

Guarantee Fund for external actions: asset management

2016/0274(COD) - 08/02/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 506 votes to 83, with 36 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC, Euratom) No 480/2009 establishing a Guarantee Fund for external actions.

The European Parliaments position adopted at first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

Financial management of the Guarantee Fund: according to the amended text, the Commission shall entrust the financial management of the Fund to the European Investment Bank (EIB). By 30 June 2019, the Commission shall submit an independent external evaluation of the advantages and disadvantages of entrusting the financial management of the assets of the Fund and of the European Fund for Sustainable Development to the Commission, the EIB, or a combination of the two. The evaluation shall, where appropriate, be accompanied with a legislative proposal.

Annual report: this shall contain a presentation of the financial position and information on the functioning of the Fund at the end of the previous calendar year, the financial flows as well as the significant transactions and any relevant information on the financial accounts, such as detailed information on the outstanding capital of guaranteed loans or the Fund's assets during the previous calendar year, as well as conclusions and lessons learned.

As of 2019 and every third year thereafter, it shall also include an assessment on the adequacy of the 9 % target and the 10% threshold for the Fund.

The text stressed that where the amount of the Fund exceeds 10 % of the Union's total outstanding capital liabilities, the surplus should be paid back into the general budget of the Union in order to better protect the general budget of the Union against potential additional risk of default of the EIB financing operations addressing the long-term economic resilience of refugees, migrants, host and transit communities, and communities of origin as a strategic response to addressing root causes of migration.