D, ALDE, Greens/ALE and ECR Groups</p> <p>[The European Parliament,]</p> <ol style="list-style-type: none"> <li>4. Welcomes the extent of the humanitarian aid granted to Haiti by the Commission and the Member States, and the commitment shown by the Commissioner for International Cooperation, Humanitarian Aid and Crisis Response and by DG ECHO and its experts;</li> <li>5. Stresses that the establishment of 'clusters' has made it possible to coordinate humanitarian efforts on the ground, but that this approach has revealed its limitations in the face of the huge number of humanitarian agencies involved and the complex nature of the emergency owing to Haiti's high urban population density;</li> <li>8. Welcomes the collective commitment made by the Commission and the Member States at the International Donors' Conference for the reconstruction of Haiti; reiterates its call for the EU, as the leading donor, to exercise political leadership in the context of the reconstruction effort;</li> <li>10. Deplores the late start to the work of the IHRC, which should be playing a central role in coordinating reconstruction; is disappointed at the lack of information concerning its operation and effectiveness, and calls on the Commission, as a member of the IHRC, to intervene to speed up the implementation of the latter's mandate and reviewing its operation and to submit a report to Parliament on the IHRC's activities, its use of resources and funds pledged at the New York conference;</li> <li>26. Calls on the Commission, in the spirit of the European Consensus on Humanitarian Aid, to ensure that a significant effort is made – in conjunction with the government, local authorities and civil society – to incorporate disaster preparation and risk minimisation into the emergency and longer-term development phases.</li> </ol> <p><a href="#">EP Resolution of 18/01/2011</a> on the implementation of the European consensus on humanitarian aid: the mid-term review of its Action Plan and the way forward, based on 2010/2101(INI) (P7_TA(2011)0005; A7-0375/2010). Leading committee DEVE</p> <p>The resolution notes that the recent tragedies in Haiti and Pakistan demonstrated that the tools available to the EU for responding to disasters (humanitarian aid and the Community Civil Protection Mechanism) need to be improved in terms of effectiveness, speed, coordination and visibility. These disasters have highlighted the need to create a European rapid reaction capacity.</p> <p><a href="#">EP Resolution of 14/12/2010</a> on setting up an EU rapid response capability, based on 2010/2096(INI) (P7_TA(2010)0465; A7-0332/2010) Leading committee DEVE (AFET for opinion)</p> <p>The European Union's response to the earthquake in Haiti triggered a rapid, significant and large scale humanitarian aid intervention. However, there is the need to improve the EU's disaster response in terms of efficiency, coordination and visibility and the need for an EU rapid response capability. It calls for the immediate establishment of an EU Civil Protection Force which must be adequately equipped with the necessary technological and technical resources.</p> <p><a href="#">EP Resolution of 27/09/2011</a> on towards a stronger European disaster response: the role of civil protection and humanitarian assistance, based on 2011/2023(INI) Leading committee ENVI (AFET, DEVE and REGI for opinion)</p> <p>The recent tragedies, such as the Haiti earthquake and the Pakistan floods, have demonstrated that the main tools available to the EU for responding to disasters (humanitarian aid and the EU Civil Protection Mechanism) proved to be working well for what they were designed for and given the circumstances, but whereas there is a vital need to further reinforce the coordination of the response to disasters affecting the European Union, both within and outside its borders.</p>
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[CONT Committee Report](#) on CONT delegation visit to Haiti (22-26 February 2012)

The Committee on Budgetary Control (CONT) included a delegation visit to Haiti in its annual plan for 2012 with the aim of answering the following two main questions:

1. Was the EU aid after the 2010 earthquake well managed and controlled?
2. Have the ways of channelling the aid linked the earthquake as well as to cholera epidemic proved effective and efficient, and have those aid channelling mechanisms ensured sufficient financial accountability, transparency and democratic accountability for the EU funds?

The delegation:

1. Is overall satisfied with the work done by the European Union and ECHO in response to the earthquake in Haiti in 2010;
2. Deplores the lack of sustainability of some projects and stresses that projects should principally aim at creating employment and sustainable growth; requests therefore the Commission to provide Parliament with a list of projects which have been carried out during the last 15 years in Haiti with an assessment of their current situation;
3. Finds inadmissible that the country seems as unprepared as before the earthquake; fears that the same level of emergency situation and losses would occur should a new disaster happen again; a national emergency response plan should be considered a starting point for an improved civil defence system;
4. Deplores that no one in the government is in charge of housing; urges the Haitian authorities to work out a comprehensive strategy/action plan for (social) housing to provide appropriate protection against natural disasters; should this not happen, the EU support to the Haitian State would need to be reduced or even discontinued;
5. Points to the problem of traceability and accountability of development funds; needs to strengthen the Haitian government and administration, administrative capacity building, transparency, traceability, accountability and fight against corruption; requests the Commission to report on the situation and on the actions taken;
6. Takes the view that providing public administration with adequate working conditions should be a priority and not be limited to raising public servants' salaries;
7. Regrets the insufficient level of coordination of humanitarian aid and development aid (linking relief, rehabilitation and development); takes the view that provision of humanitarian aid should be based on an exit strategy; considers that the Commission should direct its efforts and funding to rehabilitation and development;
- 8-16. Regrets the insufficient coordination between the EU delegation and the ECHO representation; supports a reinforced coordination between all EU actors in the country; points to the lack of visibility of the EU aid in Haiti; takes the view that in order to enhance visibility not only the flag, but also the name of the European Union should appear in PR documents rather than only that of the Commission or of DG ECHO, which are much less identifiable to average Haitian citizens;
10. Stresses the crucial importance of raising awareness within the population about the need for birth control;
- 11-12. Deplores the continuous internal political tension within the country and stresses the crucial importance of better cooperation between the Government, the President and Parliament for successful rebuilding of the country; believes that Haitian Parliament should have real budgetary and budgetary control rights; the control systems where EU funds are spent via the government channels in Haiti are in general inadequate; the Haitian authorities shall assure an improved control over expenditure, its effectiveness, efficiency and sustainability; funds should be channelled through the recently created Haitian Procurement Agency which should act as a control filter;
13. Notes with concern the alarming trend in the violence against women residing in the survivor camps; expects in this context greater responsiveness and accountability on the part of the Haitian police and justice system and stresses the need for real judiciary reform in the country.




<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-011633/2013</a> QWA COM Rule 117 Oreste Rossi (EPP) on Reporting of EU funding for Haiti</li> <li>2. <a href="#">E-008746/2013</a> QWA COM Rule 117 Iva Zanicchi (EPP) VP/HR - Worrying situation in Haiti three and a half years after the earthquake</li> <li>3. <a href="#">E-004611/2013</a> QWA COM Rule 117 Louis Michel (ALDE), Michèle Striffler (PPE) on Humanitarian aid and the rebuilding of Haiti</li> <li>4. <a href="#">E-002963/2013</a> QWA COM Rule 117 Diane Dodds (NI) on European Community Humanitarian Office (ECHO) - cholera eradication</li> <li>5. <a href="#">E-002698/2013</a> QWA COM Rule 117 James Nicholson (ECR) on European Union's activities in Haiti</li> <li>6. <a href="#">E-009902/2012</a> QWA COM Rule 117 Iva Zanicchi (EPP) on Haiti and the scourge of cholera</li> <li>7. <a href="#">E-005719/2012</a> QWA COM Rule 117 Thijs Berman (S&amp;D) on Follow-up to CONT committee report on Haiti</li> <li>8. <a href="#">E-001466/2012</a> QWA COM Rule 117 Marina Yannakoudakis (ECR) on Croix Deprez refugee camp, Haiti</li> <li>9. <a href="#">E-000317/2012</a> QWA COM Rule 117 Judith Sargentini (Verts/ALE) on Emergency aid for women and girls after the earthquake in Haiti</li> <li>10. <a href="#">E-000212/2012</a> QWA COM Rule 117 Sergio Paolo Frances Silvestris (EPP) on Prostheses for maimed children</li> <li>11. <a href="#">E-004480/2011</a> QWA COM Rule 117 Pat the Cope Gallagher (ALDE) on Reconstructing Haiti after the earthquake in 2010</li> <li>12. <a href="#">E-003334/2011</a> QWA COM Rule 117 Nuno Melo (EPP) on Haiti still recovering from disaster (second question)</li> <li>13. <a href="#">E-000622/2011</a> QWA COM Rule 117 Willy Meyer (GUE/NGL) on Situation in Haiti one year after the earthquake: humanitarian, sanitary and political crisis</li> <li>14. <a href="#">E-011055/2010</a> QWA COM Rule 117 Sergio Berlato (EPP) on Management of funds for the inhabitants of Haiti affected by the January 2010 earthquake</li> <li>15. <a href="#">E-010919/2010</a> QWA COM Rule 117 Nuno Melo (EPP) on Haiti still recovering from disaster</li> <li>16. <a href="#">E-010898/2010</a> QWA COM Rule 117 Marie-Christine Vergiat (GUE/NGL) on European Union humanitarian aid to Haiti</li> <li>17. <a href="#">E-8975/2010</a> QWA COM Rule 117 Niki Tzavela (EFD) on Aid for Haiti</li> <li>18. <a href="#">E-6045/2010</a> QWA COM Rule 117 Aldo Patriciello (EPP) on The emergency in Haiti persists</li> <li>19. <a href="#">E-5877/2010</a> QWA COM Rule 117 Oreste Rossi (EFD) on Haiti: post-earthquake reconstruction</li> <li>20. <a href="#">E-5694/2010</a> QWA COM Rule 117 Licia Ronzulli (EPP) Use of funds for the reconstruction of Haiti</li> <li>21. <a href="#">P-0681/2010</a> WQ COM Emma McClarkin (ECR) on Rebuilding society in Haiti</li> <li>22. <a href="#">E-0548/2010</a> WQ COM Georgios Papanikolaou (EPP) on Aid for the reconstruction of the educational system in Haiti</li> </ol>
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## Special Report No 14/2014 of 15 October 2014

### How do the EU institutions and bodies calculate, reduce and offset their greenhouse gas emissions?

Environment | EU Institutions and other bodies

Policy Area	 Environment / EU Institutions and other bodies
Report No / Date / Title	<a href="#">Special Report No 14/2014 of 15 October 2014</a> <a href="#">How do the EU institutions and bodies calculate, reduce and offset their greenhouse gas emissions?</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Did EU institutions and bodies have policies to reduce the impact of their administrative operations on the environment and were these policies implemented effectively?             <ol style="list-style-type: none"> <li>1.1. Did EU institutions and bodies calculate their greenhouse gas emissions, reduce those emissions and compensate for residual emissions through offsetting?</li> <li>1.2. Did EU institutions and bodies make full use of the environmental management tools promoted by the Commission to reduce emissions?</li> </ol> </li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The EU institutions and bodies have no common policies to monitor and mitigate their greenhouse gas emissions - the full carbon footprint of the EU institutions and bodies is not known and the patchy information available risks undermining the credibility of reporting; evidence that emissions caused by EU institutions and bodies as a whole have been falling exists but only related to energy consumption in buildings; more than half of the audited EU institutions and bodies had not set any quantified targets for reducing their emissions and only two had quantified targets for 2020; offsetting to compensate residual emissions is used to a limited extent and the EU institutions and bodies do not have a common approach;</li> <li>1.2. The EU institutions and bodies do not make full use of the environmental management tools promoted by the Commission - progress in introducing the eco-management and audit scheme EMAS is slow; green procurement is an option rather than an obligation under the current rules and only a few used it systematically; green building standards for energy performance are not systematically used for new buildings and major renovation projects.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should propose a common policy for reducing the carbon footprint of the administrative operations of the EU institutions and bodies. Such a policy should:             <ol style="list-style-type: none"> <li>(a) include a quantified overall reduction target for greenhouse gas emissions for the year 2030, and preferably also 5-year intermediate milestones;</li> <li>(b) be in line with the EU approach in international climate negotiations and therefore the target should be set as an absolute reduction target.</li> </ol> </li> <li>2. The EU institutions and bodies should introduce a harmonised approach for calculating and reporting their direct and indirect greenhouse gas emissions. Reporting should:             <ol style="list-style-type: none"> <li>(a) include all relevant indirect emissions, taking into account the development of the Commission's organisation environmental footprint method;</li> <li>(b) allow progress in achieving reduction targets in the various EU institutions and bodies to be measured.</li> </ol>             The EU institutions and bodies should develop a common approach through EMAS to compensate for their residual greenhouse gas emissions on a voluntary basis;           </li> </ol>



