

Procedure file

Basic information		
INI - Own-initiative procedure	2011/2033(INI)	Procedure completed
Budgetary management of European Union pre-accession funds in the areas of judicial systems and the fight against corruption in the candidate and potential candidate countries		
Subject 8.20.01 Candidate countries 8.20.04 Pre-accession and partnership 8.70.03 Budgetary control and discharge, implementation of the budget 8.70.04 Protecting financial interests of the EU against fraud		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control		28/09/2010
		PPE MACOVEI Monica	
		Shadow rapporteur	
		S&D KALFIN Ivailo	
		Verts/ALE STAES Bart	
		ECR CZARNECKI Ryszard	
		NI HARTONG Lucas	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs		29/03/2011
		ALDE KACIN Jelko	
European Commission	Commission DG	Commissioner	
	Budget	ŠEMETA Algirdas	

Key events			
17/02/2011	Committee referral announced in Parliament		
26/09/2013	Vote in committee		
04/10/2013	Committee report tabled for plenary	A7-0318/2013	
21/10/2013	Debate in Parliament		
22/10/2013	Results of vote in Parliament		
22/10/2013	Decision by Parliament	T7-0434/2013	Summary
22/10/2013	End of procedure in Parliament		

Technical information	
Procedure reference	2011/2033(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/05332

Documentation gateway					
Committee draft report		PE510.790	20/06/2013	EP	
Committee opinion	AFET	PE510.873	05/09/2013	EP	
Amendments tabled in committee		PE516.837	06/09/2013	EP	
Committee report tabled for plenary, single reading		A7-0318/2013	04/10/2013	EP	
Text adopted by Parliament, single reading		T7-0434/2013	22/10/2013	EP	Summary
Commission response to text adopted in plenary		SP(2014)62	07/03/2014	EC	

Budgetary management of European Union pre-accession funds in the areas of judicial systems and the fight against corruption in the candidate and potential candidate countries

The Committee on Budgetary Control unanimously adopted the own-initiative report by Monica Luisa MACOVEI (EPP, RO) on budgetary management of European Union pre-accession funds in the areas of judicial systems and the fight against corruption in the candidate and potential candidate countries.

Members consider that potential candidate and candidate countries should continue their efforts to improve their judicial systems and fight against corruption, even when they have become EU Member States. They recall that the fight against corruption and organised crime is one of the most important priorities for any candidate or potential candidate country wishing to fulfil its European perspective.

Judicial reform and the fight against corruption: the committee made a series of observations on the projects funded by EU pre-accession assistance in each of the candidate countries and potential candidate countries. It emphasises the Commission's new approach to address justice reforms and home affairs issues early in the accession process. Members note, however, that on average only 2.87 % of the total EU pre-accession assistance envelope for the period 2007-2013 is devoted to justice and only 0.52 % to the fight against corruption. They consider that co-financed projects, especially in the areas of the judiciary and the fight against corruption, bring a higher degree of ownership from the beneficiaries, and call therefore on the Commission to increase, under IPA II, the number of projects co-financed by domestic authorities.

The committee is of the opinion that the level of pre-accession assistance invested in judiciary reform and the fight against corruption does not reflect the priority set by the Commission in this respect. It urges the Commission and the beneficiary countries to allocate a more substantial and adequate level of funding to these two sectors bearing in mind the importance of these issues, the severity of the problems faced in the field.

It regrets that the Commission does not have a tool to provide an execution rate in an automated manner for the EU pre-accession projects and calls on the Commission to centralise data on a 6 monthly basis on the execution rate of the projects for which EU pre-accession assistance is allocated.

Members stress that the effectiveness of pre-accession projects implemented in the areas of the judiciary and the fight against corruption depends primarily on the authorities' political will. They deplore the fact that in most candidate and potential candidate countries there is a lack of strong political support for putting in place effective reforms.

The report makes several recommendations on strengthening the fight against corruption and judicial reform, including the following:

- a clearer definition of the scope of projects in the areas of judicial systems and the fight against corruption;
- Parliament should be kept informed about the implementation of the IPA and the allocation of funds for candidate and potential candidate countries;

- the justice system should be fully independent, more predictable, efficient and fair
- improved professionalism, transparency and efficiency of the judicial systems.

Regarding the fight against corruption, Members are deeply concerned about the situation in the Western Balkans and stress the need for better planning and funding of anti-corruption activities, based on the cooperation of a broad range of stakeholders. They call on the Commission to develop a longer-term and broad-based strategic perspective of EU funding for civil society organisations which are working in transparency and anti-corruption areas at both national and European levels.

