

**MONDAY, 28 NOVEMBER 2016**

15.00 - 18.30

**TUESDAY, 29 NOVEMBER 2016**

09.00 - 12.30 and 15.00 - 18.30

Room: Altiero Spinelli (1G-2)

## 1. AGENDA

The draft agenda was emailed to Members on 22 November 2016 and is in the [file for the meeting](#).

### **Swap between item 5 and item 13:**

Please note that upon the request of Mr Ali, the rapporteur of Item 5, the *Annual Report on the Control of financial activities of EIB for 2015*, this item was moved to Tuesday, 29 November while Item 13, the *Annual report 2015 on the protection of the EU's financial interest - Fight against fraud*, rapporteur: Ms Pitera was taken forward to Monday, 28 November.

## 2. CHAIR'S ANNOUNCEMENTS

The Chairman draws attention to the following points:

### **Languages available**

FR, DE, IT, NL, EN, ES, FI, PL, SL, BG, RO, poss: DA

### **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.

### **CONT Committee annual meeting with the European Court of Auditors**

The 19th annual meeting between CONT Members and the European Court of Auditors (ECA) took place in Luxembourg on 14 November 2016.

The meeting was co-chaired by Ms Inge Gräßle, chair of CONT Committee, and Mr Klaus-Heiner Lehne, President of the Court. Ms Gräßle was accompanied by Ms Ayala Sender (S&D Coordinator), Ms Dlabajova (CONT Vice-Chair), Mr Sarvamaa (EPP Coordinator), Mr Zdechovsky (EPP Deputy Coordinator) and Mr Javor (Greens/EFA) while the Court was represented by the majority of its Members.

Mr Lehne welcomed CONT Members by underlying a long tradition of close cooperation between the Court and CONT as very critical and as a constant priority for the Court. The main topics discussed were the Court's reform, the

## Committee on Budgetary Control

development of new audit products, such as landscape reviews and country-specific information and the Court's audit mandate and recent opinion on the European Fund for Strategic Investments (*EFSI*).

The DAS ("Declaration d'Assurance") restructuring, the Court's strengthen of special reports and the Court's view on performance-based budgeting were also debated.

The Court's is moving from a unit-based to a task based approach organisation as the EU's independent external auditor. In this regard the Court's annual report (AR) is supposed to shift further from compliance and error rates towards more performance audits and results based methodology.

The annual report will provide more for real added value assessments against error rates - over the period 2009 to 2016 they have remained at around 4% - as the major indicator of performance. It is therefore of vital importance that the Court and the Commission methodology be aligned to provide for reliable data.

The Court announced developments on country specific information and that a landscape review on EU energy and climate would be published towards the beginning of 2017. Originating in a Parliament's request, a landscape review on the Commission's implementation of EU legislation will also be presented during 2017.

Landscape reviews consider broad themes on the basis of the Court's research and accumulated experience, in relation to issues directly related to the ECA's remit.

Regarding the Court's EFSI opinion CONT chair and Members pointed out that the Court has to avoid potential conflict of interests.

Furthermore, the Court expressed its dissatisfaction with the cooperation with OLAF, which rarely provides feedback on the reported cases. The Court does not have investigative powers but it reports to OLAF regarding issues of corruption and misuse of funds by organized crime.

Finally, the meeting was closed with the Court expressing its concerns regarding the auditing of performance based budgeting, such as auditing of non-financial information, too many indicators defined by the Commission, and the need for a better link between payments and outputs in the Financial Regulation.

### 3. APPROVAL OF MINUTES

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

- 26 September 2016,

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

MONDAY, 28 NOVEMBER 2016

15.00 - 18.30

PUBLIC MEETING

#### 4. CHAIR'S REPORT TO THE COMMITTEE ON THE RESULT OF THE TRILOGUE ON THE JOINT CONT-LIBE REPORT "FIGHT AGAINST FRAUD TO THE UNION'S FINANCIAL INTERESTS BY MEANS OF CRIMINAL LAW" - 23 NOVEMBER 2016 (ACCORDING TO RULE 73,4 OF THE RoP)



##### PIF directive - Rapport by the Rapporteur

Rapporteur: [Ingeborg Gräßle](#) (EPP)  
Administrator: Tereza Pinto De Rezende  
Procedure: 2012/0193(COD)

The negotiations with the Council were hold up for more than one year due to the Council's reluctance to include VAT fraud in the scope of the Directive.

