

RESOLUTION (EU) 2019/1435 OF THE EUROPEAN PARLIAMENT**of 26 March 2019****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2017**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2017,
 - having regard to Rule 93 and the third indent of Rule 94 of, and Annex IV to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Development (A8-0107/2019),
- A. whereas the Commission entirely supports the management of the European Development Funds (EDF), bearing both the ultimate responsibility for the legality/regularity of the EDF operations and for overseeing the EDF financial reporting process;
 - B. whereas EDF development aid is effectually implemented in 79 countries even though the political and social-economical conditions are often complex, unstable and risk associated;
 - C. whereas it is crucial to ensure that development aid is used in accordance with its original purpose as stated in Article 208 TFEU, with due consideration of aid and development effectiveness principles;
 - D. whereas several Union policies are implemented in a same country or group of countries with different rationale and objectives with a risk of contradicting each other's;
 - E. whereas greater coherence with the primary objective of the reduction and, in the long term, the eradication of poverty, sharper emphasis on performance and visible actions are a recurrent axis to be pursued by the EDF;
 - F. whereas EDF aid delivery modes should take into account the different stages of development of partner countries, in particular for partner countries which have graduated from low-income to middle-income status;
 - G. whereas the prerequisite for sustainable development is a transparent, inclusive and efficient participatory policy framing process upholding the human rights principles;
 - H. whereas effective pre-conditionalities and regular checks are key components in ensuring the effectiveness and sound financial management of the EDF;
 - I. whereas Parliament is not involved in establishing and allocating EDF resources compared to other development instruments;

Statement of assurance*Key findings in the 2017 financial implementation*

1. Notes that EDF commitments reached EUR 6 218 million by end 2017, representing 95 % of the annual target as revised in October 2017 (i.e. EUR 6 510 million) while EDF payments amounted to EUR 4 256 million on 31 December 2017, corresponding to an execution rate of 98,89 % of the annual target as revised in October 2017 (or EUR 6 510 million); takes note, in addition to the aforementioned EDF commitments and payments, that the total European Investment Bank (EIB) commitments reached EUR 667 million and EUR 456 million in payments for 2017;
2. Notes that the share of the United Kingdom represents 14,82 % of the tenth EDF and 14,68 % of the eleventh EDF; underlines the importance of keeping close ties between the European Union and the United Kingdom after its withdrawal from the European Union in relation to the EDF and development aid, and takes note of the Commission proposal to increase heading VI (covering former heading IV and EDF) by 26 % for the upcoming programming period;

3. Welcomes the regular efforts of the Commission's Directorate-General for International Cooperation and Development (DG DEVCO) to reduce old pre-financing, old unspent commitments and old expired contracts with a target of 25 %; notes that this target was exceeded with a reduction of 32,58 % of old EDF pre-financing (37,6 % for its entire area of responsibility) and a reduction of 37,63 % for old EDF unspent commitments; notes also that for the old EDF expired contracts a reduction was not achieved with 18,75 % against the target of 15 %; notes, according to the Court of Auditors' (the 'Court'), of the high complexity of the EDF closing process of old expired contracts as well as the setting-up of a new dedicated procedure to tackle this recurrent issue;
4. Invites DG DEVCO to consider refining or even adapting its existing set of Key Performance Indicators, to better monitor, among others, the ageing of advance contributions paid to Union trust funds (the Bekou Trust Funds and the Union Emergency Trust Fund for Africa);

Reliability of the accounts

5. Welcomes the Court's opinion that the final annual accounts of the eighth, ninth, tenth and eleventh EDF for the year 2017 present fairly, in all material respects, the financial position of the EDF as of 31 December 2017, and that the results of their operations, their cash flows and the changes in net assets for the year-end, are in accordance with the provisions of the EDF Financial Regulation and with internationally accepted accounting standards for the public sector;

