

Basic information	
<p>2025/2034(INI)</p> <p>INI - Own-initiative procedure</p> <p>Choice of performance indicators for audit and budgetary control in the context of financing measures to support the implementation of future European competitiveness</p> <p>Subject</p> <p>2.60 Competition 3.40.14 Industrial competitiveness 3.50.04 Innovation 3.70.03 Climate policy, climate change, ozone layer 5.05 Economic growth 6.10.02 Common security and defence policy (CSDP); WEU, NATO 6.20 Common commercial policy in general 8.70.03 Budgetary control and discharge, implementation of the budget</p>	Procedure completed

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	<div style="border: 1px solid red; display: inline-block; padding: 2px;">CONT</div> Budgetary Control		CHASTEL Olivier (Renew)	15/05/2025
			Shadow rapporteur KOLLÁR Kinga (EPP) TAVARES Carla (S&D) SANCHEZ Julien (PFE) STURDZA Șerban Dimitrie (ECR) REINTKE Terry (Greens /EFA) TRIDICO Pasquale (The Left)	
European Commission	Commission DG		Commissioner	
	Budget		SERAFIN Piotr	

Key events			
Date	Event	Reference	Summary
13/02/2025	Committee referral announced in Parliament		
08/12/2025	Vote in committee		

16/12/2025	Committee report tabled for plenary	A10-0268/2025	Summary
22/01/2026	Decision by Parliament	T10-0021/2026	Summary
22/01/2026	Results of vote in Parliament		

Technical information	
Procedure reference	2025/2034(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	CONT/10/01978

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE778.327	16/10/2025	
Amendments tabled in committee		PE779.587	14/11/2025	
Committee report tabled for plenary, single reading		A10-0268/2025	16/12/2025	Summary
Text adopted by Parliament, single reading		T10-0021/2026	22/01/2026	Summary

Choice of performance indicators for audit and budgetary control in the context of financing measures to support the implementation of future European competitiveness

2025/2034(INI) - 22/01/2026 - Text adopted by Parliament, single reading

The European Parliament adopted by 318 votes to 247, with 67 abstentions, a resolution on the choice of performance indicators for audit and budgetary control in the context of financing measures to support the implementation of future European competitiveness.

General observations

Parliament stressed that any overarching performance framework for the EU budget should primarily provide **economic results and measurable policy outcomes**. It reaffirmed the need to set and use performance indicators that are specific, measurable, achievable, relevant and time-bound (SMART), ensuring that the EU's resources are spent efficiently, effectively and sustainably in order to monitor and evaluate progress towards achieving EU policy objectives.

In its audits, the Court of Auditors has repeatedly found that most of the performance indicators used for EU funding programmes do not provide relevant information on progress towards achieving the objectives of EU-funded actions. It called on the Commission and Member States to ensure that the indicators used for EU-funded projects are measurable, verifiable, and based on reliable data sources that guarantee the traceability of the underlying data down to the market and final beneficiary levels, and that they are accompanied by clear references and definitions to avoid any divergence in interpretation.

Members stressed in particular that the design of the **Recovery and Resilience Facility** (RRF) does not sufficiently ensure the traceability, transparency, and auditability of the use of EU funds, nor the comparability of results with other EU spending instruments. The Commission is urged to establish a more comprehensive, harmonised, transparent, and verifiable framework of performance indicators for future instruments.

The resolution called on the Commission to **streamline indicators**, simplify templates, avoid duplicate data requests, and apply the 'once-only' principle. Simplifying the performance framework should not compromise transparency and should contribute to streamlining reporting and improving the accessibility and usefulness of information on the performance of EU funding. The Commission should also develop a secure and interoperable IT infrastructure to improve the implementation of actions and facilitate monitoring, reporting, and control.

Members called on the Commission to include, in its performance reporting substantive information on the quality assurance measures used for performance indicators. They believe that the performance framework for the EU budget should also include indicators related to the rule of law, such as the functioning of the judicial system and the fight against corruption.

Performance indicators related to fostering EU competitiveness

Parliament recalled that the **Draghi report** urged the EU to pursue deep reforms to boost competitiveness and focused on innovation, decarbonisation and defence, and called for significant investments in strategic sectors such as green energy, digital infrastructure and advanced manufacturing, supported by regulatory simplification and enhanced coordination at EU level.

Members stressed that the implementation of the recommendations made in the Draghi report must be monitored using **relevant, robust and transparent performance indicators**. These indicators should reflect not only achievements (e.g., number of projects funded), but also results and impacts (e.g., productivity gains, reduced emissions, number of sustainable and secure jobs created, improved social and territorial cohesion, changes in the trade balance, increased export diversification, leverage effect of Union programmes and strengthening of strategic autonomy), in order to measure the efficiency and effectiveness of EU spending.

The Commission is invited to introduce specific indicators to measure the leverage effect of EU funds in mobilising public and private investment. Furthermore, a comprehensive ex-ante risk assessment framework must be established, particularly for projects with a high-risk, high-reward profile.

