

MONDAY, 19 FEBRUARY 2018

15.00 - 18.30

TUESDAY, 20 FEBRUARY 2018

09.00 - 12.30 and 15.00 - 18.30

Room: Altiero Spinelli (3G-3)

1. ADOPTION OF THE AGENDA

The draft agenda was e-mailed to Members on 7 February 2018 and is in the [file for the meeting](#).

2. CHAIR'S ANNOUNCEMENTS

The Chair draws attention to the following points:

Languages available

FR, DE, IT, NL, EN, EL, ES, FI, CS, ET, HU, LT, PL, SL, BG, and 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.

MONDAY, 19 FEBRUARY 2018

15.00 - 18.30

PUBLIC MEETING

3. 2016 DISCHARGE: EU GENERAL BUDGET - 8TH, 9TH, 10TH AND 11TH EDFs

CONT/8/10769



Consideration of draft Report

Rapporteur: [Barbara Kappel](#) (ENF)
Administrator: Olivier Sautière

Shadow Rapporteurs: Tomáš Zdechovský (EPP), Iris Hoffmann (S&D), Ryszard Czarnecki (ECR), Gerben-Jan Gerbrandy (ALDE), Younous Omarjee (GUE/NGL), Indrek Tarand (Greens/EFA), Marco Valli (EFDD)

In the course of the preparation of the European Development Fund (EDF) discharge report for 2016, the Committee submitted written questions to the Member of the European Commission responsible for International Cooperation and Development, Mr Neven Mimica, and to the Director General and Deputy Head of Operations of the European Investment Bank (EIB) for Operations outside the EU, Mr Luca Lazzaroli, on 02 October 2017.

On 12 October 2017, CONT Members held an exchange of views with Commissioner Neven Mimica on the findings concerning the EDF chapter of the Court of Auditors (ECA) 2016 Annual Report, in the presence of Mr Ville ITÄLÄ Member of the European Court of Auditors. On this occasion, CONT Members also held an exchange of views with Mr Luca Lazzaroli who had been invited to present the main achievements of the African Caribbean and Pacific (ACP) investment facility for 2016.

The Rapporteur emphasises the following issues: (i) the challenging issue of increasing the efficiency and effectiveness of the development policy and EDFs, (ii) the need of consistency between various EU policies such as Climate change, Migration, (iii) the efficiency of the controls strategy and implementation of Union trust funds and budget support activities.

Separate chapters are also dedicated to the need of increased cooperation with international organisations particularly when blended finance is at stake, the new global development priorities and the new partnership ACP.

The English draft report was sent to Members on 02 February 2018.

All language versions of the draft report and the reference documents can be consulted on the [CONT website](#).

CONT Timetable:

Event	Body	Date
Consideration of the draft report	CONT	19 February 2018
Deadline for amendments	CONT	1 March 2018
Adoption in CONT	CONT	19 March 2018
Adoption in Plenary	Plenary	April 2018

