



2023/2129(DEC)

8.12.2023

AMENDMENTS

1 - 30

Draft opinion

Younous Omarjee

(PE755.040v01-00)

2022 discharge: General budget of the EU - Commission
((2023/2129(DEC))

Amendment 1
Susana Solís Pérez

Draft opinion
Paragraph 1 a (new)

Draft opinion

Amendment

1 a. Notes that according to the European Court of Auditors (ECA) Annual report for the financial year 2022, the estimated level of error in spending on ‘Cohesion, resilience and values’ is 6.4% and that for the subheading ‘Economic, social and territorial cohesion, the estimated level of error is 6.6%; underlines that in the 260 transactions the ECA audited, audit authorities reported 58 quantifiable errors and most notably concerned ineligible costs (31) and irregularities in public procurement procedures (21);

Or. en

Amendment 2
Peter Pollák

Draft opinion
Paragraph 1 a (new)

Draft opinion

Amendment

1 a. Expresses concerns about the Commission’s reported plans to disburse the suspended 6.3 billion EUR from the RRF to Hungary in exchange for its endorsement of the aid for Ukraine; points out, that the suspended funds should not be released to Hungary until the remedial measures adopted by the Hungarian government have proven effective in practice;

Or. en

Amendment 3
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 1 a (new)

Draft opinion

Amendment

1 a. Stresses, in this regard, the inherent risks posed by these simultaneous activities for all bodies responsible for managing and controlling these funds and concurs with the Court of Auditors that an additional advisory support from the Commission to national authorities would be needed in this particular context;

Or. en

Amendment 4
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 1 b (new)

Draft opinion

Amendment

1 b. Underlines that Cohesion policy played a frontline role to address the last health and war-related emergencies and was instrumental in dealing with the multi-faceted challenges thereto entailed; reminds, however, that the rationale of this policy is to ensure a long-term planning of measures that should strengthen economic, social, and territorial cohesion between European regions and that an appropriate budget line should be created in the next programming period to meet unforeseen events, also in order not to divert resources from the established objectives and identified territories;

Or. en

Amendment 5

Monika Vana

on behalf of the Verts/ALE Group

Draft opinion

Paragraph 1 c (new)

Draft opinion

Amendment

1 c. Takes note of the Commission's statement^{1a} which mentions that particular attention is being paid to the implementation of the Just Transition Fund (JTF) due to the timeframe to spend NextGenerationEU (NGEU) resources by the end of 2026, but underlines the quite insufficient progress in its implementation and absorption rate;

^{1a} Commission replies to main ECA observations (Budgetary and financial management in 2022, p. 382)

Or. en

Amendment 6

Monika Vana

on behalf of the Verts/ALE Group

Draft opinion

Paragraph 2

Draft opinion

Amendment

2. Reminds that, without prejudice to the need to support the authorities and beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the area of cohesion policy are, on the one hand, the overly complex rules and procedures and the disproportionate administrative burden they entail and, on the other hand, the effective targeting of the funds;

2. Reminds that, without prejudice to the need to support the authorities and beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the area of cohesion policy are, on the one hand, the overly complex rules and procedures and the disproportionate administrative burden they entail and, on the other hand, the effective targeting of the funds; ***highlights that both the***

Commission and the Court of Auditors identified the following categories as the main sources of irregularities: ineligible expenditure, public procurement, audit trail and State aid.

Or. en

Amendment 7
Susana Solís Pérez

Draft opinion
Paragraph 2

Draft opinion

2. Reminds that, without prejudice to the need to support the authorities and beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the area of cohesion policy are, ***on the one hand***, the overly complex rules and procedures and the disproportionate administrative burden they entail ***and, on the other hand***, the effective targeting of the funds;

Amendment

2. Reminds that, without prejudice to the need to support the authorities and beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the area of cohesion policy are: the overly complex rules and procedures and the disproportionate administrative burden they entail, the effective targeting of the funds, ***and the constant diversion, as a rule and not as an exception for exceptional situations, of funds initially allocated to cohesion policies towards other policy areas;***

