



2021/2054(INL)

7.10.2021

AMENDMENTS

1 - 77

Draft report
Maria Grapini
(PE696.492v01-00)

Digitalisation of the European reporting, monitoring and audit
(2021/2054(INL))

Amendment 1
Luke Ming Flanagan

Motion for a resolution
Citation 15 a (new)

Motion for a resolution

Amendment

— *having regards to the Court of Auditors' Special Report 04/2020: Using new imaging technologies to monitor the Common Agricultural Policy: steady progress overall, but slower for climate and environment monitoring,*

Or. en

Amendment 2
Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution
Recital B

Motion for a resolution

Amendment

B. whereas with regard to budget implementation, the application of that principle implies that citizens should know where, and for what purpose, funds are spent by the Union;

B. whereas with regard to budget implementation, the application of that principle implies that **European** citizens should know where, and for what purpose, funds are spent by the Union;

Or. en

Amendment 3
Monika Hohlmeier, Markus Pieper, Tomáš Zdechovský, Maria Grapini

Motion for a resolution
Recital B a (new)

Motion for a resolution

Amendment

B a. *notes that the number of off-budget instruments continues to grow, considers that the instruments such as Next Generation EU underlie the direct management of the Commission;*

highlights that the Parliament needs to fulfil its mandate in decision-making, scrutiny and discharge functions; requests that the Financial Regulation is updated, allowing the Parliament to fulfil its mandate in controlling these new mechanisms; stresses that this is particularly important in the context the digitalisation of the European reporting, monitoring and audit;

Or. en

Amendment 4
Luke Ming Flanagan

Motion for a resolution
Recital C

Motion for a resolution

C. whereas public knowledge about the spending of Union funds is essential for the acceptance of this spending and is also crucial in order to ensure accountability and ensure better control of spending including avoidance of misuse and of conflicts of interests;

Amendment

C. whereas public knowledge **and full transparency** about the spending of Union funds is essential for the acceptance of this spending and is also crucial in order to ensure accountability and ensure better control of spending including avoidance of misuse, **corruption, fraud** and of conflicts of interests;

Or. en

Amendment 5
Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution
Recital C

Motion for a resolution

C. whereas public knowledge about the spending of Union funds is essential for the acceptance of this spending and is also crucial in order to ensure accountability and ensure better control of spending including avoidance of misuse and of

Amendment

C. whereas public knowledge about the spending of Union funds is essential for the acceptance of this spending and is also crucial in order to ensure accountability, **credibility** and ensure better control of spending including avoidance of misuse,

conflicts of interests;

fraud, corruption and of conflicts of interests;

Or. en

Amendment 6

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital F

Motion for a resolution

F. whereas there are currently major differences in how these systems are designed, how they work and how to retrieve information from them;

Amendment

F. whereas there are currently major differences in how these systems are designed, how they work and how to retrieve ***and share*** information from them;

Or. en

Amendment 7

Luke Ming Flanagan

Motion for a resolution

Recital F a (new)

Motion for a resolution

Amendment

F a. whereas fragmentation of data make the identification of final beneficiaries extremely difficult, if not impossible for direct, indirect or shared management Union funds;

Or. en

Amendment 8

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital G

Motion for a resolution

Amendment

G. whereas there are many systems that do not include unique identification numbers for *natural* persons and companies;

G. whereas there are many systems that do not include unique identification numbers for *physical* persons and companies;

Or. en

Amendment 9

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital H

Motion for a resolution

H. whereas for companies the current systems in most cases do not contain information about the owner or owners of the companies;

Amendment

H. whereas for companies the current systems in most cases do not contain information about the owner or owners of the companies, *and their beneficial owners*;

Or. en

Amendment 10

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital H a (new)

Motion for a resolution

Amendment

H a. whereas digitalisation of the European reporting, monitoring and audit is the most useful instrument to avoid disinformation if information is publicly available;

Or. en

Amendment 11

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital J

Motion for a resolution

J. whereas Parliament in 2020 initiated a study with a view to identify the 50 largest beneficiaries of CAP and structural funds in each Member State based on publicly available information, which has provided interesting findings but also has illustrated how difficult it is to identify many final beneficiaries;

Amendment

J. whereas Parliament in 2020 initiated a study with a view to identify the 50 largest beneficiaries of CAP and structural funds in each Member State based on publicly available information, which has provided interesting findings but also has illustrated how difficult it is *still* to identify *clearly* many final beneficiaries;

Or. en

Amendment 12
Luke Ming Flanagan

Motion for a resolution
Recital K a (new)

Motion for a resolution

Amendment

K a. whereas the Court of Auditors' findings presented during the public hearing of the 2nd September 2021 in CONT showed a clear need to improve transparency of the existing system of the oversight of Union funds;