	<p>When offsets are used, they should be of high quality and be verified under recognised schemes;</p> <ol style="list-style-type: none"> <li>5. When offsets are used, they should be targeted on projects which do not only contribute to reducing emissions but also to sustainable development in terms of benefits for the local population concerned by the projects;</li> <li>6. All EU institutions and bodies should register with the European eco-management and audit scheme EMAS and implement it while progressively reducing any scope limitations. They should also consider signing up to the European Code on Data Centre Energy Efficiency;</li> <li>7. Green procurement should be used by the EU institutions and bodies, wherever possible. The financial rules and/or the procurement rules applicable to the EU institutions and bodies should provide the tools for contributing to the protection of the environment and sustainable development, while ensuring that they can obtain best value for money for their contracts.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 16/12/2014</a> on the European Court of Auditors Special Report No 14/2014 (2013 Discharge): "How do the EU institutions and bodies calculate, reduce and offset their greenhouse gas emissions?" (PE539.491) Rapporteur Patricija Sulin (EPP)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Believes that all the EU institutions and bodies should aim at a common approach to their greenhouse gas emissions and their possible reduction; in order to achieve they need to comprehensively calculate their greenhouse gas emissions and should not refrain from publishing their results;</li> <li>2. Believes that the European Commission, in order to maintain its reliability in environmental negotiations with third parties, should put more effort in collecting more data on its own greenhouse gas emissions;</li> <li>3. Invites those EU institutions and bodies who have no EMAS certificate to consider applying it promptly; underlines however, that EMAS should be considered as a tool to structure inter alia greenhouse gas emissions and should not be considered as the sole ultimate goal of the green policy of the institutions;</li> <li>4. Points out that offsetting greenhouse gas emissions can be used by the EU institutions and bodies to a greater degree to reduce their carbon footprint; agrees with the ECA that "using high-quality offsets in addition to emission reduction measures (and not instead of such reduction measures) would address these issues appropriately; notes however that offsetting should come second to investing these funds to further improvement of environmental policy of the EU bodies and institutions;</li> <li>5. Welcomes the fact that some of the EU institutions have started pilot projects of green procurement; hopes that the results prove to be promising and that green procurement will become a standard procedure of the EU institutions and bodies in the upcoming future;</li> <li>6. Underlines that in the implementation of these policies human factor remains key aspect. Urges therefore the management in the EU institutions and bodies responsible for these policies to train and improve further their skills and understanding of the importance of the greenhouse gas emissions of the institutions; hopes that the establishment of the new European Commission provides an opportunity of a new opening in implementation of higher standards in the European Commission and its agencies;</li> <li>7. Welcomes the drop by 46.3% in greenhouse gas emissions of the EP staff travel between the three places of work during the audited period, which is foremost attributable to the fact the train travel largely replaced the plane travel; points out however that the missions outside the three working places have increased the carbon footprint of the EP by 9.6%.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 17/04/2014</a> on European Parliament's estimates of revenue and expenditure for the financial year 2015, based on 2014/2003(BUD) (P7_TAPROV(2014)0450; A7-0277/2014) Leading committee BUDG</p> <p>[The European Parliament,]</p> <p>20. Reiterates Parliaments' responsibility to act in a sustainable way; welcomes the efforts made in order to achieve a paperless environment and the on-going</p>



	<p>valuable work realised through the EMAS approach; believes that the EMAS process needs continued support.</p> <p><a href="#">EP Resolution of 16/04/2014</a> with observations forming an integral part of its Decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2012, Section I – European Parliament. based on 2013/2196(DEC) (P7_TA-PROV(2014)0428; A7-0246/2014) Leading committee CONT</p> <p><a href="#">EP Resolution of 23/10/2013</a> on the location of the seats of the European Union's Institutions. based on 2012/2308(INI) (P7_TA-PROV(2013)0498; A7-0350/2013)</p> <p>Leading committee AFCO (BUDG and PETI for opinion)</p> <ol style="list-style-type: none"> <li>1. whereas the additional annual costs resulting from the geographic dispersion of Parliament have been estimated to range between EUR 156 million and EUR 204 million, equivalent to approximately 10 % of Parliament's annual budget, while the environmental impact is also significant, with the CO2 emissions associated with the transfers to and from the three working locations estimated to be between 11 000 and 19 000 tonnes. [The European Parliament]</li> <li>2. Agrees with the principle that the European Parliament would be more effective, cost-efficient and respectful of the environment if it were located in a single place; notes that the continuation of the monthly migration between Brussels and Strasbourg has amongst most EU citizens become a symbolic, negative issue detrimental to the European Union's reputation, especially at a time when the financial crisis has led to serious and painful expenditure cuts in the Member States.</li> </ol> <p><a href="#">EP Resolution of 17/04/2013</a> on discharge in respect of the implementation of the general budget of the European Union for the financial year 2011, Section I – European Parliament based on 2012/2168(DEC) (P7_TA(2013)0124; A7-0063/2013) Leading committee CONT</p> <p><a href="#">EP Resolution of 10/05/2012</a> on discharge in respect of the implementation of the general budget of the European Union for the financial year 2010, Section I – European Parliament based on 2011/2202(DEC) (P7_TA(2012)0155; A7-0120/2012) Leading committee CONT</p> <p><a href="#">EP Resolution of 6/04/2011</a> on the estimates of revenue and expenditure of European Parliament for the financial year 2012 - Section I - Parliament based on 2011/2018(BUD) (P7_TA(2011)0140; A7-0087/2011) Leading committee BUDG</p> <p>[The European Parliament,]</p> <ol style="list-style-type: none"> <li>11. Welcomes the Secretary General's proposal to continue to implement Parliament's environmental policy, to start an information campaign, to provide support for the multi-annual ICT strategy and to continue to modernise and rationalise the administration;</li> <li>13. Recalls the importance of all the points mentioned in the guidelines for the 2012 budget such as the modernisation of the software application systems including the digital strategy with regard to the Web 2.0 tools and social networks, the cloud computing system and Wi-Fi, information and communication policy, the knowledge management system, translation and interpretation, environmental policy and EMAS and active non-discrimination policies;</li> <li>14. Considers that in the implementation of the 2012 budget further savings should be achieved by reducing the consumption of, in particular, water, electricity and paper and that an effort should be made to reduce transportation costs related to official missions and travel.</li> </ol>
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	<p><a href="#">EP Resolution of 9/03/2011</a> on Guidelines for the 2012 budget- sections I, II and IV to X based on 2011/2017(BUD) (P7_TA(2011)0088; A7-0049/2011) Leading committee BUDG</p> <p>[The European Parliament,]</p> <p>10. Takes the view that environmental policy and EMAS should be part of Parliament's and the other institutions' cultures and that, for that purpose, measures for the reduction of paper consumption, energy, water and emissions should be submitted;</p> <p>11. Reiterates that interinstitutional cooperation, whenever possible and appropriate, is essential in order to exchange best practices that favour effectiveness and allow for savings; considers that interinstitutional cooperation should be improved as regards translation, interpretation, recruitment (EPSO) and EMAS and should be extended to other areas; requests that there should be a thorough review of freelance translation and the role of the translation centre;</p> <p>28. Takes the view that, as already decided, a fully functioning wifi service must be implemented so as to enable the goal of reducing the use of paper to be met; considers that the use of videoconferencing for meetings should be encouraged, as should the use of new environmentally friendly technologies; requests a cost-benefit analysis of such measures.</p> <p><a href="#">EP Resolution of 10/05/2011</a> on discharge in respect of the implementation of the European Union general budget for the financial year 2009, Section I – European Parliament based on 2010/2143(DEC) (P7_TA(2011)0196; A7-0094/2011) Leading committee CONT</p> <p><a href="#">EP Resolution of 2/04/2009</a> on the proposal for a regulation on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) based on 2008/0154(COD) (P6_TA(2009)0210; A6-0084/2009) Leading committee ENVI</p> <p>Final Act: Regulation 2009/1221 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) Promote continual improvements in the environmental performance of organisations by: (i) the establishment and implementation of environmental management systems by organisations; (ii) the systematic, objective and periodic evaluation of the performance of such systems; (iii) the provision of information on environmental performance, an open dialogue with the public and other interested parties; and (iv) the active involvement of employees in the organisation and appropriate training.</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-013256/2013</a> QWQ COM Rule 117 Béla Kovács (NI) on Heating pollution from EU institutions</li> <li>2. <a href="#">E-5695/2010</a> QWQ COM Rule 117 Licia Ronzulli (EPP) on Paper waste in the European institutions</li> <li>3. <a href="#">E-8598/2010</a> QWQ COM Rule 117 Nick Griffin (NI) on Cost of Commission energy/the Commission Footprint</li> <li>4. <a href="#">E-002935/2012</a> QWQ COM Rule 117 Edward McMillan-Scott (ALDE) on The economic, social and environmental cost of the three working places of the European Parliament</li> <li>5. <a href="#">E-002934/2012</a> QWQ COM Rule 117 Edward McMillan-Scott (ALDE) on The economic, social and environmental cost of the three working places of the European Parliament</li> </ol>






## Special Report No 15/2014 of 8 October 2014

### The External Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value

Justice and Home Affairs | Foreign Affairs

Policy Area	 Justice and Home Affairs / Foreign Affairs
Report No / Date / Title	<a href="#">Special Report No 15/2014 of 8 October 2014</a> <a href="#">The External Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value</a> <a href="#">Summary</a> (see also the EPRS Briefing " <a href="#">The EU External Borders Fund (EBF): European Court of Auditors' Special Report No 15/2014</a> ")
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Has The External Borders Fund (EBF) contributed effectively to external border management?</li> <li>1.1. Have the programmes and projects effectively supported the EBF's priorities in external border management?</li> <li>1.2. Has the EBF provided financial solidarity between Member States and addressed the fund's specific priorities, and thereby delivered EU added value?</li> <li>1.3. Have the EBF's programming and implementation procedures contributed to the fund's effectiveness?</li> <li>1.4. Are the Member States and the Commission using monitoring and evaluation appropriately to improve the effectiveness of the EBF?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1.1. The EBF has contributed to external border management, but the overall result could not be measured due to the lack of SMART objectives and serious deficiencies in evaluation and the low implementation in some Member States further limits its impact;</li> <li>1.2. Whilst the EBF has fostered financial solidarity, further EU added value has been limited - system for reinforcing specific priorities is partially ineffective; there is little support of operational cooperation between Member States; EBF mechanism to address specific weaknesses at strategic border points and emergency mechanism were partially effective; the Court observed support for projects which would have been financed nationally in any case, lacking a proper needs assessment or containing significant ineligible costs;</li> <li>1.3. Strategic and operational weaknesses in EBF programming and implementation at Member State and Commission level - programmes were not embedded in national strategies for border control and visas and are lacking SMART objectives and measurable indicators; annual programming requirements lead to excessive administrative burden and implementation difficulties; some Member States' project selection procedures did not ensure that their actual needs are met; the Court observed inadequate procurement procedures in Member States putting sound financial management at risk;</li> <li>1.4. Weaknesses in responsible authorities' monitoring and serious deficiencies in the ex post evaluations by the Commission and Members States do not allow an adequate assessment of the funds' overall achievements - there is lack of adequate monitoring and reporting of projects by Member States; there are delays and serious deficiencies in the ex post evaluations at both Member State and Commission level.</li> </ol>



	<p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. To ensure the availability of information on overall results, Member States should set measurable targets for output, outcome and, where possible, impact indicators, and indicators should be recorded from the start of the programme using appropriate IT systems. The Commission should ensure that all indicators to be used are relevant, measurable and, where possible, paired with a target value and that its evaluation report presents stakeholders with an informed and timely analysis of underlying data;</li> <li>2. To increase the EU added value of the fund, the Commission should provide Frontex with relevant, comprehensive and timely information regarding implementation of the EBF, the Internal Security Fund (ISF) and subsequent instruments. Furthermore, Member States and the Commission should concentrate more on establishing common application centres and other forms of consular cooperation rather than the renovation, adaptation or equipping of consulates;</li> <li>3. To embed the EBF in a national strategy for border management, Member States should develop comprehensive national strategies on border management based on a risk analysis following the common integrated risk analysis model, and this should be an ex-ante condition for support from the ISF or subsequent instruments;</li> <li>4. To strengthen the implementation of the fund, administrative capacity, including in respect of procurement, should be enhanced, particularly in key Member States.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 12/11/2014</a> on European Court of Auditors' Special Report No 15/2014 (2013 Discharge) "The External Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value" (PE 539.490) Rapporteur: Dennis de Jong (GUE/NGL)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Notes with concern that the strategic objectives of the EBF have not been clear, and that there is tension between the general nature of the EBF as solidarity mechanism and its concentration on concrete objectives for better co-operation in the field of border controls and visas;</li> <li>2. Notes that for the Commission the successful launch of SIS II, VIS and Eurosur in all Member States indicates the contribution of the EBF; Is, however, of the opinion that such a general statement can never be used as a satisfactory reply to the ECA's specific criticisms of lacking performance indicators;</li> <li>3. Notes that similar problems may arise in respect of the objectives of the instrument for financial support for external borders and visa, as part of the ISF, since again this instrument serves both solidarity between Member States in respect of border controls management and the realisation of a uniform and high level of control of the external borders and the effective processing of Schengen visas, in compliance with the Union's commitment to fundamental freedoms and human rights;</li> <li>4. Emphasises that Member States regard border controls management and, to a lesser extent, the processing of visas still as essentially national competences;</li> <li>5. Is concerned that if the Commission and Member States do not agree on the main character of this part of the ISF, Member States may still be inclined to use the funding for projects that they deem important from a national perspective, rather than seeking to contribute to consular co-operation, to Frontex operations or to emergency actions and specific actions which are of importance to the Schengen area as a whole;</li> <li>6. Requests the Commission to examine whether it may be useful to divide the border controls and visas part of the ISF into several earmarked segments: one for solidarity, one for the realisation of consular co-operation, Frontex operations and emergency and specific actions; and one for actions that are relevant from a national perspective;</li> <li>7. Expects that by earmarking parts of the available funds it will be easier for Member States to develop and use relevant and measurable indicators for output, outcome and impact of the actions concerned; Notes in this regard that both actions in the solidarity segment, and actions that are particularly relevant from a national perspective should only be funded if it can be demonstrated ex ante that they serve concrete and measurable objectives;</li> <li>8. Agrees with the Court that the work of Frontex should be more directly supported by the ISF by making the entering of at least part of the ISF co-financed assets into Frontex's technical equipment pool obligatory;</li> </ol>



