



TEXTS ADOPTED

P9_TA(2024)0036

Transparency and accountability of non-governmental organisations funded from the EU budget

European Parliament resolution of 17 January 2024 on the transparency and accountability of non-governmental organisations funded from the EU budget (2023/2122(INI))

The European Parliament,

- having regard to the Treaty on European Union, in particular Articles 2, 3, 5, 11(2) and Protocol (No 2) thereof,
- having regard to the Treaty on the Functioning of the European Union, in particular Articles 322(1a) and 325(4) thereof,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012¹ (the Financial Regulation),
- having regard to the Commission proposal of 16 May 2022 for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (COM(2022)0223),
- having regard to the report of its Committees on Budgets and on Budgetary Control of 4 May 2023 on the proposal for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union,
- having regard to Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing,

¹ OJ L 193, 30.7.2018, p. 1.

management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013¹,

- having regard to Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy²,
- having regard to the Commission communication of 3 December 2020 on the European democracy action plan (COM(2020)0790),
- having regard to Special Report 35/2018 of the European Court of Auditors (ECA) of 18 December 2018 entitled ‘Transparency of EU funds implemented by NGOs: more effort needed’,
- having regard to the study entitled ‘Financing of non-governmental organisations (NGOs) from the EU Budget’, published by its Directorate-General for Internal Policies of the Union on 25 November 2010³,
- having regard to the study entitled ‘Democratic accountability and Budgetary Control of non-governmental organisations funded by the EU Budget’, published by its Directorate-General for Internal Policies of the Union on 24 January 2017⁴, and to its subsequent update of 21 January 2019,
- having regard to the study entitled ‘Transparency and accountability of EU funding for NGOs active in EU policy areas within EU territory’, published by its Directorate-General for Internal Policies of the Union on 28 September 2023⁵ (‘transparency and accountability study’),

¹ OJ L 435, 6.12.2021, p. 187.

² OJ L 231, 30.6.2021, p. 159.

³ Study – ‘Financing of Non-governmental Organisations (NGO) from the EU Budget’, European Parliament, Directorate-General for Internal Policies, Policy Department D – Budgetary Affairs, 25 November 2010.

⁴ Study – ‘Democratic accountability and Budgetary Control of non-governmental organisations funded by the EU Budget’, European Parliament, Directorate-General for Internal Policies, Policy Department D – Budgetary Affairs, 24 January 2017.

⁵ Study – ‘Transparency and accountability of EU funding for NGOs active in EU policy areas within EU territory’, European Parliament, Directorate-General for Internal Policies, Policy Department D – Budgetary Affairs, 28 September 2023.

- having regard to the Commission's operational guidelines for recipients of EU funding on the use of the EU emblem in the context of EU programmes 2021-2027, published in March 2021,
 - having regard to its resolution of 17 February 2022 with recommendations to the Commission on a statute for European cross-border associations and non-profit organisations¹,
 - having regard to its resolution of 10 May 2023 with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2021, Section III – Commission and executive agencies²,
 - having regard to its resolution of 10 May 2023 with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2021, Section I – European Parliament³,
 - having regard to its resolution of 13 July 2023 on recommendations for reform of European Parliament's rules on transparency, integrity, accountability and anti-corruption⁴,
 - having regard to the Discharge from 2021 on the EU general budget – Commission and executive agencies⁵,
 - having regard to the opinions of the Committee on Foreign Affairs and the Committee on Civil Liberties, Justice and Home Affairs,
 - having regard to Rule 54 of its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A9-0446/2023),
- A. whereas the EU has designed transparency and accountability mechanisms to ensure that EU funds awarded to beneficiaries, including non-governmental organisations (NGOs) are used effectively, efficiently and in line with the EU's values, policies and financial rules enshrined in, among other places, the Financial Regulation, which lays down transparency as one of its guiding budgetary principles, requiring the Commission to make available, in an appropriate and timely manner, information on EU funds;

¹ OJ C 342, 6.9.2022, p. 225.

² Texts adopted, P9_TA(2023)0137.

³ Texts adopted, P9_TA(2023)0138.

⁴ Texts adopted, P9_TA(2023)0292.

⁵ European Parliament, 'Discharge 2021: EU general budget - Commission and executive agencies', 10 May 2023.

