Basic information

2020/2190(DEC) DEC - Discharge procedure	Procedure completed
2019 discharge: General budget of the EU - 8th, 9th, 10th and 11th EDFs **Subject** 8.70.03.09 2019 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	CZARNECKI Ryszard (ECR)	08/09/2020
	Shadow rapporteur FERNANDES José Manuel (EPP) PENKOVA Tsvetelina (S&D) CHASTEL Olivier (Renew) RIVASI Michèle (Greens/EFA) OMARJEE Younous (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development	BULLMANN Udo (S&D)	17/12/2020
BUDG Budgets	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
26/06/2020	Non-legislative basic document published	COM(2020)0290	

15/09/2020	Committee referral announced in Parliament		
22/03/2021	Vote in committee		
30/03/2021	Committee report tabled for plenary	A9-0095/2021	
27/04/2021	Debate in Parliament		
28/04/2021	Decision by Parliament	T9-0214/2021	Summary
24/09/2021	Final act published in Official Journal		

Technical information

Procedure reference	2020/2190(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/03947

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE657.249	20/01/2021	
Committee opinion	DEVE	PE663.022	11/02/2021	
Amendments tabled in committee		PE689.626	05/03/2021	
Committee report tabled for plenary, single reading		A9-0095/2021	30/03/2021	
Text adopted by Parliament, single reading		T9-0214/2021	28/04/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05292/2021	05/02/2021	
Supplementary non-legislative basic document	05282/2021	09/02/2021	
Supplementary non-legislative basic document	05284/2021	09/02/2021	
Supplementary non-legislative basic document	05286/2021	09/02/2021	
Supplementary non-legislative basic document	05289/2021	09/02/2021	

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2020)0290	26/06/2020	

Final act

Budget 2021/1682
OJ L 340 24.09.2021, p. 0513

2019 discharge: General budget of the EU - 8th, 9th, 10th and 11th EDFs

2020/2190(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 454 votes to 210, with 27 abstentions, to **grant discharge** to the Commission in respect of the implementation of the budget of the 8th, 9th, 10th and 11th European Development Funds (EDF) for the financial year 2019.

In the resolution accompanying its discharge decision (adopted by 598 votes to 64, with 28 abstentions), the European Parliament made a number of observations:

Financial and project implementation of the EDFs in 2019

Parliament noted that the EDFs' commitments reached EUR 3 986 million in 2019, just under the annual target of EUR 4 057 million (98.25 % of the annual target, compared to 109.3 % in 2018). Payments amounted to EUR 3 910 million, representing an execution rate of 88.9 % of the target of EUR 4 057 million (compared to 98.2 % in 2018).

Commitments by the European Investment Bank (EIB) amounted to EUR 156 million (all from the Investment Facility), while payments amounted to EUR 40 million.

Members welcomed the efforts to reduce the proportion of old pre-financing and outstanding commitments, with a target of 25 %. Regarding the EDF, the target of having not more than 15 % of old expired contracts for the EDFs has been achieved.

Regularity of transactions and controls

Parliament expressed concern about the Court's adverse opinion on the legality and regularity of expenditure as the estimated level of error surpassed the materiality threshold at 3.5% of expenditure affected. Of the 126 payment transactions examined by the Court, 37 (29%) were found to contain errors. Concerned about the recurrence of these errors, Members called on the Commission to address the root causes of the succession of adverse opinions and to take the necessary steps to further reduce the estimated level of error.

Parliament reiterated its call for a more rigorous control system and called on the Commission to:

- continue its efforts to improve the assessment of the effectiveness and efficiency of its control system by defining key performance indicators for both aspects, setting realistic and ambitious targets and monitoring and improving its control system;

- establish a platform of EDF-funded projects by country, including the final beneficiaries, the general and specific objectives of each project and, most importantly, their practical results in terms of increasing development indices.

Cooperation with international organisations, EU development agencies and non-governmental organisations

Parliament welcomed the new Neighbourhood, Development and International Cooperation Instrument (NDICI), which will allow budgetary scrutiny by Parliament and support efforts to define a common policy towards third countries. It stressed that far more effective policy coherence for development (PCD) must be an important objective of the joined-up approach.

Members recalled the need to ensure full transparency and access to data regarding projects implemented by international organisations and civil society organisations, as well as to set out clear rules for monitoring and follow-up. They stressed the need for more systematic reporting on activities funded by EU grants in order to enhance the visibility of the EU and increase transparency, accountability and due diligence on human rights throughout the funding chain.

EU budget support

The EDF contribution to budget support activities reached EUR 790.3 million in 2019, including EUR 366.8 million in new commitments (covering 55 partner countries through 82 budget support contracts). The Overseas Countries and Territories (OCTs) benefited from EUR 70 million under the EDFs, covering 12 countries and 13 budget support contracts. Sub-Saharan Africa remains the main beneficiary of budget support, with a share of 36%.

Parliament recalled that budget support should aim to strengthen the partnership with the EU's partner countries, promote sustainable development, eradicate poverty, reduce inequalities and consolidate peace and democracy, with a view to contributing to the achievement of the Sustainable Development Goals (SDGs).

Budget support should be guided by internationally agreed principles of effectiveness, such as partner country ownership, focus on results, inclusiveness and accountability. As it promotes transparency and good governance, budget support should also contribute to the fight against corruption and fraud.

EU Trust Fund for Africa

Parliament recalled its regular stance that the Commission should ensure that any trust fund established as a new development tool is in line with the overall strategy and strategic development objectives of the Union, namely poverty reduction and eradication.

In order to meet these policy objectives, the EUTF should address the root causes of destabilisation, forced displacement and irregular migration by promoting resilience, economic opportunity, equal opportunities, human security and human and social development.

Risks and challenges in implementing EDF aid

Members called on the Commission (i) to make the rule of law and respect for human rights an absolute precondition for the approval of financial assistance and (ii) to make more stringent use of the clause in financial agreements with partner countries that allows it to suspend or terminate the agreement in the event of a breach of an obligation to respect human rights, democratic principles and the rule of law.

The Commission is invited to reconsider its position and to respond positively to Parliament's request to include in the next Annual Activity Report a structured assessment of the impact of EDF activities.