At the initiative of the Slovak Presidency a trilogue was held on the 23<sup>rd</sup> November to discuss the latest Council proposal on the fight against fraud to the Union's financial interests by means

of criminal law.

In respect of revenue arising from VAT own resources and according to the new Council proposal, the Directive will apply in case of serious offences against the common VAT system, when connected with the territory of two or more Member States, and with a total damage of at least EUR 10 million. The Parliament position with regard to VAT is to have a lower threshold and to make those two elements (number of MS and amount) alternative instead of cumulative. The SK Presidency declared that the proposed threshold is not so unreachable as it seems, and substantiated that declaration by presenting some figures of VAT fraud in a few eastern MS. This issue was red line for several MS and in this regard, the CONT Rapporteur challenged the Presidency to consider the inclusion of a revision clause to integrate MS concerns about efficiency.

A second outstanding issue was the deletion of public procurement fraud from article 4, 1. The Parliament and the Commission consider that this provision should stay in the directive. According to the Presidency, this was a condition for many MS to accept the inclusion of VAT but the Presidency will try to have it somehow accepted. With regard to the sanctions for natural persons in articles 7 and 8 as well as corresponding recitals, the Presidency and the Commission accepted to clarify the binding nature of the text. The prescription periods in article 12 was the last outstanding issue was discussed. The Parliament insisted on having at least 8 years from the date of the final conviction to enforce the conviction for a criminal offence foreseen in the directive. Here again, the Presidency expressed the very strong resistance of many MS in having those thresholds changed. The explicit reference in a recital of the principle *ne bis in idem* was also discussed.

The next trilogue will take place on 30<sup>th</sup> November at 14h00, immediately after the COREPER meeting.

## 5. ANNUAL REPORT ON THE CONTROL OF THE FINANCIAL ACTIVITIES OF THE EIB FOR 2015

### ***Item postponed to 29 November (swapped with Item 13)***

**Presentation by the Vice-President of the European Investment Bank, Andrew McDowell**



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

Mr Andrew McDowell has been invited to this CONT meeting to present the 2015 Annual Report of the EIB and to have an exchange of views with CONT Members.

The exchange of views will enable a thorough discussion on the implementation of EIB activities, prospects and results achieved, at a time when the difficult economic and social circumstances combined with budgetary constraints across EU, give it a growing and major implementing role as a long-standing financing partner of the EU institutions in favour of the EU cohesion.

In this context, the EIB is a driving force to revitalise the EU economy, through

- i. the funding of numerous initiatives dedicated to inter alia youth employment, innovation, SMEs or environment and sustainable growth patterns inside the EU;
- ii. the first year of implementation of the European Fund for Strategic Investments; and
- iii. the contribution to tackle main global challenges such as the migration crisis.

This exchange of views will also launch the drafting process of the report 'EIB Annual Report 2015' for which Mr Ali is the rapporteur.

In accordance with the new agreement concluded with ECON and BUDG in 2016, CONT will draft an annual own-initiative report on 'Control of the financial activities of the EIB focusing on results'. All language versions of the EIB reports are available on the EIB website: <http://www.eib.org/infocentre/publications/all/activity-report-2015.htm> and on the [CONT website](#).

### **CONT Timetable:**

Event	Body	Date
Consideration of draft report	CONT	31 January 2017
Deadline for amendments	CONT	06 February 2017
Adoption in CONT	CONT	27-28 February 2016
Adoption in Plenary	Plenary	APRIL II (tbc)

### 6. DEMOCRATIC ACCOUNTABILITY AND BUDGETARY CONTROL OF NON-GOVERNMENTAL ORGANISATIONS FUNDED BY THE EU BUDGET



#### Presentation of Policy Department D study

Rapporteur: [Markus Pieper](#) (EPP)

Administrators: Beata Grzebieluch (PolDep D) and Tereza Pinto De Rezende (CONT)

CONT committee has requested the study in the context of the own-initiative report on "Budgetary Control of financing NGOs from the EU Budget". The study is to be followed by a workshop scheduled for January 2017. The responsible CONT Member is Mr Markus Pieper.

