

P7_TA(2010)0201

Transparency in regional policy and its funding

European Parliament resolution of 15 June 2010 on transparency in regional policy and its funding (2009/2232(INI))

The European Parliament,

- having regard to the Treaty on the Functioning of the European Union, and in particular Articles 174-178 thereof,
- having regard to Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund¹,
- having regard to Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund²,
- having regard to Council Regulation (EC) No 284/2009 of 7 April 2009 amending Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund concerning certain provisions relating to financial management³,
- having regard to Regulation (EC) No 397/2009 of the European Parliament and of the Council of 6 May 2009 amending Regulation (EC) No 1080/2006 on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing⁴,
- having regard to the decision of the European Parliament of 22 April 2008 on discharge in respect of the implementation of the European Union general budget for the financial year 2006, section III – Commission⁵,
- having regard to the decision of the European Parliament of 23 April 2009 on discharge in respect of the implementation of the European Union general budget for the financial year 2007, Section III – Commission⁶,
- having regard to its resolution of 19 February 2008 on transparency in financial matters⁷,
- having regard to its resolution of 21 October 2008 on governance and partnership at

¹ OJ L 210, 31.7.2006, p. 25.

² OJ L 371, 27.12.2006, p. 1.

³ OJ L 94, 8.4.2009, p. 10.

⁴ OJ L 126, 21.5.2009, p. 3.

⁵ OJ L 88, 31.3.2009, p. 23.

⁶ OJ L 255, 26.9.2009, p. 24.

⁷ OJ C 184 E, 6.8.2009, p. 1.

national and regional levels and a basis for projects in the sphere of regional policy¹,

- having regard to its resolution of 24 March 2009 on the implementation of the Structural Funds Regulation 2007-2013: the results of the negotiations on the national cohesion strategies and the operational programmes²,
 - having regard to the study published by the European Parliament entitled ‘The Data Transparency Initiative and its Impact on Cohesion Policy’,
 - having regard to the Commission Green Paper of 3 May 2006 on the European Transparency Initiative (COM(2006)0194),
 - having regard to the Commission’s communication of 21 December 2009 entitled ‘20th annual report on implementation of the structural funds (2008)’ (COM(2009)0617/2),
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development (A7-0139/2010),
- A. whereas the European Transparency Initiative (ETI) was adopted by the Commission in 2005, followed by the publication of the Green Paper in 2006 with the aim of improving the transparency, openness and accountability of EU governance, and whereas providing public information on the recipients of EU funds is a cornerstone of the ETI,
- B. whereas, under the shared management system, information on beneficiaries of EU funds is managed at Member State level, and whereas, in the absence of a specific EU obligation or a strong ‘steer’ from the Commission, the level to which such information is made public differs substantially from Member State to Member State, making an EU-wide comparison difficult,
- C. whereas the disclosure of EU fund recipients enables public participation in a meaningful debate about how public money is spent, which is essential for functioning democracies,
- D. whereas no link has been established between the ETI and the more regulated and binding issue of financial controls and auditing,
- E. whereas the ETI should have a significant effect in terms of ensuring transparent partnerships in the upstream and downstream phases of the cohesion programming cycle; whereas, however, the regulations do not spell out the specific extent to which partners should be involved in the different programming processes or specify arrangements for such involvement,
- F. whereas there is insufficient prior information about Commission decisions on the funding of major projects, and thus a lack of transparency, and whereas this should be remedied,
- G. whereas the logic of transparency should go hand in hand with the process of simplifying the procedures for obtaining Structural Funds;
1. Considers that transparency in respect of cohesion policy and its programming cycle,

¹ Texts adopted, P6_TA(2008)0492.

² Texts adopted, P6_TA(2009)0165.

allocation of expenditure and access to information for potential beneficiaries of the Structural Funds are key prerequisites for achieving the overall objectives of cohesion policy, and that transparency should therefore be introduced as a guiding cross-sectoral principle in the cohesion programming and decision-making processes;

Disclosure of data on beneficiaries of cohesion funding

2. Notes with satisfaction that, in compliance with the ETI requirements, interactive maps providing links to the lists of ERDF and Cohesion Fund beneficiaries available on the respective national or regional websites are published on the website of the Commission's Directorate General for Regional Policy; calls on the Member States to promote, using suitable means, DG REGIO's website with a view to facilitating the widest possible access to that database; notes that it remains, nevertheless, extremely difficult for interested parties to keep track of how public money is being used; invites the Commission to consult these parties to a wide extent on the possible remedies to this situation;
3. Calls on the Commission and the Member States to make these Member State databases fully searchable and compatible, so as to facilitate an EU-wide overview of the data presented, while preserving their local relevance; is of the view that, in this respect, there is an urgent need for dual-language versions (local language(s)- one of the Commission working languages);
4. Stresses that the usefulness of the data provided on beneficiaries needs to be improved in terms of both content and presentation; calls, therefore, on the Commission to define a more detailed and prescriptive format specifying the structure, form and content of the information to be provided; believes that providing the necessary information should also facilitate a criterion-based search with a view to obtaining an immediate picture of the elements sought;
5. Calls for additional essential information to be provided when publishing the lists of beneficiaries and where needed the lists of stakeholders; recommends, therefore, that besides the current minimum requirements, consideration be given to including location , summaries of approved projects, types of support and a description of the project partners as elements of the disclosure of beneficiaries; asks that the data collected should appear and should be managed in a structured, comparable way to ensure its full usability and in the interest of genuine transparency; considers that this can be done without giving rise to additional expenditure;
6. Asks that, for programmes under the European Territorial Cooperation objective, all beneficiaries – and not only the lead beneficiaries – be listed;
7. Underlines that full compliance with the ETI requirements is necessary by means of appropriate regulations, better guidance, a warning mechanism and sanctions in cases of non-compliance as a last resort;