	<p>9. Is worried about the irregularities found by the Court in the various national procurement policies and states that the exception clause for defence and security procurements may not be used in cases, where less restrictive procedures could have been used without compromising security;</p> <p>10. Commends the Commission for having taken corrective financial measures in the case of a project that was found in breach of fundamental freedoms and human rights, but calls upon the Commission to identify ex ante any possible risks in this regard, especially in which border controls are carried out in respect of the right to seek asylum.</p>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 23/10/2013</a> on migratory flows in the Mediterranean, with particular attention to the tragic events off Lampedusa, based on 2013/2827(RSP) (P7_TA-PROV(2013)0448; B7-0474, 0475, 0476, 0477, 0479 and 0480/2013) Tabled by EPP, ALDE, S&amp;D, EFD, GUE/NGL, Greens/EFA and and Cristiana MUSCARDINI (ECR, IT);</p> <p>[The European Parliament.] C. whereas there is still a lack of clarity at EU level regarding the division of responsibility among the various entities involved in rendering assistance to vessels in distress, and regarding responsibility for coordinating search and rescue operations;</p> <p>2. Is of the opinion that Lampedusa should be a turning point for Europe to adopt a coordinated approach based on solidarity and responsibility;</p> <p>5. Welcomes the Commission's intention to establish a task force on the issue of migratory flows in the Mediterranean; this task force, involving the Parliament at either a political or a technical level, should comprise both a political and an operational element. Such a task is a first step towards a more ambitious approach;</p> <p>6. Asks for an increase in the budget for the European Asylum Support Office (EASO) and for the European Agency for the Management of Operational Cooperation at the External Borders of the Member States (Frontex) in order to assist Member States in circumstances requiring increased technical and operational assistance at the external borders; the proper funding of these agencies is vital in order to develop a coordinated approach. Member States shall increase their practical cooperation with EASO and Frontex, including through aid in kind; the Council and the Commission shall consider the possibility of establishing an EU coast guard and of setting up another Frontex operational office in areas of migratory pressure, and in particular in the Mediterranean region, with related costs covered by the Member State selected;</p> <p>7. Underlines the importance of responsibility-sharing in the field of asylum, and recommends creating a mechanism based on objective criteria to reduce the pressure on those Member States receiving higher numbers of asylum seekers and beneficiaries of international protection, in either absolute or proportional terms;</p> <p>16. Calls for the EU and its Member States to monitor mixed migratory flows by using the available European and national instruments, and to maintain good coordination and communications, such as the facilitation of information-sharing between national coast guards;</p> <p>19. Recalls that EU solidarity should go hand in hand with responsibility; recalls that the Member States have a legal obligation to come to the assistance of migrants at sea;</p> <p>27. Enhanced cooperation between the EU and third countries to prevent a repetition of such tragic occurrences; the agreements on migration management between the EU and transit countries to the EU is a priority for the Union in the near future, including the funding of police facilities and training in law enforcement capabilities, and assistance for these countries to diversify and improve their economies, and stresses the need for third countries to respect international law with regard to saving lives at sea, and to ensure the protection of refugees and respect for fundamental rights;</p> <p>28. Calls for the EU to continue to offer humanitarian, financial and political assistance in crisis areas in North Africa and the Middle; calls on the EU, therefore, to monitor and make more democratically accountable the distribution of that funding.</p>



	<p><a href="#">EP Resolution of 9/10/2013</a> on EU and Member State measures to tackle the flow of refugees as a result of the conflict in Syria, based on 2013/2837(RSP) (P7_TA-PROV(2013)0414; B7-0442/2013) Leading committee LIBE</p> <p>[The European Parliament,] 10. Stresses the importance at this stage of exploring concretely whether, how and when Member States could do more to reinforce their protection response to Syria; need for solidarity and for strengthening of the overall protection response in the EU through enhanced cooperation, information sharing, capacity building and policy dialogue.</p> <p><a href="#">EP Resolution of 13/04/2014</a> on the proposal for a regulation establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa, based on 2011/0365(COD) (P7_TA-PROV(2014)0243; A7-0025/2014) Leading committee LIBE (AFET and BUDG for opinion)</p> <p>Final Act: Regulation 2014/515 establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa <b>Review Clause:</b> The European Parliament and the Council shall, on the basis of a proposal of the Commission, review this Regulation by 30 June 2020. Article 21 transitional provisions 5. Member States shall submit to the Commission by 30 June 2015 the evaluation report on the results and impact of actions co-financed under the Decision No 574/2007/EC concerning the period 2011–2013; 6. The Commission shall submit to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions by 31 December 2015 the ex-post evaluation report under Decision No 574/2007/EC concerning the period 2011–2013.</p> <p><a href="#">EP Resolution of 6/02/2013</a> on the proposal for a decision amending Decision No 574/2007/EC with a view to increasing the co-financing rate of the External Borders Fund for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability, based on 2012/0253(COD) (P7_TA(2013)0043; A7-0433/2012) Leading committee LIBE</p> <p>Final Act: Decision 2013/259 amending Decision No 574/2007/EC with a view to increasing the co-financing rate of the External Borders Fund for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability</p> <p><a href="#">EP Resolution of 13/12/2006</a> on the proposal for a decision establishing the External Borders Fund for the period 2007-2013 as part of the General programme "Solidarity and Management of Migration Flows", based on 2005/0047(COD) (P6_TA(2006)0590; A6-0427/2006) Leading committee LIBE (AFET and BUDG for opinion)</p> <p>Final Act: Decision 2007/574 establishing the External Borders Fund for the period 2007 to 2013 as part of the General programme 'Solidarity and Management of Migration Flows'</p> <p>1. Some key amendments made by Parliament are as follows:</p> <ul style="list-style-type: none"> <li>- Parliament emphasised the application of the principle of solidarity between the Member States;</li> <li>- The Fund should promote a wide variety of co-operation between the Member States, between the authorities dealing with border guard as well as visas, including common consular offices as a gradual evolvement. Stress is put on the introduction of innovative measures as regards the new technology, surveillance equipment, and the security of travel documents. Parliament emphasised the use of VIS, FADO and other European systems;</li> </ul>
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	<ul style="list-style-type: none"> <li>- Parliament stated that, as a complement to operational cooperation developed under the aegis of the Agency and in addition to the allocation of the funds to the Member States, the Fund should also introduce the possibility for a Community response to weaknesses at strategic border points by co-financing specific actions to address these weaknesses, on the basis of a specific amount set aside each year for these actions;</li> <li>- Due to the fact that the fund could support national measures of a Member State to implement the Schengen provisions, reaching from external borders to visa policy, at different levels and locations several authorities of a Member State might be involved. Therefore Member States are allowed to designate several certifying and audit authorities or delegated authorities as long as there is a clear allocation of functions for each of these authorities.</li> </ul> <p>Reporting obligations (Article 52) :</p> <ol style="list-style-type: none"> <li>2. The Member States shall submit to the Commission: <ol style="list-style-type: none"> <li>a. by 30 June 2010, an evaluation report on the implementation of actions co-financed by the Fund;</li> <li>b. by 30 June 2012 for the period 2007 to 2010 and by 30 June 2015 for the period 2011 to 2013 respectively, an evaluation report on the results and impact of actions co-financed by the Fund;</li> </ol> </li> <li>3. The Commission shall submit to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: <ol style="list-style-type: none"> <li>a. by 30 June 2010, a report to review Articles 14 and 15, together with proposals for amendments if deemed necessary;</li> <li>b. by 31 December 2010, an intermediate report on the results achieved and on qualitative and quantitative aspects of implementation of the Fund, together with a proposal on the Fund's future development;</li> <li>c. by 31 December 2012 for the period 2007 to 2010 and 31 December 2015 for the period 2011 to 2013 respectively, an ex-post evaluation report.</li> </ol> </li> </ol>
<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-007916-14</a> QWA COM Rule 130 Rachida Dati (EPP) on Appropriate use of the Internal Security Fund (External borders and visas)</li> <li>2. <a href="#">O-000079/2014</a> QOA COM Rule 128 Claude Moraes on behalf of LIBE committee on Situation in the Mediterranean and the need for a holistic EU approach to migration</li> <li>3. <a href="#">E-007237-14</a> QWA COM Rule 130 Elissavet Vozemberg (EPP) on EU support — solidarity between Member States</li> <li>4. <a href="#">E-006099-14</a> QWA COM Rule 130 Simona Bonafè (S&amp;D) , Caterina Chinnici (S&amp;D) , Michela Giuffrida (S&amp;D) on Migratory flows to Italian coastal areas</li> <li>5. <a href="#">E-004708-14</a> QWA COM Rule 117 Roberta Metsola (EPP) on Migration funds</li> <li>6. <a href="#">E-008245-13</a> QWA COM Rule 117 Joseph Cuschieri (S&amp;D) on Illegal immigration in the Maltese Islands</li> <li>7. <a href="#">P-012766/2013</a> QWA COM Rule 117 Franziska Keller (Verts/ALE) on Serious human rights violations at Greece's external borders</li> <li>8. <a href="#">E-006937/2012</a> QWA COM Rule 117 Mario Borghezio (EFD) on Urgent EU action to tackle new waves of migration</li> <li>9. <a href="#">E-005586/2012</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on Progress in Greece's request for assistance in the general management of the External Borders Fund and the European Return Fund</li> <li>10. <a href="#">E-004196/2012</a> QWA COM Rule 117 Nikolaos Chountis (GUE/NGL) on Management of migration flows</li> <li>11. <a href="#">E-003504/2012</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on Available financing for the establishment and running costs of initial reception centres and new detention centres in Greece</li> <li>12. <a href="#">E-002061/2012</a> QWA COM Rule 117 Sonia Alfano (ALDE) on Framework Programme on Solidarity and management of migration flows</li> <li>13. <a href="#">E-001691/2012</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on Causes of delay in the approval of funding for 2011 for the comprehensive programme for the management of the Greek borders</li> <li>14. <a href="#">E-010361/2011</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on Progress in the take-up of resources by Greece for immigration policy</li> <li>15. <a href="#">E-008720/2011</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on European funding for the construction of reception centres for illegal immigrants in Greece</li> <li>16. <a href="#">E-008272/2011</a> QWA COM Rule 117 IT EPP delegation on Compensatory measures for Sicily, Lampedusa and Pantelleria for the mass influx of refugees and economic migrants</li> </ol>




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|  | <ol style="list-style-type: none"><li>17. <a href="#">E-007942/2011</a> QWA COM Rule 117 Roberta Angelilli (EPP) on Best practices of the programme Solidarity and the Management of Migratory Flows (SOLID)</li><li>18. <a href="#">E-001919/2011</a> QWA COM Rule 117 Luigi de Magistris (ALDE) on Use of EU funds by Italy for emergency immigration</li><li>19. <a href="#">E-000886/2011</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on Uptake of funds by Greece in the field of immigration policy</li><li>20. <a href="#">E-010318/2010</a> QWA COM Rule 117 Georgios Papanikolaou (EPP) on Programmes in receipt of funding in the field of migration,</li><li>21. <a href="#">E-0454/2009</a> QWA COM Rule 117 Dimitrios Papadimoulis (GUE/NGL) on Financing of the Greek programme for 2007-2013 under the External Borders Fund</li><li>22. <a href="#">H-0982/2008</a> OQ COM Rule 109 Stavros Arnautakis on Progress of the Funds set up as part of the general programme 'Solidarity and management of migration flows'</li><li>23. <a href="#">E-3797/2008</a> WQ COM Rule 117 Giusto Catania (GUE/NGL) on Implementation of immigration-related Community programmes</li><li>24. <a href="#">E-0868/2007</a> OQ Rule 109, Stavros Arnautakis on Framework Programme on Solidarity and Management of Migration Flows</li><li>25. <a href="#">E-3753/2007</a> WQ COM Rule 117 Jean-Luc Bennahmias (Verts/ALE) on External Borders Fund</li></ol> |
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## Special Report No 16/2014 of 22 October 2014

# The effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies

EU Development Aid | Foreign Affairs

Policy Area	 EU Development Aid / Foreign Affairs
Report No / Date / Title	<a href="#">Special Report No 16/2014 of 22 October 2014</a> <a href="#">The effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Have the regional investment facilities been set up and managed well?</li> <li>2. Did the use of blending yield the intended benefits?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. The regional investment facilities have been set up in an appropriate manner, but the Commission's management is still affected by shortcomings - the set-up of the regional investment facilities is satisfactory and the regulatory and procedural framework is improving; suitable projects are selected but the Commission's assessment does not focus adequately on the added value and amount of EU grants; the Commission makes advance disbursements that are unnecessarily high; in the case of sub-facilities, the criteria for awarding sub-loans were vague or broad; the extent of the Commission's monitoring of the implementation of grants varied;</li> <li>2. The intended benefits of blending grants and loans have not been fully achieved so far - the need for a grant to enable the loan to be contracted was demonstrated for only half of the projects examined; the potential for Commission involvement in the formulation of policies and for having an impact on the way projects were set up and managed was not fully exploited; blending enhanced donor coordination but the visibility of EU funding has been limited to date.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The Commission should ensure that the allocation of EU grants is based on a documented assessment of the added value resulting from the grants in terms of achieving EU development, neighbourhood and enlargement objectives. In doing so, the Commission should:             <ol style="list-style-type: none"> <li>a. ensure that adequate guidelines are adopted and implemented in order to steer the Commission's involvement at all stages of the approval and follow-up process;</li> <li>b. take a more proactive role, in particular at EU delegation level, in identifying and selecting projects;</li> <li>c. ensure that grant applications submitted to executive boards for final approval concern only mature projects and contain complete information. More specifically, the grant applications should detail the need for and added value of the grants and clarify how the amounts have been established;</li> <li>(d) shorten the average duration of the approval process by reviewing the systematic need for provisional approvals.</li> </ol> </li> </ol>