Legality and regularity of the transactions underlying the accounts

6. Welcomes the Court's opinion, according to which the revenue underlying the accounts for the year 2017 is legal and regular in all material aspects;
7. Expresses its concern on the adverse opinion stated by the Court on the legality and regularity of payments wherein payments underlying the accounts are materially affected by error;
8. Regrets that in every annual activity report since 2012, DG DEVCO had to issue a reservation on the regularity of underlying transactions which points to serious internal management deficiencies;
9. Is concerned that, according to the Court's estimation in its annual report, the level of error rate for expenditure underlying the accounts from the eighth, ninth, tenth and eleventh EDF is 4,5 % compared to 3,3 % in 2016, 3,8 % in 2014 and 2015, 3,4 % in 2013 and 3 % in 2012;
10. Expresses concern in relation to the results of the Court's sampling related to payments transactions, whereby 29 % contained errors (37 among 128 payments audited); regrets that the typology of errors in 2017 remains similar to those in several previous years i.e. expenditure not incurred (42 %), an absence of essential supporting documents (29 %) and serious failure to respect public procurement rules (12 %); regrets that 33 % of 30 payment transactions with quantifiable errors were final transactions being authorised after *ex ante* checks;
11. Regrets that further errors concerned, as in previous years, programme estimates, grants, contributions agreements managed both with international organisations and Member States' cooperation agencies; recalls its concern in relation to the fact that the notional approach applied in multi-donor projects implemented by international organisations and budget support activities limit the Court's audit scope; welcomes however the improvements made by the Commission in 2018 including the adoption of the 'Terms of Reference for Expenditure Verifications' and the 'Roadmap for Reinforcements of Controls under Programme Estimates'; invites the Commission to further reflect on its assumption that Union eligibility criteria have been complied with as long as the pooled amount includes sufficient eligible expenditure to cover the Union's contribution; recalls on the Commission to efficiently address shortcomings in contract management, selection procedures, document management and the procurement system;
12. Urges the Commission to produce detailed explanations in response to these findings and to submit a clear plan to the Parliament outlining the necessary steps in order to correct this seriously worrying situation;
13. Is concerned by the recurrence in 2017 of cases related to recoveries of unspent pre-financing that were incorrectly recorded as operational revenue, although the corrections in 2017 increased to EUR 5,1 million (compared to EUR 3,1 million in 2016);

Effectiveness (and reliability) of the assurance chain*Oversight component*

14. Believes that the enhancement of the various building blocks of the assurance framework should be pursued in a coordinated manner; reiterates the need to maintain a consistent oversight strategy ensuring a balance between respect for compliance provisions, targets and reliable added value criteria related to performance and the absorption capacity of partner countries, that should be duly reflected in the management of the different aid operations and delivery modes;
15. Acknowledges recurrent weaknesses of the Commission's *ex ante* checks system and recalls the Commission to implement measures to avoid the accounted failure of certain *ex ante* controls; notes that the Court underlined that in some error cases the Commission had sufficient information from its information systems to prevent, detect and correct before making the expenditure, and the estimated level of error would have been consequently 1,8 % lower; considers the new concept of expenditure verification in the new Terms of Reference adopted by the Commission as a useful way to remedy deficiencies in the implementation of the control system;
16. Notes the less prudent approach applied in 2017 by DG DEVCO in its sixth 'Residual Error Rate' analysis, notably for the calculation and extrapolation of errors due to the fact that a very limited number of on-the-spot checks and examination of procurement procedures were included in the 2017 annual review, leading as a result to the issuance of a reservation limited to the scope of grants in direct management (with EUR 82,96 million at risk); recognises the steady efforts carried out so far to reduce the estimated level of error below the 2 % materiality threshold of errors; stresses, however, that achieving this objective should not lead to a blurred vision of the regularity and legality of operations, which would also prevent the comparability of results over several years; calls on all stakeholders to avoid competing methodologies of assessing estimated error levels, in order to present a reliable picture of the situation and to increase confidence and fairness both in the control work performed and in the general control systems;

Risk management

17. Recalls that the regular monitoring of high risk factors (external, financial and operational) and their adequate quantification, is a key-prerequisite for a good financial management and quality expenditure and for developing the credibility, sustainability and reputation of the Union interventions; encourages DG DEVCO to continue refining its processes according to risks and financial volumetry and, to adapt conditionalities according to different levels of development, countries risk profiles and governance frameworks;
18. Highlights the need to regularly make evolving the DG DEVCO's risk mapping or matrix to the emergence of new forms of assistance instruments and facilities within the EU tool kit, like the blended finance, dedicated trust funds and financial partnerships with other international institutions or multilateral development banks;

