

WEDNESDAY, 12 OCTOBER 2016

09.00 - 12.30 and 15.00 - 18.30

THURSDAY, 13 OCTOBER 2016

09.00 - 12.30

Room: Altiero Spinelli (1G-3)

1. AGENDA

The draft agenda was emailed to Members on 4 October 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, PT, 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 vote and Members are reminded to bring their electronic voting card.

3. APPROVAL OF MINUTES OF MEETING OF:

- 5 September 2016

WEDNESDAY, 12 OCTOBER 2016

09.00 - 12.30

PUBLIC MEETING

*** VOTING TIME ***

4. POSSIBLE EVOLUTIONS OF AND ADJUSTMENTS TO THE CURRENT INSTITUTIONAL SET-UP OF THE EUROPEAN UNION



Adoption of Draft Opinion

Rapporteur: [Petri Sarvamaa](#) (PPE)
Administrator: Tereza Pinto de Rezende
Main Committee: AFCD

The CONT MEPs tabled 31 amendments to improve the draft text proposed at the same time as keeping the initial structure of the draft opinion. The amendments tabled concern the democratic and financial accountability of the EU institutions, the transparency and responsibility of those institutions in using EU funds, and the possible enforcement measures to ensure a proper follow-up of the discharge procedure. With regard to the paragraphs on the Court of auditors, MEP insist that the EU institutions must take full account of the ECA recommendations and endorse the Rapporteur's proposal for the appointment of the Members of the Court of Auditors to be made by the Parliament and the Council on an equal footing. Finally, there is an addition concerning the single seat and its impact on the EU funding.

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

CONT Timetable:

Event	Body	Date
Adoption in AFCD	AFCD	20 October 2016

*** END OF ELECTRONIC VOTE ***

5. ECA SPECIAL REPORT 9/2016 (2015 DISCHARGE): EU EXTERNAL MIGRATION SPENDING IN SOUTHERN MEDITERRANEAN AND EASTERN NEIGHBOURHOOD COUNTRIES UNTIL 2014



Presentation of the special report by the Member of the European Court of Auditors responsible, *Danièle Lamarque*, and consideration of working document

Joint Presentation CONT/BUDG

Co-Rapporteurs: [Iris Hoffmann](#) (S&D) and [Marian-Jean Marinescu](#) (PPE)
Administrator: Olivier Sautière

The external dimension of the EU's common migration policy aims to promote effective management of migration flows, fair treatment of non-EU nationals residing legally in Member States and the prevention of, and enhanced measures to combat, irregular immigration and trafficking in human beings and this, in partnership with migrant's countries of origin and transit.

This special report deals with the two main financing instruments supporting external migration policy in six out of the 11 Southern Mediterranean and Eastern Partnership countries (Algeria, Georgia, Libya, Moldova, Morocco and Ukraine), the Thematic Programme for Migration and Asylum (TPMA), and the European Neighbourhood and Partnership Instrument (ENPI), both established for the 2007-2013 period. Over this period, the estimation of amounts contracted for external migration spending was 1.4 billion euro. The Court identified spending weaknesses related to the complexity of policy objectives and governance, the impossibility of measuring policy results, the limited success in returning migrants to their countries of origin and coordination problems between different EU bodies and between the European Commission and the Member States:

The Co-rapporteurs believe that the use of funds should be guided by improved monitoring and evaluation systems based on baseline indicators, progressive benchmarks and measurable and realistic objectives and consider that a comprehensive and coordinated response has to be constantly sought to the extent that the migration crisis poses many challenges that cross various sectors and institutional boundaries. They recommend, in this context, that due care should be given to continuously refining the strategic understanding and framework of the Union's migration external policies and policy options with key actors to ensure clarity while also ensuring the adequacy of oversight of disbursed funds in order to avoid the risk of misappropriation of funds and double financing.

The co-rapporteurs also underline the crucial need to reconcile the demand on better results with the availability of sufficient funds to ensure a high level of ambition in the design of the Union's comprehensive and sustainable response to current and future challenges induced by the migration crisis. Finally, they advocate to refocus ways of using existing policy instruments with a clear and renewed architecture of objectives to increase their overall effectiveness and visibility and recall that EU external migration spending needs to be disbursed more efficiently and that it needs to fulfil "added value" criteria.

The Rapporteurs' 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.

