



WEDNESDAY 13 JULY 2016

09.00 - 12.30 and 15.00 - 18.30

THURSDAY 14 JULY 2016

09.00 - 12.30

Room: Altiero Spinelli (3G-3)

1. AGENDA

The draft agenda (in EN) was emailed to Members on 6 July 2016 and is in the [file for the meeting](#).

2. CHAIR'S ANNOUNCEMENTS

The Chairman draws attention to the following points:

Languages available

FR, DE, IT, NL, EN, DA, ES, FI, CS, HU, LT, PL, 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 votes scheduled during this meeting. Members are reminded to bring their electronic voting card.

Staff changes in CONT Secretariat

Catherine Coninckx and Catarina Duarte Gomes joined the CONT Secretariat.

Cinti Torrens Bermo has left the CONT Secretariat and is replaced by Veronika Patyi-Horvath.

We wish them all success in their new assignment.



WEDNESDAY 13 JULY 2016

9.00 - 12.30

PUBLIC MEETING

3. APPROVAL OF MINUTES OF CONT MEETINGS

The following minutes are published on the [CONT website](#):

- 23-24 May 2016;
- 13-14 June 2016.

If no objections are received before the end of the meeting, the minutes will be deemed to be approved.

Please be aware that the summary of the recommendations concerning the CONT Coordinators' meetings held on 24 May and 14 June 2016 are attached to the corresponding minutes and were endorsed by the Committee by written procedure.

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

4. BUDGETARY CAPACITY FOR THE EUROZONE



Adoption of draft opinion

Rapporteur: [Zigmantas Balčytis](#) (S&D)
Administrator: Hrvoje Svetić
Main Committees: BUDG and ECON

The draft opinion was presented in CONT on 13 June 2016. After the presentation, the deadline for amendments was set for 7 June. The CONT Secretariat received 20 amendments which focus mostly on the recent financial crisis and the possible issues related to further fiscal and economic integration.

Among other, the Rapporteur stressed that the budgetary and fiscal capacity should be established as a part of the Union budget, outside the MFF and implemented by the Commission, within the Union framework. As democratic scrutiny, transparency and accountability to the Union citizens through existing institutions should be ensured for such capacity, the Rapporteur emphasised that it should comply to the discharge procedure as stipulated in the Treaty on the Functioning of the European Union.

The draft opinion and the amendments are available in all languages on the [CONT website](#). The voting list, including the Rapporteur's recommendations was circulated on 8 July 2016.

CONT Timetable:

Event	Body	Date
Adoption in BUDG and ECON	BUDG and ECON	26/09/2016
Adoption in Plenary	Plenary	October II



5. THE EUROPEAN UNION SOLIDARITY FUND: AN ASSESSMENT



Adoption of draft opinion

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

The draft opinion was presented in CONT on 14 June. At that moment the deadline for amendments was fixed for 20 June. The secretariat received 29 amendments. The multilingual version of the amendments was sent to Members the following day. The English version of amendments was e-mailed to Members on 7 July. Other language versions will be put on the CONT website when they become available.

The draft opinion and the amendments are available in all languages on the [CONT website](#).

Members will receive the voting list with the remarks and the position of the rapporteur as soon as possible.

CONT Timetable:

Event	Body	Date
Adoption in BUDG and ECON	REGI	08/09/2016
Adoption in Plenary	Plenary	October I

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

6. CONTROL OF THE REGISTER AND COMPOSITION OF THE COMMISSION'S EXPERT GROUPS



Consideration of draft INI report

Rapporteur: [Dennis de Jong](#) (GUE/NGL)
Administrator: Philippe Godts

In light of the findings of a study commissioned by CONT and BUDG in 2015 and the need for an adequate follow-up of this issue, the Conference of Committee Chairs approved on 26 November 2015 the CONT-proposal for the elaboration of an own-initiative report on the register and composition of the Commission's expert groups.

During the presentation of the CONT/BUDG study, in September 2015, the services of the European Commission made it known that work had greatly advanced on a revised framework for its expert groups, consisting of (revised) horizontal rules and an improved public register. The Parliament requested to the Commission to wait with the formal adoption of its new framework until it had been able to express its views.

On 1 March 2016, the Rapporteur therefore published a working document for CONT, outlining his main concerns with the existing horizontal rules and register. The Commission services, in their turn, provided the Parliament with a working document in which they reacted to the various recommendations of the Rapporteur.