Or. en

Amendment 8
Peter Pollák

Draft opinion
Paragraph 2

Draft opinion

2. Reminds that, without prejudice to the need to support the authorities ***and*** beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the

Amendment

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area of cohesion policy are, on the one hand, the overly complex rules and procedures and the disproportionate administrative burden they entail and, on the other hand, the effective targeting of the funds;

minimise errors, the most pressing issues to be addressed in the area of cohesion policy are, on the one hand, the overly complex rules and procedures and the disproportionate administrative burden they entail and, on the other hand, the effective targeting of the funds;

Or. en

Amendment 9 **Hannes Heide**

Draft opinion **Paragraph 2**

Draft opinion

2. Reminds that, without prejudice to the need to support the authorities and beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the area of cohesion policy are, on the one hand, the overly complex rules and procedures and the disproportionate administrative burden they entail and, on the other hand, the effective targeting of the funds;

Amendment

2. Reminds that, without prejudice to the need to support the authorities and beneficiaries to better comply with spending rules and minimise errors, the most pressing issues to be addressed in the area of cohesion policy are, on the one hand, the overly complex rules and procedures, ***with the need of more flexible processes***, and the disproportionate administrative burden they entail and, on the other hand, the effective targeting of the funds;

Or. en

Amendment 10 **Giuseppe Milazzo**

Draft opinion **Paragraph 2 – subparagraph 1 (new)**

Draft opinion

Amendment

Calls on the Commission to develop measures to simplify administrative procedures with a view to ensuring that cohesion policy funds are spent responsibly and appropriately;

Amendment 11

Peter Pollák

Draft opinion

Paragraph 2 a (new)

Draft opinion

Amendment

2 a. Points out on importance of legality and regularity of cohesion spending; stresses further the importance of effective control by Member State audit and managing authorities; welcomes the adoption of national anti-fraud strategies by 24 Member States in total, as that should increase the protection of the EU's financial interests;

Or. en

Amendment 12

Peter Pollák

Draft opinion

Paragraph 3

Draft opinion

Amendment

3. Highlights **the** role of the **EPPO** in protecting the EU budget; reminds that, in her appearance before the Committee on Regional Development on 25 May 2023, the European Public Prosecutor noted that the management and control system for EU expenditure currently in place is not designed to detect fraud and that audits or administrative investigations rarely detect financial crime; stresses the need to provide the EPPO with the necessary means to carry out its duties; is of the opinion that a strengthened EPPO would make it possible for the legislator to further simplify the regulatory framework for cohesion;

3. Highlights **a significant** role of the **European Anti-Fraud Office and the European Public Prosecutor's Office in relation to** protecting the EU budget; **expresses hope that more Member States will join the EPPO soon**; reminds that, in her appearance before the Committee on Regional Development on 25 May 2023, the European Public Prosecutor noted that the management and control system for EU expenditure currently in place is not designed to detect fraud and that audits or administrative investigations rarely detect financial crime; stresses the need to provide the EPPO with the necessary means to carry out its duties; is of the

opinion that a strengthened EPPO would make it possible for the legislator to further simplify the regulatory framework for cohesion;

Or. en

Amendment 13
Hannes Heide

Draft opinion
Paragraph 3

Draft opinion

3. Highlights the role of the EPPO in protecting the EU budget; reminds that, in her appearance before the Committee on Regional Development on 25 May 2023, the European Public Prosecutor noted that the management and control system for EU expenditure currently in place is not designed to detect fraud and that audits or administrative investigations rarely detect financial crime; stresses the need to provide the EPPO with the necessary means to carry out its duties; is of the opinion that a strengthened EPPO would make it possible for the legislator to further simplify the regulatory framework for cohesion;

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Or. en

Amendment 14
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 3

Draft opinion

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Amendment

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her appearance before the Committee on Regional Development on 25 May 2023, the European Public Prosecutor noted that the management and control system for EU expenditure currently in place is not designed to detect fraud and that audits or administrative investigations rarely detect financial crime, ***which has often a cross-border dimension***; stresses the need to provide the EPPO with the necessary means to carry out its duties; is of the opinion that a strengthened EPPO would make it possible for the legislator to further simplify the regulatory framework for cohesion;

