

Control of the use of EU Structural Funds by national Parliaments

On 27 August 2013, the Slovakian National Council submitted a request to the ECPRD concerning the control of EU Structural Funds disbursements by each Member State Parliament. The request focused on three detailed aspects of parliamentary control. The request was based namely on the question: What were the margins of scrutiny of each National Parliament, which organs were exerting it, what other authorities or entities within the national frameworks were submitting reports to the Parliaments on the allocation and use of structural funds. What follows is a summary of the different answers.

1. Parliamentary control of use and allocation of EU Structural Funds

In most European Member States, the control of use and allocation of structural funds falls within the context of regular parliamentary scrutiny of the government's action. This applies for **Austria, Croatia, Cyprus, the Czech Republic, France, Greece, Estonia, Italy, Slovenia, Romania** and the **UK**. In **Latvia, Lithuania, Finland** and **Hungary** this general control is exercised by the relevant parliamentary committees. The **Polish Sejm** (Diet) as well as the **Portuguese** Assembleia da República can control the spending of structural funds during the control of the state budget. In **Germany** the *Bundesrat* adopts a resolution containing a formal approval of the Federal Government's spending for the preceding year. The *Bundestag* has the obligation to control the use and distribution of structural funds in the context of budgetary processes. In **Sweden** the spending of the structural funds can be the subject of auditing or scrutiny by the National Audit Office, which is part of the *Riksdag's* system of parliamentary control.

In **Belgium** there is no parliamentary control of EU funds at the federal level. The control is a competency of the regions and communities.

In **Denmark**, the independent public institution *Rigsrevisionen* is responsible for auditing EU structural funds.

Authorities responsible for EU European Structural Funds in **Slovakia** are not obliged to submit reports on its activities to the Parliament or to Parliamentary Committees.

2. Specific parliamentary committee or sub-committee responsible for EU Structural Funds spending

In the **Czech** *Poslanecká sněmovna* (Chamber of Deputies), the *sub-committee on EU funds* is responsible for monitoring the structural funds' expenditure. In the **Hungarian** *Országgyűlés* (National Assembly), the *sub-committee on Enterprise Development and EU Sources Monitoring* is dedicated to the issue. Previously, the *Ad Hoc Committee on Monitoring the Implementation of the New Hungary Development Plan* was competent. In the **Croatian** *Sabor* (Assembly), the *Committee on Regional Development and European Union Funds* is one of the working bodies of Parliament, competent, inter alia, for the use of resources from the European Union funds.

In **Austria, Belgium, Cyprus, Greece, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Poland, Portugal, Romania, Slovenia** and the **UK** there is no specific parliamentary committee or sub-committee responsible for structural funds spending. However, some committees are more relevant than others regarding the issue. In the **Estonian** *Riigikogu* (State Assembly), the *Committees on EU Affairs*, on *Finance* or the *State Budget Control Select Committee* are accountable whilst in the **French** *Assemblée Nationale* (National Assembly), the *Committee on European Affairs* is answerable. In **Greece**, the *Standing Committee on Production and Trade* and the *Committee of EU Affairs of the Βουλή των Ελλήνων* (Hellenic Parliament) takes on the mantle of responsibility, whereas in **Italy**, the *Committees for European Affairs* as well as the *Budget Committee of both the Camera dei*

Deputati (Chamber of deputies) and the *Senato della Repubblica* (Senate of the Republic) are responsible. In the **Latvian Saeima** (Parliament), the issue is often addressed by two committees: the *European Affairs Committee* and the *Public Expenditure and Audit Committee*. The same applies for the *Audit Committee* and *Budget and Finance Committee* of the **Lithuanian Seimas** (Parliament). In the **Polish Sejm**, the Report on the Implementation of the National Development Plan is examined by the *Local Self-Government and Regional Policy Committee*, while the *European Affairs Committee* is responsible for other EU related issues. In the **Portuguese Assembleia da Republica**, the Committees on *EU affairs*, on *Budget, Finance and Public Administration* and the one on *Economics and Public Works* have oversight competencies. In **Romania**, there is no specific committee but the *EU Affairs Committees* have competencies in this regard. In the **UK**, the *Public Accounts Committee* is responsible for the oversight of structural funds.

3 Authorities that submit reports to the Parliaments (frequency and content)

In most Member States, the responsibility to report to the Parliament on the spending of Structural Funds falls squarely on the executive power. In **Croatia**, the executive has the obligation to report to the Parliament on the use of EU funds. In **Estonia**, reports are submitted by the *relevant minister* or ministerial office on an *ad hoc* basis. In **Finland**, the *Government* submits an annual report on State finances including information on structural funds to the Parliament. In **Germany**, the *Bundestag* receives reports on structural funds from the *Federal Government*. The *Bundesrat* obtains information from the proposed budget. The **Portuguese Government** submits reports to the Parliament on a quarterly basis. In **Slovenia**, reports are submitted by the *competent ministries* once a year. A session can be called to deal with the use, allocation and efficiency of EU funds. An ad hoc report is submitted to the *Državni zbor* (National Assembly) on such occasions.