6. THE EVALUATION OF EXTERNAL ASPECTS OF THE CUSTOMS PERFORMANCE AND MANAGEMENT AS A TOOL TO FACILITATE TRADE AND FIGHT ILLICIT TRADE



Consideration of draft opinion

Rapporteur: [Nedzhmi Ali](#) (ALDE)
 Administrator: Olivier Sautière
 Main Committee: INTA

In his draft opinion, the Rapporteur Mr Ali emphasizes that customs services play an important role, in the context of the global trading environment, by facing new kinds of challenges, related (i) to new ways of trading and to the security and protection of goods under import procedures or in international transit with a destination in Europe and (ii) by coping with the damage done by illicit trade to the formal economy.

He believes, in that context, that the efficiency of customs procedures is crucial for trade facilitation and law enforcement in terms of fighting the counterfeiting and smuggling of excisable goods entering the EU. Likewise, the Rapporteur considers that the quality and performance of customs controls on the transit of goods, particularly for shipment and transport operations at ports and borders, is of the first importance as well as the application of homogeneous control techniques among Member States. Furthermore, he supports the inclusion of anti-fraud clauses in trade and investment agreements so as to protect the financial interests of the Union, encompassing tax fraud and tax evasion, trade-based corruption and money laundering.

Finally, the Rapporteur calls for closer customs cooperation, both within the Union and with third countries, in order to more efficiently combating illicit trade at the EU's borders and points out the need for an effective sharing of statistical information related to EU import controls in order to detect gaps in the data required to develop mitigation strategies for dismantling illicit trade networks or new means of smuggling.

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

CONT Timetable:

Event	Body	Date
Deadline for amendments	CONT	17 October
Adoption in CONT	CONT	8 November

7. STUDY ON “TURKEY: HOW THE PRE-ADHESION FUNDS HAVE BEEN SPENT AND THE MONITORING SYSTEM”



Presentation of Policy Department D study

Rapporteur: [Marco Valli](#) (EFDD)

Administrator: Jean-Jacques Gay

This study follows up on the European Court of Auditors Special Report 16/2009 ‘The European Commission’s management of pre-accession assistance to Turkey’. The European Commission has undertaken actions addressing the recommendations of the report but it is unclear how effective these actions have been, or are likely to be, in addressing the underlying concerns expressed in the report. In particular, understanding of the effectiveness and impact of European Union funding to Turkey is still very limited.

The study also considers the basis for EU funding decisions, and how these are informed by past results. In this regard, it considers what objective basis is used by the European Commission to assess the effectiveness of EU funding to Turkey (i.e. how results are defined and evaluated). In addressing these points, the study also considers management and control structures and processes of the European Commission and the Turkish authorities, and transparency in the system.

The study focuses on three areas of EU funding to Turkey: - Pre-accession funding, - European Investment Bank loans to Turkey and Aid for refugees from Syria and Iraq who are located in Turkey

The study is available on the [CONT website](#).

8. CONT MISSION TO TURKEY (2)-4 NOVEMBER 2016



Exchange of views in preparation for the Committee mission

Delegation Chair: [Ingeborg Gräßle](#) (PPE)

Administrator: Michal Czaplicki

The Commission announced in March 2016 that the EU, in close cooperation with Turkey, will speed up the disbursement of the initially allocated 3 billion euros under the Facility for Refugees in Turkey and ensure funding of further projects for persons under temporary protection identified with swift input from Turkey before the end of March. The Commission has promised up to an additional €3 billion to the end of 2018, which would add the EU aid to Turkey up to 6 billion euro.

The Committee decided to monitor the spending of these funds and has decided to organise a mission to Turkey in week 44 (2-4 November). The delegation will consist of 7 Members. The draft program foresees political visits in Ankara (Treasury, Turkish Grand National Assembly and Ministry for EU Affairs) and visits to EU funded projects i.e. Women and Girl Safe Space in Altındağ (precursor to Facility, implemented by UNFPA).

Committee on Budgetary Control

The second part of the draft program foresees a visit to the region of Kahramanmaraş to see the Syrian refugee camps and EU funded projects like the Temporary Education Center for Syrian Children. The third part of the program foresees a visit to the region of Kayseri, where the delegation will see inter alia the Removal Center for asylum seekers, refugees and illegal migrants.

The draft programme of the mission is available on the [CONT website](#).