- B. whereas the EU is one of the largest financial backers of civil society organisations¹;
- C. whereas civil society ranges from low-key community activities to NGOs; whereas the spectrum of NGOs receiving EU funding covers a wide range of structures, ways of functioning, sources of financing and focus areas, which translates into a variety of projects that are financed with EU funds; whereas the Treaties require the EU institutions and Member States to maintain an open, transparent and regular dialogue with representative associations and civil society; whereas the EU and its Member States should provide adequate funding to programmes aimed at protecting and promoting the rights and values enshrined in the EU Treaties; whereas NGOs and civil society organisations (CSOs) play an important role in implementing these programmes; whereas, in some cases, public authorities are outsourcing tasks to NGOs and CSOs; whereas the Commission manages EU funds directly, indirectly or in a shared way; whereas in line with the principle of subsidiarity, the funds directly awarded to beneficiaries, including NGOs, are subject to monitoring and reporting by the Commission;
- D. whereas the Commission's Financial Transparency System (FTS) is the main source of publicly available data for large-scale analysis of grants and contracts managed directly by the Commission; whereas a clear distinction should be made between public transparency and transparency for the purpose of legitimate budgetary control, given the sensitive contexts and issues NGOs work with;
- E. whereas an analysis of FTS data shows that EU financial commitments to NGOs, excluding EU programmes in the field of education and research, amounted to at least EUR 2.6 billion in 2022, under direct management, across all EU programmes and funds;
- F. whereas EU transparency and accountability requirements and controls should apply to all interest representatives benefiting from EU funds; whereas 3 377 entities² are registered in the EU Transparency Register under the category 'NGOs, platforms and networks and similar'; whereas the nature of requirements and controls has to conform with the categorisation established in the Transparency Register, with a view to taking into account all judicial forms of entities and not only NGOs; whereas EU requirements and controls do not solely have to be linked to the Transparency Register

¹ Joint communication by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 25 March 2020 entitled 'EU Action plan on human rights and democracy 2020-2024', (JOIN(2020)0005).

² Source: EU Transparency Register, data accessed on 22 September 2023.

as some entities granted with EU funds might prefer to stay out of this register to avoid putting their existence at risk;

- G. whereas EU transparency and accountability requirements and controls should apply to all beneficiaries of EU funds, including NGOs, that are required to maintain accurate and transparent financial records on the use of EU funds and the origin of financial sources used for their functioning, as they are accountable to their members, donors, partners and beneficiaries regarding the actions they take, the sources of their financing, including EU funds, and the decisions they take on behalf of their stakeholders; whereas the Member States lay the legal basis for NGOs, which have their status registered at national level;
- H. whereas the exploitation of EU funds against EU rules, principles and values is on the rise; whereas individuals and front organisations, most often under foreign influence, seek to obtain EU financial support and the respectability that results from it, whatever the amount, but in reality use EU funds for activities that undermine fundamental EU principles and values and our attachment to democracy;
- I. whereas the Commission has the responsibility to ensure the implementation of the EU budget and to respect EU regulations and values; whereas, in this regard, all *ex ante* and *ex post* controls have to ensure that only NGOs and entities working in respect of EU rules, principles and values will be granted EU funds;
- J. whereas the 2021 Discharge on the general budget of the EU and the Commission underlines the deep concern regarding the funding of projects carried out by or involving NGOs with links to radical religious and political organisations; calls on the Commission to guarantee that EU funds only finance organisations that strictly respect all Union values and urges the Commission to set up *ex ante* mechanisms that clearly identify NGOs operating on Union territory and abroad that have acknowledged ties to religious fundamentalist networks and that push forward an agenda that undermines Union values¹;
- K. whereas the same high standards for accountability and the same transparency rules should apply to all NGOs that receive EU funding, regardless of whether the place they operate is within or outside the European Union;
- L. whereas some considerations set out hereafter are based on some of the findings of the transparency and accountability study that address further transparency weaknesses concerning the

¹ European Parliament, 'Discharge 2021: EU general budget - Commission and executive agencies', 10 May 2023.

information on the use of EU funds by the Commission, the Member States and beneficiaries, including NGOs;