Or. en

Amendment 13
Mikuláš Peksa
on behalf of the Greens/EFA Group

Motion for a resolution
Recital L

Motion for a resolution

L. whereas some companies and natural persons operate in more than one Member State;

Amendment

L. whereas some companies and natural persons operate in more than one Member State ***and, therefore, receive EU subsidies in several Member States without the Commission being able to keep track of the total amount of money***

accumulated by each of these multinational companies;

Or. en

Amendment 14

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital L

Motion for a resolution

L. whereas some companies and natural persons operate in more than one Member State;

Amendment

L. whereas some companies and natural persons operate in more than one Member State ***and company structures can be highly complex and opaque;***

Or. en

Amendment 15

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital L

Motion for a resolution

L. whereas some companies and ***natural*** persons operate in more than one Member State;

Amendment

L. whereas some companies and ***physical*** persons operate in more than one Member State;

Or. en

Amendment 16

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital N

Motion for a resolution

N. whereas all these factors illustrate that there is an urgent need to create a

Amendment

N. whereas all these factors illustrate that there is an urgent need to create a

standardised Union-wide interoperable digital system for Member States' implementing authorities to report about the beneficiaries of CAP and structural and cohesion funds in order to enable national control and audit authorities, Union institutions and **the public** to obtain reliable information about the identity of final beneficiaries, how much they receive and from which funds;

standardised Union-wide interoperable digital system for Member States' implementing authorities to report about the beneficiaries of CAP and structural and cohesion funds in order to enable national control and audit authorities, Union institutions and **bodies, the ECA, OLAF and EPPO** to obtain **complete and** reliable information about the identity of final beneficiaries, how much they receive and from which funds;

Or. en

Amendment 17

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital N

Motion for a resolution

N. whereas all these factors illustrate that there is an urgent need to create a standardised Union-wide interoperable digital system for Member States' implementing authorities to report about the beneficiaries of CAP **and** structural and cohesion funds in order to enable national control and audit authorities, Union institutions and the public to obtain reliable information about the identity of final beneficiaries, how much they receive and from which funds;

Amendment

N. whereas all these factors illustrate that there is an urgent need to create a **single** standardised Union-wide interoperable digital system for Member States' implementing authorities to report about the beneficiaries of CAP, structural and cohesion **funds and all the other** funds in order to enable national control and audit authorities, Union institutions and the public to obtain reliable information about the identity of final beneficiaries, how much they receive and from which funds;

Or. en

Amendment 18

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Recital N

Motion for a resolution

Amendment

N. whereas all these factors illustrate that there is an urgent need to create a standardised Union-wide interoperable digital system for Member States' implementing authorities to report about the beneficiaries of CAP and structural and cohesion funds in order to enable national control and audit authorities, Union institutions and the public to obtain reliable information about the identity of final beneficiaries, how much they receive and from which funds;

N. whereas all these factors illustrate that there is an urgent need to create a **transparent** standardised **open-source** Union-wide interoperable digital system for Member States' implementing authorities to report about the beneficiaries of CAP and structural and cohesion funds in order to enable national control and audit authorities, Union institutions and the public to obtain reliable information about the identity of final beneficiaries, how much they receive and from which funds;

Or. en

Amendment 19

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital N a (new)

Motion for a resolution

Amendment

N a. whereas the public should have access to information on the direct and final beneficiaries of EU funds to the greatest extent possible in line with applicable data protection rules and the standing jurisprudence of the CJEU on the publication of data on beneficiaries of EU funds;

Or. en

Amendment 20

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital O

Motion for a resolution

Amendment

O. whereas such a system should ensure data format harmonisation, be machine readable, contain unique identification numbers, include search and

O. whereas such a system should ensure data format harmonisation, be machine readable, contain unique identification numbers, include search and

sort functions and be interoperable so that data can be aggregated not only in respect of one policy or fund but across all policies, funds and Member States;

sort functions and be interoperable so that data can be aggregated not only in respect of one policy or fund but across all policies, funds and Member States ***and should concern direct, indirect and also shared management;***

Or. en

Amendment 21

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Recital O

Motion for a resolution

O. whereas such a system should ensure data format harmonisation, be machine readable, contain unique identification numbers, include search and sort functions and be interoperable so that data can be aggregated not only in respect of one policy or fund but across all policies, funds and Member States;

Amendment

O. whereas such a system should ***be open-source***, ensure data format harmonisation, be machine readable, contain unique identification numbers, include search and sort functions and be interoperable so that data can be aggregated not only in respect of one policy or fund but across all policies, funds and Member States;

Or. en

Amendment 22

Luke Ming Flanagan

Motion for a resolution

Recital O a (new)

Motion for a resolution

O a. whereas such a system should be transparent and easy to use;