After reopening of competition under the framework contract for the external expertise, the study was awarded to Blomeyer&Sanz. The study was authored by Mr Roderick Ackermann, Mrs Elsa Perreau, and Mrs Malin Carlberg. It will be presented by Mr Ackermann.

The study focused on transparency, accountability, and control of the non-governmental organisations (NGOs) funded from the EU budget. It concludes that EC systems do not allow accurate analysis of funding allocated to individual NGOs, or to NGOs in general, due to the lack of a common definition of 'NGO', as well as to the weaknesses of the Financial Transparency System (FTS). For instance, it is often not possible to establish how grants are redistributed among partners, in case of common projects. The authors recommend introducing a single, centralised EC system for recording and managing grant funding, based on standard, uniformly applied entity definitions.

Monitoring and controls by the European Commission should also be enhanced, and Commission should proactively review the status of the largest beneficiaries. Compliance with rules in case of grant-funded actions would be facilitated if the related information was presented more clearly, in a consistent manner. There is also room for improvement as concerns visibility of the EU funding, which is not always ensured.

Finally, the study concludes that Transparency Register, despite being the only tool to identify NGOs gravitating around the EU institutions, is not a reliable source of information.

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

#### CONT Timetable for the report linked to this study:

Event	Body	Date
Consideration of draft report	CONT	23-24 January 2017
Deadline for amendments	CONT	1 February 2017
Consideration of amendments	CONT	27-28 February
Adoption in CONT	CONT	27 March 2017
Adoption in Plenary	Plenary	APRIL II or MAY

### 7. THE MANAGEMENT OF EU FUNDS IN THIRD COUNTRIES - ANALYSIS OF THE REPORTING AND KEY PERFORMANCE INDICATORS (KPIs) RESULTS WITH REGARD TO 2015 EXTERNAL ASSISTANCE MANAGEMENT REPORTS (EAMR)



#### Exchange of views with representatives of the European Commission (DG DEVCO, DG NEAR)

Joint item with the Committee on Development (DEVE)

Co-Chairs: [Ingeborg Gräßle](#) (EPP) and [Linda McAvan](#) (S&D)

Administrator: Olivier Sautière

According to the requirement of the article 67.3 of the Financial Regulation, the Heads of Union Delegations, acting as authorising officers by sub-delegation, shall report to their authorising officer by delegation so that the latter can integrate their reports in the annual activity report.

For this purpose, the Heads of Union Delegations prepare and sign External Assistance Management Reports (EAMR) including information (key performance indicators) on the efficiency and effectiveness of internal controls system in place in the Union delegations as well as on the management of operations sub delegated to them, those reports therefore constituting an important instrument for the declaration of assurance to be issued by the Commission and for the performance management of funds and operations carried out by Union delegations.

DG DEVCO and DG NEAR representatives (Luc Bagur, Director of DG DEVCO - Resources and Mark Johnston, Director of DG NEAR - Resources) will make a presentation of the results achieved in their respective fields of intervention for 2015, which will be followed afterwards by an exchange of views with Members.

The presentation of the Commission is available on the [CONT website](#).

**TUESDAY, 29 NOVEMBER 2016**

**9.00 - 12.30**

**PUBLIC MEETING**

## 8. DISCHARGE 2015: EU GENERAL BUDGET - EUROPEAN COMMISSION



**Exchange of views with *Dimitris Avramopoulos*, Member of the European Commission responsible for Migration, Home Affairs and Citizenship, in the presence of the ECA member responsible, *Nikolaos Milionis***

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

Administrators: Philippe Godts and Christian Ehlers

The transactions subject to audit by the European Court of Auditors in part 2 of chapter 8 "Security and citizenship" of its annual report 2015 represent EUR 1.5 Billion excluding

decentralised agencies, or approximately 1% of the EU budget. The section concerning "migration and security" focuses on EUR 0.8 Billion.