After new contacts between the First Vice-President of the Commission, the European Ombudsman, NGO's and the three rapporteurs of the European Parliament (i.e. the CONT- and JURI-rapporteurs for the CONT/JURI-report and the BUDG-rapporteur for the BUDG-opinion), the Commission adopted on 30 May 2016 its Decision establishing horizontal rules on the creation and operation of Commission expert groups.

Although the exchanges with the First Vice-President were useful and provided practical solutions for most of the remaining points, the new framework adopted by the Commission did not reflect these solutions. Against this background, the Rapporteur is of the opinion that the adoption of an own-initiative report is still useful in order to enable the Commission to include its recommendations into the implementation guidelines for the Commission services, and to allow the Parliament to request reporting on the implementation of the Commission decision.

The remaining concerns of the Ombudsman, NGO's and the rapporteurs related to, inter alia, the public nature of the deliberations in expert groups, their minutes, and the assurance of a balanced composition in specific cases. In addition, the discussions concentrated on the enforcement of the revised rules and the reimbursement of costs of interest representatives, other than those relating to travel and accommodation.

On 27 April 2016, BUDG committee adopted its opinion on the expert groups.

The EN version of the draft INI report is available on the [CONT website](#). All other languages will be available after 25 August.

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	After 13 October

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



Consideration of draft opinion

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

Commission Vice President Georgieva presented the draft Budget 2017 during the BUDG meeting of 30 June 2016.

In her draft opinion Martina Dlabajová welcomes the programme statements of operational expenditures attached to the draft budget 2017 as they partially respond to the request made by the Parliament concerning the establishment of a performance-based public budgeting model in which each budget line is accompanied by objectives and outputs to be measured by performance indicators.

She insists that as part of the budget authority the Parliament is entitled to express views on those objectives and indicators and that before adopting the budget, the Parliament should scrutinise the European added value of each budget lines. She also stresses the need to simplify the internal management tools of the Commission.



CONT rapporteur is also concerned by the high level of RAL (“reste à liquider”) and reiterates the request that the Commission submits a communication to the European Parliament in time for the mid-term review of the Multiannual Financial framework with proposals explaining how it will in future reconcile long-term political objectives such the Europe 2020 Strategy with the future post-2020 MFF.

The draft opinion contains also specific views concerning sectorial policies.

The EN version of the draft opinion will soon be available on the [CONT website](#). All other languages will be available after 25 August.

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	26/09/2016

8. COMMISSIONERS’ DECLARATIONS OF INTERESTS - GUIDELINES



Consideration of draft opinion

Rapporteur: [Ingeborg Gräßle](#)

Administrator: Philippe Godts

Main Committee : JURI

In her draft opinion the rapporteur notes that the Code of Conduct for Commissioners adopted on 20 April 2011 (COM (2011) 2904) presents improvements over the preceding code adopted in 2004. She regrets nevertheless that the 2011 Code of Conduct has failed to address all the recommendations issued by the Committee on Budgetary Control on 2 March 2011 and points out, in particular, that the Commissioners are not required to declare all their financial interests or assets but only such interests or assets

“which might create a conflict of interest in their performance of their duties”, that there is no requirement to declare debts and liabilities and that dependent children are not required to produce the same information as spouses.

The opinion also refers to some deficiencies detected in the implementation of the code of conduct and regrets that the Code fails to lay down any divestment requirement or to define the notion of conflict of interest.

The EN version of the draft opinion is available on the [CONT website](#). All other languages will be available after 25 August.

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	26/09/2016



9. ECA SPECIAL REPORT 8/2016 (2015 DISCHARGE): RAIL FREIGHT TRANSPORT PERFORMANCE IN THE EU: STILL NOT ON THE RIGHT TRACK



Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Ladislav Balko*, and consideration of working document

Rapporteur: [Marian-Jean Marinescu](#) (PPE)
Administrator: Tereza Pinto de Rezende

The promotion of more efficient and sustainable methods of transport, and in particular rail freight, has been a key part of EU policy for the last 25 years. It started in 2001 with the Commission setting ambitious targets for the market share of the rail freight, to less aspiring targets established in 2011 with much farer deadline for implementation (2030 or even 2050). The EU's policy objectives for shifting goods from road to rail have been funded by the EU budget, approximately 28 billion euros, between 2007 and 2013. Some projects are financed by the ERDF and cohesion fund under shared management and the co-financing can be provided at rates up to 85%. Others are financed under the TEN-T Programme by the Commission and the co-financing rate varies between 20% and 40%. The former were mainly allocated to road whether the latter was devoted to rail.

