

Background paper on the side session
“The Best and Next Practices of Accountability of EU-Funds”

Informal side session

With this informal side session the Dutch HoR intends to give an overview to all interested delegations of the existing best practices in the Member States and the national parliaments with regard to accountability of EU-funds under shared management. The Dutch HoR also wants to explore the *next practices* (what are national parliaments faced with in the future?) We intend to have a **positive meeting** to encourage interaction between members, to ask questions and with time for discussion, exchange of information and practices.

Introduction of the topic

Proper accountability is a crucial element of the democratic legitimacy of the EU. About 85% of the whole EU-budget is spent under so called *shared management between European Commission with Member States*. This means that Member States share the responsibility to give a reasonable degree of assurance on the proper spending of these EU-funds. National parliaments have an important role here. In layman's terms: “European citizens want to know how their tax-money is spent in the EU”.¹

The outcome of the negotiations on the MFF 2014-2020, and more specific the underlying Financial Regulation of the EU-budget, has consequences for the future accountability of Member States with regard to the EU-funds that are spent in their respective countries. As of 2015, the Member States face increased accountability obligations. National parliaments should firstly be aware of this, and secondly consider increasing their involvement.

Best practices

A lot has already happened in the field of accountability of EU-funds in various Member States, but there are (always) possibilities to improve and to learn from each other.

The questionnaire of the biannual report contains three questions on the allocation and accountability of EU-funds under shared management and the role of national parliaments (32; 33a,b). Selections of the answers given by national parliaments are presented by the Dutch delegation and will provide a helpful overview of the good ideas and best practices amongst the national parliaments. The Dutch HoR will also present a good Dutch practice.

Since 2008 all Member States send an “annual summary” to the European Commission. This is a summary of (outcomes of) audits that are done in the previous budgetary year by the national audit authorities in the Member States. In 2012, 14 (out of 27) Member States published their annual summary of the budgetary year of 2010 on the website² of the European Parliament: a first step to increased transparency.

Next practices

As of 2014 there are new rules because of the adoption of the MFF 2014-2020 and the new Financial Regulation of the EU-budget. Member States “shall provide the Commission with information on their accounts (management declaration) and an annual summary of the final audit reports and of controls carried out”. This will start in 2015. What could (or should) be the role of national parliaments?

Practicalities

- The meeting is open to all interested delegations
- The meeting will be held during the COSAC LI on Monday 16 June 2014 during/after luncheon (13:30 – 14:30) in room Kleoniki B.

¹ More information: <http://www.eu-accountability.nl/accountability/member-state-accountability>

² See: <http://www.europarl.europa.eu/committees/en/cont/publications.html?id=CONT00003#menuzone>

- The meeting will be presented by two Members of the Dutch Public Expenditure Committee: **Mrs Aukje de Vries** (VVD; ALDE) and **Mr Eddy van Hijum** (CDA; EVP)

The promotion of informal side meetings

The Dutch House of Representatives (HoR) feels that COSAC could be more attractive for its Members to attend, if COSAC meetings would be more interactive. Therefore the Dutch HoR has been committed to proactively further the exchange of information and best practices, and networking possibilities for Members³. To this extent the Dutch HoR started an initiative to exchange national practices during informal side sessions at COSAC. With thanks to the Irish Presidency, it organised a first session in Dublin on the importance of an early selection and exchange of EU-priorities by national parliaments. The House of Lords has followed-up on this initiative under the Lithuanian Presidency with a session on parliamentary investigation on democratic legitimacy. The Hellenic Presidency agreed⁴ to hold an informal side session on the accountability of EU-funds under shared management.

The Dutch House of Representatives calls on the delegation to consider organising an informal side meeting to exchange best practices on a topic of interest during the next plenary COSAC.

For more information on the informal side session, feel free to contact Peter van Kessel, EU-adviser to the Finance and Public Expenditure Committees of the Dutch House of Representatives, T: +31618305779 or E: p.vkessel@tweedekamer.nl

³ <http://www.houseofrepresentatives.nl/news/report-ahead-europe-adopted-house-representatives>

⁴ At COSAC Chairpersons Meeting in Athens, 26-27 January 2014.