Or. en

Amendment 23

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Recital P a (new)

Motion for a resolution

Amendment

P a. whereas such a system must be developed in conjunction with the highest level of cyber security in order to avoid any attempt of cyber attacks on this system used in all Member States;

Or. en

Amendment 24

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Recital Q

Motion for a resolution

Amendment

Q. whereas the Union budget should finance the development of such a system, which should be made available to Member States and regional authorities in charge of running and maintaining such reporting systems together with training courses for officials in charge of the daily operation of the systems;

Q. whereas the Union budget should finance the development of such a system, which should be made available to Member States and regional authorities in charge of running and maintaining such reporting systems, ***as well as for journalist, civil society representatives and the general public***, together with training courses for officials in charge of the daily operation of the systems;

Or. en

Amendment 25

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Recital R

Motion for a resolution

Amendment

R. whereas the reporting systems for CAP and structural and cohesion policies cannot realistically be constantly updated with the most recent information about company ownerships and thereby ultimate beneficiaries, the systems should therefore be automatically linked to common databases about ultimate beneficiaries;

R. whereas the reporting systems for CAP and structural and cohesion policies cannot realistically be constantly updated with the most recent information about company ownerships and thereby ultimate beneficiaries, the systems should therefore be automatically linked to ***public company databases and*** common databases about ultimate beneficiaries;

Or. en

Amendment 26

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital S

Motion for a resolution

S. whereas public entities are often the direct recipients of money from CAP or structural funds which is then paid to other recipients as part of a specific program implementation; whereas in such situations the public entity should also be obliged to report about who the final recipients of the money have been;

Amendment

S. whereas public entities are often the direct recipients of money from CAP or structural funds which is then paid to other recipients as part of a specific program implementation; whereas in such situations the public entity should also be obliged to report about who the final recipients of the money have been; ***whereas the digital system should include interoperability inter alia with internal systems of relevant national bodies and authorities, management and paying authorities, as well as national public procurement and tender databases;***

Or. en

Amendment 27

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital T

Motion for a resolution

T. whereas such an interoperable

Amendment

T. whereas such an interoperable

system should respect GDPR rules and reasonable “de minimis rules”;

system should respect GDPR rules and reasonable “de minimis rules” *for the publication of data*;

Or. en

Amendment 28

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Recital U

Motion for a resolution

U. whereas data on recipients of funds from CAP and structural and cohesion funds should be available to the public for a minimum period of *five* years;

Amendment

U. whereas data on recipients of funds from CAP and structural and cohesion funds should be available to the public for a minimum period of *ten* years;

Or. en

Amendment 29

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Recital V

Motion for a resolution

V. whereas rules on *transparency* concerning beneficiaries of funds from shared management policies should as far as possible be harmonised with rules concerning beneficiaries of funds in direct management;

Amendment

V. whereas rules on *the publication of data* concerning beneficiaries of funds from shared management policies should as far as possible be harmonised with rules concerning beneficiaries of funds in direct management;

Or. en

Amendment 30

Luke Ming Flanagan

Motion for a resolution

Recital V a (new)

Motion for a resolution

Amendment

V a. whereas more and a better use of satellite data should be made, removing the obstacles currently hampering the wide use of new technologies by paying agencies^{9a}

^{9a} ECA Special Report 04/2020: Using new imaging technologies to monitor the Common Agricultural Policy: steady progress overall, but slower for climate and environment monitoring

Or. en

Amendment 31

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Paragraph 3

Motion for a resolution

3. Considers that ensuring trust in the financial management of the Union funds is essential for overall trust in the Union institutions and thereby in the project of further European integration;

Amendment

3. Considers that ensuring trust in the financial management of the Union funds is essential for overall trust in the Union institutions and thereby ***the credibility*** in the project of further European integration;

Or. en

Amendment 32

Marian-Jean Marinescu

Motion for a resolution

Paragraph 3 a (new)

Motion for a resolution

Amendment

3 a. Is of the opinion that data is at the centre of digital transformation and cloud services are strategic innovation enablers for this transformation;

Amendment 33
Marian-Jean Marinescu

Motion for a resolution
Paragraph 3 b (new)

Motion for a resolution

Amendment

3 b. Welcomes the launch of the European Alliance for Industrial Data, Edge and Cloud in July 2021; Emphasises the need for the creation of a Government cloud in each Member State a step for the EU digital sovereignty;

Or. en

Amendment 34
Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution
Paragraph 5

Motion for a resolution

Amendment

5. Is of the firm opinion that the most efficient and effective way to **ensure enhanced** protection of Union finances and enable **further transparency** is to create an integrated, interoperable and harmonised system to collect, monitor and analyse information about final beneficiaries in all Member States.

