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DRAFT REPORT

on the transparency and accountability of non-governmental organisations
funded from the EU budget
(2023/2122(INI))

Committee on Budgetary Control

Rapporteur: Markus Pieper

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the transparency and accountability of non-governmental organisations funded from the EU budget (2023/2122(INI))

The European Parliament,

- having regard to the Treaty on European Union, in particular Articles 2, 3 and 11(2) thereof,
- having regard to the Treaty on the Functioning of the European Union, in particular Articles 322(1a) and 325(4) thereof,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012¹ (the Financial Regulation),
- having regard to the Commission proposal of 16 May 2022 for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (COM(2022)0223),
- having regard to the report of its Committees on Budgets and on Budgetary Control of 4 May 2023 on the proposal for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union,
- having regard to Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013²,
- having regard to Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy³,
- having regard to the Commission communication of 3 December 2020 on the European democracy action plan (COM(2020)0790),

¹ [OJ L 193, 30.7.2018, p. 1.](#)

² [OJ L 435, 6.12.2021, p. 187.](#)

³ [OJ L 231, 30.6.2021, p.159.](#)

- having regard to Special Report 35/2018 of the European Court of Auditors (ECA) of 18 December 2018 entitled ‘Transparency of EU funds implemented by NGOs: more effort needed’,
- having regard to the study entitled ‘Financing of non-governmental organisations (NGOs) from the EU Budget’, published by its Directorate-General for Internal Policies of the Union on 25 November 2010⁴,
- having regard to the study entitled ‘Democratic accountability and Budgetary Control of non-governmental organisations funded by the EU Budget’, published by its Directorate-General for Internal Policies of the Union on 24 January 2017⁵, and to its subsequent update of 21 January 2019,
- having regard to the study entitled ‘Transparency and accountability of EU funding for NGOs active in EU policy areas within EU territory’, published by its Directorate-General for Internal Policies of the Union on 28 September 2023⁶ (‘transparency and accountability study’),
- having regard to its resolution of 17 February 2022 with recommendations to the Commission on a statute for European cross-border associations and non-profit organisations⁷,
- having regard to its resolution of 10 May 2023 with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2021, Section III – Commission and executive agencies⁸,
- having regard to its resolution of 10 May 2023 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 2021, Section I – European Parliament⁹,
- having regard to its resolution of 13 July 2023 on recommendations for reform of European Parliament’s rules on transparency, integrity, accountability and anti-corruption¹⁰,
- having regard to the Commission’s operational guidelines for recipients of EU funding on the use of the EU emblem in the context of EU programmes 2021-2027, published in March 2021,

⁴ Study – ‘[Financing of Non-governmental Organisations \(NGO\) from the EU Budget](#)’, European Parliament, Directorate-General for Internal Policies, Policy Department D – Budgetary Affairs, 15 November 2010.

⁵ Study – ‘[Democratic accountability and Budgetary Control of non-governmental organisations funded by the EU Budget](#)’, European Parliament, Directorate-General for Internal Policies, Policy Department D – Budgetary Affairs, 24 January 2017.

⁶ Study – ‘[Transparency and accountability of EU funding for NGOs active in EU policy areas within EU territory](#)’, European Parliament, Directorate-General for Internal Policies, Policy Department D – Budgetary Affairs, 28 September 2023.

⁷ [OJ C 342, 6.9.2022, p. 225.](#)

⁸ Texts adopted, [P9_TA\(2023\)0137](#).

⁹ Texts adopted, [P9_TA\(2023\)0138](#).

¹⁰ Texts adopted, [P9_TA\(2023\)0292](#).