The Court concluded that the performance of the rail freight transport in the EU is not satisfactory and for that reason makes clear recommendations to improve the deficiencies. The Commission and the Member States are asked to ensure market liberation in the rail freight sector, namely by preventing anti-competitive practices by infrastructure managers and incumbent railway undertakings. They are asked to adapt the traffic management rules applied by infrastructure managers to the specific needs of the rail freight sector. They are also advised to simplify and harmonise the procedures for vehicles approval and issuance of safety certificates. There should be a regular monitoring of the performance of the rail freight sector and it should be transparent and harmonised. The Commission and the Member States are also advised to promote fair competition between different modes of transport by stressing some externalities which favour the rail transport. It is necessary to have a consistent approach between policy objectives and fund allocations by targeting as a priority those aspects such as bottlenecks and missing rail connections that hamper the objective of improving the performance of the rail sector. The Court also considers necessary to improve the coordination of rail investments from the selection, through the planning till the management of the projects. The Commission agreed with all the recommendations. With regard to the rail network maintenance, the Commission points out that it is a national competence and not eligible for EU funding.

The Rapporteur welcomes the report and endorses the Court's recommendations. He asks for several evaluations to be produced, on one-stop-shop, paths allocation, on freight corridors in parallel with CEF corridors, on the national rail systems interoperability and on MS' transport strategies. The Rapporteur regrets that the EU funds invested could not be considered cost-effective and that the continuation of the state of play in the rail sector will not enable the fulfilment of the shifting targets by 2030. Common and mandatory impact assessment on future rail freight legislation is important as well as the setting of a strategy for rail freight transport. An action plan to support the full and swift implementation of the 4th railway package should be put in place.

The Rapporteur's recommendations will possibly be included in the 2015 Commission discharge report.

The TRAN committee will have an exchange of views on the special report later this year.

The EN version of the working document is available on the [CONT website](#). All other languages will be available after 25 August.



10. ECA SPECIAL REPORT 3/2016 (2015 DISCHARGE): COMBATting EUTROPHICATION IN THE BALTIC SEA: FURTHER AND MORE EFFECTIVE ACTION NEEDED



Presentation of the special Report by the Member of the European Court of Auditors responsible, *Ville Itälä*, and consideration of working document

Rapporteur: [Petri Sarvamaa](#) (PPE)
Administrator: Michal Czaplicki

The Baltic Sea is one of the world's most polluted seas. In 2009, the European Council adopted a macro-regional strategy aiming to foster environmental protection, reduction of nutrient loads and promoting increased cooperation between countries. In the 2007-2013 period, the EU contribution to waste water collection and treatment projects in the five Member States bordering the Baltic Sea benefiting from EU support was 4.6 billion EUR. Rural development measures, including water protection, to all eight Baltic Sea coastal Member States amounted to 9.9 billion EUR. In addition, from 2001 to 2014, the EU co-financed projects with a value of nearly €50 million in Russia and Belarus to improve water quality. The ECA visited three Member States with Baltic coasts (Finland, Latvia and Poland) and conducted a survey in all of the other Member States bordering the Baltic Sea. EU-supported projects in Russia and Belarus were checked through documents at the European Commission. The audit examined whether EU action had been effective in helping Member States to reduce nutrient pollution in the Baltic.

The ECA arrived at the conclusion that there has been limited progress towards nutrient reduction in the Baltic Sea; recent data on total annual inputs into the Baltic Sea during the 1995-2012 period showed a downward trend in nitrogen (9%) and phosphorus (14%) inputs. In light of its findings, the ECA recommended that the Commission should require that Member States define programmes of measures which enable them to reach measurable targets for reducing nutrient loads in order to achieve the objectives of the marine strategy framework and the water framework directives; the Member States should collect information on the cost-effectiveness of nutrient load reduction measures in order to have a robust analysis for establishing future programmes of measures and plan and construct their waste water infrastructure as efficiently as possible and, if necessary, consider granting financial support to households which could not otherwise afford to connect to the sewage network.

The Rapporteur's recommendations will possibly be included in the 2015 Commission discharge report.

The EN version of the working document is available on the [CONT website](#). All other languages will be available after 25 August.

11. CONT MISSION TO ITALY (18-20 JULY 2016)



Exchange of views on the preparation of the mission

Head of Mission: [Martina Dlabajová](#) (ALDE)
Administrator: Hrvoje Svetić

On 20 October 2015 the Conference of Presidents of the European Parliament authorised a mission of the CONT Committee to Southern Italy pending the submission of exact dates, with a tentative date in March 2016. As the local elections in Italy were to take place in the first semester of 2016 and the exact date for the elections was not known in time to arrange the intended visit in March, the Chair informed President Schulz by letter of 02 May 2016 on the exact dates of the mission, which is now going to take place from 18 until 20 July 2016.