9. DISCHARGE 2015: GENERAL BUDGET OF THE EU - EUROPEAN COMMISSION



Exchange of views with *Marc Lemaitre*, Director General of DG REGIO on the reservations issued in the 2015 annual activity report by the Commission Directorate General Regional and Urban Policy

Rapporteur: [Joachim Zeller](#) (PPE)

Administrators: Christian Ehlers & Philippe Godts

This point is connected to point 10 below.

WEDNESDAY, 12 OCTOBER 2016

15.00 - 18.00

PUBLIC MEETING

10. DISCHARGE 2015: GENERAL BUDGET OF THE EU - EUROPEAN COMMISSION



Exchange of views on the reservation issued in the 2015 annual activity reports by the Commission Directorates General with the following Directors General:

DG Agriculture and Rural Development, *Jerzy Bogdan Plewa*

DG Migration and Home Affairs, *Matthias Ruete*

DG Maritime Affairs and Fisheries, *Joao Aguiar Machado*

DG Human Resources and Security, *Irene Souka* and Secretary-General of European Schools, *Giancarlo Marcheggiano*

DG International Cooperation and Development, *Stefano Manservigi*

Rapporteur: [Joachim Zeller](#) (PPE)

Administrators: Christian Ehlers & Philippe Godts

Committee on Budgetary Control

In its resolution accompanying the Commission discharge for 2014 the Parliament could not politically ensure that the management and control systems put in place in the Commission and the Member States give the necessary guarantees concerning the legality and regularity of all the underlying transactions.

This situation was also reflected in the reservations adopted by several Directors General of the Commission.

In their annual activity reports for 2015 the Directors General who are Authorising Officers by Delegation identified the main reasons for their reservations and set out remedial actions to address them.

As mentioned in the 2015 Annual Management and Performance Report for the EU budget (COM 2016/279) adopted by the Commission on 5 July 2016, 30 Authorising Officers by Delegation provided unqualified assurance, while 18 declarations were qualified with a total of 33 reservations. There were 21 recurrent and 12 new reservations.

The expenditure affected by quantifiable reservations has decreased by EUR 14 543 million (from EUR 44 392 million in 2014 to EUR 29 849 million). This is mainly due to the decrease in the scope of reservations in external relations as well as a major decrease (of EUR 7 400 million) in the DG AGRI reservation concerning EAGF direct support, plus the preventive measures taken under Cohesion Policy to interrupt/suspend EU payments as soon as deficiencies in Member States delivery systems are identified. The amount at risk for the expenditure under reservation is estimated at EUR 1 324 million.

In follow-up of the 2014 Commission discharge procedure the Rapporteur for the discharge 2015, Joachim Zeller invited the Commission Directors General of DG REGIO, DG AGRI, DG HOME, DG MARE, DG DEVCO, DG HR and the Secretary General of the European schools to exchange views on the ways and reasons for which they have issued reservations in 2015.

The Annual Activity reports 2015 are available on the [CONT website](#). These reports as well as the Management Plans are also available on the [Commission website](#).

11. ECA SPECIAL REPORT 12/2016 (2015 DISCHARGE): AGENCIES USE OF GRANTS: NOT ALWAYS APPROPRIATE OR DEMONSTRABLY EFFECTIVE



Presentation of the Special Report by the member of the European Court of Auditors responsible, Rimantas Šadžius, and consideration of working document

Rapporteur: [Dennis de Jong](#) (GUE/NGL)
Administrator: Hrvoje Svetić

For the 3 years 2013-2015, agencies combined spending on grants amounted to 740 million euros. In order to obtain a horizontal view of the use of grants, the Court of Auditors examined the systems and controls in place in five agencies: European Institute for Innovation and Technology (EIT), European Agency for the Management of the Operational Cooperation at the External Borders of the Member States of the European Union (Frontex), European Environment Agency (EEA), European Food and Safety Authority (EFSA) and European Centre for Disease Prevention and Control (ECDC). Together these five agencies represent approximately 92 % of total grant funding by agencies during this period.

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The Court considered whether it was appropriate to use grants to achieve the policy objectives of the selected agencies, as opposed to other means such as procurement, service level agreements. In addition, the Court looked into the compliance of grant proposals with the applicable rules and if they are monitored effectively, as well as whether the results and effectiveness are measured and evaluated.