Most expenditure for "migration and security" is from two funds: the Asylum Migration and Integration fund (AMIF) and the Internal Security Fund (ISF). In 2014 AMIF and ISF replaced the previous SOLID programmes (Solidarity and Management of Migration Flows). Like the SOLID programme the management of most AMIF and ISF funds is shared between the Member States and the Commission.

The documents of particular relevance for the exchange of views as regards the 2015 Commission discharge are:

- The ECA's 2015 Annual Report, Chapters 1, 2 and 8 part 2;
- The Commission's follow-up report COM (2016) 674 final and SWD (2016) 338 and;
- The respective Annual Activity Report of the Director General.

These documents are available on the [CONT website](#).

In accordance with the timetable for the discharge procedure, the written questions for this meeting were sent to the Commission on 17 November 2016 and emailed to Members on the same day. Questions concern in particular the annual activity report of DG HOME, the refugees' policy in Greece, detailed data in the use of AMIF and the agreement with Turkey.

The answers from the Commission were received on 24 November 2016 and emailed to Members on the same day.

It is proposed that the hearing with the Commissioner Avramopoulos shall proceed as follows:

- Introduction by the Member of the European Court of Auditors, who will present the findings of the respective chapters of the Annual Report 2015;
- Commissioner Avramopoulos will reply to this introduction;



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- CONT Rapporteur will put questions to the Commissioner and the Court;
- Other Members will question the Commissioner and/or the Court;
- Closing remarks by the CONT Rapporteur.

### CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	27-28 February 2017
Deadline for amendments	CONT	6 March 2017
Adoption in CONT	CONT	22 March 2017
Adoption in Plenary	Plenary	APRIL II

## 9. WORK PROGRAMME 2017 OF THE EUROPEAN COURT OF AUDITORS



### Presentation of the Work Programme 2017 by *Klaus-Heiner Lehne*, President of the European Court of Auditors

The ECA President, Klaus-Heiner Lehne, will present the 2017 Work Programme of the Court to CONT Members. An exchange of views will follow.

The document in EN, FR and DE is available on the website of the [European Court of Auditors](#) and on [CONT website](#).

## 10. ECA SPECIAL REPORT N° 16/2016 (2015 DISCHARGE) ON “EU EDUCATION OBJECTIVES: PROGRAMMES ALIGNED BUT SHORTCOMINGS IN PERFORMANCE MEASUREMENT



### Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Iliana Ivanova*, and consideration of a working document

Rapporteur: [Derek Vaughan](#) (S&D)  
Administrator: Tereza Pinto de Rezende

Education policies are exclusive competence of the Member States (MS) but the EU has competencies to support, coordinate or supplement actions by the MS in that area. It does it through the form of non-binding Council's conclusions which lay down the foundations for cooperation between MS in a defined area.

Through the years, the Council has been launching recommendations on education that were considered in the operational programmes of the last programming period 2007-2013 and in the current one 2014-2020. The Court of Auditors assessed whether the 2007-2013 European Social Fund (ESF) Operational Programmes (OPs) adequately addressed the EU education objectives; and in the OPs of both programming periods, whether the modifications made following the adoption of new Council's recommendations were reflected in the OPs and whether it could be demonstrated that the sampled projects contributed to achieving education objectives.

The Court concluded that the education objectives were generally adequately considered in the OPs of both periods. However, there were significant improvements in the use of quantified objectives and performance indicators in the OPs of the current programming period when compared to the 2007-2013 period. Despite those improvements, the Court identified still some weaknesses in the framework of performance monitoring and reporting at OP and project level, and the not always clear link between education measured and their impact on participants' employability. The



Court also concluded that the Commission did not detail in its guidance the exact requirements in terms of result indicators on outcomes to be chosen for each investment priority. Finally, baseline and target values for the three education objectives most closely linked with employment were not set in two thirds of the 2014-2020 OPs examined. The Court recommends to the Commission and to the MS to overcome the identified shortcomings immediately. With regard to the Court's last conclusion, the ECA recommends it to be implemented during the preparation of the next programme period.

