2001 discharge: 6th, 7th and 8th European Development Funds EDF

2002/2087(DEC) - 08/04/2003 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the draft report by Ole SOREBSEN (ELDR, Denmark) on closing the accounts of the sixth, seventh and eighth EDFs for the 2001 financial year discharge. (Please refer to the document dated 19/03/03.) The main points were as follows: - the need to reform the nature of the relationship between donors and developing countries has fostered the concept of "ownership" which should give primacy to the developing countries in the development process; The Commission is asked to interpretation this concept, and whether it has a negative influence on EU priorities for development policy. The Commission is also asked to provide information on the involvement of representative parliamentary institutions, civil society organisations and minorities in the drawing up of the countries' development policies in order to ensure that effective consultation is taking place so as to justify reference to 'national ownership'; - macro-economic budgetary support has become part of the Community's financial cooperation with ACP countries. Since 1992 the Community has provided budgetary support amounting to EUR 2 604 million. In 2001, EUR 270 million was spent on ACP macro-economic support. Parliament noted that EDF budget support is controlled according to national control procedures in the ACP States, and not the EDF procedures. The support, therefore, is subject to the same risks as expenditure financed from national income. Budget support differs in this respect from project aid, which is implemented according to the procedures imposed by individual fund providers. The shift from specific project aid to programme budget support places transparent management of public finance in the developing countries in the centre of the development strategy to provide assurance that resources are used as intended. Parliament wanted the Commission to keep the use of budget support at a minimum until it has evidence that public finance management in beneficiary countries is of such a standard that the inherent risk of the budget support approach has been considerably reduced; - the quality of public finance management was of the utmost importance for the effectiveness with which resources are mobilised and used. A step forward is to support the creation of strong, efficient and independent Supreme Audit Institutions in the beneficiary countries; - on the question of complementarity, the Council must consider whether maintaining roughly 50 management committees is an appropriate way to ensure that EC aid better complements aid from Member States; - Parliament asks the Commission to provide it by 1 June 2003 with satisfactory and detailed information concerning disbursements to these management committees and to put forward proposals as to how this area may be rationalised; - Parliament expressed its concern about the level of financial expertise in the deconcentrated delegations, especially as they are to be the focus of future audit activity. The Commission is asked to implement effective training programmes, especially in the area of audits.