The Court concluded that the audited agencies in general awarded and paid grants in compliance with the rules. Most audited agencies have not adequately addressed alternative funding options and consequently grants have not always been the best way to achieve their objectives. There is room for improvement in award procedures, control systems and performance measurement. Some identified weaknesses are particular to a specific agency but most apply to several or all of them.

The Rapporteur welcomes the Court's report, its findings and recommendations. He noted that the agencies generally improved their grant implementation and controls but some weaknesses remain. He furthermore noted that the choice of funding tool and the thematic areas in which the tools is to be launched are strictly regulated in certain agencies' founding regulations or are chosen by the European Commission. In addition, the Rapporteur considered that for each impact and result-oriented objective set in the multi-annual and annual work programmes, the agencies should develop at least one relevant key performance indicator on impact and results.

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.

WEDNESDAY, 12 OCTOBER 2016

18.00 - 18.30

IN CAMERA -TBC

12. COORDINATORS' MEETING



Meeting in Camera

THURSDAY, 13 OCTOBER 2016

09.00 - 12.30

PUBLIC MEETING

13. EUROPEAN COURT OF AUDITORS' ANNUAL REPORT



Presentation of the Annual report concerning financial year 2015, by the President of the Court, *Klaus-Heiner Lehne*

Replies by *Kristalina Georgieva*, EU Commission Vice-President for Budget and Human Resources, including a presentation of the key figures in the final consolidated annual accounts of the European Union for the financial year 2015, in the presence of the Deputy-Director General and Accounting Officer of the European Commission, Manfred Kraff, and the Member of the European Court of Auditors responsible, Lazaros Lazarou.

Rapporteur: Joachim ZELLER (EPP)

It is the responsibility of the Commission's Accounting Officer to prepare the annual accounts of the European Union and ensure that they are reliable and present a true and fair picture of the EU budget. The annual accounts comprise of the financial statements and the reports on implementation of the budget. They are adopted by the Commission and presented to the Court of Auditors for audit and finally to the Council and Parliament for discharge.

Following the audit and finalisation of the annual accounts, Parliament will decide - acting on a recommendation from the Council - whether to grant discharge to the Commission and other EU bodies in respect of the implementation of the EU budget for the preceding financial year.

According to Article 287 of the Treaty, the ECA draws up an annual report at the end of each financial year. This report, including the statement of assurance concerning the reliability of the accounts and the legality and regularity of the underlying transactions, is considered by the Council and the Parliament in the framework of the discharge procedure under Article 319 of the Treaty.

In accordance with Article 162 (4) of the Financial Regulation, the Court of Auditors must submit this annual report, accompanied by the replies of the institutions, to the discharge authorities no later than 15 November. This year the publishing of the ECA annual report and the debate thereon have been advanced by one month.

Following the presentation by the President of the Court, Vice-President Georgieva will briefly present the Commission's response to the Court's findings and also the key figures in the final consolidated annual accounts.

The Court will arrange for the report to be distributed to CONT Members' letter boxes on 12 October 2016 pm. The report will also be available on the [CONT website](#) on 13 October 2016.

All discharge related documents are available on the CONT website: Budgetary Control - 2015 budget discharge.

14. ECA SPECIAL REPORT 14/2016 (2015 DISCHARGE): EU POLICY INITIATIVES AND FINANCIAL SUPPORT FOR ROMA INTEGRATION: SIGNIFICANT PROGRESS MADE OVER THE LAST DECADE, BUT ADDITIONAL EFFORTS NEEDED ON THE GROUND



Presentation of the Special Report by the member of the European Court of Auditors responsible, *Henri Grethen*, and consideration of working document

Rapporteur: [Younous Omarjee](#) (GUE/NGL)
Administrator: Christian Ehlers

The greater part of EU financial support for social inclusion measures, in general, including measures promoting Roma inclusion, is provided through the European Regional Development Fund (ERDF) and the European Social Fund (ESF). The amount channelled specifically to Roma integration initiatives is not recorded. However, Member States' planning documents suggest that around 1.5 billion euros has been earmarked for the socioeconomic integration of marginalised communities such as Roma during the 2014-2020 programme period. Similar indicative figures are not available for 2007-2013.

The Court concluded that in the 2007-2013 programme period, the extent to which Structural Funds contributed to the inclusion of marginalised Roma communities was made difficult to assess by the fact that the objectives were often not explicitly Roma-related and the consequent failure of the selected Member States to record reliable and comparable information specifically on Roma beneficiaries, on the funding made available and on progress made.