The Rapporteur endorsed the Court's recommendations and welcomed the Commission's acceptance, stressing the added value of the focus in performance and results. The result indicators still need to be improved to become fully reliable and should be corrected during the second half of the current programming period. The Rapporteur invites the MS to align their specific national targets to the EU target for better achievement of the education objectives, and highlights the importance of maintaining a sufficient level of EU investment in education, given the strong link between education attainment and employability.

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

CULT and EMPL committees were invited to participate in the exchange of views.

The ECA special report and the Rapporteurs' working document (EN) are available on the [CONT website](#).

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

## 11. ECA SPECIAL REPORT N° 19/2016 (2015 DISCHARGE) ON "IMPLEMENTING THE EU BUDGET THROUGH FINANCIAL INSTRUMENTS - LESSONS TO BE LEARNT FROM THE 2007-2013 PROGRAMME PERIOD



### Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Iliana Ivanova*, and consideration of a working document

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

Administrator: Mauro de Oliveira

Financial instruments are a delivery tool to provide financial support from the EU budget. Financial support provided to final recipients through financial instruments may take the form of loans, guarantees and equity investments. If properly implemented, financial instruments provide two specific benefits compared to grants:

- the possibility of leveraging the public funds (i.e. mobilising additional private and public funds to complement the initial public funding); and
- the revolving nature of their capital endowment (i.e. the use of the same funds in several cycles).

During the 2007-2013 programme period financial instruments were used by 25 out of 28 EU Member States. By the end of 2014, around 15.2 billion euro have been paid as ERDF OPs contributions and 0.8 billion euro through ESF OPs contributions.

The Court examined whether financial instruments were an efficient mechanism to implement the EU budget during the 2007-2013 programme period.

The Rapporteur, Marco Valli, welcomes the findings of the Court of Auditors and underlines inter alia the following:

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- That the overall view of the financial instruments could not describe a successful action to improve the investments in EU;
- Notes that the Commission, in primis, and Member States have assumed higher risks and regrets that there was no significant private-sector contribution to them;
- Stresses the high levels of management costs and fees compared to the actual financial support to final recipients;
- Is concerned that tax rulings were used in some cases to make financial instruments more attractive for private-sector investors;
- Regrets that the legal basis in the previous period made it possible for Member States to freeze part of the contribution in the accounts of the banks and financial intermediaries managing the funds, without being actually used for its intended purposes;
- Request the Commission to provide a definition for the leverage of financial instruments applicable across all areas of the EU budget, which clearly distinguishes between the leverage of private and national public contributions under the OP and/or of additional private or public capital contributions, and takes into account the type of instrument involved;
- Is of the opinion that before taking a decision for financial engineering measures of relevant infrastructural projects, the Managing Authorities should make sure that their proposal is duly justified by an independent ex-ante evaluation of high quality, based on a standardized and commonly agreed methodology;

The ECA special report and the Rapporteur's working document are available on the [CONT website](#).

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

**TUESDAY, 29 NOVEMBER 2016**

**15.00 - 18.00**

**PUBLIC MEETING**

## 12. DISCHARGE 2015: EU GENERAL BUDGET - EUROPEAN COMMISSION



**Exchange of views with *Phil Hogan*, Member of the European Commission responsible for Agriculture and Rural Development, in the presence of the ECA member responsible, *Nikolaos Milionis***

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

Administrators: Philippe Godts and Christian Ehlers

The transactions subject to audit by the ECA in chapter 7 "Natural resources" of its annual report 2014 represent EUR 58, 5 Billion:

- European Agricultural Guarantee Fund (EAGF): market related expenditure and direct payments: EUR 44.9 Billion;
- European Agricultural Fund for Rural Development (EAFRD): EUR 11.8 Billion;
- European Maritime and Fisheries Fund (EMFF) and others EUR 0.8. Billion.

The European Court of Auditors estimate the level of error for "Natural resources" as a whole to be 2.9% (market and direct support: 2.2%, rural development: 5.3 %).

The documents of particular relevance for the exchange of views as regards the 2014 Commission discharge are:

## Committee on Budgetary Control

- The ECA's 2015 Annual Report, Chapters 1, 2 and 7.
- The Commission's follow-up report COM (2016) 674 final and SWD (2016) 338 and
- The respective Annual Activity Report of the Director General.