2016 DISCHARGE: AGENCIES (ITEMS 4 TO 36)

4. **REPORT ON DISCHARGE IN RESPECT OF THE IMPLEMENTATION OF THE BUDGET OF THE EUROPEAN UNION AGENCIES FOR THE FINANCIAL YEAR 2016: PERFORMANCE, FINANCIAL MANAGEMENT AND CONTROL** CONT/8/10841
5. **ACER** **AGENCY FOR THE COOPERATION OF ENERGY REGULATORS** CONT/8/10830
6. **BEREC** **OFFICE OF THE BODY OF EUROPEAN REGULATORS FOR ELECTRONIC COMMUNICATIONS** CONT/8/10832
7. **CDT** **TRANSLATION CENTRE FOR THE BODIES OF THE EUROPEAN UNION** CONT/8/10786
8. **CEDEFOP** **EUROPEAN CENTRE FOR THE DEVELOPMENT OF VOCATIONAL TRAINING** CONT/8/10772
9. **CEPOL** **EUROPEAN UNION AGENCY FOR LAW ENFORCEMENT TRAINING (BEFORE 1 JULY 2016: EUROPEAN POLICE COLLEGE)** CONT/8/10806
10. **EASA** **EUROPEAN AVIATION SAFETY AGENCY** CONT/8/10796
11. **EASO** **EUROPEAN ASYLUM SUPPORT OFFICE** CONT/8/10837
12. **EBA** **EUROPEAN BANKING AUTHORITY** CONT/8/10823
13. **ECDC** **EUROPEAN CENTRE FOR DISEASE PREVENTION AND CONTROL** CONT/8/10800
14. **ECHA** **EUROPEAN CHEMICALS AGENCY** CONT/8/10815
15. **EEA** **EUROPEAN ENVIRONMENT AGENCY** CONT/8/10782
16. **EFCA** **EUROPEAN FISHERIES CONTROL AGENCY** CONT/8/10813
17. **EFSA** **EUROPEAN FOOD SAFETY AUTHORITY** CONT/8/10798
18. **EIGE** **EUROPEAN INSTITUTE FOR GENDER EQUALITY** CONT/8/10821
19. **EIOPA** **EUROPEAN INSURANCE AND OCCUPATIONAL PENSIONS AUTHORITY** CONT/8/10825
20. **EIT** **EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY** CONT/8/10835
21. **EMA** **EUROPEAN MEDICINES AGENCY** CONT/8/10788
22. **EMCDDA** **EUROPEAN MONITORING CENTRE FOR DRUGS AND DRUG ADDICTION** CONT/8/10799
23. **EMSA** **EUROPEAN MARITIME SAFETY AGENCY** CONT/8/10794
24. **ENISA** **EUROPEAN UNION AGENCY FOR NETWORK AND INFORMATION SECURITY** CONT/8/10802
25. **ERA** **EUROPEAN RAILWAY AGENCY (NOW EUROPEAN UNION AGENCY FOR RAILWAYS)** CONT/8/10804
26. **ESA** **EURATOM SUPPLY AGENCY** CONT/8/10817
27. **ESMA** **EUROPEAN SECURITIES AND MARKETS AUTHORITY** CONT/8/10828
28. **ETF** **EUROPEAN TRAINING FOUNDATION** CONT/8/10792

29. EU-LISA	EUROPEAN AGENCY FOR THE OPERATIONAL MANAGEMENT OF LARGE-SCALE IT SYSTEMS IN THE AREA OF FREEDOM, SECURITY AND JUSTICE CONT/8/10839
30. EU-OSHA	EUROPEAN AGENCY FOR SAFETY AND HEALTH AT WORK CONT/8/10784
31. EUROFOUND	EUROPEAN FOUNDATION FOR THE IMPROVEMENT OF LIVING AND WORKING CONDITIONS CONT/8/10775
32. EUROJUST	THE EUROPEAN UNION'S JUDICIAL COOPERATION UNIT CONT/8/10790
33. EUROPOL	EUROPEAN POLICE OFFICE CONT/8/10819
34. FRA	EUROPEAN UNION AGENCY FOR FUNDAMENTAL RIGHTS CONT/8/10777
35. FRONTEX	EUROPEAN BORDER AND COAST GUARD AGENCY (FRONTEX) CONT/8/10808
36. GSA	EUROPEAN GNSS AGENCY (GSA) CONT/8/10811



Consideration of draft reports

Rapporteurs: [Bart Staes](#) (Greens/EFA) & [Indrek Tarand](#) for EFSA (Greens/EFA)

Administrator: Cécile Bourgault

Shadow Rapporteurs: Petri Sarvamaa (EPP), Bogusław Liberadzki (S&D), Monica Macovei, Rafaelle Fitto, Notis Marias (ECR), Nedzhmi Ali (ALDE), Dennis de Jong (GUE/GNL), Marco Valli (EFDD), Barbara Kappel (ENF)