- having regard to the opinions of the Committee on Foreign Affairs and the Committee on Civil Liberties, Justice and Home Affairs,
 - having regard to Rule 54 of its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A9-0000/2023),
- A. whereas the EU has designed transparency and accountability mechanisms to ensure that EU funds awarded to non-governmental organisations (NGOs) are used effectively, efficiently and in line with the EU’s objectives, policies and financial rules enshrined in, among other places, the Financial Regulation, which lays down transparency as one of its guiding budgetary principles, requiring the Commission to make available, in an appropriate and timely manner, information on EU funds;
- B. whereas only the funds directly awarded to NGOs have been subject to monitoring and reporting by the Commission so far;
- C. whereas the Commission’s Financial Transparency System (FTS) is the main source of publicly available data for large-scale analysis of grants and contracts managed directly by the Commission;
- D. whereas an analysis of FTS data shows that grants awarded from the EU budget to NGOs, after excluding EU programmes in the field of education and research, amounted to at least EUR 2.6 billion in 2022, under direct management, across all EU programmes and funds; whereas the total amount of grants awarded to NGOs is likely to be higher owing to the absence of a definition of an NGO or of clear differentiation between NGOs and not-for-profit organisations (NFPOs) in the FTS¹¹;
- E. whereas 3 377 entities¹² are registered in the EU Transparency Register under the category ‘NGOs, platforms and networks and similar’;
- F. whereas NGOs are required to maintain accurate and transparent financial records, including on the use of EU funds, as they are accountable to their members, donors, partners and beneficiaries regarding the actions they take, the sources of their financing, including EU funds, and the decisions they take on behalf of their stakeholders;

General remarks

1. Welcomes the vital role played by NGOs in linking civil society with political decision-making in all EU policy areas; highlights, in particular, their role in implementing the EU budget and representing civil society;
2. Underlines that areas of social policy, environmental policy and development assistance require public support beyond private donations;
3. Highlights that volunteer and civil society organisations deserve the utmost respect and gratitude for the daily work they do in helping others in our society, particularly if they

¹¹ Overall amount of grants awarded from the EU Budget to NGOs in 2022, based on FTS analysis – approx. EUR 3.7 billion.

¹² Source: EU Transparency Register, data accessed on 22 September 2023.

are supporting, for example, social work, cultural engagement, sports education, emergency aid; recognises the millions of hours of unpaid volunteer work done by thousands of volunteers across Europe on a daily basis and affirms that these volunteer NGOs deserve the highest praise and support;

4. Points out in particular the crucial role that aid agencies play in saving and improving lives on a daily basis, for example the work of the Red Cross, volunteer firefighter organisations, emergency management organisations, humanitarian aid organisations, social welfare organisations, and emphasises the importance of meeting the financial and other needs of these organisations;
5. Recognises the important role that NGOs play as a cornerstone of society in Europe in providing much needed support to communities in various areas, including in social support, education, charity work, integration work, in providing health support for elderly and disabled people, in cultural fields, in cleaning, protecting and restoring the environment, in research and innovation and in many others;
6. Points out that laws and the legislative process often neglect the voices of local, regional and national NGOs, while favouring the priorities of large NGOs, that the priorities and needs of smaller local and regional NGOs are often ignored or have less attention paid to them, despite the fact that these smaller and regional groups often do the majority of the work; emphasises that the work of small and regional organisations is to be paid the highest respect, as they represent the true diversity and variety of volunteer work performed across Europe;
7. Commends the crucial role of NGOs in the EU and elsewhere in defending the rule of law and promoting respect for human rights and democracy; reiterates that in countries with authoritarian or non-democratic regimes, NGOs often represent the last line of defence of democracy; insists on the importance of adequate EU funding for NGOs active in these fields;
8. Is convinced that public transparency is vital for NGOs to showcase their valuable work, be recognised and build their credibility;
9. Is of the opinion that the alleged corruption case referred to as Qatargate and the role certain NGOs played in it could have been prevented through the consistent enforcement of existing transparency requirements and an obligation for NGOs to disclose their sources of funding and their internal structures; notes with concern that the relevant NGOs have profited from EU funding since 2015; considers it unacceptable that the use of funds and transfers to other organisations are not entirely traceable; warns of the danger that EU taxpayers' money could ultimately be used within corrupt circles; emphasises the importance of 'final beneficiary transparency' for EU NGO funds;
10. Recalls that the following findings and recommendations are based on the conclusions of the transparency and accountability study and address further weaknesses concerning the handling of EU funds by NGOs;