These documents are available on the [CONT website](#).

In accordance with the timetable for the discharge procedure, the written questions for this meeting were sent to the Commission on 17 November 2016 and emailed to Members on the same day. Questions concern in particular the annual activity report of the Director General, the reliability of the data communicated by the Member States, simplification of the CAP, Landfill Parcel Identification System, fair CAP, follow-up of the last discharge resolution and the Agrofert case. The answers from the Commission were received on 24 November 2016 and emailed to Members on the same day.

It is proposed that the hearing with the Commissioner Hogan shall proceed as follows:

- Introduction by the Members of the European Court of Auditors, who will present the findings of the respective chapters of the Annual Report 2015;
- Commissioner Hogan will reply to this introduction;
- CONT Rapporteur will put questions to the Commissioner and the Court;
- Other Members will question the Commissioner and/or the Court;
- Closing remarks by the CONT Rapporteur.

### CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	27-28 February 2017
Deadline for amendments	CONT	6 March 2017
Adoption in CONT	CONT	22 March 2017
Adoption in Plenary	Plenary	APRIL II

## 13. ANNUAL REPORT 2015 ON THE PROTECTION OF THE EU'S FINANCIAL INTERESTS - FIGHT AGAINST FRAUD

### *Item taken forward to 28 November (swapped with Item 5)*



#### First exchange of views

Rapporteur: [Julia Pitera](#) (EPP)  
Administrator: Michał Czaplicki

As in previous years, the Committee on Budgetary Control decided to draw up a report on the Protection of the Union's financial interests. In the framework of the preparation of the draft report, OLAF has presented its annual report on 13 June 2016. On 7 November Vice-President Georgieva presented the annual report of the Commission. In her presentation she underlined the antifraud measures conducted by the Commission in 2015: the progress in preparation of the EPPO and PIF directives, the harmonisation of regulations for irregularity spotting, amendment of the regulation 515/97 on customs and implementation of CAFS and Hercule III. She underlined the importance of the recommendations the Commission has given to the Member States.

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As during the last meeting there was not enough time for profound discussion between the Members, this exchange of views aims at streamlining the main opinions and discussing the main problems highlighted in the PIF report. These will then be included by the Rapporteur in her report which will be presented at the CONT meeting of 9 January 2017.

The Commission's Annual Report 2015 on the Protection of the EU's Financial Interests - Fight against fraud is available on the [CONT website](#).

### CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	09 January 2017
Deadline for amendments	CONT	31 January 2017
Adoption in CONT	CONT	27 March 2017

## 14. ECA SPECIAL REPORT N° 22/2016 (2015 DISCHARGE) ON "EU NUCLEAR DECOMMISSIONING ASSISTANCE PROGRAMMES IN LITHUANIA, BULGARIA AND SLOVAKIA: SOME PROGRESS MADE SINCE 2011 BUT CRITICAL CHALLENGES AHEAD



### Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Phil Wynn Owen*, and consideration of a working document

Rapporteur: [Marian-Jean Marinescu](#) (EPP)  
Administrator: Christian Ehlers

In 2011, the European Court of Auditors (ECA) presented its first special report on the decommissioning of the old nuclear power plants in Bulgaria (Kozloduy), Lithuania (Ignalina) and Slovakia (Bohunice). In Bulgaria and Slovakia, the power plants are based on water-water energetic reactors, whereas in Lithuania a Chernobyl type graphite-moderated (RBMK-1500) reactor was used. When Lithuania, Bulgaria and Slovakia were candidate countries to join the European Union (EU), the closure and subsequent decommissioning of eight Soviet designed, first generation nuclear reactors at three nuclear power plant sites was made a condition for their accession.

By 2020, EU support will have totalled EUR 3,8 billion, with Lithuania receiving the biggest share, followed by Bulgaria and then Slovakia. In its impact assessment prepared for the 2014-2020 financial period, the Commission stated that it did 'not foresee any further extension of financial EU support' beyond 2020.

For a number of reasons the decommissioning process encountered delays and will most likely not be completed before 2030, in particular when taking into consideration that so far no solution has been found for storing high-level radioactive waste in deep geological depository.

