



MONDAY 13 JUNE 2016

15.00 - 18.30

TUESDAY 14 JUNE 2016

09.00 - 12.30 and 15.00 - 18.30

Room: Paul-Henri Spaak (1A002)

1. AGENDA

The draft agenda (in EN) was emailed to Members on 31 May 2016 and is in the [file for the meeting](#).

A new item (point 7) has been added on the agenda of **14 June at 9.00** related to the vote on **"Amending Regulation (EU, EURATOM) No 883/2013, as regards the secretariat of the Supervisory Committee of the European Anti-Fraud Office (OLAF)"**.

2. CHAIR'S ANNOUNCEMENTS

The Chairman draws attention to the following points:

Languages available

13/06 pm and 14/06 am	FR, DE, IT, NL, EN, DA, ES, FI, CS, HU, LT, PL, SK, SL, BG, RO
14/06 pm	FR, DE, IT, NL, EN, DA, EL, ES, CS, HU, LT, PL, SK, SL, BG, RO

Webstreaming

The CONT meeting is webstreamed on the [Europarl web-site](#).

Please be aware that each time a speaker activates the microphone to make an intervention, the camera will be automatically directed to the speaker.

Voting cards

The electronic voting system will be used for the vote scheduled on 14 June am and Members are reminded to bring their electronic voting card.

MONDAY 13 JUNE 2016

15.00 - 18.30

PUBLIC MEETING



3. THE OLAF REPORT 2015 - SIXTEENTH REPORT OF THE EUROPEAN ANTI-FRAUD OFFICE, 1 JANUARY TO 31 DECEMBER 2015



Presentation of the 2015 Annual report of OLAF by the Director-General of the European Anti-Fraud Office, Giovanni Kessler

Rapporteur: [Julia Pitera](#) (PPE)
Administrator: Michal Czaplicki

The Director-General of OLAF, Giovanni Kessler, will present the Sixteenth report of the European Anti-Fraud Office - 1 January to 31 December 2015. The report explains OLAF's mission, mandate and competences and also OLAF's investigative activities. In addition, the report lists the recommendations OLAF issued and how they were implemented. Furthermore, the report highlights OLAF's cooperation with its partners and fraud prevention and detection activities.

In 2015 OLAF opened 219 new investigations and concluded 304 of them. As in previous years, the Structural and Social Funds sector continued to be the largest single area of OLAF's investigative activity. Additionally OLAF helped the national authorities to seize 619 million cigarette sticks.

The 2015 Annual report of OLAF can be found on [CONT's website](#).

4. ECA SPECIAL REPORT 6/2016 (2015 DISCHARGE): ERADICATION, CONTROL AND MONITORING PROGRAMMES TO CONTAIN ANIMAL DISEASES



Presentation of the Special Report by the Member of the European Court of Auditors responsible, Bettina Jakobsen, and consideration of a working document

Rapporteur: [Tomáš Zdechovský](#) (PPE)
Administrator: Hrvoje Svetić

Animal health has a direct impact on public health, because of food safety issues, and because some animal-borne diseases are transmissible to humans. Furthermore animal disease outbreaks can trigger significant economic costs, through loss of internal EU and export markets, and the direct cost of disease control on the EU and Member State budgets.

The Court examined whether the eradication, control and monitoring programmes adequately contained animal diseases, by assessing the approach taken by the Commission, and Member States' programme design and implementation. The Court also examined whether the cost-effectiveness of programmes was adequately considered. Overall, the Court concluded that the animal disease programmes we examined adequately contained animal diseases.

However, as disease, outbreaks can always occur the Commission and the Member States should continue to be vigilant.

The Court concluded that the approach taken by the Commission was generally sound, and was supported by good technical advice, risk analysis, and a mechanism for prioritising resources. The Commission provided guidance and facilitated coordination of Member States' efforts, and established minimum performance criteria to be met by Member State programmes. There have been some notable successes, for example, decreases in cases of bovine spongiform encephalopathy (BSE) in cattle, salmonella in poultry, and rabies in wildlife.



The Court noted that Member State programmes we examined were generally well designed and implemented, and that Member States had adequate systems to identify animal disease outbreaks and facilitate their eradication.

The Rapporteur welcomed the Court's Special Report and in particular stressed that the exchange of epidemiological information between Member States should be facilitated in order to further improve the eradication, control and monitoring of animal diseases. He noted that the existing set of indicators should be updated to provide better information on veterinary control activities and the cost-effectiveness of programmes, as well as that the wildlife aspect should be systematically included, when relevant, in the veterinary programmes.

The Rapporteur's working document will be available on the [CONT website](#).

The Rapporteur's conclusions will form part of the Commission's discharge report for the financial year 2015. Amendments may be tabled in this context.