Evaluation and reporting component

19. Invites DG DEVCO to improve significantly its monitoring, evaluation and performance reporting arrangements to ensure that key indicators established in the different performance systems are systematically monitored and that reliable and comprehensive information is provided to policymakers on a timely basis; calls for a long-term evaluation including data gathering, researches, analysis in order to improve the key indicators; believes that undermining performance monitoring and results evaluation is detrimental to public accountability;
20. Believes that the ROM instrument should be used proactively and more rapidly when critical situations occur or persist; emphasises that corrective measures should be taken without delay and the nature of deficiencies at the design level should be structurally assessed; stresses the indispensability of providing Parliament and the budgetary control authority with a clear view of the real extent to which the Union's main development objectives have been achieved;
21. Considers the External Assistance Management Reports from Union delegations as a useful corporate reporting instrument contributing to the assurance building and performance measurement of each Union delegation; notes the decreasing share of projects with implementation issues from 31,1 % (980 projects out of 3 151 ongoing projects) in 2016 to 23,8 % (or 1 059 projects out of 4 444 ongoing projects) for 2017; is concerned, however, that 27 % of current projects whose implementation is difficult, the main reasons are the low perceived capacity or performance of implementing partners, low interest and commitment of stakeholders or insufficient co-financing by partners, factors that should be identified at an early stage in the political dialogue and donor coordination;

Implementation of the EDF development aid

Evaluation of the eleventh EDF

22. Takes note of the statement of the evaluation of the eleventh EDF that (i) 'there is a real threat that EDF will be pushed into responding to agendas that distance it from its primary objective of poverty alleviation, which are difficult to reconcile with the EDF's core values and compromise what it does well'; and (ii) that 'despite consultations, government and [civil society organisation] views (with some notable exceptions such as in the Pacific region), have rarely been taken account of in programming choices' and that 'the EDF11 programming thus used a top-down approach to apply the concentration principle but at the cost of the Cotonou Agreement's central principle of partnership'; regrets that the Commission has until now completely ignored these findings; considers however that peace building and addressing root causes of migration are fundamental aspects of sustainable development;
23. Notes also that according to the eleventh EDF evaluation, by April 2017, nearly EUR 500 million from the EDF reserve had been disbursed to support the Commission's Directorate-General for European Civil Protection and Humanitarian Aid Operations, nearly EUR 500 million had been allocated in emergency support to individual countries and EUR 1,5 billion had been disbursed to the Union Emergency Trust Fund for Africa; whereas the EDF contributes also to the new European Fund for Sustainable Development;

Mid-term review of implementation of external financial instruments

24. Welcomes the fact that the evaluation shows that the EDF objectives were largely relevant to the policy priorities at the time of its design and that it was generally fit for purpose and aligned with the values and objectives of the Sustainable Development Goals (SDG);
25. Welcomes that some countries where EDF geographic programmes operate have experienced progress in poverty reduction and human and economic development over the last ten years; notes that the situation of other countries remains critical; notes with satisfaction that the EDF priorities are aligned with the SDG's values and objectives;
26. Emphasises that the Union's short-term domestic interests should not be the only driver of its development agenda, and that aid effectiveness principles should be fully applied to all forms of development cooperation;
27. Calls on the DG DEVCO to consider the following points for EDF management to ensure its effectiveness, efficiency and added value:
 - illustrate better the complementarity of EDF funding, the coherence of the Union toolbox and synergies with other external aid instruments,
 - ensure the highest level of regularity and accountability for results for actions funded by the EDF,
 - invites the Commission in that context to better explain the logical framework underlying its interventions, especially to get a better visibility of the expected long-term impacts or sustainability of EDF-financed operations,
 - include in the next annual activity report a structured assessment of the impact of the activities of the eleventh EDF, with a particular focus on human rights and environmental results achieved,
 - considers there is still a need for a more systematic approach to the communication of Union's grant-funded activities to enhance Union's visibility, and to strengthen transparency and accountability along the chain of funding,
 - improve the spirit of partnership through the establishment of democratic ownership of the programme and its implementation while ensuring respect for the fundamental values and principles of the EDF;
28. Considers that for infrastructure-related projects financed through the EDF, an independent *ex ante* assessment that takes into account the social and environmental impact of the projects, as well as their added value, is essential; considers that funding decisions ought to be correlated to a proper cost-benefit analysis, with projects funded if their implementation is environmentally, financially or socially sustainable;
29. Highlights the highly negative findings by the Court on Public-Private Partnerships ⁽¹⁾ (PPPs) and the Court's recommendation 'not to promote a more intensive and widespread use of PPPs' inside the Union; calls on the Commission to take this recommendation fully into account when dealing with PPPs in developing countries where the environment for successful implementation of PPPs is even more difficult than inside the Union;

⁽¹⁾ Special report No 9/2018: Public Private Partnerships in the EU: Widespread shortcomings and limited benefits.