In other Member States, a specific ministry is responsible for submitting the reports. In the **Czech Republic**, all operational programs financed from the Structural or Cohesion Funds, belong to the competence of the *National Coordination Authority*, which addresses either the structural funds sub-committee or the Chamber of Deputies. In **Latvia**, the *Ministry of Finance* submits a report every three months to the *Saeima*. Other authorities can submit reports upon request. In **Romania**, the *Ministry of European Funds* establishes together with other bodies of central and local public administration, a system data/information and reporting procedure on the use of European funds or analysis for the parliamentary committees. In **Cyprus**, the *Planning Bureau* informs the *Standing Committee on Finance and Budgetary Affairs* about the percentage of absorption of EU Structural Funds. Until 2011, The **UK Treasury** produced a series of annual "consolidated statements" which brought together details of UK receipts from EU budget and expenditure. After 2011 a review of procedure was undertaken and is on-going. In the interim period, the Treasury produced less detailed information in an annex to its Annual Statement of EU Finances.

In other States, it is the national audit institution that submits reports to the Parliament on the issue. The **Austrian Court of Audit** regularly reports to the Parliament, although it is not obliged to do so. In **Hungary**, the *State Audit Office* reports on the previous year's central budget to the National Assembly. One chapter monitors the allocation of the EU subsidies.

Finally, some Member States combine both the government and the audit institution's reports to the Parliament. In **Italy**, the State bodies involved are: the *Department for Cohesion Policies of the Presidency of the Council of Ministers*, the *Ministry for Economic Development*, the *Ministry for the Budget and Economic Planning*, as well as the *Audit Court* that controls the procedures and the results of the measures taken. In **Lithuania**, the *Ministry of Finance* presents, quarterly reports to the *Seimas* including general information on the allocation of EU funds. In addition the State Control provides the *Seimas* with relevant audit reports, usually discussed at the Audit Committee meeting. In **Poland** the *Minister of Regional Development* submits an annual report to the *Sejm* on the implementation of the National Development Plan. The *Minister of Finance* submits an annual report on the implementation of the Budget Act. This report is also submitted by the *Supreme Audit Office*.

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PARLIAMENTARY CONTROL OF EU STRUCTURAL FUNDS

EU Member State	National Parliaments	Parliamentary Control	Modalities	Specific Parliamentary Committee	Authorities which submit reports to the Parliament
AUSTRIA	Nationalrat Bundesrat	Yes	At least 20 Members of Nationalrat special audit by the Court of Audit ¼ of Nationalrat investigation of particular event by standing sub-committee of the Court of Audit-Committee	No	Court of Auditors
BELGIUM	Chambre des Représentants Sénat	No	Competence of the regions and communities	N/A	N/A
CROATIA	Hrvatski Sabor	Yes	Regular parliamentary scrutiny	Committee on Regional Development and European Union Funds	Government
CYPRUS	House of Representatives	Yes	Regular parliamentary scrutiny	No	Planning Bureau
CZECH REPUBLIC	Chamber of Deputies	Yes	Regular parliamentary scrutiny	Sub-committee on EU Funds	National Coordination Authority
DENMARK	Folketinget	No	N/A	N/A	N/A
ESTONIA	Riigikogu	Yes	Regular parliamentary scrutiny	No	Ad hoc basis: relevant ministry
FINLAND	Eduskunta	Yes	Regular parliamentary scrutiny	No	Government
FRANCE	Assemblée Nationale	Yes	Regular parliamentary scrutiny	No	N/A
GERMANY	Bundesrat	Yes	Approval of the Federal Government's spending	No	Federal Government
	Bundestag	Yes	Regular parliamentary scrutiny (obligation)	No	Federal Government
GREECE	Vouli ton Ellinon	Yes	Regular parliamentary scrutiny	No	N/A
HUNGARY	National Assembly	Yes	Regular parliamentary scrutiny	Sub-committee on Enterprise Development and EU Sources Monitoring	State Audit Office
ITALY	Camerati dei deputati Senato della Repubblica	Yes	Regular parliamentary scrutiny	No	Court of Auditors Department for Cohesion Policies of Council of Ministers Ministry for Economic Development Ministry for the Budget and Economic Planning
LATVIA	Seeima	Yes	Regular parliamentary scrutiny	No	Ministry of Finance
LITHUANIA	Seimas	Yes	Regular parliamentary scrutiny	No	Ministry of Finance State Control
POLAND	Sejm	Yes	Regular parliamentary scrutiny	No	Ministry of Regional Development Minister of Finance Supreme Audit Office
PORTUGAL	Assembleia da República	Yes	Regular parliamentary scrutiny	No	Government
ROMANIA	Chamber of Deputies	Yes	Regular parliamentary scrutiny	No	Ministry of European Funds
SLOVENIA	Drzavni Zbor	Yes	Regular parliamentary scrutiny	No	Competent ministries
SWEDEN	Riksdag	Yes	National Audit Office	N/A	N/A
UK	House of Commons	Yes	Regular parliamentary scrutiny	No	Treasury