5. FOLLOW-UP OF THE DELEGATION TO THE CZECH REPUBLIC

Exchange of views

Administrator: Christian Ehlers

In March 2014, a CONT fact finding mission paid a visit to the Czech Republic. During the visit the delegation noticed that some weaknesses in the management and control systems of the country remained although improvements had been announced by the then Deputy Minister of Finance, Miroslav MATEJ, November 2012 in CONT. Therefore CONT decided, once the delegation had returned, to further question the Commission and also the Czech authorities on progress made

The mission report and also the supplementary questions and answers of the public bodies can be found on [CONT's website](#).

In preparation for today's meeting CONT also requested an update on the operational programmes in the Czech Republic. These documents will also be put on the committee's website when the CONT secretariat has received them.

The exchange of views aims at establishing the progress made in implementing EU funded programmes under sound financial management.

6. COOPERATION AND VERIFICATION MECHANISM WITH REGARD TO BULGARIA AND ROMANIA - LATEST DEVELOPMENTS

Exchange of views

Administrator: Tereza Pinto De Rezende

The Commission issued in the beginning of 2016 its latest report on steps taken by Bulgaria and Romania on judicial reform and fight against corruption and for the latter also organised crime, in the context of the Cooperation and Verification Mechanism (CVM).

The report on Bulgaria sets out where progress has been made against the established benchmarks in the past twelve months, and where further steps are needed. In relation to Romania, the report shows continued progress towards the goals of the CVM and indicates where further steps are needed.



Members will have the opportunity to discuss with the Commission representative about the accomplishments and shortcomings of the mechanism.

TUESDAY 14 JUNE 2016

09.00 - 11.30

PUBLIC MEETING

***** ELECTRONIC VOTING *****

7. AMENDING REGULATION (EU, EURATOM) NO 883/2013, AS REGARDS THE SECRETARIAT OF THE SUPERVISORY COMMITTEE OF THE EUROPEAN ANTI-FRAUD OFFICE (OLAF)



Vote on the text agreed during interinstitutional negotiations

Rapporteur: [Ingeborg Gräßle](#) (EPP)
Administrator: Christian Ehlers

The text to be voted as adopted by the Council is currently under revision by the lawyer-linguists and will be sent to Members as soon as possible with the voting list attached.

***** END OF ELECTRONIC VOTING *****

7a. ECA SPECIAL REPORT 7/2016 (2015 DISCHARGE): THE EUROPEAN EXTERNAL ACTION SERVICE'S MANAGEMENT OF ITS BUILDINGS AROUND THE WORLD



Joint presentation CONT/BUDG co-chaired by *Ingeborg Gräßle* and *Jean Arthuis*, in the presence of the Member of the European Court of Auditors responsible, *Pietro Russo* and consideration of a working document

Rapporteur: [Ryszard Czarnecki](#) (ECR)
Administrator: Olivier Sautière

On its creation in January 2011, the European External Action Service (EEAS) took over responsibility for running EU delegations around the world from the European Commission. It provides office space for 5300 staff in around 140 delegations. The EEAS is also responsible for the residences of heads of delegation and for providing, or reimbursing the costs of, accommodation for 2400 staff.



The effective management of EU delegation buildings contributes to achieving the EU's objectives in foreign policy, trade and development cooperation. Delegation offices aim to provide a stable, visible, functional and secure working and meeting environment for staff and visitors. Buildings should provide value for money, and sharing office premises with Member States or other EU institutions and bodies is actively promoted.

Some 80 % of delegation office buildings and residences of heads of delegation are rented, the rest are owned. EEAS expenditure on delegation buildings in 2014 amounted to 165 million euro.

The overall audit objective was to examine whether delegation buildings meet the needs of the EEAS and provide value for money. It examined whether the EEAS has effective procedures for selecting the right buildings, monitoring the suitability of buildings and planning necessary changes.

The Court found that delegation buildings, office buildings, residences of heads of delegation or staff accommodation, generally meet the needs of delegations i.e. to ensure security, functionality, stability, visibility and best value for money. However, in some cases, buildings do not provide best value for money when (a) space in most office buildings and some residences, exceeds the ceilings in the building policy, (b) when the EEAS owns buildings which it no longer uses and (c) when some charges to hosted organisations do not recover full costs where delegations share their office premises. Weaknesses were also found in the procedure for selecting delegation buildings. The Court pointed out too that the information on the suitability of buildings is not reliable and is not used for planning, which is too short term and particularly weak for owned properties.

