



2015/2154(DEC)

19.2.2016

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 2014, Section III - Commission and executive agencies
(2015/2154(DEC))

Rapporteur: Doru-Claudian Frunzulică

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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. Recalls that EU development aid and humanitarian aid expenditures often take place in very challenging environments which increase the difficulties when it comes to project implementation, evaluations and expenditure controls; development aid and humanitarian aid are therefore more error prone than other Union policy areas;
2. Notes that the Court of Auditors' estimated error rate for "Global Europe" expenditures has increased from 2.1 to 2.7 % between 2013 and 2014; underlines that this error rate is still substantially lower than the error rates of Union expenditures managed by Member States;
3. Notes that according to the Court of Auditors 57 % of errors are related to ineligible expenditures; supports the Court of Auditors' recommendation to EuropeAid to improve ex-ante controls and to make better use of on the spot visits in order to detect errors;
4. Welcomes that according to the Court of Auditors the control procedures put in place by DG ECHO when it comes to financial transactions are working correctly and that its reporting system is reliable; congratulates DG ECHO for this;
5. Draws attention to the Union's collective commitment to raise the Union's and its Member States' official development assistance (ODA) to 0.7% of their Gross National Income (GNI) and calls for a predictable and binding timetable to achieve it; fully supports a steady increase in EU climate finance, which must be new and additional, as committed to by the Union; criticises all erosion of non-climate ODA and calls on the Commission and the Member States to follow the Court of Auditors' recommendations in its Special Report 17/2013 on Union climate finance in the context of external aid;
6. Recognises that expenditure relating to security is important for development and particularly relevant in the current efforts to comprehensively address the security-development nexus and deliver on Goal 16 of the Development Agenda, but emphasises that such funding does not constitute ODA and currently cannot be drawn from the Development Cooperation Instrument (DCI) established by Regulation (EU) No 233/2014 of the European Parliament and of the Council or the European Development Fund (EDF);
7. Notes that in 2014, two projects linked to border management in Libya worth EUR 12.9 million were financed via DCI; recalls that the primary objective of DCI is to reduce poverty; reiterates its strong concern that development programmes may be used for purposes not directly related to development; recalls that such an approach will not help the Union to reach the objective of 0.7 % of GNI to be used for official development aid;
8. Notes the potential value of DG DEVCO's Results Framework launched in 2015, but also the associated risks identified by the Court of Auditors in its Special Report 21/2015; considers it necessary to prevent also the more political risk that the pursuit of

the limited number of quantifiable results included by DG DEVCO in the framework will be over-emphasised, at the cost of the pursuit of other results in relation to the objectives of the Union's development cooperation policy, as well as of qualitative results; emphasises the importance of treating the framework as a complement to other monitoring and reporting arrangements;

9. Welcomes the Court of Auditors' Special Report 18/2014 on EuropeAid's Evaluation and Results Oriented Monitoring Systems; invites DG DEVCO to urgently address the various weaknesses in its evaluation and monitoring systems pointed to in the Court of Auditors' Special Report specially those related to serious deficiencies of DG DEVCO's evaluation system; highlights that a badly functioning evaluation system increases the risks of selecting projects lacking quality or which do not reach their objectives; notes and is worried by the diverging views between the Commission and the Court of Auditors when it comes to reliable information on the effectiveness of budget support operations; believes that there is a link between a lack of staff in EU delegations and in DG DEVCO's evaluation unit and the problems highlighted by the Court of Auditors; considers this to be an illustration of the detrimental consequences staff reductions may have for the efficient functioning of Union programmes;
10. Trusts that DG DEVCO will address the various weaknesses in its evaluation and monitoring systems pointed to in the Court of Auditors' Special Report 18/2014;
11. Calls for the putting in place of formal scrutiny powers in relation to EDF, possibly through an interinstitutional agreement of a binding nature under Article 295 of the Treaty on the Functioning of the European Union;
12. Is seriously concerned by the findings of the Court of Auditors' Special Report n°11/2015 on the management by the Commission of Fisheries Partnership Agreements (FPAs); notes that the Court of Auditors expresses doubts on the sustainability of FPAs due to the difficult application of the surplus fishing concept; notes as well that the Court of Auditors seriously puts into question the quality of the Commission's monitoring of the implementation of FPAs; regrets as well that ex-post evaluations of FPAs are insufficiently used in the set-up of follow-up agreements, according to the Court of Auditors; urges the Commission to implement as soon as possible the Court of Auditors' numerous recommendations;
13. Stresses that External Assistance Management Reports by EU delegations constitute snapshots as concerns the implementation of Union external aid projects and can therefore not be considered as final project evaluations; warns therefore against premature and biased conclusions as to the general effectiveness of Union aid policies;
14. Recalls that a virtually constant acute lack of payments funds in 2014 exacerbated DG ECHO's difficulties to adequately respond to the ever worse humanitarian crises in the EU's neighbourhood and beyond; welcomes the fact that better adapted appropriations in the 2015 and 2016 Union budgets have largely solved DG ECHO's payments problem;
15. Regrets that due to a shortage of payment credits in 2014, budget support payments to Morocco and Jordan worth a global amount of EUR 43 million could not be made in 2014 as contractually foreseen; deems this to be seriously detrimental to the Union's

credibility;

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	17.2.2016
Result of final vote	+ : 22 - : 4 0 : 0
Members present for the final vote	Louis Aliot, Beatriz Becerra Basterrechea, Ignazio Corrao, Nirj Deva, Doru-Claudian Frunzulică, Nathan Gill, Charles Goerens, Enrique Guerrero Salom, Heidi Hautala, Maria Heubuch, Teresa Jiménez-Becerril Barrio, Stelios Kouloglou, Arne Lietz, Linda McAvan, Maurice Ponga, Cristian Dan Preda, Lola Sánchez Caldentey, Elly Schlein, Pedro Silva Pereira, Davor Ivo Stier, Paavo Väyrynen, Bogdan Brunon Wenta, Rainer Wieland, Anna Záborská
Substitutes present for the final vote	Jan Zahradil, Joachim Zeller