30. Expresses great concern over the fact that in the years 2016, 2017 and 2018 hunger has been on the rise worldwide, with now over 820 million people suffering chronic undernourishment, while at the same time the proportion of Official Development Assistance from the Union and its Member States for food and nutrition security has declined from about 8 % in 2014 to 6 % in 2016, and budgetary commitments for food security under the instruments managed by the Commission having dropped significantly in 2017;
31. Reiterates its strong reservations against the Commission having presented and the EDF Committee having adopted a National Indicative Programme for Eritrea and an Annual Action Programme in 2017 while lacking conclusive evidence of reforms or improvements in the human rights situation in Eritrea; recalls the Commission's and the High Representative's commitments to regularly inform Parliament in this respect;
32. Calls for an incentive-based approach to development by introducing the more-for-more principle, taking as an example the European Neighbouring Policy; believes that the more and the faster a country progresses in its internal reforms in relation to the building and consolidation of democratic institutions, the respect for human rights and the rule of law, the more support it should receive from the Union;
33. Underlines the importance of increasing the attribution of funds aiming at supporting good governance, democracy and the rule of law in developing countries in order to promote accountable and transparent institutions, support capacity building and foster a participatory decision-making and public access to information;
34. Given the shift in aid modalities from direct grants to trust funds and blended finance, including through the European Fund for Sustainable Development, invites the Council, Commission and EIB to adopt an inter-institutional agreement with the Parliament on transparency, accountability and parliamentary scrutiny on the basis of the policy principles set out in the New European Consensus on Development;
35. Strongly reiterates Parliament's call on the Council and Member States to proceed to the integration of the EDF in the Union's budget for the purpose of strengthening democratic scrutiny; welcomes the Commission's commitment to complying with the Parliament's recurrent request to integrate the EDF in the Union's Budget; requests that the Commission, inform Parliament of the state of play of discussions related to the replacement of the Cotonou agreement after 2020;
36. Welcomes the process of the post-Cotonou agreement negotiations in order to maintain the ACP-EU framework;

The EDF and the management of new nexus

37. Acknowledges that the EDF is facing great pressure to respond to a growing number of political demands, such as security, migration and borders management, which are difficult to align with the EDF's core values and the principles of the Union's development and cooperation policy, namely poverty eradication as set out in Article 208 TFEU; observes that the management of new nexus put at risk the overall balance of the development policy;
38. Notes that the management of the new nexus brings into play the overall balance of development policy; is of the opinion that emergency responses to successive crisis situations should follow an holistic approach; recalls that respecting the coherence principle of its policy is of paramount importance for the stability of the countries benefiting from European development aid;

Management of financial instruments outside the budget (EDF contributions to the Union trust funds)

39. Takes note that the total pledges under the Union trust funds amounted so far to EUR 4,09 billion, the main contribution originating from the EDF with EUR 3 billion and EUR 442,7 million from Member States and other donors; takes note of pledges of nearly EUR 240 million for the Bekou Trust Fund in 2017 with EUR 113 million from the EDF and EUR 65,9 million from Member States and other donors;

40. Recalls the Court's Special Report's main findings on the Bekou Trust Fund, including that the Fund's set-up was appropriate for the context of the Central African Republic and that its effect was positive; underlines that this assessment was largely reflected in the findings of the ad hoc delegation of the Committee on Development to the Central African Republic in February 2018 and the delegation concluding 'that the fund can adequately address needs transiting between rehabilitation, livelihood provision and longer-term development'; recalls that the Fund was established as an European Union emergency Trust Fund with a duration of 60 months, expiring in July 2019 and that its extension seems beneficial but will require Parliament's agreement;
41. Highlights the risk of diversion from classical development objectives such as poverty eradication while acknowledging certain of their potentialities, accelerating development goals implementation or swiftly respond to international crisis;
42. Takes note of the achievements of the European Union Emergency Trust Fund for Africa (EUTF); recalls, however, that EUTF funding coming from development budget lines must not be used for security measures jeopardising migrants' rights; recalls, that EU development cooperation must have the eradication of poverty and sustainable development as the main objectives; stresses, that EUTF projects must integrate human rights at the core of programming and contribute to the realisation of human rights in the countries concerned; strongly recommends to promote gender equality and women's empowerment in EUTF programmes as well as the protection of those most vulnerable, including children and persons with disabilities;
43. Notes the numerous concerns the Court ⁽²⁾ and the authors of the eleventh EDF mid-term evaluation have expressed on the implementation of the EUTF:
- in terms of project implementation, the EUTF had only limited impact in speeding up the process compared to traditional development aid,
 - concerns over the likely effectiveness and sustainability of EUTF projects and over the ability of the Union to closely monitor their implementation,
 - the Northern Africa and Horn of Africa windows have no documented criteria for selecting project proposals,
 - serious flaws in the measurement of performance,
 - no specific risk assessment framework;
- Considers that given such findings, the added value of the EUTF is highly questionable;
44. Believes that enough local ownership and partners involvement should be ensured in the operational governance and policy design to avoid a too centralised modus operandi with a prominent role for donors while consistently respecting the principle of management by results;
45. Stresses however the need to take due care on the systemic issue of donor coordination, monitoring and evaluation according to a more systemic approach to obtain guarantees of trust funds' effectiveness;

