



Measure EU spending results, not just payment errors, say budgetary control MEPs

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EU accounts should measure the achievements of EU-funded projects, and not just payment errors, said Budgetary Control Committee MEPs debating the European Court of Auditors (ECA) annual report on EU spending in 2013 on Wednesday. Data from member states on how they spend EU funds are too often unreliable, they added. The ECA presentation marks the start of the 2013 "discharge" exercise in which Parliament vets spending. The overall error rate in 2013 was 4.7%, slightly down on 2012.

"Payment irregularities in a project are usually just the tip of the iceberg. Most likely there are underlying problems in its performance as well," said Ms Ingeborg Gräßle (EPP, DE), the MEP in charge of verifying spending in areas for which the European Commission was responsible.

Although the estimated overall error rate dropped from 4.8% in 2012 to 4.7% in 2013, it is still well above the 2% threshold under which ECA could classify payments as error-free.

While the European Commission is legally responsible for expenditure overall, about 80% of all EU funding is in fact managed and paid locally by member states and their authorities. This spending is later reimbursed by the EU.

Check what EU money buys

MEPs stressed the need to verify the actual outcome of EU-funded programmes. "Systems are set up to ensure compliance with the rules, but we need to look harder at what is actually done with the money", noted Petri Sarvamaa (EPP, FI).

Highest error rates still in regional and farm spending

The most error-prone areas are still regional policy (6.9% in 2013, up from 6.8% in 2012) and rural development (6.7% in 2013, down from 7.9% in 2012). Both areas are managed by the member states themselves.

In rural development spending, for which the budget was €13.7 billion, most errors were due to failures to respect eligibility requirements, while in regional policy, with a budget of €43.6 billion, there were serious errors in public procurement, reported the ECA. The error rate in agriculture spending, for which the budget was €45 billion in 2013, was 3.6%.

Better national checks needed

"If the member states had done what they should have to prevent irregular reimbursement requests from being presented, the error rate would have been much lower in many areas", observed ECA President Vítor Manuel da Silva Caldeira. MEPs also noted that the data provided by member states on their spending is often unreliable.

Background

The presentation of the annual report of the ECA marks the formal launch of the "discharge" procedure, whereby Parliament assesses whether EU money is spent correctly. Errors are unintentional mistakes in administration, which should not be equated

Press release

with fraud.

The 2013 procedure will conclude with a plenary vote in April 2015. The MEPs in charge of assessing spending by the various institutions are as follows:

- Ms Ingeborg Grässle (EPP, DE) - European Commission
- Ms Martina Dlabajová (ALDE, CZ) - European Development Fund
- Mr Gilles Pargneaux (S&D, FR) - European Parliament
- Mr Ryszard Czarnecki (ECR, PL) - European Council, Council, European External Action Service, Court of Justice, Court of Auditors, Economic and Social Committee, Committee of the Regions, European Ombudsman, European Data Protection Supervisor, agencies
- Mr Ryszard Czarnecki (ECR, PL) and Mr Anders Primdahl Vistisen (ECR, DK) - joint undertakings

In the chair: Ms Ingeborg Grässle

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