The number of decentralised agencies being subject to discharge for the financial year 2016 is 32, the same as in the previous year. In addition to the draft reports on the decentralised agencies, the Rapporteur, Mr Bart Staes will present the draft report containing horizontal observations on the agencies. The draft reports are based on the European Court of Auditors' Annual Reports on the agencies, and the following documents containing information on the agencies' financial management for the 2016 financial year:

- Reports on the follow-up of the previous year's discharge resolutions;
- Reports on 2016 budgetary and financial management;
- 2016 annual activity reports;
- Agencies' answers to the written questions by the CONT Committee (sent to CONT Members on 11 January 2018); and
- Oral replies provided in the course of the CONT hearing of 22 January 2018.

Out of the 32 decentralised agencies subject to the discharge procedure, the European Court of Auditors issued a clean opinion on the reliability of the accounts for all agencies meaning that the final accounts present fairly, in all material respects, their financial position at year-end.

The European Court of Auditors issued a clean opinion on the legality and regularity of the transactions underlying the accounts for all agencies, except for one agency, the European Asylum Support Office (EASO).

The main issues identified regarding EASO were related to two public procurement procedures where compliance with public procurement principles was inadequate.

The rapporteur notes that OLAF has opened an investigation on the Office's operations.

Based on those two grounds, the Rapporteur suggests to postpone the 2016 discharge on EASO.

The draft reports for other agencies focus, inter alia, on issues related to the reliability of accounts, the legality and regularity of transactions, internal controls, budget implementation, procurement, staff policy, prevention and management of conflicts of interest and transparency.

The draft reports, the Court of Auditors' reports and other relevant information (including annual reports, final accounts etc.) can be found on the [CONT website](#).

The draft reports in English were emailed to CONT Members on 1 February 2018. All language versions of the draft reports will be available on the [CONT website](#).

CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	19 February
Deadline for amendments	CONT	1 March
Adoption in CONT	CONT	20 March
Adoption in Plenary	Plenary	April

37. INTERINSTITUTIONAL WORKING GROUP ON AGENCIES

CONT/8/12200

Report back



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

Administrators: Cécile Bourgault and Hrvoje Svetic

When adopting the EU budget for 2014, Parliament, Council and Commission agreed on the setting up of an Interinstitutional Working Group on decentralised agencies (IIWG). At its meeting of 12 December 2014 the Conference of Presidents endorsed the nomination of five Members of the European Parliament as representatives to this Working Group for this legislative term. The Working Group looked at ways to define a clear development path for agencies, based on objective criteria, to progressively reduce the staffing levels of decentralised agencies by 5% over five years, as agreed in the Interinstitutional Agreement on budgetary discipline, on cooperation in budgetary matters and on sound financial management of 2 December 2013. In addition, the Working Group examined possible ways of achieving synergies and efficiency gains leading to the requested global result in terms of overall staff reductions.

The Terms of Reference of 1 April 2014 provide that *"The Working Group will formulate recommendations, which the European Parliament and the Council as the two arms of the budgetary and legislative authority, and the Commission in its proposals, may take into account as appropriate in their deliberations, without prejudice to their respective prerogatives. [...]".*

Following this mandate, on 10 October 2017, the IIWG agreed on six recommendations, which are the result of three years of work and difficult negotiations, especially as regards monitoring the 5% staff reduction in the context of the EU response to the security and migration crisis.

