



2020/2045(INI)

15.4.2021

OPINION

of the Committee on Budgetary Control

for the Committee on Foreign Affairs, the Committee on Development and the Committee on Budgets

on the implementation report on the EU Trust Funds and the Facility for Refugees in Turkey
(2020/2045(INI))

Rapporteur for opinion: Tomáš Zdechovský

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SUGGESTIONS

The Committee on Budgetary Control calls on the Committee on Foreign Affairs, the Committee on Development and the Committee on Budgets, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- A. whereas the Lisbon Treaty reinforced the role of the European Parliament to ensure coherence and democratic accountability;
 - B. whereas setting up trust funds and going beyond the EU's budgetary rules undermines the principle of a single budget and creates a number of issues in terms of sound financial management, transparency and accountability; whereas the four existing EU Trust Funds (EUTFs)¹ are used as a financing mechanism to implement international cooperation and development measures; whereas this increases the complexity of existing financial structures, which may lead to operational inefficiencies;
 - C. whereas the Facility for Refugees in Turkey (FRT) differs from the EUTFs, mainly because it remains embedded within the budget of the EU;
 - D. whereas according to the Commission, the FRT is designed to coordinate existing EU financing instruments so they are mobilised in a consistent and joined-up manner to address the needs of refugees;
 - E. whereas the European Parliament agreed that half of the expenditure of the FRT should be borne from the EU budget, amounting to EUR 3 billion for 2016-2019;
1. Notes that the EUTFs are designed to swiftly respond to challenging circumstances and to increase the flexibility of funding, which makes it difficult to ascertain² what the concrete emergencies are, how additional funding is addressing these, and to ensure qualitative scrutiny of their results on the ground; reiterates, therefore, that these instruments should be classified as exceptional or emergency-led and that their added value and effects on the ground should be properly justified and monitored;
 2. Stresses that the EU must always ensure that EUTF projects and programmes promote and protect human rights; considers that robust systems must be put in place to monitor the human rights impacts, together with an accountability system with specific indicators to prevent and address breaches of international law;
 3. Stresses that the need to create the EUTFs arose partly as a consequence of the EU budget not being flexible enough and lacking possibilities to finance unexpected needs in several areas;
 4. Recalls the European Court of Auditors' (ECA) Special Report No 27/2018 entitled 'the Facility for Refugees in Turkey: helpful support, but improvements needed to deliver

¹ The Emergency Trust Fund for Africa, the Bêkou Trust Fund, the Trust Fund for Colombia, and the Regional Trust Fund in Response to the Syrian Crisis.

² Study of the Policy Department for Budgetary Affairs of May 2018 entitled 'Oversight and Management of the EU Trust Funds: Democratic Accountability Challenges and Promising Practices'.

more value for money'; notes the report's findings that while the audited projects provided helpful support to refugees and most of them achieved their outputs, half of them had not achieved their expected outcomes; notes, in addition, that the monitoring of the cash assistance projects under the FRT was limited because the Commission and its UN implementing partners did not have access to primary beneficiary data; welcomes the fact that some of the recommendations of the ECA's report have been taken into consideration for the programming of the second tranche of the FRT; invites the Commission to report further on the implementation of the ECA's recommendations in the context of the discharge procedure;

5. Strongly insists on the need to ensure as a matter of priority that the implementation of the FRT and the EUTFs is consistent with the EU's general principles and legal commitments as laid down in the Treaties, as well as EU policies and objectives, including democracy, the rule of law and human rights; underlines the need to ensure that these objectives are met;
6. Takes note of the ECA's Special Report No 27/2018 on the FRT, in which it ultimately concluded that the facility could have been more effective and could achieve more value for money; considers that there is still room for improvement in terms of the efficiency of humanitarian projects;
7. Calls on the Commission to continuously monitor whether the FRT is being implemented in line with the principles of good financial management, transparency, proportionality, and non-discriminatory and equal treatment, while fully respecting Parliament's right to exercise scrutiny and control over EU funding;
8. Is extremely worried about the fact that in its attempts to monitor humanitarian projects, the Commission was hindered by the Turkish authorities' refusal to grant access to data on the beneficiaries of the two cash assistance projects; regrets the fact that these beneficiaries could not be tracked as a result;
9. Regrets the fact that the refugees' needs related to municipal infrastructure and socio-economic support have been insufficiently covered under the FRT³; calls on the Commission, therefore, to better address these needs with a view to improving the streamlining and complementarity of the assistance provided; recalls the need, furthermore, to ensure equal access to education and training, health, protection and other basic needs, paying particular attention to girls and young women;
10. Welcomes the success of the first tranche of the FRT, in particular the Emergency Social Safety Net (ESSN) – the biggest humanitarian project managed by the Commission; welcomes the progress of the second tranche, which is facilitating a gradual shift from humanitarian to development assistance;
11. Underlines the positive impact of the FRT for the vulnerable target groups, delivering access to healthcare, education and the integration programme and humanitarian assistance for 1.8 million people;
12. Stresses the challenging working environment faced by non-governmental organisations

³ ECA Special Report No 27/2018.