Members also ask the relevant authorities to improve interinstitutional cooperation, especially with law enforcement structures, raise public awareness and develop capacities for planning, enforcing and monitoring anti-corruption activities, as well as to cooperate closely with the Group of States against Corruption (GRECO).

On the issues of freedom of the press and media and digital freedom, Members call for these freedoms to be actively pursued through programmes under the IPA aimed at governments, citizens and press and media outlets.

They are concerned that EU pre-accession assistance is not always used in a consistent manner due to the lack of a regional approach and strategy, giving as an example the different approaches of funding in Croatia and in Kosovo.

Implementation of projects: Members note that pre-accession projects have a time span of between one and 3.5 years. Acknowledging that such deadlines are challenging, they recommend that the Commission take adequate measures within the framework of IPA II programming and projects which would lead to a longer timescale (five to seven years). They also deplore the chronic delays incurred in the implementation and efficiency of certain projects, particularly in Turkey.

At the same time, Members are concerned about the complexity of pre-accession assistance rules and call on the Commission to find the right balance between flexibility serving project efficiency and the need to avoid irregularities under IPA II.

They also suggest:

- preparatory ("pilot") activities in cases of broad projects prior to their full deployment;
- a more comprehensive sectoral approach in the areas of judiciary reform and the fight against corruption
- cooperation and coordination with other donors and international financial institutions.

Performance and sustainability: Members recall that following its audit of pre-accession projects for the period 2001-2005, the European Court of Auditors stated that project sustainability could be improved if: (i) beneficiary involvement was increased; (ii) no projects were launched without a maintenance plan; (iii) the Commission monitored distribution more closely and evaluated the use of EU-funded equipment and infrastructure; and (iv) the delivery of technical assistance was adequately complemented by active encouragement for institutional change. They also underline the fact that despite improvements, certain projects continue to lack focus.

Members insist on the need for designing qualitative indicators capable of measuring the long-term impact of the projects. They call on the Commission to continue to issue guidance on the utilisation of performance indicators to be used for programming under IPA II.

The committee also calls for: (i) strengthening training activities in the field of judicial reform; (ii) improving legislative reforms in line with European standards.

ROM: Members acknowledge that the Commission assesses the impact and sustainability of pre-accession programmes through results-oriented monitoring (ROM) reports, but point out that the number of ROM reports is uneven across countries, ranging from 31 for Albania to none for Bosnia and Herzegovina, Croatia, Montenegro and Serbia. They urge the Commission to develop a comprehensive monitoring action plan including evaluation tools other than ROM reports, such as sector performance assessment frameworks with SMART indicators, in order to make comprehensive monitoring of project outcomes possible over time.

Transparency: Members call for a database listing all of the projects funded under pre-accession assistance programmes whereby all beneficiaries of EU funding are published on the same website, independently of the administrator of the funds. They note the Commission's commitment to address these issues by 2015 through the publication of information on IPA assistance in line with the International Aid Transparency Initiative (which established common standards for the electronic publication of timely, comprehensive and forward-looking information on resources provided through development cooperation).

Lastly, Members make a series of country-specific remarks and recommendations to rectify weaknesses concerning the following countries: Albania, Bosnia-Herzegovina, Croatia, Kosovo, FYROM, Montenegro, Serbia and Turkey.

Budgetary management of European Union pre-accession funds in the areas of judicial systems and the fight against corruption in the candidate and potential candidate countries

The European Parliament adopted a resolution on budgetary management of European Union pre-accession funds in the areas of judicial systems and the fight against corruption in the candidate and potential candidate countries.

Parliament considered that potential candidate and candidate countries should continue their efforts to improve their judicial systems and fight against corruption, even when they have become EU Member States. It recalled that the fight against corruption and organised crime is one of the most important priorities for any candidate or potential candidate country wishing to fulfil its European perspective.

Judicial reform and the fight against corruption: Parliament made a series of observations on the projects funded by EU pre-accession assistance in each of the candidate countries and potential candidate countries. It emphasises the Commission's new approach to address justice reforms and home affairs issues early in the accession process. Members note, however, that on average only 2.87 % of the total EU pre-accession assistance envelope for the period 2007-2013 is devoted to justice and only 0.52 % to the fight against corruption. Parliament also notes that the level of co-financing by domestic authorities differs widely from one country to another, with Croatia and Turkey co-financing most of their projects and Serbia having all its projects fully covered by the EU pre-accession assistance. Parliament is of the opinion that co-financed projects, especially in the areas of the judiciary and the fight against corruption, bring a higher degree of ownership

from the beneficiaries. It calls therefore on the Commission to increase, under IPA II, the number of projects co-financed by domestic authorities.