The mission aims to investigate the use of the European Social Fund and the Youth Employment Initiative in the Italian regions of Sicily and Calabria, within the context of combatting unemployment of young people. In the light of the preparations for this mission, CONT is organising a first preliminary exchange of views with the representatives of the Commission with the aim of exploring the issues likely to be encountered.

WEDNESDAY 13 JULY 2016

15.00 - 17.00

PUBLIC MEETING

12. HEARING ON “CORPORATE VAT FRAUD”



Rapporteur: [Andrej Novakov](#) (PPE)
Administrator: Tereza Pinto de Rezende

The purpose of the hearing is to enable a thorough discussion, at the European Parliament level, on the current EU strategy to combating VAT fraud and its future challenges. CONT committee will pay special attention to the good examples from Member States in fighting against VAT fraud. This hearing is also an opportunity to talk about the VAT current system and its future.

Six participants are invited to present their views on these issues in the following three panels:

First panel: 'How to achieve better administrative cooperation in the EU?'

- Mr Stephen Quest, Director-General, DG TAXUD
- Mr Giovanni Kessler, Director-General, OLAF

Second panel: 'Why is still difficult for MS to communicate efficiently? Are there good examples in limiting VAT fraud in EU?'

- Ms Caroline Edery, Head of Unit Tax administration and fight against tax fraud, DG TAXUD
- Mr Jarkko Liljander, Senior Adviser on corporate taxation, Finish Tax Administration

Third panel: 'What is the future of the VAT system?'

- Mr Stéphane Buydens, OECD Centre for Tax Policy and Administration
- Mr Benoît Pernet, Director Indirect tax department, KPMG Belgium

The closing remarks will be made by the Rapporteur.



WEDNESDAY 13 JULY 2016

17.00 - 18.30

PUBLIC MEETING

13. THE STATE OF PLAY OF THE FINANCING AND THE IMPLEMENTATION OF THE MEASURES TAKEN BY THE UNION IN THE CONTEXT OF THE MIGRATION CRISIS



Exchange of views with *Dimitris Avramopoulos*, Commissioner for Migration, Home Affairs and Citizenship

Administrator: Philippe Godts

CONT Members will have the opportunity to exchange views with Commissioner Avramopoulos on the state of play of the financing and the implementation of the measures taken by the Union in the context of the migration crisis with a particular focus on the control systems concerning the funds allocated and on how and when the Commission will report to the Parliament on the economy, effectiveness and efficiency of the measures financed.

CONT sent written questions to the Commissioner in this regards on 19 April 2016 and received replies from the Commission by the 26th of April.

THURSDAY 14 JULY 2016

9.00 - 10.45

PUBLIC MEETING

14. DISCHARGE 2014- INTERNATIONAL FUSION ENERGY ORGANIZATION (ITER)



Exchange of views on ITER Council conclusions, in the presence of *Miguel Arias Cañete*, Commissioner for Climate Action and Energy, and Consideration of draft report

Rapporteur: [Marian-Jean Marinescu](#) (PPE)

Administrator: Michal Czaplicki

The construction of the ITER fusion machine by the ITER international consortium proves to be much more challenging than initially expected. The Budgetary Control Committee has been monitoring this project for years and voicing its concerns, as it is responsible for the annual discharge of the Fusion for Energy Joint Undertaking (F4E JU) – a body created to funnel European contributions to ITER.

In April 2016, the Plenary decided to postpone the discharge to Fusion for Energy Joint Undertaking (F4E JU) for the financial year 2014

Since 2014 however significant changes have been made in the ITER project. New management has been chosen both in ITER and in F4E JU and a new action plan has been drafted and presented. In November 2015 the ITER Council, the highest body governing the ITER project, of which the Commission is a member, decided to conduct an independent review of the overall schedule and associated resources and to consider possible additional measures for expediting the schedule and reducing costs. In June 2016 the ITER Council endorsed the updated Integrated Schedule for the ITER Project, which identifies the date of First Plasma as December 2025. The Council stated that the updated Schedule is challenging but technically achievable, duly validated with a thorough and comprehensive review by the independent ITER Council Review Group. A sharp focus on the core elements through First Plasma will effectively reduce project risks. The evidence of increased effectiveness of decision-making, improved understanding of risks, and rigour in adhering to commitments provided a renewed basis for confidence that the project will maintain its current positive momentum.