General remarks

1. Welcomes the vital role played by NGOs in representing civil society and in promoting and defending the rights and values enshrined in the Treaties and the fundamental rights under the EU Charter of Fundamental Rights (EU Charter); stresses that only NGOs whose actions respect these rights and values should be entitled to EU funding; urges all stakeholders to increasingly place EU principles and values at the heart of EU funding and acknowledges the diversity of NGOs as regards their size, resources and staff;
2. Highlights, in particular, the role of beneficiaries, including NGOs, in implementing the EU budget and the obligation to carry out this role in full respect of the EU financial rules and principles for the protection of the EU's financial interests; recalls that NGOs operating within EU territory are required to comply with the national law applicable in each Member State concerned by their activity, as well as with Union law and international law; reiterates that EU transparency and accountability are essential to strengthen a favourable and fair European system based on democracy, fundamental freedoms, inclusion and diversity;
3. Underlines that NGOs rely both on public financial support and on private donations, in a non-mutually exclusive way; recalls that the ability to seek, secure and use resources other than EU funds or public funds at national or local level is essential for the existence and operation of NGOs;
4. Highlights that CSOs deserve the utmost respect and gratitude for the daily work they do; recognises the work done by CSOs across Europe and the world on a daily basis and affirms that these NGOs deserve the highest praise and support; emphasises the importance of meeting the financial and other needs of these organisations;
5. Commends the crucial role of NGOs in EU and non-EU countries in defending the rule of law and democratic values, fighting corruption and promoting human rights and democracy; reiterates that in countries with authoritarian or non-democratic regimes, NGOs often represent the last line of defence of democracy that authoritarian regimes worldwide try to silence, including through adopted legislation and discriminatory obligations, and are thus in need of support and protection; calls on the Commission to consider safeguard clauses and mechanisms in this respect; stresses the importance of securing adequate and transparent EU funding for NGOs and entities active in these fields;
6. Applauds the activity of NGOs in areas of conflict in ensuring that humanitarian aid reaches the civilian population and those in need in a rapid and effective manner; recognises the importance of NGOs in

ensuring that the EU, as the largest donor of development aid in the world, continues to contribute to promoting stability, overcoming poverty and advancing global development;

7. Points out that, in practice, the legislative processes could neglect the voices of local, regional and national NGOs; considers that small NGOs often face difficulties in accessing EU funding because of cumbersome administrative procedures; calls on the Commission to further simplify and streamline the procedures, so as to enable smaller NGOs, including at the local level, to apply and benefit from EU funding; highlights that the priorities and needs of smaller NGOs are often ignored or receive less attention, despite the fact that they often know the situation best and accomplish a huge amount of work; emphasises that the work of small organisations should be paid the highest respect and that EU funding should be made more accessible to them, as they represent an important element that reinforces diversity and variety across Europe and beyond; recognises that NGOs in Europe play a crucial supportive role in complementing public services;
8. Remains deeply concerned by threats to and unjustified attacks on NGOs in some Member States, including by proposing and adopting legislation that imposes discriminatory obligations on NGOs that restrict or ban their activities, and through online and offline intimidation and harassment against their staff, negative public statements and smear campaigns, verbal threats and legal and physical attacks; stresses that some NGOs also face excessive administrative controls or audits, politically motivated funding cuts and overly strict legal requirements for their formation and registration; insists that NGOs must be protected and should receive adequate funding and support;
9. Is convinced that transparency and accountability are also vital for NGOs and other for-profit or non-profit entities to showcase their valuable work, be recognised and build their credibility; considers that special provisions should apply to NGOs acting in full compliance with EU values and financial rules and in full respect of the EU Charter, while operating in democratically challenged environments; believes that European citizens must be assured that the EU knows exactly how all EU funds are used; is therefore concerned that there is a lack of information, data and control on who or what receives EU funds, despite existing transparency requirements; recalls that transparency and accountability requirements should always comply with international and human rights law, in particular regarding the exercise of civic freedoms, remaining strictly necessary and proportionate to the specific aims pursued;
10. Recalls that transparency and accountability should not be used to curtail the space for independent civil society or to silence critical voices;

11. Underlines that it is of utmost importance to ensure that EU transparency and accountability obligations do not put the final beneficiaries of EU funds at risk; believes that, in duly justified cases, in particular for NGOs operating in countries ruled by authoritarian regimes or with recognised rule of law issues negatively impacting NGOs and with reduced civic space, where the public dissemination of information on the identity or the work of those NGOs could lead to reprisals, putting the existence of those NGOs and the security and safety of their staff at risk, public transparency requirements should exceptionally be applied in an appropriate manner;
12. Is of the opinion that certain alleged corruption cases, which generated public discontent, such as Qatargate, could have been prevented through the consistent enforcement of existing transparency requirements and an obligation for involved entities, including NGOs, to disclose their sources of funding and their internal structures; notes that, in some cases, the involved entities profited from EU funding;
13. Condemns the increase in the exploitation of EU funds against EU principles and values, especially when the use of funds and transfers to other organisations are not entirely traceable; warns of the danger of EU funds ultimately being used within corrupt circles and being subject to fraud and irregularities, foreign interference or entryism; emphasises the importance of 'final beneficiary transparency' for EU funds;