	<ol style="list-style-type: none"> <li>2. The Commission should disburse funding only when the funds are actually needed by the beneficiary.</li> <li>3. The Commission should improve its monitoring of the EU grant implementation. In doing so, the Commission should: <ol style="list-style-type: none"> <li>a. implement a results-measurement framework that includes indicators for following up the impact of EU grants;</li> <li>b. provide clear instructions to EU delegations regarding their role in monitoring EU support for blended projects;</li> <li>c. include the ITF in the ROM process and adapt ROM methodology to the specific characteristics of blending.</li> </ol> </li> <li>4. The Commission should increase its efforts to ensure that appropriate visibility is afforded to EU funding by defining clear visibility requirements for financial institutions and requiring the EU delegations to be involved in visibility actions.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 15/01/2015</a> on the European Court of Auditors' Special Report No 16/2014 (2013 Discharge): "The effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies" (PE 541.429v02-00) Rapporteur Igor Soltes (Greens/EFA)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Welcomes the special report dedicated to the evaluation of the effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies and sets out its observations and recommendations below;</li> <li>2. Encourages the Court to further deepen such audit activities in this emerging cooperation field in order to regularly provide to policymakers a regular comprehensive assessment of issues and risks at stake;</li> <li>3. Acknowledges that the increased interest in blending and opportunities offered by the use of new financial investments facilities is mainly motivated by the combination of important developmental challenges with heavily constrained public's funds therefore leading to developing new financial resources combining EU grant aid and non-grant resources;</li> <li>4. Acknowledges that by blending grants with additional public and private resources (such as loans and equity), a substantial leverage effect of grants and stronger EU policies' development and impact can be achieved to unlock additional financing;</li> <li>5. Stresses that any new financial instruments and blending have to remain in line with the EU development policies objectives based on Official Development Assistance (ODA) criteria and set in the Agenda for Change i.e. improving the quality, efficiency, the sustainability and the speed of implementation of the EU interventions; believes that those instruments must focus on EU priorities where value added and impact are highest and considers that they have to be strategically used in sectors where blending can be most usefully deployed;</li> <li>6. Demands, as a core constant principle, to avoid the risk of financial incentives outweighing development principles (financial objectives may prevail over development concerns) and to respect sustainable developments principles such as social and environmental standards;</li> <li>7. Takes note of the results of the review of the EU Platform for blending in external cooperation with the original aim to increase the effectiveness, efficiency and quality of existing blending mechanisms and facilities considering that harmonization of key principles, valid for all regional facilities and financial instruments, will be of utmost importance for the new MFF; according to the outcomes of the review, invites the European Commission and the EEAS to continue a structured/strategic dialogue on the issue notably on how transparency and accountability would be steadily ensured and enhanced;</li> <li>8. Demands the introduction of common standards of governance for such financial activities as well as the definition of best practices and well-defined eligibility and evaluation criteria for the use of those financial tools; believes that coherent rules of management such as structured reporting, clear monitoring frameworks and oversight conditions will strive to reduce transaction costs or possible duplication of costs;</li> <li>9. Considers indispensable to design adequate governance structures of the various facilities to foster recipient countries, beneficiaries or stakeholders' ownerships of these instruments; recalls that the development of blended official development assistance channelled through facilities requires a well-structured cooperation between the European Commission and the EEAS with the EIB, the Member States and Parliament; calls on an enhanced involvement of EU Delegations in the decision process making notably in the identification phase of projects through contributions to ex ante evaluation or impact assessment and more generally for ensuring the EU weight in the policy dialogue with partner countries and also as an interface with local civil society;</li> </ol>





	<p>10. Insists on the necessity to achieve the highest level of transparency and accountability by accessing to exhaustive and sound budgetary information and financial data related to projects funded by these investment facilities; to allow Parliament' power of scrutiny and consent, calls for a regular reporting to Parliament on the use of these financial instruments and results, in particular on the assessment of the financial and non-financial leveraging and additionality while recalling complying with the provisions of article 140 of the Financial Regulation;</p> <p>11. Supports the Court's recommendations with regard to the effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies and welcomes the Commission's response to also accept the recommendations.</p>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 3/04/2014</a> on discharge in respect of the implementation of the budget for the Eighth, Ninth and Tenth European Development Funds for the financial year 2012, based on 2013/2206(DEC) (P7_TA(2014)0290; A7-0176/2014) Leading committee CONT (DEVE for opinion)</p> <p>[The European Parliament,]</p> <p>81. Asks the Court of Auditors to draw up a Special Report on the performance and alignment with Union development policies and objectives of EIB external lending activities before the mid-term review of the EIB's external mandate and the mid-term review of the Investment Facility, as well as compare the added value with regards the own resources used by the EIB; asks the Court of Auditors, furthermore, to differentiate its analysis between the guarantees granted by the general budget of the Union and by the Member States, the investment facility endowed by the EDF and the usage of reflows for these investments, and the EIB's use of the various forms of blending used in the EU-Africa infrastructural trust fund and the Caribbean investment facility;</p> <p>87. Supports, in the context of the Union's external policies, the progressive development of new financial products with the Commission and the Member States...;</p> <p>88. Asks the Commission to consider the development impact of the Investment Facility in its annual report to Parliament and Council on the Union's development and external assistance policies and their implementation and the annual activity report;</p> <p>89. Calls on the Commission to provide a fully-fledged report on the impact and results of the implementation of financial facilities in the context of the platform for cooperation on blending and development policies;</p> <p>90. Looks forward for the inclusion of the Investment Facility in the next evaluation report on Union support to private sector development.</p> <p><a href="#">EP Resolution of 11/03/2014</a> on European Investment Bank (EIB) – Annual Report 2012, based on 2013/2131(INI) (P7_TA-PROV(2014)0201; A7-0137/2014) Leading committee CONT (ECON for opinion)</p> <p>[The European Parliament,]</p> <p>69. Asks the European Court of Auditors (ECA) to carry out a special report on the performance and alignment with EU policies of EIB external lending activities before the mid-term review of the EIB's external mandate and to compare their added value with regard to the own resources used by the EIB; asks the ECA furthermore to differentiate in its analysis between the guarantees granted by the EU budget, the investment facility guaranteed by the EDF, the various forms of blending used in the EU-Africa infrastructural trust fund, the Caribbean investment fund and the investment facility for the Pacific and the usage of reflows for these investments;</p> <p>73. Supports the progressive development of new financial products with the Commission and the Member States, such as products blending EU grants, loans and risk sharing instruments in order to reach new categories of firms;</p> <p>74. Expects, therefore, the governance report on the implementation of the platform for cooperation with international financial instruments on blending to include detailed and consistent information in this regard and to ensure an adequate role for the EIB; calls on the Commission to provide a full-fledged report on the impact and results of the implementation of financial facilities in the context of the platform for cooperation on blending.</p>



	<p><a href="#">EP Resolution of 8/10/2013</a> on corruption in the public and private sectors: the impact on human rights in third countries, based on 2013/2074(INI) (P7_TA-PROV(2013)0394; A7-0250/2013) Leading committee AFET (DEVE for opinion)</p> <p>Accountability and transparency of external aid and public budgets. [The European Parliament,]</p> <p>5. Stresses that the governance of those instruments needs to be reviewed, with the aim of granting greater transparency in project selection criteria and accountability to society as a whole; recalls that establishing a critical number of minimum requirements for project selection, monitoring and evaluation could facilitate comparability and a coherent basis for information on the performance of operations; notes that progress and development impact of projects should be systematically reported to justify the use of aid resources by blending facilities, not only to the donors and the European financial institutions involved, but also to the general public.</p> <p><a href="#">EP Resolution of 22/10/2013</a> on local authorities and civil society: Europe's engagement in support of sustainable development, based on 2012/2288(INI) (P7_TA-PROV(2013)0432; A7-0296/2013) Leading committee DEVE Programming documents and aid modalities. [The European Parliament,]</p> <p>44. Calls on the Commission to promote the participation of civil society organisations (CSOs) and local authorities (LAs) in the ongoing discussion on blending mechanisms in the framework of the EU Platform for Blending in External Cooperation; asks the Commission to draft guidelines and create inclusive impact assessment and monitoring mechanisms to ensure that concerned populations are consulted at and participate in all stages of the project cycle and that blending contributes to poverty eradication;</p> <p>45. Calls also on the Commission to allow CSOs to participate in all new forms of cooperation under the EU Platform for Blending in External Cooperation.</p> <p><a href="#">EP Resolution of 26/10/2012</a> on innovative financial instruments in the context of the next Multiannual Financial Framework, based on 2012/2027(INI) (P7_TA(2012)0404; A7-0270/2012) Leading committee BUDG (CONT, ITRE and REGI for opinion)</p> <p>Commission proposals for the period covered by the next Multiannual Financial Framework (2014-2020). [The European Parliament,]</p> <p>21. Draws attention, in this context, to the imminent creation of a Union platform for external cooperation and development, designed to improve the quality and effectiveness of the 'blending' (combination of grants and loans) mechanisms used in the context of those policies, whilst taking proper account of the regional frameworks governing the Union's relations with its partner countries; notes that the purpose of the platform is to facilitate both the assessment of the existing external policy instruments and the design of the new instruments for the period 2014-2020.</p> <p><a href="#">EP Resolution of 23/10/2012</a> on an agenda for change: the future of EU development policy, based on 2012/2002(INI) (P7_TA(2012)0386; A7-0234/2012) Leading committee DEVE</p> <p>[The European Parliament,]</p> <p>4. Observes that the blending mechanism, as it stands now, is proposed to mix public grants with financial institutions' loans and other risk-sharing mechanisms, at a time of financial crisis implying budget constraints for development; requests the Commission, therefore, to provide clear information on how this mechanism serves the purpose of a development policy based on ODA criteria and how the power of scrutiny of Parliament will be exercised.</p>
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	<p><a href="#">EP Resolution of 5/07/2011</a> on Increasing the impact of EU development policy, based on 2011/2047(INI) (P7_TA(2011)0320; A7-0205/2011) Leading committee DEVE</p> <p>[The European Parliament,]</p> <p>39. Stresses that investment projects supported by EU mechanisms for blending grants and loans must be subject to monitoring of their implementation and impact studies of internationally agreed social and environmental standards; insists that the decision-making process on the selection of projects must be transparent and ensure coherence with EU strategy papers, the principle of country ownership and the EU's commitment to untie its aid;</p> <p>40. Insists that blending should generate new funds, rather than leading to grants under the EU's ODA being replaced by loans.</p>
<p>Oral / Written Questions</p>	<ol style="list-style-type: none"> <li>1. <a href="#">E-002077/2014</a> QWA COM Rule 117 Raúl Romeva i Rueda (Verts/ALE) on Latin America Investment Facility (LAIF)(I)</li> <li>2. <a href="#">E-002078/2014</a> QWA COM Rule 117 Raúl Romeva i Rueda (Verts/ALE) on Latin America Investment Facility (LAIF)(II)</li> <li>3. <a href="#">E-001604/2014</a> QWA COM Rule 117 Fiona Hall (ALDE) on Study on financing for development (leveraging and blending)</li> <li>4. <a href="#">E-012954/2013</a> QWA COM Rule 117 Monica Luisa Macovei (EPP) on Infrastructure solutions in the western Balkans (Western Balkan Investment Framework (WBIF))</li> <li>5. <a href="#">E-009767/2013</a> QWA COM Rule 117 Marc Tarabella (S&amp;D) on Weaknesses of development banks</li> <li>6. <a href="#">E-002324/2011</a> QWA COM Rule 117 Birgit Schnieber-Jastram (EPP) on Leak of audit report on Mopani Copper Mine in Zambia</li> <li>7. <a href="#">E-9053/2010</a> QWA COM Rule 117 on Ilda Figueiredo (GUE/NGL) on Utilisation of the LAIF (Latin America Investment Facility)</li> <li>8.</li> </ol>



## Special Report No 17/2014 of 3 December 2014

### Can the EU's Centres of Excellence initiative contribute effectively to mitigating chemical, biological, radiological and nuclear risks from outside the EU?