5. Is of the firm opinion that the most efficient and effective way to **further enhance** protection of Union finances and enable **even closer scrutiny** is to create an integrated, interoperable and harmonised system to collect, monitor and analyse information about final beneficiaries in all Member States;

Or. en

Amendment 35
Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper

Motion for a resolution
Paragraph 6

Motion for a resolution

6. Considers that transparency about the implementation of the rules and accordingly about the identity of recipients of money from different funds and programmes and about the amounts they receive is an essential part of ensuring trust in the financial management of Union funds;

Amendment

6. Considers that transparency about the implementation of the rules and accordingly about the identity of recipients of money from different funds and programmes and about the amounts they receive is an essential part of ensuring trust in the financial management of Union funds; ***acknowledges that the publication of data on beneficiaries should include “de minimis” thresholds in line with applicable data protection rules and the standing jurisprudence of the CJEU;***

Or. en

Amendment 36
Marian-Jean Marinescu

Motion for a resolution
Paragraph 6

Motion for a resolution

6. Considers that transparency about the implementation of the rules and accordingly about the identity of recipients of money from different funds and programmes and about the amounts they receive ***is*** an essential part of ensuring trust in the financial management of Union funds;

Amendment

6. Considers that transparency about the implementation of the rules and accordingly about the identity of recipients of money from different funds and programmes and about the amounts they receive ***and prevention of fraud policies are*** an essential part of ensuring trust in the financial management of Union funds;

Or. en

Amendment 37
Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution
Paragraph 6 a (new)

Motion for a resolution

Amendment

6 a. Considers furthermore that transparency ensured with a digitalisation

program creating an integrated, interoperable and harmonised system could be the best instrument to fight against disinformation across all Members states;

Or. en

Amendment 38

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 7 a (new)

Motion for a resolution

Amendment

7 a. Believes that transparency of public funds ensures better accountability and enhanced trust from citizens in public authorities; recommends that all political parties in Europe operate with transparent bank accounts, which allows citizens to consult the transaction history and identify potential fraudulent behaviour such as corruption of public officials or conflicts of interests;

Or. en

Amendment 39

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Paragraph 8

Motion for a resolution

Amendment

8. Underlines that transparency about final beneficiaries will ensure that auditing, control and discharge authorities in national administrations, the Commission, the Council and the Parliament will have much better and more accurate possibilities to ensure that money is being spent efficiently according to rules and policy

8. Underlines that transparency about final beneficiaries will ensure that auditing, control and discharge authorities in national administrations, the Commission, the Council and the Parliament will have much better and more accurate possibilities to ensure that money is being spent efficiently according to rules and policy

ambitions;

ambitions; *emphasises that also the ECA, OLAF and EPPO will be able to fulfil their respective responsibilities with greater efficiency and accuracy if given full access to complete and reliable information;*

Or. en

Amendment 40
Luke Ming Flanagan

Motion for a resolution
Paragraph 8

Motion for a resolution

8. Underlines that transparency about final beneficiaries will ensure that auditing, control and discharge authorities in national administrations, the Commission, the Council and the Parliament will have much better and more accurate possibilities to ensure that money is being spent efficiently according to rules and policy ambitions;

Amendment

8. Underlines that transparency about final beneficiaries will ensure that auditing, control and discharge authorities in national administrations, the Commission, the Council and the Parliament will have much better and more accurate possibilities to ensure that money is being spent efficiently *or to carry out recoveries in the event of fraud* according to rules and policy ambitions;

Or. en

Amendment 41
Mikuláš Peksa
on behalf of the Greens/EFA Group

Motion for a resolution
Paragraph 8

Motion for a resolution

8. Underlines that transparency about final beneficiaries will ensure that auditing, control and discharge authorities in national administrations, the Commission, the Council and the Parliament will have much better and more accurate possibilities to ensure that money is being spent

Amendment

8. Underlines that transparency about final beneficiaries will ensure that auditing, control and discharge authorities in national *and regional* administrations, the Commission, the Council and the Parliament will have much better and more accurate possibilities to ensure that money

efficiently according to rules and policy ambitions;

is being spent efficiently according to rules and policy ambitions;

Or. en

Amendment 42

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 9

Motion for a resolution

9. Underlines furthermore, that transparency about final beneficiaries will give journalists, civil society representatives and the general public much better possibilities to raise legitimate questions and concerns and thereby to expose potential cases of misuse or fraud of Union funds;

Amendment

9. Underlines furthermore, that transparency about final beneficiaries will give journalists, civil society representatives and the general public much better possibilities to raise legitimate questions and concerns and thereby to expose potential cases of misuse or fraud of Union funds ***or problematic involvement from Politically Exposed Persons (PEPs)***;

Or. en

Amendment 43

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Paragraph 9

Motion for a resolution

9. Underlines furthermore, that ***transparency*** about final beneficiaries will give journalists, civil society representatives and the general public much better possibilities to raise legitimate questions and concerns and thereby to expose potential cases of misuse or fraud of Union funds;