Transparency and shared management

8. Calls on the Commission to clarify how the ETI principles should be put into practice in operational terms at the level of operational programmes and their communication plans; stresses therefore the need to introduce clearer rules regarding the disclosure of information on the beneficiaries of funds under shared management;

9. Underlines the need to formulate regulations and implementing rules in such a way that procedures are transparent, provide better access to the Structural Funds for potential beneficiaries and reduce administrative burdens for participants, particularly via a number of key measures such as making public the guidance notes on implementation agreed upon between the Commission and the Member States; calls on the managing authorities in the Member States to present, in transparent fashion, all stages of projects financed by the Structural Funds; reiterates its view that transparent and clear procedures are factors of good governance, and welcomes in this context the efforts made by the Commission to present simplification proposals;
10. Notes that cross-border and transnational programmes face specific difficulties due to the different administrative culture, national regulations and languages being used in Member States, that affect not just the quantitative, but also the qualitative aspects of such initiatives; considers therefore that development of specific rules regarding transparency in coordination and cooperation among different managing authorities would be most important;
11. Underlines that, according to the EP's study on the ETI and its impact on Cohesion Policy, non-compliance with ETI minimum requirements relates to a lack of administrative capacity on the part of Managing Authorities rather than reluctance to provide such data; in that framework points out the need to assure that the provision of additional data and information does not result in an additional administrative burden for potential beneficiaries, especially for those already having difficulty in complying with the existing administrative and financial requirements for grants and public contracts;
12. Points out that the requirement for additional information and data has to be matched, on the part of the European Commission, by the provision of additional technical support (workshops with the participation of Commission's officials and local/regional staff responsible for the management of structural funds, exchange of best practices between Managing Authorities, publication of concrete guidelines) to potential beneficiaries which do not have the necessary technical capacity; considers this the only way to ensure that the participants' efforts to comply with the additional requirements in terms of data and information provided will not result in a distortion of funds from the project implementation activities as such;
13. Stresses the importance of accurate and timely information delivery by the Member States in the context of the control system, and thus the need to establish a link between the ETI and financial controls and auditing; reiterates its view that the early warning system (EWS) should also work closely with the Central Exclusion Database;
14. Requests the Commission to monitor the utilisation of increased advance payments received by the Member States in accordance with the 2009 simplifications related to Regulation (EC) No 1083/2006;
15. Reiterates its request for the provision of information regarding recoveries and withdrawals under the ETI; urges the Member States to provide this information in full, and the Commission to make it available to the budgetary authority and the public along with information on financial corrections following a confirmed case of fraud, thus ensuring high standards of credibility and responsibility vis-à-vis the European public;
16. Urges auditors to take a tougher line on communication and information requirements,

including ‘naming and shaming’ - particularly if a governmental actor is involved - and the use of financial corrections in confirmed cases of fraud;

17. Welcomes the efforts made by the Commission and the Court of Auditors to harmonise their auditing methodologies;

Transparency and partnership

18. Highlights the fact that minimum standards of consultation are a component of the ETI, and welcomes the fact that these standards have been promoted and applied by the Commission in respect of cohesion policy; calls, however, on the Commission to allow stakeholders to give appropriate feedback on the quality of the consultation process itself; calls on regions and Member States to draw on existing EU experience in consulting interested parties;
19. Reiterates its view that partnership is a prerequisite for transparency, responsiveness, efficiency and legitimacy in all the phases of cohesion programming and implementation, and can increase commitment to, and public ownership of, programme outputs; calls, therefore, on the Member States and managing authorities fully to involve regional and local authorities and other relevant partners more closely in all the phases of cohesion programming and implementation, including through an internet platform at national level providing visibility for existing funds and operational programmes and through good-practice promotion by other means, and to give them full access to all project documentation, with a view to making better use of their experience, knowledge and best practices;
20. Calls for more guidance from the Commission on how to put the partnership clause into practice under current programmes, and for sufficiently binding rules on partnership in future regulatory texts, particularly as regards the involvement of regional and local authorities, i.e. elected bodies, which are essential partners in the whole process;
21. Calls for the provision of better-targeted and regular and timely information to partner organisations, particularly those that are members of the managing structures, and for enhanced use of technical assistance to support partnership, inter alia by giving partner organisations the opportunity to take part in training events organised for delivery bodies; calls for these training events to be accessible in multimedia versions in order to broaden the target audience and to allow ex-post consultation by partner organisations; emphasises the usefulness of such a measure for the partners of the most distant regions of the Union, such as outermost regions;

Improving transparency in respect of EU funding of major projects

22. Calls on the Commission to publish online information in good time, and to guarantee direct access to project documentation, including JASPERS projects (application, feasibility study, cost-benefit analysis, environmental impact assessment, etc.) on major projects, as soon as possible after the Commission receives an application for funding from a Member State and before it takes any decision on financing; considers that this Commission webpage should allow the submission of comments regarding such projects;
23. Calls for information on major projects approved or submitted for approval in the 2007-2013 programming period to be published on the internet with retroactive effect;

24. Proposes establishing the circumstances in which unused funds may be reutilised and the responsibility of the institution deciding to reallocate such funds;

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25. Instructs its President to forward this resolution to the Council and the Commission.