The Rapporteur emphasises that the EEAS and the Member States have a shared interest in further developing local co-operation in the area of management of buildings with a specific attention to be devoted to security issues, best value for money and the Union's image. He particularly welcomes the increase in co-location projects of Union delegations with Member States while encouraging the EEAS to further seek ways to extend this good practice. While regretting the insufficient recording and inaccuracies in the information system for managing delegations office buildings and residences, he urges the EEAS to reinforce its management control of all the costs incurred in the building policy and to set-up of a medium-long term strategy.

The Rapporteur's working document (EN) is available on the [CONT website](#).

The Rapporteur's conclusions will form part of the Commission's discharge report for the financial year 2015.

8. THE EUROPEAN UNION SOLIDARITY FUND (EUSF): AN ASSESSMENT



Consideration of draft opinion

Rapporteur: [Marco Valli](#) (EFDD)
Administrator: Christian Ehlers
Main Committee: REGI

Against the backdrop of the European Court of Auditors Special Report on "The European Union Solidarity Fund's Response to the 2009 Abruzzi Earthquake: Relevance and Cost of Operations" the rapporteur highlighted the need that also EUSF spending should comply with procurement rules and the principles of sound financial management, including the principle of economy, in order to identify and share best practices and lessons learned with respect to economic affordability.

He welcomed the improvements made in respect of sound financial management, in particular insofar as beneficiary states are obliged to:

- verify that management and control arrangements have been set up and are being implemented in such a way as to ensure that Union funds are being used efficiently and correctly, in accordance with the principles of sound financial management,
- verify that the financed actions have been properly carried out,
- ensure that expenditure funded is based on verifiable supporting documents, and is correct and regular,
- prevent, detect and correct irregularities and recover amounts unduly paid together with interest on late payments where appropriate to notify any such irregularities to the Commission, and to keep the it informed of the progress of administrative and legal proceedings.

The rapporteur also regrets persisting difficulties in assessing whether the applications associated with regional disasters meet the exceptional criteria set out in the regulation. In addition he calls for more transparency with regard to the use of the EUSF and that the final report about the implementation of EU financial assistance should be public. Furthermore, national plans for disaster management should be regularly updated.

Finally, the rapporteur called for the functioning of the current EUSF to be evaluated before the end of the current multiannual financial period

The Rapporteur's draft opinion will be available on the [CONT website](#).

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	20/06/2016
Adoption in CONT	CONT	14/07/2016
Adoption in REGI	EMPL	08/09/2016

9. EXCHANGE OF VIEWS WITH THE EUROPEAN INVESTMENT BANK ON THE CASTOR PROJECT, AS PART OF THE PROJECT BOND INITIATIVE (PBI)



Administrator: Olivier Sautière

In order to reach the European Union's '2020 policy objectives', the EU and the EIB launched the pilot phase of Project Bond Initiative (PBI) in November 2012. The overarching objectives were to overcome the drop in infrastructure investments following the 2008 financial turmoil, through the development of debt capital markets as additional source of funding, and to finance priority projects of EU added value in the areas of Trans-European Transport networks (TEN-T), Trans-European Energy Networks (TEN-E) and ICT.

The EC allocated a budget remaining from the 2007-2013 Multiannual Financial Framework of €230 million to support the testing phase of the PBI (2012-2015) of which €200 million for the TEN-T sector, €10 million for the TEN-E sector and €20 million for the ICT sector.

One of the projects supported during this pilot phase was the project '*Castor Underground Gas Storage*' aiming at to provide a gas storage facility in Spain (with a total bond issuance of €1,4 billion), signed in July 2013. Following seismic activity, operation of the Castor project was suspended in September 2013 at the request of the Spanish government. All investors, including the EIB, were informed of the suspension. The project company ESCAL, as concessionaire of the Castor project, requested the consent of the EIB to relinquish their concession. The relinquishment of the concession was presented to the Spanish Ministry of Industry, Energy and Tourism on 18 July 2014 and was approved by Royal Decree on 4 October 2014. EUR 1.35bn was agreed to be paid by the Spanish government to ECSAL.



The issues of the Castor project and the Project Bonds initiative were mentioned in the two last reports from the Parliament on the EIB annual report 2013 (in §33 - Rapporteur M. Urtasun) and on the EIB annual report 2014 (§ 53 - Rapporteur M. Pirinski):

§ 33. Regrets the role played by the EIB and the Commission in the Castor project, which is funded in the framework of the PBI, involving a risk assessment which did not take account of the risk of increased seismic activity associated with the injection of gas, despite the existence of studies clearly warning of the potential dangers; urges the Commission and the EIB to take action in order to avoid Spanish citizens having to pay, through a higher public deficit or by raising energy costs, EUR 1 300 million in compensation over a disastrously assessed project; asks the Commission to follow the recommendations of the European Ombudsman and investigate whether the Spanish Government decisions on Castor could be considered prohibited state aid;

§53. Considers that the Project Bonds Initiative (PBI) should be seriously assessed with regard to its financial, social and environmental impact; urges the Commission to set up an inclusive and open consultation process at EU level, with the active participation of representatives from the European Parliament, on the future of project bonds for the period 2016-2020 before the current PBI pilot phase is fully rolled out;

This exchange of views will allow discussing with the EIB the relevance, the assessment of the effectiveness of such project and lessons learnt for the selection of next project bonds.