The Court also found that in the 2014-2020 programme period, the design and criteria of funding priorities have been improved. Roma integration has been explicitly referred to in the ESIF legislation. Indeed, an investment priority makes reference to it, and Member States with Country Specific Recommendations related to Roma integration are obliged to devote funds to promoting it. Finally, the new results-oriented approach of the ESIF legislation introduces a monitoring framework that should eventually improve the quality of data which can be collected. However, it is too early to make a meaningful assessment of how this has been implemented. Despite the progress which has been made, certain obstacles and dilemmas remain. These make it more difficult for the ESIF to maximise their impact on Roma integration.

In his working document the rapporteur, among other points:

- fully supports the findings of the Court,
- regrets that Member States did not pay greater attention to the question of inclusion and Roma integration during the 2007-2013 financing period,
- asks Member States to identify more clearly groups of disadvantaged persons they wish to assist according to their needs. In this context particular attention should be paid to the Roma population,
- calls on the Commission to ensure, during a revision of operational programmes and in preparation of the revision of the structural fund regulations, that due attention is paid to the SNIR,
- calls on the Commission to supply Parliament with detailed information on the financial assistance available for the Roma population,
- calls in particular on the Commission to provide all relevant statistical data on the Roma population in a harmonised way,
- calls on the Commission to establish a partnership with representatives of marginalised communities.

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

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

15. ECA SPECIAL REPORT 15/2016 (2015 DISCHARGE): DID THE COMMISSION EFFECTIVELY MANAGE THE HUMANITARIAN AID PROVIDED TO POPULATIONS AFFECTED BY CONFLICTS IN THE AFRICAN GREAT LAKES REGION?



Presentation of the Special Report by the member of the European Court of Auditors responsible, Karel Pinxten, and consideration of working document

Rapporteur: [Miroslav Poche](#) (S&D)
Administrator: Olivier Sautière

The African Great Lakes area - Burundi, Democratic Republic of the Congo, Kenya, Rwanda, Tanzania and Uganda - has in recent decades been beset by conflicts, which have resulted in huge population displacements with severe humanitarian consequences. The Commission has funded humanitarian projects in this region since 1994 to tackle the consequences of the conflicts. The amount spent on humanitarian assistance in the African Great Lakes area over the period 2011-2015 was about 300 million euros.

The main audit objective was to examine how the Commission effectively managed its funding for humanitarian aid targeted at populations affected by conflicts in the African Great Lakes region, particularly how the Commission allocated its funding to well-established priorities, the Commission's monitoring of projects and their achievements.

The Court found that the humanitarian aid to populations affected by conflict in the Great Lakes area was, generally, managed effectively by the Commission with well-established priorities for the region i.e. consistent with needs assessment described in the DRC's Annual Humanitarian Action Plan. However, weaknesses were identified related to the cost-efficiency of projects as the budgets provided with the funding requests were not detailed and analysed prior to selection. Likewise, no information was made available on the level of funding that went to partners, particularly for UN agencies sub-contracting activities to implementing bodies.

The Rapporteur welcomes the findings according to which the humanitarian aid was managed effectively especially in a difficult working environment characterized by insecurity and unpredictability and calls the Commission to continue its effort. He considers that a systemic appraisal of the real delivery of humanitarian interventions with an assessment of administrative costs in the region should be performed with the development of possible benchmarks for common and regular costs items.

He also recalls that the reporting from UN and International Organisations should ensure an accurate traceability of funding, provide useful feedback to the Commission services and comparisons with operational aspects of the aid delivery agreed at the beginning of the intervention. While stressing the importance to deliver timely reports to the Commission, he underlines the need to improve the UN's accountability in relation to the use of EU resources and performance in implementing internationally agreed humanitarian and development strategic orientations and goals.

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Finally, the Rapporteur asks the Commission to introduce results assessments at a level of Humanitarian Implementation Plans to enable a benchmarking of those plans and regrets the incomplete results-oriented information, thus preventing the Commission from properly exercising its monitoring function.

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.

16. ANY OTHER BUSINESS

17. NEXT MEETINGS

- 20 October 2016, 9.00 - 12.30 (Brussels)
- 7 November 2016, 15.00 - 18.30 (Brussels)
- 8 November 2016, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)

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