In the case of projects promoting innovation and supporting strategic technologies, Members suggested using the following performance indicators: volume of EU and private sector funding mobilised, number of projects funded per sector (e.g. artificial intelligence, quantum, biotech), number of unicorns, start-ups created in the EU and percentage of women-led start-ups that have obtained funding.

Parliament highlighted the key role of excellence-based research and innovation, skills and talent development, industrial resilience, energy security and the relocation of strategic value chains.

Lastly, to accelerate the green and digital transitions, **particular attention should be paid to innovative SMEs**, for which simplification is critical. Simplification should focus on reducing unnecessary red tape and administrative costs for SMEs. The Commission is urged to step up its efforts to reduce the regulatory burden by applying the principle of '**one in, two out**' in order to achieve a net reduction in the regulatory burden.

Choice of performance indicators for audit and budgetary control in the context of financing measures to support the implementation of future European competitiveness

2025/2034(INI) - 16/12/2025 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted an own-initiative report by Olivier CHASTEL (Renew, BE) on the choice of performance indicators for audit and budgetary control in the context of financing measures to support the implementation of future European competitiveness.

General observations

The report emphasises that EU spending should deliver tangible results in line with sound financial management principles and be invested in areas where joint EU action has a greater impact and added value than national or subnational strategic action. The EU budget must be more results-oriented, and every euro spent should deliver measurable value for citizens and businesses.

In this context, Members reaffirmed the need to set and use **performance indicators that are specific, measurable, achievable, relevant and time-bound** (SMART), ensuring that the EU's resources are spent efficiently, effectively and sustainably in order to monitor and evaluate progress towards achieving EU policy objectives.

The Commission and Member States are called on to ensure that the indicators used for EU-funded projects are measurable, verifiable, and based on reliable data sources that guarantee the **traceability** of the underlying data down to the market and final beneficiary levels, and that they are accompanied by clear references and definitions to avoid any divergence in interpretation.

Members stressed in particular that the design of the **Recovery and Resilience Facility** (RRF) does not sufficiently ensure the traceability, transparency, and auditability of the use of EU funds, nor the comparability of results with other EU spending instruments. The Commission is urged to establish a more comprehensive, harmonised, transparent, and verifiable framework of performance indicators for future instruments.

The report called for **simplifying the performance framework for the EU budget** to measure the impact of EU spending in all Member States in a harmonised, proportionate, and accurate manner; to streamline the overall administrative burden and reporting requirements, particularly for SMEs and local authorities; and to increase transparency by reducing information overload, while still allowing for an understanding of the added value of EU interventions. The Commission is urged to streamline indicators, simplify templates, avoid duplicate data requests, and apply the 'once-only' principle.

Members reiterated their call on the Commission to develop a **secure and interoperable IT infrastructure**, leveraging artificial intelligence to improve the implementation of actions and facilitate monitoring, reporting, and oversight. They called again on the importance of transparency regarding the final beneficiary of EU funds.

Performance indicators related to fostering EU competitiveness

Members recalled that the Draghi report urged the EU to pursue deep reforms to boost competitiveness and focused on innovation, decarbonisation and defence, and called for significant investments in strategic sectors such as green energy, digital infrastructure and advanced manufacturing, supported by regulatory simplification and enhanced coordination at EU level.

Members also stressed that the **implementation of the recommendations made in the Draghi report must be monitored** using relevant, robust and transparent performance indicators. These indicators should reflect not only achievements (e.g., number of projects funded), but also results and impacts (e.g., productivity gains, reduced emissions, number of sustainable and secure jobs created, improved social and territorial cohesion, changes in the trade balance, increased export diversification, leverage effect of Union programmes and strengthening of strategic autonomy), in order to measure the efficiency and effectiveness of EU spending.

The Commission is invited to: (i) introduce specific indicators to measure the leverage effect of EU funds in mobilising public and private investment; (ii) establish and consistently use, throughout the next MFF, a harmonised set of core indicators such as those that are already part of the European Innovation Scoreboard, aimed at fostering competitiveness across Member States so as to enable comparability, benchmarking and aggregation of data at EU level.

In the case of **projects promoting innovation** and supporting strategic technologies, Members suggested using the following performance indicators: volume of EU and private sector funding mobilised, number of projects funded per sector (e.g. artificial intelligence, quantum, biotech), number of unicorns, start-ups created in the EU and percentage of women-led start-ups that have obtained funding.

The report suggested:

- **supporting industrial relocation** and self-sufficiency in critical raw materials to reduce the EU's strategic dependencies; progress could be measured using output indicators such as the number of projects and SMEs that have relocated their activities to the EU;
- **investing in talent** in critical and strategic sectors, including by supporting participation in vocational training and skills development activities and to measure progress with output indicators, such as the number of people trained in science, technology, engineering and mathematics (STEM);
- accelerating the ecological and digital transitions by paying particular attention to **innovative SMEs**, for which simplification is crucial. This simplification should not lead to deregulation.