Justice and Home Affairs | Foreign Affairs | Industry

Policy Area	 Justice and Home Affairs / Foreign Affairs / Industry
Report No / Date / Title	<a href="#">Special Report No 17/2014 of 3 December 2014</a> <a href="#">Can the EU's Centres of Excellence initiative contribute effectively to mitigating chemical, biological, radiological and nuclear risks from outside the EU?</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Can the EU CBRN Centres of Excellence initiative contribute effectively to mitigating chemical, biological, radiological and nuclear risks from outside the EU?</li> <li>1.1. Is the initiative based on a sound analysis of the situation prior to 2010?</li> <li>1.2. Is the organisational set-up of the initiative appropriate to meet identified challenges?</li> <li>1.3. Is an appropriate management system in place and operational?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. On the overall audit question, the Court concludes that the EU CBRN Centres of Excellence initiative can contribute effectively to mitigating chemical, biological, radiological and nuclear risks from outside the EU, but several elements still need to be finalised:             <ol style="list-style-type: none"> <li>1.1. The concept behind the initiative is based on a sound analysis, and fosters cooperation and ownership in the regions;</li> <li>1.2. The organisational set-up of the initiative is complex but generally appropriate;</li> <li>1.3. While management systems are set up, there are still shortcomings - delays in the implementation plan; systems for selecting and implementing projects are in place, but partner countries need to become more involved in them; bilateral cooperation between decision-making and implementing bodies takes place, but there is no forum for wider strategic cooperation; a monitoring system has been established in 2013, however due to the short term since its establishment it is too early to assess its effectiveness.</li> </ol> </li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. With regard to the initiative's structure as it is now, the EEAS and the Commission should:             <ol style="list-style-type: none"> <li>a. concentrate EU funding in the areas of most relevance to EU security so to get the most direct benefit;</li> <li>b. increase the capacities of the regional secretariats by adding technical expertise;</li> <li>c. increase the role of the EU delegations, particularly in the countries where a regional secretariat has been set up.</li> </ol> </li> <li>2. As regards the management of the projects, the Commission should:             <ol style="list-style-type: none"> <li>a. take measures not only to involve partner countries in the initiation of projects but also in their implementation, which would increase their ownership of the measures and ensure their sustainability;</li> <li>b. continue efforts to improve procedures in order to decrease the time gap between project proposals and project implementation;</li> <li>c. improve cooperation between decision-making and implementing bodies, for instance by reviving the coordination committee.</li> </ol> </li> </ol>



<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 7/1/2015</a> on the European Court of Auditors' Special Report No 17/2014 (2013 Discharge): Can the EU's Centres of Excellence initiative contribute effectively to mitigating chemical, biological, radiological and nuclear risks from outside the EU? (PE 541.374v02-00) Rapporteur Miroslav Poche (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Welcomes the chemical, biological, radiological and nuclear (CBRN) Centres of Excellence (CoE) initiative; its governance structure underlines the network character of the initiative;</li> <li>2. Welcomes the overall positive thrust of the special report and the Court's recommendations which were all accepted by the Commission;</li> <li>3. Notes that the initiative represents an innovative approach providing for networking, regional and international partnerships, consolidating, coordinating and optimising existing capabilities in terms of expertise, training, technical assistance or equipment;</li> <li>4. Points to the fact that such structures are necessarily complex, therefore difficult to set up and run effectively;</li> <li>5. Recalls that this initiative had EUR 100 million at its disposal for the period 2010- 2013;</li> <li>6. Is of the opinion that the prime value of this initiative is its bottom-up approach, building on the experience of the partner countries; the EU delegations should be regularly informed and undertake to play a more active role in consultation with the respective partner country's authorities;</li> <li>7. At the same time, would like to point out that respecting partner countries' "ownership" of projects should not prevent the Commission from making proposals which would benefit from a joint response ( i.e. in fighting the outbreak of the Ebola epidemic);</li> <li>8. Is convinced that projects should be selected in such a way to allow for the limited amount available to be concentrated on areas most relevant to EU security; in the project selection European institutions could usefully assume a clearing-house function;</li> <li>9. Notes that the technical expertise of the regional secretariats should be enhanced in order to facilitate the identification of issues to be addressed through initiatives as well as to improve the preparation and implementation of individual projects;</li> <li>10. Welcomes the fact that partner countries may propose projects at any moment since May 2013 which enhance the ability to react on developing threats;</li> <li>11. Takes note that the delay between the project proposal and subsequent project approval and implementation should be further reduced;</li> <li>12. Stress that the wider strategic cooperation is needed in order to improve coherence and coordination of various funding instruments in the area of security; stresses that enhanced coordination among relevant actors in the CBRN field would enhance the effectiveness of existing initiatives;</li> <li>13. is of the opinion that the initiative might benefit from a clearer distinction between the internal and external dimension of CBRN actions.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 14 December 2010</a> on strengthening chemical, biological, radiological and nuclear security in the European Union – an EU CBRN Action Plan, based on 2010/2114(INI) (P7_TA(2010)0467:A7-0349/2010) Leading committee LIBE (AFET, ENVI, ITRE for opinion)</p> <p>87-88. Calls on the Commission to draw up an EU CBRN Roadmap for the period between now and 2013, when the EU CBRN Action Plan will be reviewed, in which challenges and policy responses are set out and on which the Commission will regularly report back to Parliament regarding ongoing developments and progress to date; calls on the Member States and the Commission to rapidly review and apply the EU CBRN Action Plan in accordance with its recommendations, and expects them to implement it swiftly; further urges the Commission and the Council to refer the next EU CBRN Action Plan to Parliament at least one year before it enters the implementation phase, so that Parliament can deliver its opinion in due time.</p>




	<p><a href="#">EP Resolution of 22 November 2012</a> on the EU's mutual defence and solidarity clauses: political and operational dimensions, based on 2012/2223(INI) (P7_TA(2012)0456; A7-0356/2012) Leading committee AFET (LIBE and AFCO for opinion)</p> <p>34. Takes the view that the wide array of potential crises, from floods to CBRN attacks or disasters, inevitably requires a wide spectrum of specialised services and networks, the merging of which would not necessarily lead to greater efficiency; considers, at the same time, that all specialised services at EU level should be integrated within a single secured information system, and invites the Commission and the Vice-President/High Representative to work on strengthening the ARGUS internal coordination platform.</p> <p><a href="#">EP Resolution of 11 December 2013</a> on the proposal for a regulation of the European Parliament and of the Council establishing an Instrument for Stability, based on 2011/0413(COD) (P7_TA-PROV(2013)0566; A7-0451/2013) Leading committee AFET (DEVE, INTA and BUDG for opinion)</p> <p>Final Act: Regulation 2014/230 establishing an instrument contributing to stability and peace [Article 5] Assistance in addressing global and transregional threats and emerging threats; Measures adopted in this area shall place particular emphasis on trans-regional cooperation and the implementation of international standards in the fields of risk awareness, vulnerability analysis, emergency preparedness, alert and consequence management; ... (b). mitigation of and preparedness against risks, whether of an intentional, accidental or natural origin, related to chemical, biological, radiological and nuclear materials or agents; Assistance shall cover support for measures aimed at:</p> <ul style="list-style-type: none"> <li>i. promoting civilian research activities as an alternative to defence-related research;</li> <li>ii. enhancing safety practices related to civilian facilities where sensitive chemical, biological, radiological and nuclear materials or agents are stored, or are handled in the context of civilian research programmes;</li> <li>iii. supporting, within the framework of Union cooperation policies and their objectives, the establishment of civil infrastructure and relevant civilian studies necessary for the dismantlement, remediation or conversion of weapons-related facilities and sites where these are declared to be no longer part of a defence programme;</li> <li>iv. strengthening the capacity of the competent civilian authorities involved in the development and enforcement of effective control of illicit trafficking in chemical, biological, radiological and nuclear materials or agents (including the equipment for their production or delivery);</li> <li>v. developing the legal framework and institutional capacities for the establishment and enforcement of effective export controls on dual-use goods, including regional cooperation measures;</li> <li>vi. the development of effective civilian disaster-preparedness, emergency planning, crisis response, and capabilities for clean-up measures.</li> </ul>
Oral / Written Questions	<p><a href="#">E-009869/2013</a> QWA COM Rule 117 Gaston Franco (EPP) on EU-US dialogue on chemical, biological, radiological and nuclear (CBRN) risks <a href="#">P-005672/2011</a> QWA COM Rule 117 Michèle Rivasi (Verts/ALE) on Commission responses to the Fukushima nuclear disaster <a href="#">E-4109/2010</a> QWA COM Rule 117 Oreste Rossi (EFD) on Weapons of mass destruction — EU plans <a href="#">E-2723/2010</a> WQ COM Petru Constantin Luhan (EPP) on Development of the EU biodefence sector <a href="#">E-2722/2010</a> WQ COM Petru Constantin Luhan (EPP) on Update of the Council CBRN and Bio Inventories <a href="#">E-6371/2009</a> WQ COM Louis Bontes (NI) on European CBRN action plan</p>



# Special Report No 18/2014 of 11 December 2014

## EuropeAid's evaluation and results-oriented monitoring systems

EU Development Aid | Foreign Affairs

<b>Policy Area</b>	 <b>EU Development Aid / Foreign Affairs</b>
Report No / Date / Title	<a href="#">Special Report No 18/2014 of 11 December 2014</a> <a href="#">EuropeAid's evaluation and results-oriented monitoring systems</a>  <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Are EuropeAid's evaluation and results-oriented monitoring (ROM) functions appropriately organised and resourced?</li> <li>2. Do EuropeAid's evaluation and ROM systems ensure the provision of relevant and robust findings?</li> <li>3. Do the evaluation and ROM systems ensure the maximum use of the findings made?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Overall, the evaluation and ROM functions are well organised but EuropeAid could pay more attention to the efficient use of resources; there is a sound distribution of responsibilities but insufficient supervision of programme evaluations;</li> <li>2. EuropeAid's evaluation and ROM systems do not sufficiently ensure relevant and robust findings; there are some weaknesses in the selection of programme evaluations and timely delivery of evaluations; the procedures to ensure the quality of programme evaluations and ROMs are implemented inconsistently (the evaluation and ROM systems do not provide adequate information on results achieved - programme objectives and indicators are not well defined; focus is more on the implementation of programmes than on results achieved; the reporting does not provide much evidence on results achieved;)</li> <li>3. EuropeAid's evaluation and ROM systems do not ensure the maximum use of the findings made - there are weaknesses in the follow-up of strategic evaluations findings; evaluation and ROM findings are well disseminated except for programme evaluations.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. EuropeAid should maintain adequate management information and perform needs assessments on a regular basis in order to ensure an informed allocation of financial and staff resources between programme evaluations and ROM.</li> <li>2. In order to ensure that evaluations carried out reflect the priorities of the organisation, EuropeAid should:             <ol style="list-style-type: none"> <li>a. Define clear selection criteria to prioritise programme evaluations and document how they were applied in establishing the evaluation plans, taking into account the complementarity with ROM;</li> <li>b. Significantly strengthen its system to monitor and report on the implementation of evaluation plans, including an analysis of the reasons for delays and the description of measures adopted to address them;</li> <li>c. Strengthen the overall supervision of programme evaluation activities by EuropeAid.</li> </ol> </li> <li>3. In order to ensure the quality of programme evaluations and ROMs, EuropeAid should:             <ol style="list-style-type: none"> <li>a. Insist that operational units and delegations apply the quality control requirements, including for programme evaluations the use of a reference group and documentation of quality controls performed;</li> </ol> </li> </ol>



	<ul style="list-style-type: none"> <li>b. Check, on a regular basis, the application of these controls.</li> <li>4. In order to enhance the evaluation system's capability to provide adequate information on results achieved, EuropeAid should: <ul style="list-style-type: none"> <li>a. Apply more rigorously the regulatory provisions requiring the use of SMART objectives and verifiable indicators;</li> <li>b. Modify the monitoring system so that it continues to provide data on programmes until at least 3 years after their completion;</li> <li>c. Increase significantly the proportion of ex post programme evaluations.</li> </ul> </li> <li>5. In order to ensure the maximum use of evaluation and ROM findings, EuropeAid should: <ul style="list-style-type: none"> <li>a. Extend the follow-up period for strategic evaluations;</li> <li>b. Develop a central database for programme evaluations to store evaluations reports, action plans and their follow-up, with search functionalities which permit analysis.</li> </ul> </li> </ul>
CONT Committee Working Document; Rapporteur	<p><a href="#">CONT Working document of 13/01/2015</a> on the European Court of Auditors' Special Report No 18/2014 (2013 Discharge): EuropeAid's evaluation and results-oriented monitoring systems (PE544.401v01-00) Rapporteur: Bart Staes (Greens/EFA)</p> <p>[Rapporteur's recommendations,]</p> <ul style="list-style-type: none"> <li>2. seriously concerned by the insufficient reliability of EuropeAid evaluation and ROM systems, by the inadequate level of supervision and monitoring of programme evaluation and also by the fact that EuropeAid cannot ensure that staff and financial resources are appropriate and efficiently allocated to the various evaluation activities;</li> <li>3-4. Points out that it is indispensable to provide Parliament and to the budgetary control authority with a clear view of the real extent to which the Union's main objectives have been achieved; feedback on the performance of Commission aid projects and programmes should be provided as part of the Commission's commitment to quality assurance;</li> <li>5. Considers that outcomes of the evaluations are key-elements to feed into policy and political review;</li> <li>7. Considers that the sharing of knowledge by all means and tools is crucial for developing a culture of evaluation and an effective culture of performance;</li> <li>8. Supports the Court's recommendations with regard to EuropeAid's evaluation and results-oriented monitoring systems.</li> </ul>
Related EP Reports / Resolutions of other committees	<p><a href="#">EP Resolution of 3/04/2014</a> with observations forming an integral part of its Decision on discharge in respect of the implementation of the budget for the Eighth, Ninth and Tenth European Development Funds for the financial year 2012, based on 2013/2206(DEC) (COM(2013)0541 – C7-0283/2013) (P7_TA(2014)0290; A7-0176/2014) Leading committee CONT (DEVE for opinion)</p> <p>[The European Parliament,]</p> <ul style="list-style-type: none"> <li>3. Observes that 1153 nongovernmental organisations (57 % of all NGOs) are operating in the field of EuropeAid and 152 (8 %) in the field of humanitarian aid (ECHO), receiving EUR 1520 million and EUR 960 million respectively in Union funding; notes that Union funding of NGOs has doubled in 10 years; calls on the European Commission to provide an overview of the 30 largest and 30 smallest projects being implemented by NGOs using European Development Fund (EDF) funding, and an overview of how much of their own funding the organisations have invested in each of these projects;</li> <li>7. Acknowledges that the European Commission is aware of the current shortcomings in its information system but strongly calls on the Commission to undertake further efforts and to continuously follow this issue at all operational levels, EuropeAid's Headquarters and Union delegations;</li> <li>17. Notes with regret that EuropeAid's <i>ex-ante</i> checks, carried out before the project payments were done, still remain vulnerable, according to the Court of Auditors' assessment; is worried by the fact that errors have been found, despite external audits and expenditure verifications;</li> <li>18. Calls on the European Commission to review the contracts with external auditors whose audit reports provided to EuropeAid or to Union delegations have proven not to conform to professional auditing requirements or provisions of contracts;</li> </ul>