NGO definition

11. Reiterates the fundamental significance of public trust and support for NGOs; acknowledges that the terms used to describe these organisations are subject to different legal and public interpretations;
12. Emphasises that the term NGO is a broad umbrella term embracing many different kinds of organisation: from large international organisations to small regional or local ones, from organisations run mostly by professionals to those consisting mostly of volunteers; highlights that the subject matter covered by NGOs and the method of implementation can also vary substantially, for instance, some NGOs may do work that is highly theoretical (for example the work of some think-tanks), or political (for example politically affiliated NGOs) whereas others may be very hands-on (for example the daily work that firefighting NGOs engage in across Europe); emphasises, therefore, that different types of NGOs should be differentiated when analysing levels of transparency and efficiency, and that a better definition of NGOs should be established at the EU level;
13. Reiterates the call for a common definition of an NGO made in the recommendations from the 2021 Commission discharge resolution¹³; calls for a common definition of an NGO at EU level, in particular for NGOs receiving EU funding; is of the opinion that this definition should provide minimum common conditions for defining an NGO; considers that such minimum conditions must include the form of an organisation, the objectives it pursues, its level of formal or institutional existence, the accountability of its structures to its members or donors, its level of independence from government, other public authorities, political parties or commercial organisations, and the commercial or professional objectives it pursues on behalf of its members;
14. Highlights the advantages of establishing a common definition for EU engagement with NGOs, encompassing direct deliberative, political and financial interactions; acknowledges the advantage of enabling a common understanding of what these partners are in relation to the EU and its bodies in different contexts, beyond the question of financial support; believes that the added value of a common EU-wide definition lies in increased transparency, accountability and predictability for EU institutions, the Member States, NGOs and EU taxpayers;
15. Notes that the spectrum of NGOs receiving EU funding covers a wide range of structures, ways of functioning, sources of financing and focus areas, which translates into a variety of projects that are financed with taxpayers' money; notes that the Commission uses the terms NGOs and NFPOs without a clear definition in the FTS; regrets that this results in a lack of public transparency in the allocation and monitoring of EU funds and might lead to a lack of public trust;

Control and monitoring

16. Is concerned about cases of fraud and irregularities, notably in situations where NGOs that are members of different international networks or platforms that receive EU funding are at risk of conflicts of interest, double funding, corruption or money laundering; is concerned about the lack of publicly available data on the fraud cases involving NGOs; calls on the European Anti-Fraud Office (OLAF) to compile and

¹³ Texts adopted, [P9_TA\(2023\)0137](#).

provide such data to Parliament and the ECA and to draw up a list of NGOs that have broken the law;

17. Is concerned that public transparency requirements can be circumvented, especially when money is passed along a chain and used to fulfil the purposes of other donors; highlights that the FTS does not provide any information about how EU funding sub-granted under indirect and shared management is distributed among NGOs, on what basis or for what purpose; considers this highly problematic, as large amounts of funding are committed through indirect and shared management; calls on the Commission to verify the re-allocation of funds and their use by the final beneficiary by imposing appropriate reporting and publication requirements in line with annual reporting by the Member States and the Commission on the implementation of the European structural and investment funds;
18. Regrets that a lack of transparency makes it possible for powerful actors to establish, fund and/or co-opt EU-funded NGOs in multiple Member States to promote false narratives, including through disinformation, apparently in order to influence EU policy through different actors, as happened in Qatargate; underlines that the EU budget must not be used to lobby against the EU's democratic principles and values; reiterates that foreign influence on EU policymaking may be possible through NGOs; calls on the Commission to require NGOs in receipt of EU grants to publish details of any funding received from other sources in relation to projects co-financed by the EU over a five-year period¹⁴;
19. Calls for national lobby registry laws to also require the disclosure of donors and their international financial chains;
20. Recalls that certain organisations that engage in illegal activities and act against the EU's values have been registered and are operating in Member States; believes that national administrations, which are closer to the ground, must assume responsibility for being the first effective layer that could stop organisations that are acting illegally and against EU rules;
21. Calls on national authorities to take legal and administrative measures that facilitate action at EU level and make it easier and quicker for the Commission to include such organisations in the Early Detection and Exclusion System (EDES) and exclude them from EU funding; calls for such a requirement for Member States to be included in the proposal for an NGO regulation;
22. Regrets that public transparency is negatively impacted by the publication of data in the FTS with a delay of between 6 and 18 months; calls on the Commission to publish information about EU grants awarded to NGOs no later than 6 months after the date on which the grant was awarded¹⁵, including funding received from other sources, such as foundations; calls on the Commission to develop and integrate data validation tools so that the FTS data validation process is automatic and continuous, is quicker and

¹⁴ See: transparency and accountability study, recommendation 2.