NGOs and entities in the context of budgetary control

14. Reiterates the fundamental significance of public trust in and support for NGOs; acknowledges that the terms used to describe these organisations are subject to different legal and public interpretations, which vary among Member States;
15. Emphasises that the term NGO is a broad umbrella term encompassing many different kinds of entities: from large international organisations to small regional or local ones, from organisations run mostly by employees to those consisting mostly of volunteers; highlights that the subject matter covered by NGOs and the method of implementation can also vary substantially; understands that this diversity makes it difficult to have a common definition of NGOs within the EU; highlights, nevertheless, the advantages of establishing a harmonised EU-wide approach, including through a harmonised definition, whose added value lies in increased transparency, accountability, predictability and public trust; encourages the co-legislators, therefore, to reach an agreement on such a harmonised approach to NGOs and relevant entities at EU level, which would considerably help European budgetary control procedures, especially in the case of cross-border associations; reiterates the utmost importance of ensuring

transparency and accountability for all entities that are granted EU funds; acknowledges the advantage of establishing a harmonised approach to what these entities are in relation to the EU and its bodies in different contexts;

16. Takes note of the Commission proposal to include a common definition of NGOs in the 2022 proposal for a recast of the Financial Regulation; recalls that Parliament, in its mandate, requested further clarity on the definition of an NGO, in particular on the degree of formal existence, transparency and accountability from its members or founders; encourages the Commission to conduct an in-depth consultation on the definition of an NGO, involving Member State officials and NGO representatives, also taking into account the methodology that was followed when defining the term 'small and medium-size enterprise' (SME);
17. Considers that an NGO should not be financed 100 % by the state and the Commission in order to be considered an NGO;
18. Notes that the Commission uses the terms NGOs and not-for-profit organisations (NFPOs) without a clear distinction in the FTS; regrets that this results in an uncertainty in the allocation and monitoring of EU funds and might lead to a misperception regarding the volume of funding for NGOs and entities; notes that the FTS FAQs provide a definition for NGOs whose non-profit status is an essential element and is subject to validation; regrets that this unclear distinction is possible as up to now, there has been no harmonised EU approach to NGOs and only self-classification of entities has been used for the FTS, which is based solely on rules that may vary among Member States; calls further for the FTS to ensure a proper categorisation of the various types of NGOs or NFPOs in order to avoid situations in which there is little or no differentiation between certain types of organisations and whereby universities, research institutes, voluntary organisations and other NGOs are considered identical in the FTS database;

Towards better EU transparency and accountability of EU funds

19. Considers that fraud, conflict of interests, double funding, corruption and money laundering or embezzlement must be prevented and tackled in all situations and for all beneficiaries irrespective of their nature and legal status; is concerned about the insufficient available data to the discharge authority on such cases; recalls that all applicants and beneficiaries of EU funding, including NGOs, are subject to EU financial rules;
20. Underlines that the Early Detection and Exclusion System (EDES) is an important instrument to protect the Union's financial interests, ensuring multilevel protection through the early detection of persons or entities representing risks that threaten the Union's financial interests; welcomes the Commission proposal for a recast of the

Financial Regulation, which includes the extension of EDES to shared management and adds new grounds of exclusion¹; calls on the Commission to make EDES fully operational to allow for an effective exclusion of beneficiaries, including NGOs, based on the Financial Regulation, from further access to EU funds;

