



Committee on Development

2017/2136(DEC)

2.2.2018

OPINION

of the Committee on Development

for the Committee on Budgetary Control

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section III - Commission and executive agencies
(2017/2136(DEC))

Rapporteur: Doru-Claudian Frunzolic

PA_NonLeg

SUGGESTIONS

The Committee on Development calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the European Court of Auditors' (the Court) Special Report 33/2016 on the European Union Civil Protection Mechanism (UCPM); highlights the Court's conclusion that the Commission has been broadly effective in its coordinating role, as seen during the floods in Bosnia and Herzegovina (2014), the Ebola virus outbreak in West Africa (2014-2016) and the Nepal earthquake (2015); calls on the Commission to follow recommendations of the Court to further improve the functioning of the UCPM;
2. Highlights the positive findings in the Court's Special Reports 30/2016 on the effectiveness of EU support to priority sectors in Honduras and 3/2017 on EU assistance to Tunisia; underlines the Court's assessment, in line with previous special reports on Union development spending, that Union money has been generally well spent which is a proof for the high quality of Union development spending; notes the stark contrast to other policy fields like external migration spending, where the findings are far more negative¹;
3. Notes that according to the Court's Special Report 9/2017 on EU support to fight human trafficking in South/South-East Asia, the Union's Trafficking in Human Beings (THB) Strategy was partially effective in supporting the fight against human trafficking in this region, although it is not obvious to what extent improvements were due to Union action; points out that there is no THB partnership with any of the countries in the region; notes that although most projects yield positive results, they are rarely sustainable; regrets that there is a lack of national ownership and commitment; is concerned about the uncertain durability of results achieved;
4. Is encouraged by the positive findings in the Court's Special Report 11/2017 on the Békou Trust Fund for the Central African Republic, which responds to relief and rehabilitation needs and links this response to development; notes the fundamental difference between trust funds of this kind and the Africa Trust Fund; supports the recommendation to prepare guidance on the choice of aid vehicle and underlines that this guidance must reflect the *possible* risks and disadvantages with trust funds and the mixed experience of their use so far; calls on the Commission to guarantee, through detailed and regular reporting, effective mechanisms for parliamentary scrutiny as to how the Fund is being implemented;
5. Is very worried by a noticeable trend in recent Commission proposals to ignore legally binding provisions of Regulation (EU) No 233/2014 of the European Parliament and of the Council² when it comes to Official Development Assistance eligible expenditure and eligible countries for Development Cooperation Instrument (DCI) spending; recalls

¹ Special Report No 9/2016: EU external migration spending in Southern Mediterranean and Eastern Neighbourhood countries until 2014.

² Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (OJ L 77, 15.3.2014, p. 44).

that legality of Union spending is a key principle of sound financial management and that political considerations should not take precedence over clearly spelled out legal provisions; recalls that DCI is first and foremost an instrument designed to fight poverty;

6. Supports the use of budget support but urges the Commission to better define and clearly assess the development outcomes to be achieved in each case and above all to enhance control mechanisms concerning recipient states' conduct in the fields of corruption, respect of human rights, rule of law and democracy; expresses deep concern about the potential use of budget support in countries lacking democratic oversight, either due to the lack of a functioning parliamentary democracy, freedoms for civil society and the media, or due to a lack of capacity of oversight bodies; notes the Court's Special Report 35/2016 on the use of budget support for domestic resource mobilisation (DRM) in sub-Saharan Africa, which finds that the Commission's ex-ante analyses of DRM are not sufficiently detailed and do not follow its own guidelines, that the Commission often fails to assess tax exemptions and illicit capital outflows and does not properly consider extraction dividends and whether royalties for access to natural resources have been paid; is concerned about the Commission's low and sometimes not relevant use of DRM conditions in budget support contracts;
7. Is worried by the Court's statement¹ that there is a serious risk for the Union not to meet its aim of mainstreaming climate change throughout the Union budget and that the goal of spending 20 % of its expenditure for climate-related action will not be met;
8. Is worried by the Court's finding that the Union certification system for the sustainability of biofuels is not fully reliable²; underlines the potential negative consequences for developing countries as stated by the Court: "the Commission did not require voluntary schemes to verify that the biofuel production they certify does not cause significant risks of negative socioeconomic effects, such as land tenure conflicts, forced/child labour, poor working conditions for farmers and dangers to health and safety" and requests the Commission to address this issue;
9. Highlights the Court's findings in its Special Report No 8/2017 on EU fisheries' control and regrets the significant weaknesses detected; underlines the substantial risk that declared catches are actually lower than in reality which may have serious consequences for fish stocks in waters of developing countries; urges Member States to fully implement the Council Regulation (EC) No 1224/2009³;
10. Looks forward to being fully informed and consulted on the mid-term review of the DCI which is supposed to take into account the Agenda 2030 and a new European Consensus on Development;

¹ Special Report No 31/2016: Spending at least one euro in every five from the EU budget on climate action: ambitious work underway, but at serious risk of falling short.

² Special Report No 18/2016: The EU system for the certification of sustainable biofuels.

³ Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Union control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 (OJ L 343 22.12.2009, p. 1).

11. Recalls the Union's collective commitment to raise the Union's and its Member States' official development assistance to 0.7% of their Gross National Income.
12. Calls on the Commission to incorporate an incentive-based approach to development by introducing the more-for-more principle, taking as an example the European Neighbourhood Policy; believes that the more and the faster a country progresses in its internal reforms to the building and consolidation of democratic institutions, the eradication of corruption, the respect for human rights and the rule of law, the more support it should receive from the Union; stresses that this “positive conditionality” approach, accompanied by a strong focus on financing small-scale projects for rural communities, can bring real change and guarantee that Union tax payers’ money is spent in a more sustainable manner; on the other hand, strongly condemns any attempt to make aid conditional on border control.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	24.1.2018
Result of final vote	+: 16 -: 1 0: 4
Members present for the final vote	Ignazio Corrao, Mireille D'Ornano, Doru-Claudian Frunzulic , Charles Goerens, Enrique Guerrero Salom, György Hölvényi, Arne Lietz, Linda McAvan, Norbert Neuser, Vincent Peillon, Lola Sánchez Caldentey, Elly Schlein, Eleftherios Synadinos, Bogdan Brunon Wenta, Joachim Zeller
Substitutes present for the final vote	Ádám Kósa, Paul Rübig, Judith Sargentini, Adam Szejnfeld
Substitutes under Rule 200(2) present for the final vote	Jean Lambert, Miroslav Mikolášik

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

16	+
ALDE	Charles Goerens
PPE	György Hölvényi, Ádám Kósa, Miroslav Mikolášik, Paul Rübig, Adam Szejnfeld, Bogdan Brunon Wenta
S&D	Doru-Claudian Frunzulic , Enrique Guerrero Salom, Arne Lietz, Linda McAvan, Norbert Neuser, Vincent Peillon, Elly Schlein
Verts/ALE	Jean Lambert, Judith Sargentini

1	-
NI	Eleftherios Synadinos

4	0
EFDD	Ignazio Corrao, Mireille D'Ornano
GUE/NGL	Lola Sánchez Caldentey
PPE	Joachim Zeller

Key to symbols:

+ : in favour

- : against

0 : abstention