¹⁵ See: transparency and accountability study, recommendation 5.

consumes fewer resources¹⁶;

23. Criticises those situations in which substantial co-funding is awarded from the EU budget to NGOs that are clearly and predominantly financed by non-EU states, networks or foundations and that deliver research that regularly negatively impacts European industry and transport providers; urges the Commission to trace the flow of funds from the first donor in order to prevent damage to the EU economy;
24. Regrets that the Commission's systems are not very transparent and that their data differ, making it difficult to reconcile information from different publicly accessible Commission portals and databases, because they use different conventions to identify beneficiaries of projects and grants; recommends that the Commission establish harmonised rules and standardise the layout and functionalities of programme-specific databases;
25. Calls on the Commission to use a common unique entity, such as a unique participant identification code, and project identification keys across all portals and databases, including on beneficiaries' websites, to facilitate the reconciliation of publicly available information provided by different systems and websites; calls on the Commission to provide all NGO grant beneficiaries with code that extracts five years of funding data directly from the FTS and includes links to the corresponding project entries in the Commission's programme databases¹⁷;
26. Observes inconsistencies in the content and extent of the information displayed on project websites and notes NGOs' insufficient clarity on grant distribution among partners and on the connection to pertinent Commission databases; calls for a more proactive approach from NGOs to public transparency that goes beyond the current minimal requirements for EU grant funding¹⁸; calls for a clearer and more systematic presentation of information on NGO and EU-funded project websites on the grant funding received from the EU and from other sources for both specific projects and overall, and on project objectives, results and impact;
27. Notes that, although the mainstreaming of the eGrants system as a common grants management tool and applicant registration system across Commission services has improved the quality and completeness of FTS data, more effort needs to be made to improve the reliability of such data; is concerned that there are still continuing shortcomings in terms of consistency in existing Commission transparency portals and systems; further calls for a more user-friendly FTS that is linked to the Transparency Register and compatible with specific programmes' databases, and highlights that it should include final payments and a clear definition of NGOs, making it possible to identify beneficiaries by category; requests that the Commission prepare a proposal for further administrative action by 1 June 2024;
28. Welcomes the Commission's proposal to set up, based on Article 36 of the Financial Regulation, a single, interoperable IT system for data mining and risk scoring to improve the efficiency of the internal control of budget implementation; underlines that

¹⁶ See: transparency and accountability study, recommendation 7.

¹⁷ See: transparency and accountability study, recommendation 19.

¹⁸ See: transparency and accountability study, recommendation 17.

this system must not only include recipients' data, but also the data of beneficial owners in accordance with Directive (EU) 2015/849¹⁹; calls for this system to include risk indicators based on data from the EDES under all management modes;

29. Demands that the guidelines for contracting external expertise, including by the political groups, better emphasise that only organisations that work based on verifiable facts are eligible for funding; demands that the recipients enter into a corresponding voluntary commitment prior to funding and that the Commission and the ECA carry out corresponding random checks; rejects any funding of organisations that have demonstrably spread false information and/or whose goals are directed against the fundamental values and recognised principles of the EU's social market economy;
30. Acknowledges that the Commission provides administrative and financial support for the establishment of information platforms for MEPs and the public, but wonders, in the case of a platform on the Nature Restoration Law²⁰, whether the timing of the establishment and the lack of monitoring of the reliability of the information disseminated encouraged one-sided partisan political influence, thus giving the impression that the executive branch lobbies the legislative branch, which would constitute an improper use of taxpayers' money; requests that the Commission disclose the timing and the amount of money flows in relation to that platform by 1 February 2024 and asks the ECA to review this case and determine what action should be taken;
31. Notes that there might be a conflict of interest in the EU institutions if the legislative branch were influenced by the executive branch; calls for the Commission, the EU agencies and other EU entities and institutions to be required to make their contracts, agreements and work programmes with NGOs available without delay to members of the Committee on Budgetary Control by 1 February 2024; regrets that multiple requests by the rapporteur for access to contracts between NGOs and European agencies have not been followed up and that a request must be made via the chairperson of the Committee on Budgetary Control; calls for access to contracts to be given to members of the Committee on Budgetary Control without delay;
32. Notes that the coexistence of reporting obligations and accounting practices at the national and EU levels may lead to a disproportionate administrative burden for NGOs; calls on the Commission to ensure that reporting obligations at the EU and national levels are consistent in order to guarantee easier monitoring of the fulfilment of obligations, especially for smaller NGOs; calls on the Commission to develop a common monitoring system to identify final beneficiaries, as is already the case in regional policy; recommends that such a system should be based on the monitoring principles under shared management that apply to EU Member States;
33. Requests that the Commission provide a comprehensive analysis of whether and by what financial means it provides training for lobbyists, including NGOs, on the