Amendment

9. Underlines furthermore, that ***a more coherent and EU wide publication of data*** about final beneficiaries will give journalists, civil society representatives and the general public much better possibilities to raise legitimate questions and concerns and thereby to expose potential cases of misuse or fraud of Union funds;

Or. en

Amendment 44

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Paragraph 10

Motion for a resolution

10. Considers that the present situation where it is impossible to get a reasonably complete picture about who is receiving how much from especially shared management funds is unacceptable and needs to be changed as soon as possible to increase the efficiency of Union funds;

Amendment

10. Considers that the present situation where it is impossible to get a reasonably complete picture about who is receiving how much from especially shared management funds, ***including particularly the lacking possibility to aggregate individual amounts concerning the same direct and/or final beneficiary and/or beneficial owner***, is unacceptable and needs to be changed as soon as possible to increase the efficiency of Union funds;

Or. en

Amendment 45

Luke Ming Flanagan

Motion for a resolution

Paragraph 10

Motion for a resolution

10. Considers that the present situation where it is impossible to get a reasonably complete picture about who is receiving how much from especially shared management funds is unacceptable and needs to be changed as soon as possible to increase ***the*** efficiency of Union funds;

Amendment

10. Considers that the present situation where it is impossible to get a reasonably complete picture about who is receiving how much from especially shared management funds is unacceptable and needs to be changed as soon as possible to increase ***transparency and*** efficiency of Union funds;

Or. en

Amendment 46

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution
Paragraph 13 a (new)

Motion for a resolution

Amendment

13 a. Believes that the review of the Financial Regulation should include a solid legal basis for mandatory use of open and standardized public procurement data, as well as to make budgetary control IT-systems mandatory, public and interoperable with national and regional databases;

Or. en

Amendment 47
Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper

Motion for a resolution
Paragraph 14

Motion for a resolution

Amendment

14. Stresses that the revision should ensure that it is possible to identify final beneficiaries of funds **and therefore the revision should, among other things, contain an obligation for reporting systems to include detailed information about the type of beneficiary and unique identifiers for all direct beneficiaries;**

14. Stresses that the revision should ensure that it is possible to identify final beneficiaries of funds; **considers that compulsory information items collected for audit and control purposes need to include as a minimum the registration number of legal entities, national identification number for natural persons, an indication of the type of beneficiary, sub-contractors, beneficial owners, whether the beneficiary also receives State aid and the beneficiary's contact information; underlines that access to sensitive data through the interoperable digital reporting and monitoring system must be limited to responsible national and European authorities, institutions and bodies for audit, control and discharge purposes and strictly in line with data protection requirements;**

Or. en

Amendment 48

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 14

Motion for a resolution

14. Stresses that the revision should ensure that it is possible to identify final beneficiaries of funds and therefore the revision should, among other things, contain an obligation for reporting systems to include detailed information about the type of beneficiary and unique identifiers for all direct beneficiaries;

Amendment

14. Stresses that the revision should ensure that it is possible to identify final beneficiaries of funds and therefore the revision should, among other things, contain an obligation for reporting systems to ***use standardised datasets, which*** include detailed information about the type of beneficiary and unique identifiers for all direct beneficiaries;

Or. en

Amendment 49

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 14 a (new)

Motion for a resolution

Amendment

14 a. Stresses that the Commission should ensure that the use of integrated and standardised reporting and monitoring tools is mandatory and fully implemented in the Member States and thus no longer operates solely on voluntary basis;

Or. en

Amendment 50

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Paragraph 15

Motion for a resolution

15. Underlines that the revision should further ensure that when the direct recipient of Union funds is a company it should be ensured that it is possible to identify the owners of that company;

Amendment

15. Underlines that the revision should further ensure that when the direct recipient of Union funds is a company it should be ensured that it is possible to identify the **beneficial** owners of that company;

Or. en

Amendment 51 Luke Ming Flanagan

Motion for a resolution Paragraph 16

Motion for a resolution

16. Underlines that in situations where the direct recipient is a company which is owned by another company, it should be ensured that it is possible to identify the owners of the second company also, and that this obligation should continue to apply no matter how many companies are involved;

Amendment

16. Underlines that in situations where the direct recipient is a company which is owned by another company, it should be ensured that it is possible to identify the owners of the second company also, and that this obligation should continue to apply no matter how many companies are involved; ***considers therefore that it is necessary to have unique identification numbers set up for beneficiaries by parent companies, so that every subsidiary has a subsequent number, allowing to really know where money goes;***