Or. en

Amendment 15
Giuseppe Milazzo

Draft opinion
Paragraph 3 – point 1 (new)

Draft opinion

Amendment

(1) Calls for more effort at EU level and in the Member States to tackle fraud;

Or. it

Amendment 16
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 3 a (new)

Draft opinion

Amendment

3 a. Reminds that according to the 21-27 Common Provisions Regulation, member state authorities should report all cases of suspected or established fraud related to EU-funded projects that they identify, and that they should report these

*cases even if they detect them before
declaring expenditure to the Commission;*

Or. en

Amendment 17
Susana Solís Pérez

Draft opinion
Paragraph 3 a (new)

Draft opinion

Amendment

3 a. *Stresses the need to address the main issues of the funds allocation system; therefore, urges the European Commission to take concrete measures, such as the development of a one-stop-shop that consolidates the information relative to all available funds including updated and detailed information on beneficiaries.*

Or. en

Amendment 18
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 3 b (new)

Draft opinion

Amendment

3 b. *Welcomes the Commission statement on the recently released ex ante module in Arachne, which allows Member States to use the tool preventively at project selection and award phase, in addition to ex post verifications to control implementation of projects; calls, however, on the Commission to advance the date for deployment of the single integrated IT tool for data mining and risk-scoring from 2028 to 2025, the first year when a significant amount of 2021-*

2027 expenditure is expected to be declared;

Or. en

Amendment 19
Peter Pollák

Draft opinion
Paragraph 4

Draft opinion

4. Notes that the Commission's error estimates are above the materiality threshold but are significantly lower than the Court's¹ ; ***draws attention to the different methodologies applied by the two institutions; is worried about the growing discrepancy between the assessments provided by the Court of Auditors and the Commission, especially in the area of cohesion;***

¹ European Court of Auditors, Annual report on the implementation of the EU budget for the 2022 financial year.

Amendment

4. Notes that the Commission's error estimates are above the materiality threshold but are significantly lower than the Court's[1], ***at 1,9 % as compared to 6.4 %; points out that, although both institutions apply different methodologies, the growing discrepancy between their assessments, especially in the area of cohesion, raises great concerns;***

Or. en

Amendment 20
Susana Solís Pérez

Draft opinion
Paragraph 4 a (new)

Draft opinion

Amendment

4 a. Recalls the crucial role that managing authorities and audit authorities play in the management and control of funds and spending; underlines that the effective control of management authorities is essential to ensure the compliance of operations and

programmes as well as their good performance; furthermore, stresses the need for audit authorities to be functionally independent from management authorities as they are responsible for verifying expenditure declared by managing authorities;

Or. en

Amendment 21
Peter Pollák

Draft opinion
Paragraph 5

Draft opinion

5. Draws attention to the increased risk of decommitments in the coming years and urges the Commission to continue its cooperation with the Member States and the regions to ***both*** speed up and ease ***the*** good closure of the 2014-2020 programming period;

Amendment

5. Draws attention to the increased risk of decommitments in the coming years and urges the Commission to continue its cooperation with the Member States and the regions to speed up and ease ***complete and correct*** good closure of the 2014-2020 programming period, ***allowing for these authorities to draw lessons for the implementation of the ongoing one;***

Or. en

Amendment 22
Hannes Heide

Draft opinion
Paragraph 5

Draft opinion

5. Draws attention to the increased risk of decommitments in the coming years and urges the Commission to ***continue its*** cooperation with the Member States and the regions to both speed up and ease the good closure of the 2014-2020 programming period;

Amendment

5. Draws attention to the increased risk of decommitments in the coming years and urges the Commission to ***strengthen the*** cooperation with the Member States and the regions to both speed up and ease the good closure of the 2014-2020 programming period;

Amendment 23
Giuseppe Milazzo

Draft opinion
Paragraph 5 a (new)

Draft opinion

Amendment

5a. Welcomes the financial flexibility available in the use of cohesion funds and believes that post-2027 cohesion policy must provide the flexibility needed in the use of funds to enable the Member States to steer resources in an appropriate and reliable manner;