In this context the rapporteur:

- is shocked by the Court's findings that Commission's assessment of the respective financing plans and detailed decommissioning plans for the 2014-2020 financing period, i.e. of the second and third ex-ante conditionalities respectively [2], was inadequate; asks who shoulders the financial responsibility for this failure in the Commission; in this context, wants to be informed about the completed action plan which remedied the discovered weaknesses.
- recalls that, in Lithuania, one of the main reasons for delays was that technical and commercial disputes between national authorities and external contractors remained unsolved for years; to avoid such a problem interfering with

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the decommissioning process dedicated project management teams should be designated; asks the Commission if such project management teams are in place in all three Member States concerned;

- reminds the Commission that the Slovakian Supreme Audit Office had scheduled an audit in JAVYS<sup>[1]</sup> for 2015; asks to be informed about the findings of this audit; in this context, calls on the competent Bulgarian and Lithuanian authorities to audit also the decommissioning processes in Ignalina and Kosloduy;
- is worried about delays in works on facilities for the storage of low and intermediate-level radioactive waste; calls on the Commission to update Parliament's competent committee on progress made before the 2015 Commission discharge vote in parliament;
- considers that the costs of decommissioning should not include the costs for high-level waste and spent fuel disposal, which falls in the responsibility of Member States and should be covered by national funds and calls on the Commission to present, together with the three Member States concerned, a report regarding the actual status of the management of the spent fuel and radioactive waste generated by the decommissioning of the three nuclear power plants;
- insists that dedicated funding programmes for nuclear decommissioning in Lithuania, Bulgaria and Slovakia should be discontinued after 2020;
- calls on the Commission to evaluate the decommissioning process in Lithuania, Bulgaria and Slovakia, including the cost-effective use of EU financial assistance, during the financial period 2007-2013;
- calls on the European Bank for Reconstruction and Development (EBRD) to audit the functioning of the Decommissioning Support Funds between 2007 and 2013;

The ECA special report and the Rapporteurs' working document are available on the [CONT website](#).

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

## 15. CONT DELEGATION TO ITALY (16-20 JULY 2016)



### Exchange of views on the delegation report

Rapporteur: [Martina Dlabajová](#) (ALDE)

Administrator: Hrvoje Svetić

Youth unemployment was aggravated by the financial and debt crisis and continues to be a problem in the Member States. The unemployment rate in the EU went from more than 15% in 2008 to 20% in 2015. The Youth Guarantee programme was created to support young people in finding a job and to implement structural reform to improve school-to-work transitions, in particular for young people which are neither in employment nor in any education or training (NEET). The Youth Guarantee scheme is financed through the Youth Employment Initiative (YEI), the European Social Fund (ESF) and from national budgets.

In Italy, labour market is characterised by a low level of participation of young people. The number of NEETs significantly increased in the last years, and a high number of young people in it has only a lower secondary level of education. In

<sup>[1]</sup> Jadrové vyrad'ovacia spoločnosť (JAVYS): The owner of the nuclear power plant and responsible for the decommissioning of the Bohunice nuclear power plant

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particular, Sicily and Calabria regions have one of the highest rates of youth unemployment in Italy, which is why the CONT Committee decided to visit different projects in both regions. The visited projects were principally related to internships, civil service, education and training and inclusion of young people into the world of work.

After the mission the delegation is presenting a mission report to be considered by the Committee. It includes an analysis of the general situation in Italy on a national and regional level, as well as a detailed description of the issues encountered during the meetings with national, regional and local authorities. In addition, the report includes the recommendations of the delegation to improve the situation related to the youth unemployment and the implementation of the Youth Guarantee programme.

CONT Members will have an exchange of views on the mission report and its recommendations. The mission report is available on the [CONT website](#).

## 16. ANY OTHER BUSINESS

## 17. NEXT MEETINGS

- 5 December 2016, 15.00 - 18.30 (Brussels)
- 8 December 2016, 14.00 - 17.30 (Brussels)

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### PAPERLESS PROGRAMME (INTERNAL USERS ONLY)

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### FOR FURTHER INFORMATION

Contact the [CONT Secretariat](#) or visit the [website](#) of the CONT committee