	<p>19. Calls on EuropeAid and Union delegations to focus more on the follow-up of external audits and expenditure verification reports;</p> <p>20. Notes with regret the ongoing backlog due to late clearances and contract closures; EuropeAid should remedy to its negative consequences on the overall quality, on the reliability of the <i>ex-ante</i> checks and on the traceability of operations, audit trails and the existence of supporting documentation;</p> <p>21. Calls on the European Commission to continue its efforts to strengthen its current control systems, in particular to ensure a better business continuity and reliable document management as required by internal control standards, and to report annually to Parliament on the corrective actions implemented;</p> <p>24. Believes that increasing both staff awareness and control knowledge, despite staff constraints, of all the above mentioned issues and most recurrent errors is key; believes that constant efforts have to be made to improve the control systems and the chain at all operational levels and to improve EuropeAid's performance;</p> <p>25. Welcomes the first measurement study on the residual error rate on closed transactions carried out by EuropeAid to estimate the financial impact of residual errors once all <i>ex-ante</i> and <i>ex-post</i> controls have been implemented;</p> <p>28-29. Notes that 85 % and 53 % of EuropeAid's 2010 Annual Audit Plan and 2011 Annual Audit Plan respectively was completed by the end of 2012; the lack of adequate supporting documents and the incorrect application of the procurement procedures by contractors and beneficiaries are among the main weaknesses pointed out by the audit findings; EuropeAid should continue developing the appropriate tools and actions in order to improve the overall effectiveness of the control pyramid within EuropeAid's Headquarters and Union delegations through targeted awareness raising activities or the increased use of the financial management toolkit by staff and beneficiaries;</p> <p>30. Recalls firmly that the assurance building process also requires measures to reinforce the accountability of Union delegations and the quality and exhaustiveness of the reporting through the External Assistance Management Reports;</p> <p>43. Takes note of EuropeAid's decision to create regional hubs in partner countries to enhance both the quality of budget support operations and policy dialogue; asks the Commission to report on the first results or lessons learned to the Parliament in the next discharge;</p> <p>50. Recalls that the risk of resources being diverted away remains high and that the risks of corruption and fraud are linked to public financial management and reforms; stronger and constant attention should be paid to these risks by EuropeAid's Headquarters and by the Head of Union Delegation in the framework of the political and policy dialogue, especially to assess the responsiveness of the government concerned and its ability to enforce reforms.</p> <p><a href="#">EP Resolution of 3/04/2014</a> with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2012, Section III – Commission and executive agencies, based on 2013/2195(DEC) (COM(2013)0570; C7-0273/2013) (P7_TA(2014)0287; A7-0242/2014) Leading committee CONT (AFET, DEVE, EMPL, ENVI, TRAN, REGI, PECH, CULT, LIBE and FEMM for opinion)</p> <p>[The European Parliament,]</p> <p>261. Regrets that shortcomings persist in EuropeAid's ex-ante checks and in the supervisory and control system and that, according to the findings of the Court of Auditors, the Commission's 2011 reorganisation continues adversely to affect the activity of its Internal Audit Capacity; the supervisory and control systems of EuropeAid are only partially effective;</p> <p>268. Notes with concern that the number of cases the European Anti-fraud Office (OLAF) started investigating in relation to EuropeAid/DG DEVCO managed projects has increased from 33 (in 2011) to 45 in 2012 while acknowledging that the number of new cases remained still lower than in any year between 2005 and 2010;</p> <p>270. Welcomes the introduction by EuropeAid/DG DEVCO, in 2012, of a coherent methodology for the calculation of the estimated residual error rate (RER), i.e. the level of errors which have evaded all checks to prevent, detect and correct errors; is satisfied that the Court of Auditors found the methodology used to estimate the RER appropriate and useful;</p> <p>271. Calls on the European Commission to reinforce efforts to better analyse, document and explain the main types of errors and to take appropriate measures, including consultation with relevant stakeholders.</p>
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[EP Resolution of 17/04/2013](#) with observations forming an integral part of its Decision on discharge in respect of the implementation of the budget for the Eighth, Ninth and Tenth European Development Funds for the financial year 2011, based on 2012/2166(DEC) (COM(2012)0435; C7-0223/2012) (P7\_TA(2013)0125; A7-0062/2013)  
Leading committee CONT (DEVE for opinion)

#### [Summary](#)

Statement of assurance: Parliament notes with satisfaction that according to the Court of Auditors, the final annual accounts are free from material error despite a high frequency of encoding errors, which remain a source of concern as they affect the accuracy of data used for the preparation of the annual accounts, in particular with respect to the annual cut-off exercise at year-end. It is concerned that material error in EDF payments was found for the second year in row and to a significantly higher degree than in 2010 (with an estimated error rate of 5.1% in 2011, i.e. a significant increase over 2010, when it was 3.4%). It is concerned that many of these errors had been detected neither by external audits nor by the Commission's own checks, which points to weaknesses in EuropeAid's supervisory and control systems. It calls on the Commission to complete the comparative analysis of the errors detected by the Court of Auditors in 2010 and 2011 and to report its findings to Parliament.

[EP Resolution of 17/04/2013](#) with observations forming an integral part of its Decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2011, Section III – Commission and executive agencies, based on 2012/2167(DEC) (COM(2012)0436 – C7-0224/2012) P7\_TA(2013)0122; A7-0116/2013)  
Leading committee CONT (AFET, DEVE, EMPL, ENVI, TRAN, REGI, PECH, CULT, LIBE and FEMM for opinion)

[The European Parliament,]

242. Is concerned that EuropeAid's and DG ECHO's supervisory and control systems were again found to be only partially effective; points, in particular, to the need to improve those systems in delegations; calls on the Commission to set aside sufficient resources for delegation staff to perform monitoring and supervision activities in a timely and satisfactory manner;
245. Joins the Court of Auditors in its strong concerns about the inadequacy of staff resources for aid management, in particular in EuropeAid's Internal Audit Unit and delegations, and the potential detrimental effects of the high turnover rate of contractual staff in headquarters and the Commission reorganisation of mid-2011 on aid management; appeals to Council, as the other arm of the budgetary authority, to take its responsibility in ensuring that aid can continue to be managed in accordance with the highest standards in future years;
246. Notes that in 2011, the first full year of operation of the European External Action Service (EEAS), EEAS and Commission staff in delegations were separated in terms of their allocation and funding; is concerned that in 2011, at least 43 person-years allocated to EuropeAid were used by the EEAS, over and above the agreed flexibility limits defined in the Working Arrangements negotiated between both organisations; urges the EEAS and the Commission to fully respect the Working Arrangements, seeing in particular to the fact that EuropeAid staff focus on ensuring appropriate aid management, in order to avoid putting the sound financial management of Union's assistance at risk.

[EP Resolution of 20/04/2012](#) on the impact of devolution of the Commission's management of external assistance from its headquarters to its delegations on aid delivery, based on 2011/2192(INI), (P7\_TA(2012)0144; A7-0056/2012)  
Leading committee DEVE (AFET and CONT for opinion)

#### [Summary](#)

Strengthen the effectiveness of development aid: The EP calls on the Commission and the Council to continue to advocate a reduction in the number of areas of intervention, in line with the EU Code of Conduct on Complementarity and Division of Labour and the Agenda for Change. The relevant EU financial instruments




	<p>and the European Development Fund (EDF) need to be more poverty-focused and more flexible with regard to their approach and operation, and that more accountability and transparency and better value for money in terms of achieving clear results should also be encouraged.</p> <p>Improve the supervision and control of aid: Parliament expects the Commission to take all the necessary measures to overcome the weaknesses of the supervisory and control systems, notably at delegation level (from 2012.) It notes the Court of Auditors' criticism of the working relationship between the Commission's headquarters and its delegations for the management of external aid and call for the processes in question to be reviewed and simplified with a view to reducing internal bureaucracy, and for a report on the action taken to be submitted to Parliament. The EP encourage the Commission to require the delegations systematically to carry out technical and financial monitoring visits to projects and to focus the internal reporting system more on the results achieved by the aid interventions.</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">P-004898/2014</a> QWA COM Rule 117 Eva Joly (Greens/EFA) on Publication of EU development aid performance assessments</li> <li>2. <a href="#">E-013948-13</a> QWA COM Rule 117 Marina Yannakoudakis (ECR) on EU development and external assistance policies</li> <li>3. <a href="#">E-009114/2011</a> QWA COM Rule 117 Jean Lambert (Greens/EFA) on Accountability of technical assistance teams</li> <li>4. <a href="#">E-006727/2011</a> QWA COM Rule 117 Lucas Hartong (NI) on European Court of Auditors' report on EuropeAid-UN funds</li> <li>5. <a href="#">E-4159/2010</a> QWA COM Rule 117 Martin Ehrenhauser (NI) on EDF funds/administration</li> <li>6. <a href="#">E-5210/2009</a> WQ COM Bart Staes (Greens/EFA) on EuropeAid short-lists and OLAF fraud investigation</li> </ol>



# Special Report No 19/2014 of 13 January 2015

## EU Pre-accession Assistance to Serbia

EU Enlargement | Foreign Affairs

<b>Policy Area</b>	 <b>EU Enlargement / Foreign Affairs</b>
Report No / Date / Title	<a href="#">Special Report No 19/2014 of 13 January 2015</a> <a href="#">EU Pre-accession Assistance to Serbia</a>  <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Has the Commission been managing the Instrument for Pre-accession Assistance (IPA) projects effectively?</li> <li>2. In its support for governance, has the Commission been managing non-financial assistance effectively?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. IPA project management - funding decisions were derived from relevant strategies with well-defined objectives and performance indicators; project design weaknesses (no precise definition of the project objectives, inadequate assessment of the needs and lessons learnt from past projects, weaknesses in the conditionality for launching the projects and sequencing the operations) which have contributed to delays in implementation have been gradually addressed by the Commission; IPA projects generally produced the planned outputs but results beyond the outputs may not be sustainable</li> <li>2. Governance support - the Commission addressed governance issues extensively in its dialogue with Serbia with increasingly positive impact (establishment of good-governance-related action points and their follow-up; establishment of links between political priorities and policy formulation); in approving Serbia's system for managing EU funds, the Commission did not take full account of Serbia's public finance management</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. To improve the programming, design and implementation of IPA projects, the Commission should:             <ol style="list-style-type: none"> <li>a. Make the project prioritisation and selection processes more transparent and more systematically documented, reflecting the individual stages of reasoned project prioritisation;</li> <li>b. Improve the lessons-learnt process by developing a dedicated database incorporating lessons drawn from past projects in Serbia and other relevant beneficiary countries. Lessons learnt should take into account the track record or typology of failed or repeated tenders. Entering into the database significant; recommendations from contract final reports should also be considered. The database could be grouped according to the major sectors used by IPA programming.</li> <li>c. Systematically document the needs assessment underlying the expected outputs from projects and contracts, notably to improve beneficiary ownership of the needs identified;</li> <li>d. Reinforce the principle of conditionality. In particular, the beneficiary's capacity to do what is required for a high-quality project should be verified in advance and in specific measurable terms, as should whether the project elements are compliant with the national legal framework and whether the necessary building permits are available. Stronger conditionality should help to reduce the number of projects that are not ready for implementation, in particular large infrastructure projects;</li> </ol> </li> </ol>



	<ul style="list-style-type: none"> <li>e. Set up a system for a regular brief progress report in order to ensure an appropriate audit trail for the entire project instead of individual contracts. The overview reports should include a complete list of the contracts that come under a given project/sector;</li> <li>f. Put in place a system to check the usefulness of project outputs (including studies, analyses, procedures, protocols and training materials) in the medium and long term. More emphasis on ultimate usefulness should help to shift the focus from output delivery and meeting contracting and payment target figures to more lasting results.</li> </ul> <p>2. In relation to its structured dialogue with Serbia on governance issues and to the DIS process, the Commission should carry out the following actions:</p> <ul style="list-style-type: none"> <li>a. Express the need for the Serbian authorities to further rationalise their set of national strategies and finalise a fully-fledged PFM roadmap, and if necessary provide technical support in that respect;</li> <li>b. Take measures, in the IPA programming, to enhance the consultation mechanism with CSOs active in the area of governance;</li> <li>c. Issue guidelines to ensure that the need for sector-specific anti-corruption or other good-governance measures is assessed in the project design;</li> <li>d. In its assessment of the countrywide PFM reforms, verify that the audit work done by the Commission in the context of the DIS accreditation process is fully taken into account.</li> </ul>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 20/01/2015</a> on the European Court of Auditors' Special Report No 19/2014 (2013 Discharge): "EU Pre-accession Assistance to Serbia" (PE 541.375)  Rapporteur : Tamás Deutsch (EPP)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. Invites the Serbian authorities to improve the quality of, and to further rationalise, their national strategies and action plans, and to adequately address the various political and socio-economic issues with the support of the Commission if necessary;</li> <li>2. Asks the authorities to prepare strategies and time frame for implementation in the following main areas of governance: territorial decentralisation and a strategy to coordinate the implementation of public finance management (PFM) reform;</li> <li>3. Urges the Commission and the EU Delegation in Serbia to prevent the problems which occurred in the first part of the 2007–13 programming period, namely the selection of immature or problematic projects; supports the cooperation of the Commission and the Serbian authorities to address the identified problems, including the lack of support from national authorities, a lack of inter-institutional coordination, weak project design; poor definition in the terms of reference, unsustainable financing solutions and the failure to learn from mistakes in previous projects;</li> <li>4. Welcomes the fact that governance related projects generally achieved good results, but considers the implementation and control systems of the projects weak or inefficient especially where the Court identified material shortcomings in four out of the eight audited governance related IPA projects;</li> <li>5. Supports the efforts of the Serbian authorities and welcomes the progress achieved in the key areas of governance which the Court analysed. Achievements were also accomplished in the area of public administration reform, as well as in the area of financial control in the context of public finance management reform and likewise the progress made in the area of public procurement. However, there is room for improvement, for example the reform of the judicial sector which is significantly lagging behind, with little progress reported since 2007;</li> <li>6. Insists on the necessity to strengthen the current protection for whistle-blowers which is outlined in the 2013–18 national anti-corruption strategy. The Serbian authorities should advance the preparation of new legislation on whistle-blowing and such legislation should instil trust and encourage potential whistle-blowers to come forward;</li> <li>7. Enhances the Court's recommendations and demands the Commission to pay adequate attention to define the objectives, to assess the needs and to learn lessons from past projects, as well as to avoid delays and inefficient or ineffective procurement procedures; stresses the importance of sustainability, as results raised a number of questions in two thirds of the projects, particularly in governance related ones.</li> </ol>