On 4 July CONT held a meeting with the Mr Johannes Schwemmer, director of F4E JU and Mr Gerassimos Thomas, Deputy Director General, DG Energy, on the position of the JU and the Commission on the changes in ITER.

At this meeting, the Commissioner will present the outcome of the last ITER Council meeting and the rapporteur, Mr Marinescu, will present his draft second discharge report.

The EN version of the second draft report is available on the [CONT website](#). All other languages will be available after 25 August.

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	26/.09/2016
Adoption in Plenary	Plenary	October II

THURSDAY 14 JULY 2016

10.45 - 11.30

PUBLIC MEETING

15. DISCHARGE 2014- EMBEDDED COMPUTING SYSTEMS (ARTEMIS)

16. DISCHARGE 2014- EUROPEAN NANOELECTRONICS INITIATIVE ADVISORY COUNCIL (ENIAC)

Consideration of draft reports



Rapporteur: [Marian-Jean Marinescu](#) (PPE)

Administrator: Michal Czaplicki

In April 2016 CONT decided to postpone the discharge of the Artemis and ENIAC JUs on the basis of the qualified opinion of the Court of Auditors based on the lack of information necessary to calculate neither the weighted rate of error nor a residual error rate following the ex post audits of the National Funding Authorities (NFA's). In his first discharge report the rapporteur invited ECSEL JU (Artemis and ENIAC have been merged in 2014 and are now part of ECSEL JU) to collect additional and necessary documents and information from the national audit bodies of the Member States and/or national competent

departments, in accordance with the provisions of Article 287(3) of the Treaty of the Functioning of the European Union. On 1 July ECSEL JU has submitted to CONT all the requested information supporting the written statement that the implementation of the national procedures provides a reasonable assurance on the legality and regularity of transactions" as received from the NFA's, covering 96.79 % of the spending in 2014 for ENIAC & ARTEMIS.

The EN version of the second draft report is available on the [CONT website](#). All other languages will be available after 25 August.

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	16/09/2016
Adoption in Plenary	Plenary	October II

17. DISCHARGE 2014- EU GENERAL BUDGET - COUNCIL AND EUROPEAN COUNCIL



Consideration of draft report

Rapporteur: [Ryszard Czarnecki](#) (ECR)
 Administrator: Tereza Pinto de Rezende

For the eighth year, and by a large majority, on 28 April 2016, the Plenary postponed the 2014 European Council and Council discharge, maintaining the decision and reconfirming the content of the report, as voted in CONT.

The rapporteur, Mr Ryszard Czarnecki (ECR), in his second report recalls the outstanding issues and Parliament's responsibilities in the discharge process. He points out those requests made by the Parliament in previous discharge exercises that continue to be unanswered. Among those, the lack of information on the cost of buildings, on the adoption of a code of conduct and on the whistle-blowers' rules as well as on the increase of underspending and carryovers of commitments. The Rapporteur also verified that only three out of twenty seven questions submitted to the Council by CONT Members in relation to the financial year 2014 could find a clear reply in the documents provided by the Council. He regrets that no replies were provided in the meantime by the Council to the questions and the requests made in this and the previous discharge exercises. Also he is of the opinion that it is necessary to consider different possibilities to update the rules on granting discharge laid down in the TFEU. He proposes therefore to refuse again the discharge to the European Council and Council.

The EN version of the second draft report is available on the [CONT website](#). All other languages will be available after 25 August.

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	06/09/2016
Adoption in CONT	CONT	26/09/2016
Adoption in Plenary	Plenary	October II 2016



THURSDAY 14 JULY 2016

11.30 - 12.30

PUBLIC MEETING

18. STUDY ON “HOW EU AND MEMBER STATES MANAGE DATA TRANSPARENCY AND ACCESSIBILITY ON EU FUNDS



Presentation of Policy Department study

Rapporteur: [Marco Valli](#) (EFDD)
Administrator: Jean-Jacques Gay

The objective of the present study is to provide a critical and detailed analysis of data transparency and accessibility in relation to EU funds in direct, indirect and shared management as well as of the European Development Fund. As the EU has developed and been further integrated, there has been an increasing awareness of the importance of transparency. It is now widely recognised that the European citizens should be able to easily access information on how the EU operates and the information provided should be transparent.

19. ANY OTHER BUSINESS

20. NEXT MEETINGS

NEXT MEETINGS

- **5 September 2016, 15.00 - 18.30 (Brussels)**
- **26 September 2016, 15.00 - 18.30 (Brussels)**

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