Or. en

Amendment 52 Mikuláš Peksa on behalf of the Greens/EFA Group

Motion for a resolution Paragraph 16

Motion for a resolution

Amendment

16. Underlines that in situations where the direct recipient is a company which is owned by another company, it should be ensured that it is possible to identify the owners of the second company also, and that this obligation should continue to apply ***no matter how many companies are*** involved;

16. Underlines that in situations where the direct recipient is a company which is owned by another company, it should be ensured that it is possible to identify the owners of the second company also, and that this obligation should continue to apply ***to all companies involved in the ownership structure***;

Or. en

Amendment 53

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Paragraph 16

Motion for a resolution

16. Underlines that in situations where the direct recipient is a company which is owned by another company, it should be ensured that it is possible to identify the owners of the second company also, and that this obligation should continue to apply no matter how many companies are involved;

Amendment

16. Underlines that in situations where the direct recipient is a company which is owned by another company, it should be ensured that it is possible to identify the ***beneficial*** owners of the second company also, and that this obligation should continue to apply no matter how many companies are involved;

Or. en

Amendment 54

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper

Motion for a resolution

Paragraph 17

Motion for a resolution

17. Notes that this obligation to identify the owner should as a minimum apply whenever any natural or legal person owns more than **30%** of the company in question;

Amendment

17. Notes that this obligation to identify the ***beneficial*** owner should as a minimum apply whenever any natural or legal person owns more than **10%** of the company in question; ***emphasises that company shares belonging to relatives should be aggregated and counted as one***;

Amendment 55
Luke Ming Flanagan

Motion for a resolution
Paragraph 17

Motion for a resolution

17. Notes that this obligation to identify the owner should as a minimum apply whenever any natural or legal person owns more than **30%** of the company in question;

Amendment

17. Notes that this obligation to identify the owner should as a minimum apply whenever any natural or legal person owns more than **25%^{10a}** of the company in question;

^{10a} Definition of ultimate beneficiary in the Study “The Largest 50 beneficiaries in each EU Member State of CAP and Cohesion Funds”

Amendment 56
Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution
Paragraph 18

Motion for a resolution

18. Notes that the obligation of being able to identify the owners of the company should also apply when a company is located in a non-Union country;

Amendment

18. Notes that the obligation of being able to identify the **beneficial** owners of the company should also apply when a company is located in a non-Union country;

Amendment 57
Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution
Paragraph 19

Motion for a resolution

19. Notes that the revision of the Financial Regulation should also ensure that public entities, which are the direct recipients of Union funds, should be obliged to report concerning the final beneficiaries of the funds, i.e. if it is natural or legal persons other than the public entity itself;

Amendment

19. Notes that the revision of the Financial Regulation should also ensure that public entities, which are the direct recipients of Union funds, should be obliged to report concerning the final beneficiaries of the funds, i.e. if it is natural or legal persons other than the public entity itself; ***underlines the necessity for the digital system to include interoperability with internal systems of relevant national bodies and authorities, management and paying authorities, as well as national public procurement and tender databases;***

Or. en

Amendment 58

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 20

Motion for a resolution

20. Calls on the Commission to develop and make available to financial actors and entities responsible for tasks of budget implementation, including competent national authorities under shared management, a system to ensure the digitalisation of European reporting, monitoring and audit for the CAP, cohesion and structural funds policies and other policies;

Amendment

20. Calls on the Commission to develop and make available to financial actors and entities responsible for tasks of budget implementation, including competent national ***and regional*** authorities under shared management, a system to ensure the digitalisation of European reporting, monitoring and audit for the CAP, cohesion and structural funds policies and other policies;

Or. en

Amendment 59

Marian-Jean Marinescu

Motion for a resolution

Paragraph 21

Motion for a resolution

21. Stresses that such a system shall be based on standardised measures to collect, compare and aggregate information and figures on the final recipients and beneficiaries of Union funding, for the purposes of control and audit;

Amendment

21. Stresses that such a system shall be based on standardised measures to collect, compare and aggregate information and figures on the final recipients and beneficiaries of Union funding, for the purposes of control and audit; ***emphasises the need for an electronic identity as first step to increase the trust of citizens in public institutions;***

Or. en

Amendment 60

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 21

Motion for a resolution

21. Stresses that such a system shall be based on standardised measures to collect, compare and aggregate information and figures on the final recipients and beneficiaries of Union funding, for the purposes of control and audit;

Amendment

21. Stresses that such a system shall be based on ***open-source principles and use*** standardised ***datasets and*** measures to collect, compare and aggregate information and figures on the final recipients and beneficiaries of Union funding, for the purposes of control and audit;

Or. en

Amendment 61

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Paragraph 21

Motion for a resolution

21. Stresses that such a system shall be based on standardised measures to collect, compare and aggregate information and figures on the final recipients and