Parliament regretted that the level of pre-accession assistance invested in judiciary reform and the fight against corruption does not reflect the priority set by the Commission in this respect. It urged the Commission and the beneficiary countries to allocate a more substantial and adequate level of funding to these two sectors bearing in mind the importance of these issues, the severity of the problems faced in the field. It also regretted that the Commission does not have a tool to provide an execution rate in an automated manner for the EU pre-accession projects and called on the Commission to centralise data on a 6 monthly basis on the execution rate of the projects for which EU pre-accession assistance is allocated.

Members stressed that the effectiveness of pre-accession projects implemented in the areas of the judiciary and the fight against corruption depends primarily on the authorities political will. They deplored the fact that in most candidate and potential candidate countries there is a lack of strong political support for putting in place effective reforms.

The resolution made several recommendations on strengthening the fight against corruption and judicial reform, including the following:

- a clearer definition of the scope of projects in the areas of judicial systems and the fight against corruption;
- Parliament should be kept informed about the implementation of the IPA and the allocation of funds for candidate and potential candidate countries;
- the justice system should be fully independent, more predictable, efficient and fair
- improved professionalism, transparency and efficiency of the judicial systems.

Regarding the fight against corruption, Parliament is deeply concerned about the situation in the Western Balkans and stressed the need for better planning and funding of anti-corruption activities, based on the cooperation of a broad range of stakeholders. It called on the Commission to develop a longer-term and broad-based strategic perspective of EU funding for civil society organisations which are working in transparency and anti-corruption areas at both national and European levels.

Parliament also asked the relevant authorities to improve interinstitutional cooperation, especially with law enforcement structures, raise public awareness and develop capacities for planning, enforcing and monitoring anti-corruption activities, as well as to cooperate closely with the Group of States against Corruption (GRECO).

On the issues of freedom of the press and media and digital freedom, Parliament called for these freedoms to be actively pursued through programmes under the IPA aimed at governments, citizens and press and media outlets.

It is concerned that EU pre-accession assistance is not always used in a consistent manner due to the lack of a regional approach and strategy, giving as an example the different approaches of funding in Croatia and in Kosovo.

Implementation of projects: Parliament noted that pre-accession projects have a time span of between one and 3.5 years. Acknowledging that such deadlines are challenging, Members recommended that the Commission take adequate measures within the framework of IPA II programming and projects which would lead to a longer timescale (five to seven years). They also deplored the chronic delays incurred in the implementation and efficiency of certain projects, particularly in Turkey.

At the same time, Members are concerned about the complexity of pre-accession assistance rules and called on the Commission to find the right balance between flexibility serving project efficiency and the need to avoid irregularities under IPA II.

They also suggested:

- preparatory ("pilot") activities in cases of broad projects prior to their full deployment;
- a more comprehensive sectoral approach in the areas of judiciary reform and the fight against corruption
- cooperation and coordination with other donors and international financial institutions.

Performance and sustainability: Parliament recalled that following its audit of pre-accession projects for the period 2001-2005, the European Court of Auditors stated that project sustainability could be improved if: (i) beneficiary involvement was increased; (ii) no projects were launched without a maintenance plan; (iii) the Commission monitored distribution more closely and evaluated the use of EU-funded equipment and infrastructure; and (iv) the delivery of technical assistance was adequately complemented by active encouragement for institutional change. It also underlined the fact that despite improvements, certain projects continue to lack focus.

Members insisted on the need for designing qualitative indicators capable of measuring the long-term impact of the projects. They called on the Commission to continue to issue guidance on the utilisation of performance indicators to be used for programming under IPA II.

Parliament also called for: (i) strengthening training activities in the field of judicial reform; (ii) improving legislative reforms in line with European standards.

ROM: Members acknowledged that the Commission assesses the impact and sustainability of pre-accession programmes through results-oriented monitoring (ROM) reports, but pointed out that the number of ROM reports is uneven across countries, ranging from 31 for Albania to none for Bosnia and Herzegovina, Croatia, Montenegro and Serbia. They urged the Commission to develop a comprehensive monitoring action plan including evaluation tools other than ROM reports, such as sector performance assessment frameworks with SMART indicators, in order to make comprehensive monitoring of project outcomes possible over time.

Transparency: Members called for a database listing all of the projects funded under pre-accession assistance programmes whereby all beneficiaries of EU funding are published on the same website, independently of the administrator of the funds. They noted the Commission's commitment to address these issues by 2015 through the publication of information on IPA assistance in line with the International Aid Transparency Initiative (which established common standards for the electronic publication of timely, comprehensive and forward-looking information on resources provided through development cooperation).

Lastly, Parliament made a series of country-specific remarks and recommendations to rectify weaknesses concerning the following countries: Albania, Bosnia-Herzegovina, Croatia, Kosovo, FYROM, Montenegro, Serbia and Turkey.