<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">Instrument for Pre-Accession Assistance (IPA): Serbia</a>, 2012/0159(COD), AFET <i>Awaiting committee decision</i></p> <p><a href="#">EP Resolution of 22/10/2013</a> on budgetary management of European Union pre-accession funds in the areas of judicial systems and the fight against corruption in the candidate and potential candidate countries, based on 2011/2033(INI) (P7_TA-PROV(2013)0434; A7-0318/2013) Leading committee CONT (AFET for opinion)</p> <p><a href="#">Summary</a></p> <ul style="list-style-type: none"> <li>- Parliament notes that the level of co-financing by domestic authorities differs widely from one country to another, with Croatia and Turkey co-financing most of their projects and Serbia having all its projects fully covered by the EU pre-accession assistance. Parliament is of the opinion that co-financed projects, especially in the areas of the judiciary and the fight against corruption, bring a higher degree of ownership from the beneficiaries. It calls therefore on the Commission to increase, under IPA II, the number of projects co-financed by domestic authorities;</li> <li>- Members acknowledged that the Commission assesses the impact and sustainability of pre-accession programmes through results-oriented monitoring (ROM) reports, but pointed out that the number of ROM reports is uneven across countries, ranging from 31 for Albania to none for Bosnia and Herzegovina, Croatia, Montenegro and Serbia. They urged the Commission to develop a comprehensive monitoring action plan including evaluation tools other than ROM reports, such as sector performance assessment frameworks with SMART indicators, in order to make comprehensive monitoring of project outcomes possible over time.</li> </ul> <p>[The European Parliament,]</p> <p>47. Is aware that the European Court of Auditors is currently preparing a Special Report on EU pre-accession assistance in Serbia; strongly recommends that projects implemented in the areas of judiciary reform and the fight against corruption be included in the scope of the performance audit;</p> <p><a href="#">EP Resolution of 18/04/2013</a> on the 2012 Progress Report on Serbia, based on 2012/2868(RSP) (P7_TA(2013)0186; B7-0090/2013) Leading committee AFET</p> <p>[The European Parliament,]</p> <p>27. Notes with satisfaction that the Instrument for Pre-Accession Assistance (IPA) works well in Serbia; stresses the importance of the IPA funds allocated in December 2012 by the Commission to support Serbia's efforts to implement its EU reform agenda; emphasises that this funding is to be used to increase the efficiency of the judicial system, develop asylum capacities, and fight organised crime, including trafficking in people and corruption; encourages both the government and the EU to simplify the administrative procedures for IPA funding with the aim of making it more accessible for smaller and non-centralised beneficiaries; stresses the need to maintain an adequate level of pre-accession support in the forthcoming review of the EU's financial framework.</p> <p><a href="#">EP Resolution of 29/03/2012</a> on the 2011 Progress Report on Serbia , based on 2011/2886(RSP) (P7_TA(2012)0114; B7-0188/2012) Leading committee AFET</p> <p>[The European Parliament,]</p> <p>42. Notes with satisfaction that the Instrument for Pre-Accession (IPA) assistance works well in Serbia; encourages both the government and the EU to simplify the administrative procedures for IPA funding with the aim of making it more accessible to smaller and non-centralised beneficiaries; stresses the need to maintain an adequate level of pre-accession support in the forthcoming review of the EU's financial framework;</p> <p>51. Recommends that European funds should be made directly accessible to the national minority councils and civil society organisations of Serbia, in the context of EU support for the country's reform process;</p>
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	<p><a href="#">EP Resolution of 19/01/2011</a> on the 2012 Progress Report on Serbia, based on 2010/2980(RSP) (P7_TA(2011)0014; B7-0021/2011) Leading committee AFET</p> <p>[The European Parliament,]</p> <p>4 Notes with satisfaction that IPA assistance works well in Serbia; encourages both the government and the EU to simplify the administrative procedures for IPA funding with the aim of making it more accessible to smaller and non-centralised beneficiaries; stresses the need to maintain an adequate level of pre-accession support in the forthcoming review of the EU's financial framework;</p> <p>38. Underlines the detrimental consequences of the financial crisis for the country; notes the recent review of the stand-by agreement with the IMF, accompanied by the positive evaluation of the country's macroeconomic policies, and welcomes the setting-up of the Western Balkans Investment Framework for the advancement of the integration and the economic recovery of the region, making available loans for priority infrastructure projects; calls for expansion of the framework to include support to small and medium-sized enterprises and invites Serbia to take advantage of these new financial resources, as well as of the opportunities under the IPA assistance, also with a view to more effectively protecting vulnerable groups in society from the effects of the crisis;</p> <p>43. Regrets, in this regard, the poor condition of public transport with regard, in particular, to railways; calls on the Serbian Government to make full use of the IPA funds in order to develop, upgrade and modernise the railway network and improve the interconnections with neighbouring countries for both people and freight;</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-010021-13</a> QWA Rule 117 William (The Earl of) Dartmouth (EFD) on Instrument for Pre-Accession Assistance</li> <li>2. <a href="#">E-004495-13</a> QWA Rule 117 Mara Bizzotto (EFD) on Funds disbursed to pre-accession countries through the IPA</li> <li>3. <a href="#">E-004496-13</a> QWA Rule 117 Mara Bizzotto (EFD) on Funds disbursed to pre-accession countries between 2000 and 2006</li> <li>4. <a href="#">E-000962-13</a> QWA Rule 117 Ian Hudghton (Greens/EFA) on EU funding in Serbia</li> <li>5. <a href="#">E-011664-12</a> QWA Rule 117 Monica Luisa Macovei (EPP) on Information on the use of pre-accession funds in the areas of the judicial system and the fight against corruption in Serbia, and on the results obtained</li> <li>6. <a href="#">E-002241/2012</a> QWA Rule 117 Angelika Werthmann (NI) on Serbia/Candidate country status</li> <li>7. <a href="#">P-003981/2011</a> QWA Rule 117 Mairead McGuinness (EPP) on Support for community care for people with disabilities in the framework of IPA</li> <li>8. <a href="#">E-011311/2011</a> QWA Rule 117 Monika Flašíková Beňová (S&amp;D) Serbia's efforts to tackle corruption</li> </ol>



## Special Report No 20/2014 of 7 January 2015

### Has ERDF support to SMEs in the area of e-commerce been effective?

Regional Development

Policy Area	 Regional Development
Report No / Date / Title	<a href="#">Special Report No 20/2014 of 7 January 2015 <i>Has ERDF support to SMEs in the area of e-commerce been effective?</i></a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Were operational programmes (OPs), developed by the Member States and approved by the European Commission, a good basis for efficiently supporting e-commerce measures for small and medium enterprises (SMEs)?</li> <li>2. Have managing authorities selected and monitored e-commerce projects properly?</li> <li>3. Have the e-commerce projects co-financed by the European Regional Development Fund (ERDF) been successfully implemented and provided measurable benefits to the beneficiary SMEs?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Member States' OPs served as a good basis for providing support to SMEs in the field of e-commerce but not for performance measurement - all Member States selected drafted the OPs audited in line with relevant regional or national information and communication technologies (ICT) strategies; all OPs audited included e-commerce measures and associated targets and indicators but late amendments to the latter sometimes hampered proper performance assessment;</li> <li>2. Managing authorities focused more on outputs than on results at both selection and monitoring stages - project-selection procedures rarely assessed whether the projects selected were the most likely to contribute to SME development and/ or EU information society objectives; managing authorities rarely requested either a business plan or quantifiable targets when assessing project applications; weak selection procedures resulted in co-funded projects that were unlikely to provide value for money; in most of the Member States visited, the selection procedure did not take account of the cross-border dimension; over half of the projects examined were not asked to report on any result-oriented targets; in some cases, monitoring systems did not record project performance in a reliable manner; lack of data sometimes hampered monitoring of the economic use of EU funding;</li> <li>3. Overall SMEs implemented the projects smoothly but the results achieved were not always demonstrated - project outputs were generally in line with the related application; many SMEs stated that they had benefited from the implementation of their project but the results achieved were not measured systematically.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The European Commission should ensure that it obtains consistent and reliable information from the Member States on the OPs' progress, not only in financial but also in performance terms. To this end, it should:             <ol style="list-style-type: none"> <li>a. Assess the relevance of the result indicators proposed, both when approving the OPs and subsequent amendments;</li> <li>b. Design a monitoring system in such a way that progress towards all target values set can be measured in a timely way and allowing for comparison over time;</li> </ol> </li> </ol>





	<p>c. Suggest standard indicators relevant to EU strategic objectives on e-commerce.</p> <p>2. The European Commission should insist that the selection criteria and procedures put in place by the Member States ensure the selection of projects that maximise added value among applicants in terms of fostering e-commerce development in SMEs and achieving the Digital Agenda for Europe (DAE) targets while, at the same time, ensuring such procedures are appropriate to their targeted beneficiaries in terms of the time and administrative work required. When selecting projects, Member States' authorities should, where appropriate, require applicants to:</p> <ol style="list-style-type: none"> <li>Provide justification of the need to implement the project concerned, ideally in the form of a sufficiently detailed and realistic business plan;</li> <li>Demonstrate the financial viability of the project;</li> <li>Demonstrate the need for public financial support in order to avoid deadweight spending;</li> <li>Incentivise project owners to take the cross-border dimension of their business into account in order to fully exploit the opportunities of the single market.</li> </ol> <p>3. The European Commission should require Member States' managing authorities to put management tools in place for the purpose of monitoring the impact of the grant on the business development of the SME supported. It should require in particular that:</p> <ol style="list-style-type: none"> <li>A minimum set of robust indicators with related targets are defined in the grant agreements, measured and subjected to subsequent monitoring, both once the project has been implemented and is operational and at a later stage, when its full impact is likely to have taken effect;</li> <li>Wherever appropriate, a mechanism is introduced that ensures that payments are linked to performance and allows for their adjustment in the event of serious underperformance;</li> <li>The necessary checks and controls are carried out to ensure that the data entered into the monitoring systems are reliable and consistent.</li> </ol>
<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working document of 14/01/2015</a> on the European Court of Auditors' Special Report No 20/2014 (2013 Discharge): Has ERDF support to SME's in the area of e-commerce been Effective? (PE541.377v01-00) Rapporteur: Zigmantas Balčytis (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>Notes that e-commerce technologies are the key to improving development and competitiveness of the SMEs and boosting job creation in the European Union;</li> <li>Salutes that the Court's special report emphasised the importance of performance measurements and European value-added;</li> <li>Notes that despite the fact that online business availability had increased, projects selected for investment were weak; a lack of comparative selection of applications and the absence of comprehensive business information resulted in over one-third of the cases offering low or no value for money;</li> <li>Is of the opinion that it should be compulsory to submit a business plan that shows the European value added to avoid deadweight;</li> <li>Stresses that Members States should put in place the selection criteria and procedures that ensures that the projects selected maximise added value in terms of contributing to the e-commerce development in SMEs and achieving the DAE targets;</li> <li>Notes that the lack of European Commission's monitoring made it impossible to assess to what degree ERDF support had contributed to the achievement of national and EU information technology goals as well as to SME's own business plans;</li> <li>Believes that the European Commission should ensure that it obtains consistent and reliable information from the Member States on the progress of the operational programmes in performance terms;</li> <li>Shares the Court's view that a minimum set of robust indicators with related targets should be defined in the grant agreements, measured and subjected to subsequent monitoring.</li> </ol>