Or. it

Amendment 24
Susana Solís Pérez

Draft opinion
Paragraph 5 a (new)

Draft opinion

Amendment

5 a. Underlines the ECA's recommendation to strengthen measures that have been designed to address recurring errors, particularly in relation to ineligible costs and projects; notes that this would support managing authorities in reducing continued occurrence of these errors and lead to better performance in spending;

Or. en

Amendment 25
Giuseppe Milazzo

Draft opinion

Paragraph 6

Draft opinion

Amendment

6. *Is concerned that the prioritisation of the RRF in the Member States is causing delays in the implementation of funds under the CPR 2021-2027.*

deleted

Or. it

Amendment 26

Monika Vana

on behalf of the Verts/ALE Group

Draft opinion

Paragraph 6

Draft opinion

Amendment

6. Is concerned that the prioritisation of the RRF in the Member States is causing delays in the implementation of funds under the CPR 2021-2027.

6. Is concerned that the prioritisation of the RRF in the Member States is causing delays in the implementation of funds under the CPR 2021-2027; ***draws attention to the cases of weak design that the ECA has found in relation to the measures and underlying milestones or targets in the Recovery plans; highlights that these latter should clearly define all milestones and targets and stresses that all the problems regarding the reliability of information that member states included in their management declarations should be properly addressed;***

Or. en

Amendment 27

Peter Pollák

Draft opinion

Paragraph 6

Draft opinion

Amendment

6. Is concerned that the prioritisation

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of the RRF in the Member States is causing delays in the implementation of funds under the CPR 2021-2027.

of the RRF in the Member States is causing delays in the implementation of funds under the CPR 2021-2027; *stresses the need for further simplification of rules, greater use of simplified cost options and improved effectiveness of ex ante and ex-post checks;*

Or. en

Amendment 28
Peter Pollák

Draft opinion
Paragraph 6 – subparagraph 1 (new)

Draft opinion

Amendment

Calls on the Member States to accelerate the investment of cohesion resources in support of creation of jobs, economic growth, business competitiveness as well as inclusion of socially vulnerable groups; to this end, requests the Commission to continue its cooperation with the Member States to contribute to responsible, appropriate and effective spending of funds as well as to, in particular, ensure the involvement of all relevant stakeholders at all levels of government and local government;

Or. en

Amendment 29
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 6 a (new)

Draft opinion

Amendment

6 a. Highlights the findings of the Court's special report 09/2022 on climate-spending information for 2014-2020,

which state that the Commission had overestimated such spending by at least €72 billion, mostly due to overestimation of the contribution of agricultural funding, but also of infrastructure and cohesion funding; welcomes the fact that the Commission accepted^{1b} the three recommendations of the Court's special report on: the climate relevance of agricultural funding; the need for enhancing climate reporting; the link of the EU budget to climate and energy objectives.

^{1b} Commission replies to main ECA observations (Results of the ECA performance audits, p.388)

Or. en

Amendment 30
Monika Vana
on behalf of the Verts/ALE Group

Draft opinion
Paragraph 6 b (new)

Draft opinion

Amendment

6 b. Stresses the importance of cohesion policy in promoting gender equality, as highlighted by the European Parliament's own-initiative report on the gender dimension in cohesion policy and by the "European Court of Auditors' Special Report 10/2021: Gender mainstreaming in the EU budget: time to turn words into action"; points out the Court's assessment that the EU's budget cycle did not take gender equality adequately into account and the Commission had not yet lived up to its commitment to gender mainstreaming in the EU budget; welcomes, on the other hand, that, in line with these recommendations, in the "2023 report on gender equality in the EU"^{1c}, the

European Commission confirmed the establishment of a methodology to track all EU spending programmes' contributions to gender equality under the 2021-2027 multiannual framework and that this methodology was piloted in the 2023 draft budget and found that 11 spending programmes contribute to gender equality and 29 programmes have the potential to do so if adequately gender mainstreamed (for a total of 99% of budgetary spending).

^{1c} "European Commission's 2023 report on gender equality in the EU", p.53

Or. en