21. Is concerned that transparency requirements can be insufficient, especially when funds are passed along a chain and used to co-fund joint projects with other donors; considers it problematic that the FTS only provides information about grants awarded directly by the Commission under direct management, but no details on funds received indirectly from beneficiaries and partners that have a legal relationship with the Commission;
22. Emphasises that not all Member States provide the same level of information on grants and that the existing EU database is not sufficiently consistent and coherent; calls on the Commission to strengthen transparency and accountability in cases of shared and indirect management by verifying the re-allocation of funds and their use up to the final recipients, in line with the proposal for a recast of the Financial Regulation;
23. Calls on the Commission to reinforce *ex ante* control mechanisms proportionately, including adequate random checks; is of the opinion that severe weaknesses exist in the *ex post* control on the use of EU funds and urges the Commission, in cooperation with Member States, to produce an in-depth analysis with clear proposals to reinforce their quality, amount and regularity, supported by a well-established and centralised budgetary control task force within the Commission for all interest representatives, disposing of a clear mandate, investigation capabilities and resources;
24. Recognises the importance of transparency in all aspects of EU-funded activities to ensure the responsible and accountable use of funds; acknowledges the concerns regarding potential foreign interference in EU policymaking and that the system in place cannot fully prevent actors from establishing fund and/or co-opt beneficiaries, including NGOs, to promote false narratives including through disinformation, as allegedly happened in Qatargate; believes that existing concerns should not lead to a stigmatisation of all NGOs since most NGOs respect and promote EU democratic principles and values; underlines that the EU budget must not be used to lobby against the EU's democratic principles and values;
25. Calls on the Commission to require beneficiaries, including NGOs, in receipt of EU funds to publish details of any funding received from other sources in relation to projects co-financed by the EU over a

¹ Articles 139(1)(i) and 139(1)(c)(vi) of the Commission proposal for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (recast) of 16 May 2022, (COM(2022)0223).

five-year period, while maintaining the principle of confidentiality, in particular, in duly justified cases of beneficiaries, including NGOs, facing serious threats of reprisal; underlines that funding for NGOs from outside the EU can be a legitimate source of financing, but stresses that without clear transparency rules in respect of the principle of confidentiality, such funding possibilities are open to abuse and undue influence from third state actors; calls on the EU institutions to improve the implementation of their transparency standards, including the obligatory reporting of lobbying activities;

26. Encourages the Member States to establish national lobby and transparency registry laws, which should also require the disclosure of donors, including international ones, and sources of funding, with equal transparency requirements for all interest representatives regardless of their nature and legal status;
27. Recalls that Member States are responsible for the registration, control and reporting of cases of detection of fraud, misuse of funds or money laundering, convictions or ongoing investigations; believes that national administrations, which are closer to the ground, represent the first effective layer for the control and monitoring of organisations that are acting against EU rules and values, in order to strengthen efforts to prevent, detect and tackle fraud and the misuse of funds;
28. Calls on national authorities to strengthen their transparency and accountability systems in order to identify all organisations or entities that are acting against EU rules and values and to take legal and administrative measures that facilitate action at EU level and make it easier and quicker for the Commission to include the entities concerned in its systems; urges the Commission to include all interest representatives in violation of EU rules and values in the EDES and to exclude them from EU funding accordingly, in line with the Financial Regulation applicable to the EU budget;
29. Is of the opinion that no margins of appreciation should be left for Member States to subject NGOs to fatally restrictive requirements and obligations; recalls that the Commission started an infringement procedure against Hungary when it introduced a foreign interference law in 2017 and that, in its judgment of 18 June 2020¹ (*European Commission v Hungary*), the Court of Justice of the EU stated that the right to freedom of association and thus EU law is violated if systematic obligations on CSOs are rendering significantly more difficult the action and the operation of the organisations subject to them;
30. Regrets the publication of data in the FTS with a delay of between 6 and 18 months and its impact on transparency; calls on the

¹ Judgment of the Court of 18 June 2020, *European Commission v Hungary*, Case C-78/18, ECLI:EU:C:2020:476.

Commission to publish information about EU grants awarded to NGOs and entities no later than six months after the date on which the grant was awarded, including funding received from other sources, while taking into account the principle of confidentiality in duly justified case of beneficiaries, including NGOs, facing serious threats; calls on the Commission to develop and integrate data validation tools so that the FTS data validation process is automatic, continuous and quicker, and consumes fewer resources;