Amendment

21. Stresses that such a system shall be based on standardised measures to collect, compare and aggregate information and figures on the ***direct and*** final recipients

beneficiaries of Union funding, for the purposes of control **and** audit;

and beneficiaries of Union funding, for the purposes of control, audit **and discharge**;

Or. en

Amendment 62

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 22 a (new)

Motion for a resolution

Amendment

22 a. Highlights that such a system should be accessible to journalist, civil society representatives and the general public in order to facilitate research on the use of public funds and possibly uncover fraud, while respecting the GDPR rules;

Or. en

Amendment 63

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 23

Motion for a resolution

Amendment

23. Asks for this system to be developed **as quickly as possible** and to be made available and mandatory for the reporting authorities in Member States;

23. Asks for this system to be developed **within two years** and to be made available, **free of charge**, and mandatory for the reporting authorities in Member States;

Or. en

Amendment 64

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution
Paragraph 24

Motion for a resolution

24. Underlines that the development of such a system should be accompanied with the enabling of national authorities and relevant Union institutions, including the Parliament, the Commission, ECA, OLAF and EPPO where relevant, to ensure efficient checks on conflicts of interests, irregularities, issues of double funding and any misuse of the funds including the use of modern IT tools such as ARACHNE;

Amendment

24. Underlines that the development of such a system should be accompanied with the enabling of national ***and regional*** authorities and relevant Union institutions, including the Parliament, the Commission, ECA, OLAF and EPPO where relevant, to ensure efficient checks on conflicts of interests, irregularities, issues of double funding and any misuse of the funds including the use of modern IT tools such as ARACHNE;

Or. en

Amendment 65
Mikuláš Peksa
on behalf of the Greens/EFA Group

Motion for a resolution
Paragraph 26

Motion for a resolution

26. Asks for the Commission to ensure that the necessary funding for such a system is made available in the Union budget together with appropriations for training and technical assistance for staff of national authorities that will be using this system;

Amendment

26. Asks for the Commission to ensure that the necessary funding for such a system is made available in the Union budget together with appropriations for training and technical assistance for staff of national ***and regional*** authorities that will be using this system;

Or. en

Amendment 66
Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution
Paragraph 28

Motion for a resolution

28. Requests that the system is designed in such a way that it automatically links to databases containing updated information about company ownership;

Amendment

28. Requests that the system is designed in such a way that it automatically links to databases containing updated information about company ownership ***as well as interoperability with internal systems of relevant national bodies and authorities, management and paying authorities, as well as national public procurement and tender databases;;***

Or. en

Amendment 67

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 29

Motion for a resolution

29. Asks that information about recipients of Union funds is made publicly available for a minimum period of ***five*** years;

Amendment

29. Asks that information about recipients of Union funds is made publicly available for a minimum period of ***ten*** years;

Or. en

Amendment 68

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper

Motion for a resolution

Paragraph 30

Motion for a resolution

30. Underlines that such a system should respect the Union data protection rules; notes that there ***might be*** differences between the level of detail in information which ***is*** made available for the public in general ***and which is available for audit, control and discharge authorities***; stresses

Amendment

30. Underlines that such a system should respect the Union data protection rules ***and standing jurisprudence of the CJEU***; notes that there ***are*** differences between the level of detail in information which ***needs to be collected, aggregated and stored for audit, control and***

that audit, control and discharge authorities ***should always have*** access to all available information;

discharge purposes and which can be made available for the public in general; stresses that audit, control and discharge authorities ***must have full*** access to all available information ***while the publication of data may be restricted by applicable data protection requirements and “de minimis” thresholds;***

Or. en

Amendment 69

Olivier Chastel, Alin Mituța, Pascal Durand, Pierre Karleskind

Motion for a resolution

Paragraph 22 a (new)

Motion for a resolution

Amendment

22 a. Insists that such a system should be developed with a high level of cybersecurity to avoid security breaches or cyberattack possible in each Member State;

Or. en

Amendment 70

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 30 a (new)

Motion for a resolution

Amendment

30 a. Highlights that such a system shall be effectively protected from cyberthreats; asks the Commission to invest in high level cybersecurity software and run periodic tests to identify potential vulnerabilities;

Or. en

Amendment 71

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 31

Motion for a resolution

31. Acknowledges that the system should respect rules concerning minimum amounts that will not be made publicly available; stresses that the responsible authorities should nevertheless always aggregate all the funds that are being paid to a single beneficiary and if the total amount that is being paid to any single beneficiary exceeds the minimum amount all the payments to that beneficiary should be *made* public;

Amendment

31. Acknowledges that the system should respect rules concerning minimum amounts that will not be made publicly available; stresses that the responsible authorities should nevertheless always aggregate all the funds that are being paid to a single beneficiary and if the total amount that is being paid to any single beneficiary exceeds the minimum amount, ***information regarding*** all the payments ***made*** to that beneficiary should be ***disclosed to the*** public;