¹⁹ [Directive \(EU\) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation \(EU\) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC, OJ L 141, 5.6.2015, p. 73.](#)

²⁰ [‘Business and Biodiversity’, European Commission, accessed 29 September 2023.](#)

Financial Regulation and on the EU budget; requests that this analysis be provided by 1 February 2024 with a list of relevant training events and the names of beneficiaries; requests, if applicable, that the content of the training be made public; requests that the content of these training courses be made available to members of the Committee on Budgetary Control on request;

EU transparency register

34. Calls on the Commission to ensure that all applicants or beneficiaries of EU funding, including NGOs, are required to publish annually the number of lobbying contacts they have, along with their nature and their monetary value; reiterates in this context the need for a comprehensive financial pre-screening of these entities before they are listed in the EU transparency register; calls for a transparency officer to be placed in all committee secretariats and relevant administrative units; recalls that, according to the transparency register guidelines, changes in the data provided should be communicated as soon as they occur and, in any case, within three months; insists that any changes in the board or leadership of EU-funded NGOs should also be recorded in the transparency register;
35. Calls for strict enforcement of the rules for access to Parliament and for invitations to parliamentary committees, which are conditional on the registration of each organisation in the transparency register by the new transparency officer who will be placed in each committee secretariat;
36. Urges the Commission to develop a centralised certification system for NGOs wishing to apply for EU funding that are registered in the EU transparency register, based on existing best practices;
37. Regrets the coexistence of different disclosure requirements for different types of organisations in the transparency register; calls on the Commission to impose the same disclosure requirements on all types of organisation registered in the transparency register; notes that, in particular, they must all be required to disclose their income and all amounts spent on lobbying²¹;
38. Recalls the recommendations from the 2021 Parliament discharge resolution²² calling for a revision of the EU transparency register and its guidelines to require the disclosure of details on all funding sources from registered organisations, including the shares held in other companies, and to allow EU funds to be traced from the direct recipient to the final beneficiary when funds are passed along a chain, including when funds from one NGO or stakeholder are transferred to another;
39. Calls for all EU-funded NGOs to publish online all meetings with MEPs, MEPs' assistants or representatives of other EU institutions, bodies or agencies whenever such meetings relate to ongoing EU legislative affairs or to the EU financing that NGOs receive or apply for, in line with similar obligations for MEPs; calls on the relevant EU institutions and bodies to provide the tools necessary for the publication of such meetings;

²¹ See: transparency and accountability study, recommendation 24.3.

²² Texts adopted, P9_TA(2023)0138, paragraph 74.