31. Regrets the fact that the Commission's IT systems are not user-friendly and use different conventions to identify beneficiaries of projects and grants, resulting in differing data, making it difficult to reconcile information from different publicly accessible Commission portals and databases; recommends that the Commission establish harmonised rules and standardise the layout and functionalities of programme-specific databases, taking into consideration the diverse environments and areas of action in which NGOs operate, and without putting additional unnecessary burdens on them;
32. Calls on the Commission to use a common unique entity, such as a unique participant identification code, and project identification keys across all portals and databases, including on beneficiaries' websites, while maintaining the principle of confidentiality, in particular, in duly justified cases of beneficiaries, including NGOs, facing serious threats of reprisal, in order to facilitate the reconciliation of publicly available information provided by different systems and websites; calls on the Commission to provide all beneficiaries, including NGOs, with code that extracts five years of funding data directly from the FTS and includes links to the corresponding project entries in the Commission's programme databases;
33. Observes significant inconsistencies in the content and extent of the information displayed on project websites including on the distribution of funds received among partners and on the connection to pertinent Commission databases; calls for a more proactive approach to public transparency and increased cooperation with EU budgetary authorities that goes beyond the current minimal requirements for EU grant funding; calls for the Commission to reinforce a system for a commitment from all applicants, including NGOs, to the EU Charter when applying for EU funds; calls for a clearer and more systematic presentation of information on EU-funded project websites on the grant funding received from the EU and from other sources;
34. Calls for the ultimate owners of companies to be listed in central registers in EU countries, accessible to people with a 'legitimate interest', such as investigative journalists, concerned citizens and NGOs;

35. Notes that, although the mainstreaming of the eGrants system as a common grants management tool and applicant registration system across Commission services has improved the quality and completeness of FTS data, more effort needs to be made to improve the reliability of such data; is concerned that there are still continuing shortcomings in terms of consistency in existing Commission transparency portals and systems; calls further on the Commission to step up its work on streamlining databases for a more user-friendly FTS that is linked to the Transparency Register and compatible with specific programme databases; highlights that it should include final payments, making it possible to identify beneficiaries, including NGOs, by category, including through the definition of an NGO and relevant entities in line with the Financial Regulation; requests that the Commission prepares a proposal for further administrative action by the end of 2024;
36. Notes that in some situations the home office of the non-profit organisation is in one country and the beneficiary operations take place in another; calls for the non-profit organisations to take appropriate measures to account for funds and services delivered in locations other than their home jurisdiction;
37. Welcomes the Commission's proposal to set up, based on Article 36 of the Financial Regulation, a centralised, interoperable IT system for data mining and risk scoring to improve the efficiency of the internal control of budget implementation; underlines that this system must not only include recipients' data, but also the data of beneficial owners in accordance with Directive (EU) 2015/849¹; calls for this system to include risk indicators based on data from the EDES under all management modes;
38. Regrets that the coexistence of reporting obligations and accounting practices at national and EU levels may lead to a disproportionate administrative burden for beneficiaries, including NGOs; calls on the Commission to ensure that reporting obligations at EU and national levels are consistent in order to guarantee easier monitoring of the fulfilment of obligations;
39. Emphasises the importance of transparency and of identifying the final recipient of EU funds; calls on the Commission to develop a harmonised monitoring system aimed at reducing the red tape, improving efficiency and identifying final beneficiaries; recommends that the Commission track EU funds up to the final beneficiaries in a systematic, standardised and harmonised manner across information

¹ Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73).

and transparency platforms at EU level; calls, furthermore, for an enhanced dialogue between the Commission and the beneficiaries of EU funding, including NGOs, on how to reduce excessive burdens;

40. Is concerned when the visibility provisions of EU programmes are not entirely respected; calls on the Commission to instruct its services to terminate agreements or reduce payments to beneficiaries not respecting their contractual visibility obligations;
41. Invites the Commission to ensure that it provides training for all of its programme officers and EU agencies on the Financial Regulation and on the EU budget; calls on the Commission to provide all beneficiaries of EU funding, including NGOs, training on reporting and financial rules, and requests that the discharge authority is duly informed about these trainings, including their content, their participants and the related costs; calls on the Commission to simplify the grant application and selection procedures, and to ensure uniformity of approach and transparency of the process, a reduction in administrative burden and regular adaptation of these rules to changing circumstances and lessons learned;
42. Notes the 2018 finding of the European Court of Auditors (ECA) that the provision of sub-granting does not allow the Commission to properly monitor how EU funds are used; calls for the amounts provided to NGOs as third parties in the form of cascading grants to be clearly identifiable in the FTS and in the Commission annual financial and accountability reporting;
43. Calls on all EU institutions to ensure far stricter implementation, enforcement and supervision of adherence to the current provisions on the EU Transparency Register; calls for more resources to be allocated to the Transparency Register Secretariat so that it is able to offer support to all applicants and registrants, especially small entities and NGOs, throughout the registration process and to verify the information they provide more thoroughly; calls, in particular, for a transparency officer to be placed in all committee secretariats and relevant administrative units; recalls that, according to the Transparency Register guidelines, changes in the data provided should be communicated as soon as they occur and, in any case, within three months; insists that any changes in the board or leadership of entities registered should also be recorded in the Transparency Register; requests to have the transparency database only accessible to specific authorised persons, and upon request to the budgetary authority, in order to avoid the dissemination of information that could endanger an individual's life or personal safety or the existence of an NGO;
44. Regrets the coexistence of different disclosure requirements for different types of organisations in the Transparency Register; calls on the Commission to impose the same disclosure requirements on all types of organisations registered in the Transparency Register;