Or. en

Amendment 72

Mikuláš Peksa

on behalf of the Greens/EFA Group

Motion for a resolution

Paragraph 32 a (new)

Motion for a resolution

Amendment

32 a. Stresses that the existing Early Detection and Exclusion System (EDES) also plays an important role in the protection of the Union's financial interests; is concerned that it only applies to funds under direct management, which only represent about 20% of the EU funds; is equally concerned that economic operators identified by OLAF as abusing public funds are not automatically excluded from contracts financed by the EU budget or subject to financial penalties; urges the Commission to extend the scope of the EDES in the upcoming revision of the Financial Regulation in

order to make it more effective;

Or. en

Amendment 73

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Annex I – paragraph 10 – point 3

Motion for a resolution

(3) To enhance the protection of the Union budget, the Commission should make available an integrated and interoperable information and monitoring system, including a single data-mining and risk-scoring tool, to access and analyse the aforementioned data with a view to a generalised application by Member States. That system should ensure efficient checks on conflicts of interests, irregularities, issues of double funding, and any misuse of the funds. The Commission, the European Anti-Fraud Office (OLAF) and other Union investigative and control bodies should have the necessary access to that data in order to exercise their supervisory functions in relation to the controls and audits that are to be carried out by the Member States in the first place to detect irregularities and conduct administrative investigations into the misuse of the Union funding concerned, and to get a precise overview of its distribution.

Amendment

(3) To enhance the protection of the Union budget, the Commission should make available an integrated and interoperable information and monitoring system, including a single data-mining and risk-scoring tool, to access, ***store, aggregate*** and analyse the aforementioned data with a view to a generalised ***mandatory*** application by Member States. That system should ensure efficient checks on conflicts of interests, irregularities, issues of double funding, and any misuse of the funds. The Commission, the European Anti-Fraud Office (OLAF) and other Union investigative and control bodies should have the necessary access to that data in order to exercise their supervisory functions in relation to the controls and audits that are to be carried out by the Member States in the first place to detect irregularities and conduct administrative investigations into the misuse of the Union funding concerned, and to get a precise overview of its distribution;

Or. en

Amendment 74

Luke Ming Flanagan

Motion for a resolution

Annex I – paragraph 12 – point 2 – point a – paragraph 3

Motion for a resolution

Where the recipient of funds is a legal person, information shall be published on persons and entities holding more than **30%** ownership of that entity.

Amendment

Where the recipient of funds is a legal person, information shall be published on persons and entities holding more than **25%** ownership of that entity;

Or. en

Amendment 75

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Annex I – paragraph 12 – point 2 – point b – paragraph 1 – introductory part

Motion for a resolution

‘The following information shall be published, having due regard for the requirements of confidentiality and security, in particular the protection of personal data:

Amendment

‘The following ***non-sensitive*** information shall be published, having due regard for the requirements of confidentiality and security, in particular the protection of personal data;

Or. en

Amendment 76

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper

Motion for a resolution

Annex I – paragraph 12 – point 4 – paragraph 2 – point 2 a (new)

Motion for a resolution

Amendment

2 a. 2a. The compulsory information items collected in the system shall include *inter alia*

(a) VAT or registration number of legal entities

(b) national identification number for natural persons

(c) the nature of the recipient, namely:

(i) a natural person;

(ii) a legal person;

- (iii) a public entity or institution;*
- (iv) other.*
- (d) contractor(s) and sub-contractor(s);*
- (e) beneficial owner(s) whenever the recipient, owner, contractor or sub-contractor is a legal person;*
- (f) information on whether the beneficiary also receives state aid;*
- (g) all beneficiaries' and beneficial owners' contact information;*

Or. en

Amendment 77

Monika Hohlmeier, Tomáš Zdechovský, Markus Pieper, Maria Grapini

Motion for a resolution

Annex I – paragraph 12 – point 4 – paragraph 2 – point 3

Motion for a resolution

3. The Commission, the European Anti-Fraud Office (OLAF), the Court of Auditors and, in respect of those Member States participating in enhanced cooperation pursuant to Council Regulation (EU) 2017/1939, the European Public Prosecutor's Office (EPPO), as well as other Union investigative and control bodies shall be granted access to the information contained in the system referred to in paragraph 1 where necessary for the exercise of their functions.

Amendment

3. The Commission, the European Anti-Fraud Office (OLAF), the Court of Auditors and, in respect of those Member States participating in enhanced cooperation pursuant to Council Regulation (EU) 2017/1939, the European Public Prosecutor's Office (EPPO), as well as other Union investigative and control bodies, ***including the discharge authority***, shall be granted access to the information contained in the system referred to in paragraph 1 where necessary for the exercise of their functions.

Or. en