Implementation report on the EU Trust Funds and the Facility for Refugees in Turkey

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The Committee on Foreign Affairs, the Committee on Development and the Committee on Budgets adopted an own-initiative report by György HÖLVÉNYI (EPP, HU), Janusz LEWANDOWSKI (EPP, PL) and Milan ZVER (EPP, SI) on the implementation of the EU Trust Fund and the Facility for Refugees in Turkey.

Budgetary aspects

The report noted that as of 31 December 2020, total pledges for all EU trust funds amounted to **EUR 7 691 million**, with the EU budget contributing EUR 3 170 million, of which EUR 3 534 million came from the European Development Fund (EDF), and Member States and other donors contributing EUR 988 million.

As of 31 December 2020, the implementation rate for commitment appropriations of all EU trust funds was 98% (while the overall implementation rate for payment appropriations was 63%). International organisations were the main actors in the implementation of EU Trust Funds (36.8%), followed by the European Commission (35.7%), Member State agencies (24.2%) and public service bodies (3.4%).

Parliament's involvement in the decision-making framework

The report regretted **Parliament's limited role** in the decision-making, supervision and control of EU contributions to the Trust Funds, reiterating that existing legal, regulatory and budgetary solutions should have been used to their full extent before creating and/or extending these Funds, which must remain an instrument of last resort.

Members reiterated that Parliament should be represented at the meetings of the operational committees and be able to follow their activities. They called on the Commission to provide detailed information on the decisions taken by these committees. They also considered that the Parliament should make full use of its powers of scrutiny of implementation and budgetary control and ensure that EU funding decisions and allocations comply with the principles of legality and sound financial management of the EU.

Bêkou Trust Fund

The Bêkou Trust Fund for the Central African Republic (CAR) was established by the EU and three Member States (France, Germany, the Netherlands) in July 2014 as the first EU Trust Fund to pool and manage support for the CAR in the aftermath of the crisis that hit the country in 2012-2013 and thereafter.

Since 2014, the EU, by far the first partner of CAR, and its Member States and other contributors, devoted more than EUR 910 million in total for the basic services to the population (particularly education and health, including, since the outbreak of the epidemic, the fight against the COVID-19), the stability and the peace process.

Madad Trust Fund

In response to the Syrian crisis, the Fund was established in December 2014 to address the long-term resilience needs of Syrian refugees and displaced persons in neighbouring countries, as well as to support

host communities and their administrations. The Fund has mobilised more than EUR 2.2 billion from the EU budget, 21 Member States, Turkey and the UK, including EUR 2 billion contracted (as of December 2020) in more than 94 projects. The report highlighted the importance of continuing to support refugees, internally displaced people and vulnerable host communities affected by the continuing conflict.

Trust Fund for Africa

The Fund was established as an emergency trust fund to help resolve crises in three regions of Africa, with the aim of achieving long-term stability and development goals. The Fund represents a rapid and flexible tool to address common global challenges, such as migration and forced displacement, the impact of climate change and economic crises. EUR 0.6 billion from EU Member States and other donors.

Trust Fund for Colombia

The fund was established in December 2016 to support the implementation of the peace agreement between the Colombian government and the FARC. The fund has mobilised more than EUR 128 million from the EU budget, 20 Member States, Chile and the UK. Members called for the implementation of the Colombian peace process to remain a priority in funding programmes.

Facility for Refugees in Turkey

In October and November 2015, the EU pledged an initial EUR 3 billion in additional resources to support Syrians under temporary protection and host communities in Turkey. The Facility consists of two tranches of EUR 3 billion each. MEPs deplored the fact that, unlike the first 2016-2017 tranche, for which the EU budget contributed EUR 1 billion and the Member States EUR 2 billion, for the second 2018-2019 tranche the ratio of contributions has been reversed to the detriment of existing EU projects.

Perspectives and recommendations

Members consider that **external assistance should be financed in full from the EU budget** and be implemented in a coherent way following a streamlined set of rules, based on co-legislated instruments and in full respect of Parliament's legislative, budgetary and control prerogatives. The EU Trust Funds and the Refugee Facility in Turkey should be considered as exceptional or truly emergency-led instruments whose added value and effects on the ground should be very well justified and carefully monitored.

Members expected the Commission to fully make use of the possibilities afforded by the programme-based approach under **the geographic pillar of the NDICI Global Europe** and IPA III. They advocated that the potential of the NDICI-Global Europe should be fully used and, where necessary, improved, while the use of extraordinary financing tools should be limited to unforeseen emergency situations, in order to preserve the unity and democratic accountability of the EU budget.

Should the need for a new EU Trust Fund or an ad hoc instrument arise in the future, Members believe that the contribution mechanism from the EU budget should be clearly defined and **negotiated from the outset with the full involvement of Parliament**.