Budget support to partner countries

46. Observes that budget support financed by the EDF in 2017 corresponded to EUR 860,2 million of which EUR 703,1 million were new commitments (covering 54 countries and representing 102 budget support contracts); notes that for the OCTs, EDF disbursements in 2017 amounted to EUR 57,7 million (for 11 countries and 15 budget support contracts); notes that in 2017, DG DEVCO has stopped budget support in two ACP countries respectively due to a lack of progress in the implementation of public finance management (PFM) and lack of stability-oriented macroeconomic policy and transparency in the PFM;
47. Calls on the Commission to ensure consistency between provisions of the General Financial Regulation (GFR) under Article 236 and Article 36 of the proposed Financial Regulation applicable to the eleventh EDF with regard to terms and conditions for the use of budget support to be provided to third countries; observes that the proposed eleventh EDF Financial Regulation includes provisions which are not included in the GFR, notably that budget support shall aim at strengthening contractual partnership between Union and ACP States or OCTs in order to support, *inter alia*, sustainable and inclusive economic growth, and to eradicate poverty, the latter leading to potential difficulties of application of the EDF rules;

⁽²⁾ Special report No 32/2018, 'European Union Emergency Trust Fund: Flexible but lacking focus'.

48. Invites the Commission to further elaborate on, and clarify, the exact scope and meaning of its margin of flexibility or of interpretation in assessing whether the general eligibility conditions for the making of disbursements to a partner country have been met, with respect to the so called 'differentiation and dynamic approach to eligibility'; is concerned by the final use of the funds transferred and the lack of traceability when the Union's funds are merged within the partner country's budget resources;
49. Believes that the budget support should support specific problem solutions at sectoral level, complemented as needed by the related technical assistance;
50. Remains concerned in relation to the final use of those transferred funds and their possible lack of traceability in the event of weak, unstable and deteriorated public sector financial management; draws attention to the need to support the fight against fraud and corruption in all areas of government covered by the Union's development strategy; emphasises that the risk of resources being diverted remains high and that it is the areas in which public funds are managed which offer scope for corruption and fraud;
51. Urges the Commission to better define and clearly assess the development outcomes to be achieved in each case and above all to enhance control mechanism concerning recipient State's conduct in the fields of corruption, respect of human rights, rule of law and democracy; expresses deep concern about the potential use of budget support in countries lacking democratic oversight, either due to the lack of functioning parliamentary democracy or freedoms for civil society and the media, or due to a lack of capacity of oversight bodies;
52. Welcomes the Commission's reactive and consistent approach to suspend budget support in two countries in 2017 and 2018 since the eligibility criteria were no longer met; believes that the Commission shall maintain a constructive dialogue with these countries and offer a possibility to resume budget support, should the countries implement the necessary reforms laid down in the budget support programme;
53. Points out that appropriate monitoring tools have to be reinforced to assess the way budget support contributed to improve domestic revenue mobilisation and related reforms; invites the Commission to provide regular information in its budget support reports concerning the use of budget support contracts for domestic revenue mobilisation; reiterates, however, to strictly follow the risks related to tax avoidance, tax evasion and illicit financial flows;