NGO regulation

40. Reiterates its call made in the 2021 Commission discharge resolution²³ to adopt an NGO regulation by 1 June 2024 that includes harmonised minimum requirements for NGOs across all EU entities and a clear definition and categorisation of the fields of activity and size of NGOs and that provides for the necessary conditions for NGOs to receive EU funds; insists that there should be a clear distinction between regular NGOs and ‘public utility NGOs’; calls on the Commission to establish simplified procedures for small NGOs;
41. Calls on the Commission to ensure that, when preparing its proposal for the NGO regulation, important questions on issues relating to, but not limited to, clear definitions, revolving doors, transparency in financing and donations, the fight against money laundering, limiting foreign interference, independence from political and economic influence, whistleblowing, and transparency in actual leadership and ownership are dealt with in a sufficiently transparent manner;
42. Reiterates its call in the 2021 Commission discharge resolution²⁴ for the creation of a public blacklist of NGOs that have engaged in activities such as hate speech, incitement to terrorism, religious extremism, supporting or glorifying violence or spreading unfounded scientific statements or that have misused or misappropriated EU funds and are listed in the EDES database in order to ensure that they are blocked from access to EU institutions and EU funding programmes; expects a proposal on this to be put forward by the Commission no later than 1 July 2024;
43. Calls on the ECA to draw up a special report following up on its 2018 findings with a view to investigating the internal democratic structures of NGOs, the direct and indirect inflows and outflows of EU and other funds and to the extent to which these are in line with democratic and human rights and EU values, calls on the ECA to additionally conduct a comprehensive analysis of the visibility- and transparency-related provisions of the current legal framework for the EU transparency register and the Financial Regulation and to make further recommendations to and analyse the final beneficiary and first financial sponsor transparency and further recommendations to enhance it; expects the ECA to deliver this report by 1 December 2024 and calls on it to adapt its existing work plan if necessary;
44. Calls on the Commission and the ECA to systematically submit to Parliament, as the discharge authority, the information from the risk-based on-site reviews of NGOs that it conducts; calls on the Commission to go beyond the minimum requirements and increase the number of NGOs it subjects to reviews; insists that such information be made publicly available;
45. Regrets the fact that it is not possible for OLAF to obtain information on the financial misconduct of individual NGOs; calls on the Commission to enhance OLAF’s access status; expects that the development of the monitoring system will make it easier to identify organisations guilty of misconduct, to name and investigate them and to impose appropriate sanctions;

²³ Texts adopted, P9_TA(2023)0137, paragraph 20.

²⁴ Texts adopted, P9_TA(2023)0137, paragraph 19.

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46. Instructs its President to forward this resolution to the Council, the Commission and the European Court of Auditors.

EXPLANATORY STATEMENT

Non-governmental organizations (NGOs) are instrumental in linking civil society with the political decision-making in all EU policy areas. They also play an important role in the implementation of the EU budget, either when they receive EU funds as direct beneficiaries of EU grants awarded by the Commission or when they receive EU funds indirectly from beneficiaries and partners that have a legal relationship with the Commission, across all budget management modes. According to the data published in the Financial Transparency System (FTS) of the Commission, the contracted amount of grants awarded from the EU budget to NGOs, after excluding EU programmes in the field of education and research, amounted to at least 2.6 billion EUR in 2022, under direct management and across all EU programmes and funds. However, the total amount of grants awarded to NGOs is likely to be higher (approximatively EUR 3.7 billion in 2022), due to the absence of an NGO definition and due to the lack of clear differentiation between NGOs and not-for-profit organisations (NFPOs) in the FTS.

Whereas transparency and accountability are basic principles enshrined in the financial rules governing the implementation of the EU budget and important factors of public trust, the analysis of the framework surrounding the implementation of the EU budget by NGOs reveals major shortcomings in terms of public transparency and accountability. Since only the funds directly awarded to NGOs are subject to monitoring and reporting by the Commission, the EU funds reallocated in the form of sub-granting, sub-contracting or shared within a consortium are difficult to track and are not published on public websites such as the FTS. As a result, control mechanisms aimed at ensuring that EU funds are used effectively, efficiently, and in accordance with the EU's objectives, policies and financial rules are made difficult to implement, if not ineffective.

With a view to preventing and fighting against fraud and ensuring that EU funds are not used against EU values, public transparency and accountability requirements must be strengthened. It is of paramount importance to ensure that the contracted EU funds be tracked up to the final beneficiaries in a systematic and harmonised manner across information and transparency platforms at EU level and at the level of NGOs in the Member States. In particular, the EU Transparency Register should allow the traceability of funding sources, including EU funds, and provide greater transparency of registered organisations, thus contributing to avoid cases such as Qatargate. Furthermore, the funding of NGOs has to be made transparent from the source.

As recommended in previous years' budgetary discharge resolutions, the adoption of a NGO Regulation setting up minimum requirements for NGOs across the EU (definition, access to funding, disclosure of sources of financing, independence from political influence and non-European interference, etc.) would provide a more sound budgetary control framework, allowing the NGOs to deliver their positive achievements with the outmost transparency and accountability.