2004 discharge: 6th, 7th, 8th and 9th European Development Funds (EDF)

2005/2157(DEC) - 21/03/2006

The committee adopted the report by Rodi KRATSA-TSAGAROPOULOU (EPP-ED, EL) recommending that Parliament should grant discharge to the Commission for the implementation of the budget of the 6th, 7th, 8th and 9th European Development Funds for 2004. In its accompanying comments, the committee agreed with the Court of Auditors on the need for "objective, useful and comprehensive indicators to measure the output of aid" and called for these to be put in place for the period 2007-2013. It also deplored the fact that, of the total funding provided to ACP countries in 2004 under the EDF and the EU's general budget, only EUR 12 million (0.4%) was earmarked for basic education and EUR 74 million (2.7%) for basic health, despite Parliament's recommendations in its previous discharge decision. MEPs insisted that greater priority should be given to the main MDG (Millennium Development Goals) sectors of health and education in the next round of Country Strategy Papers.

MEPs highlighted the lack of clarity within the Commission over responsibilities for the EDF and external aid which, they said, "may create ambiguities and disrupt operations". On a more positive note, they supported the Commission's devolution of resources and decision-making powers to its delegations, while noting the difficulties this involved in terms of finding appropriate staff and a possible lack of consistency among the different delegations in interpreting rules. They called for the Commission to produce a report outlining the state of play of the devolution process and detailing the control structures in place in the delegations.

Among other points raised in the report, the committee noted the increasing significance of budget support and acknowledged that this could help reduce poverty and improve public financial management in recipient countries, by giving them a greater sense of 'ownership'. The Commission was asked to place its cooperation with supreme audit institutions on a more systematic footing and to urge governments in the beneficiary countries to secure more active parliamentary involvement in audit and the public finance reform process.

Lastly, the committee repeated Parliament's longstanding call for budgetisation of the EDF which, it stressed once more, would "remove many of the complications and difficulties of implementing successive EDFs, help speed up disbursement and eliminate the current democratic deficit".