<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 4 July 2013</a> on completing the digital single market, based on 2013/2655(RSP) (P7_TA-PROV(2013)0327; B7-0331/2013) Leading committee IMCO</p> <p>[The European Parliament,]</p> <p>8. Stresses the importance of fostering innovation and investing in e-skills; highlights the vital role of SMEs in overcoming unemployment, in particular youth unemployment; calls for better access to finance through funding programmes such as Horizon 2020 and COSME and for the development of new investment vehicles and guarantees; notes, in particular, that the EU needs to regain its global leadership role in the fields of mobile technology and smart devices;</p> <p><a href="#">EP Resolution of 4/02/2014</a> on an integrated parcel delivery market for the growth of e-commerce in the EU, based on 2013/2043(INI) (P7_TA-PROV(2014)0067; A7-0024/2014) Leading committee IMCO (ECON, EMPL, ENVI, ITRE, TRAN, CULT, JURI, LIBE for opinion)</p> <p>[The European Parliament,]</p> <p>14. Highlights the vital role of SMEs in creating growth, innovation, and employment, in particular youth employment; stresses that delivery services are of extreme importance for European SMEs, and that an integrated competitive delivery market ensuring different delivery and logistic support options at affordable prices is a precondition for accessing new markets and reaching more consumers within the EU; stresses the importance of improving the information flow to SMEs concerning possibilities for consolidating their parcel volumes and about innovative delivery and pick-up solutions that would reduce the cost for the last stage of delivery;</p> <p>15. Emphasises that business and SMEs in particular need to be able to respond to the needs and expectations of consumers with simpler, faster, more affordable, transparent, reliable and efficient shipping services in the context of cross-border e-commerce; stresses that delivery solutions that do not meet consumer expectations have a direct impact on a business's brand name, image and competitiveness;</p> <p>16. Notes the limited cross-border development of e-commerce by SMEs; encourages collaboration between SMEs as well as via their representative bodies to negotiate more advantageous delivery prices, notably through the introduction of shared online platforms, and to improve the quality of their services;</p> <p>17. Is concerned about the disadvantages which SMEs encounter due to their small size; stresses that SMEs are currently confronted with higher costs, great complexity due to the fragmented European market, and a lack of information on available delivery options and prices; Emphasised that SMEs seeking business opportunities across the EU are confronted with higher costs, greater complexity and a lack of transparency when it comes to cross-border delivery. Prices for cross-border delivery are three to five times higher than domestic prices. Effective, simple and affordable delivery systems are a key driver of the sustainability of the business models of SMEs and their ability to supply products to customers.</p> <p><a href="#">EP Resolution of 11/12/2012</a> on completing the Digital Single Market, based on 2012/2030(INI) (P7_TA-PROV(2012)0468; A7-0341/2012) Leading committee IMCO (ECON, EMPL, ENVI, ITRE, REGI, CULT, JURI for opinion)</p> <p><a href="#">Summary</a></p> <p>The resolution calls on the Commission and the Member States to develop an action plan to promote the integration of SMEs into the digital value chains. It stresses the importance of developing a strategy to boost digital entrepreneurship in Europe, promote training for online traders and encourage SME development programmes focusing on innovative and dynamic SMEs from all sectors.</p> <p>Parliament formulates the following recommendations:</p> <ul style="list-style-type: none"> <li>- Specific measures to be taken to ensure that SMEs can fully enjoy the potential of broadband in the fields of e-commerce and e-procurement;</li> </ul>
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	<p>- Find solutions to the difficulties experienced by SMEs in relation to handling returns and shipping infrastructure problems, and to reduce the costs involved in the cross-border resolution of complaints and conflicts.</p> <p><a href="#">EP Resolution of 12/05/2011</a> on unlocking the potential of cultural and creative industries, based on 2010/2156(INI) (P7_TA(2011)0240; A7-0143/2011) Leading committee CULT (INTA, EMPL, ITRE, IMCO, REGI, JURI for opinion)</p> <p>[The European Parliament.]</p> <p>106. Encourages Member States and regions to create opportunities for local and regional cooperation, to devise policies that combine infrastructure investment with investment in human capital, and to explore innovation voucher schemes to help cultural and creative SMEs and individuals acquire professional skills.</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-014301-13</a> QWA COM Rule 117 Nuno Melo (EPP) on EU encouragement of SMEs' technological development with financial packages</li> <li>2. <a href="#">E-000465-13</a> QWA COM Rule 117 Roberta Angelilli (EPP) on Possible funding for the company Vortalia srl, a network of Italian portals</li> <li>3. <a href="#">E-011734-13</a> QWA COM Rule 117 Marc Tarabella (S&amp;D) , Jean Louis Cottigny (S&amp;D) on Innovation vouchers</li> <li>4. <a href="#">E-010218/2010</a> QWA COM Rule 117 Alan Kelly (S&amp;D) on E-commerce</li> <li>5. <a href="#">E-4126/2010</a> QWA COM Rule 117 Gaston Franco (EPP) on Development of SMEs and their access to digital information and communication technologies</li> <li>6. <a href="#">E-007707-13</a> QWA COM Rule 117 Georgios Stavrakakis (S&amp;D) on European Regional Development Fund reprogramming in favour of SMEs in Greece</li> <li>7. <a href="#">E-008423/2011</a> QWA COM Rule 117 on Nikolaos Chountis (GUE/NGL) on Action on digi-content in the Digital Convergence Operational Programme</li> <li>8.</li> </ol>



## Special Report No 21/2014 of 16 December 2014

### EU-funded airport infrastructures: poor value for money

Transport

Policy Area	 Transport
Report No / Date / Title	<a href="#">Special Report No 21/2014 of 16 December 2014</a> <a href="#">EU-funded airport infrastructures: poor value for money</a> <a href="#">Summary</a>
Short summary of questions asked, observations, findings and recommendations	<p><b>Questions asked:</b></p> <ol style="list-style-type: none"> <li>1. Was there a demonstrated need for these investments?</li> <li>2. Were constructions completed on time and on budget?</li> <li>3. Were the newly built (or upgraded) infrastructures fully used?</li> <li>4. Did these investments result in higher passenger numbers and in an improved customer service?</li> <li>5. Were the EU-funded airports financially sustainable?</li> </ol> <p><b>Observations:</b></p> <ol style="list-style-type: none"> <li>1. Need for new or upgraded infrastructures demonstrated for half of the airports examined;</li> <li>2. Delays in constructions for most and cost overruns for half of the airports examined;</li> <li>3. More than half of the constructions were underused - seven of the twenty audited airports are not financially self-sustainable;</li> <li>4. Limited impact of EU-funded investments on passenger numbers, customer service and job creation - forecast of passenger numbers significantly overoptimistic for twelve of the twenty airports examined; there were similar investments in airports in close proximity to each other; the planning of investments in airport infrastructures is generally not coordinated at national level;</li> <li>5. Limited information available to the European Commission on EU funding of airports; information on the European Regional Development Fund (ERDF) infrastructure projects in EU airports was not available to the European Commission until the closure of the Operational Programme.</li> </ol> <p><b>Recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The European Commission should ensure during the 2014-2020 programme period that Member States only allocate EU funding to airport infrastructures in those airports which are financially viable and for which investment needs had been properly assessed and demonstrated. This should be part of the approval and monitoring of Operational Programmes carried out by the European Commission;</li> <li>2. The Member States should have coherent regional, national or supranational plans for airport development to avoid overcapacity, duplication and uncoordinated investments in airport infrastructures.</li> </ol>



<p>CONT Committee Working Document; Rapporteur</p>	<p><a href="#">CONT Working Document of 19/01/2015</a> on the European Court of Auditors' Special Report No 21/2014 (2013 Discharge): "EU-funded airport infrastructures" (PE541.376v01-00) Rapporteur: Derek Vaughan (S&amp;D)</p> <p>[Rapporteur's recommendations,]</p> <ol style="list-style-type: none"> <li>1. The European Commission should report back to the Budgetary Control Committee in 12 months with progress against the Court of Auditor's recommendations;</li> <li>2. The Committee supports the Court's recommendation that Member States have coherent plans for airport development and recommends that these plans be approved by the European Commission before any funding for specific projects is granted. Further, national or supranational plans should take into account not only air transport but other public transport with similar travel times to flight times including trains and buses in order to avoid market saturation and increase service viability;</li> <li>3. We recommend funding only being granted to financially viable airports but note the European Commission's reply which states that some regional airports must be maintained for communication purposes for regions or communities or for public authorities. In these instances, special cases may be approved by the European Commission where an appropriate business plan is presented as part of a broader financially viable national strategy;</li> <li>4. The Committee recommends that the European Commission examines all new projects in light of a catchment area analysis to ensure viability;</li> <li>5. The European Commission should closely monitor Member States that the report identifies as having particularly problematic projects in the past.</li> </ol>
<p>Related EP Reports / Resolutions of other committees</p>	<p><a href="#">EP Resolution of 20/11/2013</a> on the proposal for a regulation of the European Parliament and of the Council on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006, based on 2011/0275(COD) Final Act Regulation 2013/1301 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006</p> <p>Amendment 32: Article 3 – paragraph 2</p> <p>2. The ERDF shall not support: <i>(da) investment in airport infrastructure unless related to environmental protection or accompanied by investments necessary to mitigate or reduce its negative environmental impact</i></p> <p><a href="#">EP Resolution of 20/11/2013</a> on the proposal for a regulation of the European Parliament and of the Council on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006, based on 2011/0274(COD) Final Act Regulation (EU) No 1300/2013 of the European Parliament and of the Council of 17 December 2013 on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006</p> <p>Amendment 23: Article 2 – paragraph 2 – point c c (new)</p> <p>2. The Cohesion Fund shall not support: <i>cc) investment in airport infrastructure unless related to environmental protection or accompanied by investments necessary to mitigate or reduce its negative environmental impact.</i></p>



	<p><a href="#">EP Resolution of 2/07/2013</a> on the EU's External Aviation Policy – Addressing future challenges, based on 2012/2299(INI) (P7_TA(2013)0290; A7-0172/2013) Leading committee TRAN (INTA, EMPL, ENVI, ITRE for opinion)</p> <p>[The European Parliament,] 26. Emphasises the importance of airport hubs, including the development of secondary hubs, specialised hubs and multi-hubbing, as well as the urgent need for both public and private long-term investments in airport infrastructure to increase capacity as well as for more efficient use of existing infrastructure – including regional airports – through better allocation of airport slots.</p> <p><a href="#">EP Resolution of 10/05/2012</a> on the future of regional airports and air services in the EU, based on 2011/2196(INI) (P7_TA(2012)0152; A7-0094/2012) Leading committee TRAN ( REGI for opinion)</p> <p>[The European Parliament,] 2. Believes that it is desirable to avoid a proliferation of regional airports, and notes that the development of regional airports should be targeted in order to avoid the creation of unused or not efficiently used airport infrastructures which would result in an economic burden for the responsible authorities; maintains, on the contrary, that existing links should be strengthened, especially in areas (islands, for example) suffering from geographical handicaps; welcomes, therefore, any initiative aimed at developing the role of public transport, including road transport, in promoting links; stresses that public funding for regional airports should be compatible with Articles 106 and 107 of the Treaty on the Functioning of the European Union, relating to state aid; believes that provision should be made for a system of penalties to be applied to airlines which move out of regional airports in receipt of funding before the appointed date; 4. Takes the view that regional airports, on account of their environmental and economic impact, should be properly supported by national and regional authorities, be subject to local and regional consultation, and – on the basis of cost-benefit analyses – be considered eligible to apply for financing under EU funds, as well as other EU-funded financial engineering instruments within the new programming framework; recommends that the European Commission take into consideration the opportunities offered by regional airports as part of the European central transport network; 5. Calls for the criteria on obtaining subsidies and public funding to be strictly defined and transparent; 26. Points out that the lack of decisive action to increase the accessibility of regional airports by means of appropriate communication with urban centres, including through transport infrastructure investments, is restricting the economic and social development of the regions; 32. Takes the view that the role played by regional airports is vital for territorial cohesion and social and economic development in the regions, especially in regions where other forms of transport are lacking; calls, therefore, for regional airports to be taken into account in the future trans-European transport network policy; 33. Emphasises that regional airports in trans-border regions which are located in close proximity to each other should demonstrate cooperation and coordination in the use of existing capacities as a precondition for EU co-financing by the Trans-European Transport Network (TEN-T), cohesion and regional funds.</p>
Oral / Written Questions	<ol style="list-style-type: none"> <li>1. <a href="#">E-011033/2014</a> WQ COM Rule 130 Enrique Calvet Chambon (ALDE) on EU-funded airports: an investment that is not cost-effective</li> <li>2. <a href="#">E-010903/2014</a> WQ COM Rule 130 Monika Flašíková Beňová (S&amp;D) on Wastage of funds when investing in airport infrastructure</li> <li>3. <a href="#">E-009698-14</a> WQ COM Rule 130 Lola Sánchez Caldentey (GUE/NGL) on Compatibility with EU guidelines on state aid for regional airports</li> <li>4. <a href="#">P-010755-13</a> WQ COM Rule 117 Tonino Picula (S&amp;D) on Support for regional airports</li> </ol>





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This Rolling Check-list presents a comprehensive overview of the European Court of Auditors' (ECA) Special Reports, concentrating on the ones relevant for the 2013 EU Discharge procedure. The document seeks to link the topics discussed by the Special Reports to the relevant debates and positions within the European Parliament, including notably the working documents of the Budgetary Control Committee, to the work of the various specialised parliamentary committees, and to individual Members' questions. It is produced by the Policy Performance Appraisal Unit of the European Parliamentary Research Service (EPRS), the EP's in-house research service and think tank, as part of its on-going support for parliamentary committees and individual Members helping them to scrutinise the executive in its implementation of EU law, policies and programmes.

The European Parliament is strongly committed to the concept of Better Law-Making, and particularly to the effective use of ex-ante impact assessment and ex-post evaluation throughout the whole legislative cycle. It is in this spirit that the Parliament has a particular interest in following the transposition, implementation and enforcement of EU law, and more generally, monitoring the impact, operation, effectiveness and delivery of policy and programmes in practice.

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