(NGOs) in the implementation of the FRT; invites the Commission to address the need to improve the operating environment for civil society organisations, including by continuing its dialogue with the Turkish authorities on issues around registration and permits;

13. Welcomes the monitoring reports provided through the FRT Results Framework; underlines the need to carry out strict monitoring exercises and ex ante and ex post audits, including in Turkey, in order to ensure compliance with the Financial Regulation and guarantee control and access for the ECA, the European Anti-Fraud Office and the European Public Prosecutor's Office; invites the Commission to scale up reporting on the FRT and to provide all the information necessary for the European Parliament to exercise its right of scrutiny and control; calls on the Commission to ensure that FRT funding reaches the right beneficiaries, specifically targets refugee projects and is not used for any other purposes; recalls, in this context, the importance of accessibility of primary beneficiary data and of the traceability of EU funding and invites the Commission to present the planned strategic mid-term evaluation of the FRT; insists, moreover, that the Turkish authorities grant implementing partners full access to the data on the eligible beneficiaries in order to improve the accountability and efficiency of the monitoring framework of these flagship projects⁴;
14. Notes with concern that the COVID-19 crisis led to a significant slowdown in progress on individual actions and the FRT as a whole, resulting in an estimated delay to implementation of between 3 and 12 months as of June 2020; underlines the fact that according to the monitoring report from November 2020, the most vulnerable refugees working in the informal sector have been the worst affected; regrets the fact that the suspension of in-person activities, such as in the areas of social cohesion, language teaching and psycho-social support, has disproportionately affected women refugees;
15. Recalls that the EUTFs are flexible instruments allowing swift, effective and efficient implementation of projects in the framework of humanitarian aid and emergencies, while ensuring sound financial management;
16. Recognises the difficulties encountered in these kinds of undertakings, due to different factors such as diversity of the target groups and location;
17. Stresses that the actions under each strand of the FRT will be better and more sustainable and achieve more value for money if they are part of an integrated approach;
18. Calls on the Commission to assess the current orientation of the humanitarian assistance, whose goal is to reduce and ultimately eradicate poverty, and to improve the efficiency and monitoring of the cash assistance projects;
19. Stresses the need for good-quality monitoring and acknowledges the difficulties faced in overseeing the two cash assistance projects, as the Commission and its UN implementing partners did not have access to the original beneficiary data;
20. Notes the efforts and measures taken by the EU and its Member States to support refugees and host communities in Turkey; calls on the Commission to improve its

⁴ *Ibid.*

communication strategy and to intensify its contact with the general public to raise awareness of the EU's efforts in order to improve knowledge of these actions and their objectives;

21. Stresses that efforts must be made to monitor and enforce EU values and standards in the area of support for refugees, which would foster trust in the EU by demonstrating its ability to deliver on its aims;
22. Calls on the Commission to impress upon the Turkish authorities the need to improve the working environment for international NGOs;
23. Calls on the Commission to take action against all attempts by Turkey to use the FRT as leverage against the EU.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Date adopted | 14.4.2021 |
| Result of final vote | +: 24 -: 2 0: 2 |
| Members present for the final vote | Matteo Adinolfi, Olivier Chastel, Caterina Chinnici, Lefteris Christoforou, Corina Crețu, Martina Dlabajová, José Manuel Fernandes, Luke Ming Flanagan, Isabel García Muñoz, Monika Hohlmeier, Jean-François Jalkh, Pierre Karleskind, Alin Mituța, Younous Omarjee, Tsvetelina Penkova, Markus Pieper, Sabrina Pignedoli, Michèle Rivasi, Petri Sarvamaa, Vincenzo Sofo, Michal Wiezik, Angelika Winzig, Tomáš Zdechovský |
| Substitutes present for the final vote | Joachim Stanisław Brudziński, Maria Grapini, Hannes Heide, Mikuláš Peksa, Viola Von Cramon-Taubadel |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 24 | + |
|-------|---|
| ECR | Joachim Stanisław Brudziński, Vincenzo Sofo |
| NI | Sabrina Pignedoli |
| PPE | Lefteris Christoforou, José Manuel Fernandes, Monika Hohlmeier, Markus Pieper, Petri Sarvamaa, Michal Wiezik, Angelika Winzig, Tomáš Zdechovský |
| Renew | Olivier Chastel, Martina Dlabajová, Pierre Karleskind, Alin Mituța |
| S&D | Caterina Chinnici, Corina Crețu, Isabel García Muñoz, Maria Grapini, Hannes Heide, Tsvetelina Penkova |
| Verts | Mikuláš Peksa, Michèle Rivasi, Viola Von Cramon-Taubadel |

| 2 | - |
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| ID | Matteo Adinolfi, Jean-François Jalkh |

| 2 | 0 |
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| The Left | Luke Ming Flanagan, Younous Omarjee |

Key to symbols:

+ : in favour

- : against

0 : abstention