notes that, in particular, they must all be required to disclose their income and all amounts spent on lobbying¹;

45. Recalls the recommendations from the 2021 Parliament discharge resolution² calling for a revision of the EU Transparency Register and its guidelines to require the disclosure of details on all funding sources from registered organisations, including the shares held in other companies, and to allow EU funds to be traced from the direct recipient to the final beneficiary when funds are passed along a chain, including when funds from one beneficiary, including an NGO, are transferred to another, while taking into account the principle of confidentiality in the case of NGOs facing serious threats;
46. Calls on all NGOs and entities committed to full transparency and accountability, the EU Charter and promoting democratic and EU values, to request to be included in the Transparency Register when applying for EU funds;
47. Calls for strict enforcement of the rules for access to Parliament and for invitations to parliamentary committees, which are conditional on the registration of each organisation in the Transparency Register by the new transparency officer who will be placed in each committee secretariat;
48. Calls for all EU-funded beneficiaries, including NGOs, to publish online all meetings with MEPs, MEPs' assistants or representatives of other EU institutions, bodies or agencies whenever such meetings relate to ongoing EU legislative files or to the EU financing that such beneficiaries receive or apply for, in line with similar obligations for MEPs; calls for the relevant EU institutions and bodies to provide the tools necessary for the publication of such meetings, while permitting justified exceptions;
49. Considers the adoption of an NGO regulation to be a discriminatory measure that targets NGOs but not any other EU funding recipients; is of the opinion that issues such as revolving doors, transparency in financing and donations, the fight against money laundering, limiting foreign interference, independence from political and economic influence, and whistleblowing are of importance for all entities receiving EU funds and should not be used to limit the space of action of NGOs;
50. Reiterates its call in the 2021 Commission discharge resolution³ to ensure that all EU funding beneficiaries, including NGOs, that have misused or misappropriated EU funds, or engaged in activities contrary to the EU values enshrined in Article 2 of the Treaty on European Union and the EU Charter, including inciting terrorism, hate speech, supporting or glorifying violence, political and religious

¹ See: transparency and accountability study, recommendation 24.3.

² Texts adopted, P9_TA(2023)0138, paragraph 74.

³ Texts adopted, P9_TA(2023)0137.

extremism as well as spreading disinformation under the disguise of intentionally falsified scientific data, are listed in the EDES and are blocked from access to EU institutions and EU funding programmes in direct and shared management; calls on the Commission and the Member States to enforce the implementation and publication of an improved exclusion list as recommended by Parliament and in line with the agreement on the Financial Regulation; expects the Commission to report on the implementation of this recommendation at the beginning of 2025;

51. Calls on the Commission and the ECA to systematically submit the findings and the audit conclusions related to the risk-based on-site checks of beneficiaries, including NGOs, and their results to Parliament as the discharge authority; encourages increased cooperation with the European Anti-Fraud Office (OLAF) and the ECA; calls on the Commission to enhance, in particular, the access status for OLAF in order to obtain information on the financial misconduct of individual beneficiaries, investigate them and impose appropriate sanctions (i.e. suspension of payment via the EDES system), in the event of fraud, corruption and other irregularities related to EU funds, in compliance with the applicable regulations;
52. Recalls that NGOs are subjected to the same level of controls and investigations as any other recipient of EU funds covering all expenditure sides, within the respective mandates of both OLAF and the European Public Prosecutor's Office;

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53. Instructs its President to forward this resolution to the Council, the Commission and the European Court of Auditors.