Cooperation with international organisations

54. Observes that EDF payments to multi-donor projects implemented by international organisations in 2017 amounted to EUR 812 million;
55. Notes that in 2017, the Commission has signed contracts with UN agencies with a value of more than EUR 411 million of contributions from the EDF, with United Nations Development Programme (EUR 166,33 million), FAO (EUR 152,86 million) and UNICEF (EUR 98,44 million) being the biggest beneficiaries, and contracts with the World Bank worth EUR 92 million;
56. Notes that DG DEVCO does not systematically monitor the operational performance of International Financial Institutions (IFIs) and the key aspects of blending operations; calls on DG DEVCO to improve the quality, appropriateness and timeliness of reporting submitted by the IFIs; encourages international institutions, in particular in the case of co-funded and multi-donor initiatives, to approximate their results management frameworks with the Union;
57. Reiterates the necessity to ensure full transparency and access to data, in accordance with existing Union legislation, on projects implemented by international organisations and civil society organisations, as well as providing clear rules on governing control and monitoring;
58. Welcomes the Court recommendations for improving the transparency of Union funds implemented by non-governmental organisations (NGOs) published in the special report No 35/2018, where it, amongst other things, recommends that the Commission improve the reliability of the information on NGOs in its accounting system, and that the Commission improve the information collected on funds implemented by NGOs; calls therefore on the Commission to implement these proposals before the end of the current mandate;

African Peace Facility

59. Regrets that the mid-term review of the External Financing Instruments did not cover the African Peace Facility (APF), which has not otherwise been properly evaluated since 2011;
60. Calls on DG DEVCO, in line with its reservation, maintained in its 2017 annual activity report, on the management of the APF, to strictly check that the remedial measures introduced to mitigate both financial risks and the risk of irregular and illegal payments are effectively implemented; reiterates its call on the Commission to continue its efforts within the pillar assessment exercise towards reinforcing the control system for the management and operational monitoring of the APF with a view to protecting the EDF against illegal and irregular expenditure;
61. Highlights the following Court's negative findings in the area of Union support to African security, which is often financed through the EDF:
- strengthening the capacity of the internal security forces in Niger and Mali has been slow and there are serious concerns on ownership and sustainability ⁽³⁾,
 - the Union's support for the African Peace and Security Architecture (APSA) has had a poor effect ⁽⁴⁾.

Highlights as well the serious risk that Union's support through the African Peace Facility to Burundian soldiers participating in the AMISOM mission indirectly finances a Burundian regime exposed to Union sanctions; recalls that for years, DG DEVCO expressed reservations on its expenditure on the support to the APF;

European Fund for Sustainable Development

62. Takes note of the recent launch of this new investment instrument, as part of the External Investment Plan, in order to provide further leverage capacity by attracting private sector investment in development partnerships; believes that due care should be given to its additionality but also to the criteria applied in its management in order to avoid any diversion of development funding to private investors, or to interest or profit outcomes;

The EIB ACP investment facility

63. Acknowledges the EIB's set of priorities in ACP countries, namely support for SDG, climate action, European economic diplomacy and resilience; notes that 39 projects were initiated in 2017 under the ACP investment facility to an overall amount of EUR 1,5 billion out of which EUR 549 million was devoted to local private sector development and EUR 952 million for social and economic infrastructure;
64. Recalls the importance of carrying out thorough *ex ante* and *ex post* assessments in order to ascertain that projects are sustainable and will provide real added value in economic, social, and environmental terms; reiterates that no support in any form should be granted for projects relating to highly polluting technologies;
65. Calls for a thorough scrutiny of potential local actors and intermediaries during the identification and selection of such actors and intermediaries; calls for the EIB to ensure that local communities and citizens affected by its operations are properly consulted and have access to an independent, efficient complaint procedure;
66. Calls for an enlargement of the 'Erasmus for Young Entrepreneurs' programme beyond Europe in particular developing countries while providing the necessary financial mean;
67. Underlines the high importance of supporting micro, small and medium-sized enterprises and calls in particular for the establishment of local solutions for a better access to finance with a further strengthening of micro-finance loan and guarantee system;
68. Recognises that no country has ever developed without engaging in further trade relations with their neighbours and the rest of the world; further encourages the financing of aid for trade activities, in order to allow developing countries to participate to a much greater degree in global value chains in the future; stresses in this context the increasing importance of digital connectivity in order to achieve a more balanced distribution of the globalisation benefits in favour of developing countries;

⁽³⁾ Special report No 15/2018: Strengthening the capacity of the internal security forces in Niger and Mali: only limited and slow progress.

⁽⁴⁾ Special report No 20/2018: The African Peace and Security Architecture: need to refocus EU support.

69. Emphasises the importance of the provision of clean water and of the building of additional wastewater disposal facilities;
 70. Draws attention to the scale and implication of energy poverty in developing countries and to the Union's strong involvement in efforts to reduce such poverty; underlines the need for strong and concerted efforts by governments and stakeholders in affected countries to reduce energy poverty.
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