TUESDAY 14 JUNE 2016

11.30 - 12.30

IN CAMERA

10. COORDINATOR'S MEETING



Meeting held in camera



TUESDAY 14 JUNE 2016

15.00 - 18.00

PUBLIC MEETING

11. WORKSHOP ON “FOLLOW-UP OF CONT DELEGATION TO GREECE. HOW TO IMPROVE LAND EXPROPRIATION DECISIONS?”



Rapporteurs: [Ingeborg Gräßle](#) (PPE)

Administrators: Vera Milicevic & Michal Czaplicki

The workshop is the follow up of the CONT Delegation visit to Greece on 24-25 September when 7 Priority Projects within Structural and Cohesion Funds were visited. Problems of expropriation of land in Greece (high cost, long time to complete an expropriation, lack of stable and comprehensive legal framework etc.) have been identified as very serious and of high importance for the implementation of projects and in particular of the two visited high risk projects 'Cadastre' and 'National Registry'.

In 2013 DG REGIO ordered a comparative study on expropriation legislation in selected Member States which provided a detailed analysis of the accumulated experience in Greece in the field of land expropriation, and recommendations for further improvement of expropriation decisions.

The workshop will provide an opportunity to the Members to be informed from the most competent Ministries from Greece and from the European Commission experts about the recent developments related to legislation and reforms in the field of expropriations, and problems invoked in the process of private property acquisition for the implementation of public projects.

12. ECA SPECIAL REPORT N°19/2015 (2015 DISCHARGE) ON “MORE ATTENTION TO RESULTS NEEDED TO IMPROVE THE DELIVERY OF TECHNICAL ASSISTANCE TO GREECE”



Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Baudilio Tomé Muguruza*, and consideration of a working document

Rapporteur: [Michael Theurer](#) (ALDE)

Administrator: Michal Czaplicki

In summer 2011 the Commission launched a programme of technical assistance coordinated by the Task Force for Greece. The Task Force focused on supporting implementation of the reforms required by the economic adjustment programmes and accelerating the absorption of EU funds. The aim of the Court's audit was to analyse how the Task Force fulfilled its goals. Specifically, the Court examined the Task Force's organisational and financing arrangements, how the technical assistance was actually delivered and monitored, and its contribution to the progress of reforms.



The ECA arrived at the conclusion that the Task Force provided the Commission with a flexible mechanism for coordinating a broad programme of technical assistance. The technical assistance was effectively delivered to the Greek authorities, but it did not always influence the progress of reforms and that the urgency of

responding to the crisis in Greece meant that the Task Force was set up very rapidly, without a full analysis of other options and without a dedicated budget.

The rapporteur is concerned that the ad-hoc, rapid set-up of the Task Force caused some of its operational problems and calls for a thorough assessment of the situation on the ground and formulation of a concise step-by-step action plan as mandatory preliminary exercise of any technical assistance project. He requests that in its subsequent technical assistance programmes the European Commission applies a more planned approach, including a timeline with start and end date for mandates.

The Rapporteur's working document is available on the [CONT website](#).

The Rapporteur's conclusions will form part of the Commission's discharge report for the financial year 2015.

TUESDAY 14 JUNE 2016

18.00 - 18.30

PUBLIC MEETING

13. GENERAL BUDGET OF THE EUROPEAN UNION FOR THE FINANCIAL YEAR 2017 - ALL SECTIONS



Exchange of views with the General Rapporteur for the 2017 Budget, Jens Geier

Rapporteur: [Martina Dlabajová](#) (ALDE)
Administrator: Philippe Godts
Main Committee: BUDG

The BUDG General Rapporteur for the financial year 2017 Jens Geier will pay the usual visit to CONT with a an exchange of views with CONT Members concerning their priorities for the budget 2017.

Due to the postponement of the procedure, the draft budget 2017 is not yet available.

CONT Timetable:

Event	Body	Date
Consideration of draft opinion	CONT	14/07/2016
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	26/09/2016
Adoption in BUDG	BUDG	11/10/2016



14. ANY OTHER BUSINESS

15. NEXT MEETINGS

NEXT MEETINGS

- 27 June 2016, 15.00 - 18.30 (Brussels)
- 13 July 2016, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)
- 14 July 2016, 9.00 - 12.30 (Brussels)

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