The Working Group proposed to the two arms of the budgetary authority to authorise adequate agency resources allocations in the remaining years of the 2014-2020 MFF, while efforts to achieve efficiency gains should be pursued across the board. In the case of substantive modifications to the agencies' existing tasks and responsibilities, or in the case of additional tasks trusted upon the agencies, the Working Group recommended for additional resources allocations to be proposed and authorised. Regular evaluations of all EU decentralised agencies should be done in principle every 5 years. These evaluations should propose potential structural measures such as mergers, closures or transfers of tasks aiming at achieving synergies and efficiency gains in EU decentralised agencies using clear and transparent criteria. Moreover, the Agencies should continue exploring the potential of sharing of services, either among agencies or between the Commission and agencies with the aim of creating new synergies and optimising existing ones. The Commission should carry out an evaluation of multiple locations of agencies (double seats, existence of technical sites in addition to the seat, local offices and secondment of staff outside headquarters) particular with a view to assessing their benefit, also in light of the costs incurred. For the fee-financed agencies, the Commission should assess the experience gained with the pilot case carried out in EASA, in order to identify workload, efficiency and quality indicators for the other fee-financed agencies and/or propose a further pilot case applied to another fee financed agency.

At its meeting on 18 January 2018, the Conference of Presidents endorsed the recommendations, in principle, and invited Parliament's delegation to the IIWG to report back on the follow-up meeting of the IIWG on assessing the 5% staff reduction target, foreseen for mid-2018.

2016 DISCHARGE: JOINT UNDERTAKINGS (ITEMS 38 TO 45)

- | | |
|------------------------|---|
| 38. BBI | BIO-BASED INDUSTRIES CONT/8/10870 |
| 39. CLEAN SKY 2 | AERONAUTICS AND ENVIRONMENT CONT/8/10866 |
| 40. ECSEL | ELECTRIC COMPONENTS & SYSTEMS FOR EUROPEAN LEADERSHIP CONT/8/10881 |
| 41. FCH | FUEL CELLS AND HYDROGEN CONT/8/10876 |
| 42. IMI | INNOVATIVE MEDICINES INITIATIVE CONT/8/10873 |
| 43. ITER | ITER AND THE DEVELOPMENT OF FUSION ENERGY CONT/8/10861 |
| 44. SESAR | SAFETY OF AIR NAVIGATION CONT/8/10863 |
| 45. SHIFT2RAIL | INNOVATIVE RAIL PRODUCT SOLUTIONS CONT/8/10878 |

Consideration of draft reports



Rapporteur: [Brian Hayes](#) (EPP)
Administrator: Michal Czaplicki

Shadow Rapporteurs: Miroslav Poche (S&D), Ryszard Czarnecki (ECR), Martina Dlabajová (ALDE), Younous Omarjee (GUE/NGL), Indrek Tarand (Greens/EFA), Marco Valli (EFDD), Barbara Kappel (ENF)

The rapporteur, Mr Hayes will present the draft reports which focus mostly on the issues identified during the financial year 2016. The reports look at issues and efforts made by the JUs regarding monitoring, reporting and internal control systems.

Committee on Budgetary Control

In the BBI discharge report the rapporteur regrets the low level of in-kind contributions which stems from the fact that most Joint Undertaking's projects were only in their preliminary stages in 2016 and calls on the Joint Undertaking to inform the discharge authority on the development of those projects and of in-kind contributions and payments made.

In the Clean Sky discharge report the rapporteur welcomes the fact that within the Clean Sky programme the Joint Undertaking has achieved significant progress and results with the delivery in 2016 of a total of 13 significant demonstrators (ground and flight tested).

ECSEL JU, as in previous years, has obtained a qualified opinion of the Court of Auditors. Anticipating the needs of CONT the JU has collected and submitted to the discharge authority 'declarations of assurance' of NFAs (National Funding Authorities) on the 2016 expenditure which cover 98 % of the participation fees for the 2016 Seventh Framework Programme expenditure.

The rapporteur welcomes that the FCH2 JU has set up ex-ante control procedures based on financial and operational desk reviews, and performs ex-post audits of grant cost claims under the Seventh Framework Programme. He also welcomes the fact that the residual error rate for the ex-post audits reported in the FCH2's 2016 annual activity report was 1,24 %.

Mr Hayes is concerned by the fact that payment appropriations of IMI JU were for the third consecutive year below 75%: in 2016 they were at 69,6 %, which is a further decrease of 3,08 % compared to 2015. He urges the JU to improve its budget implementation planning in order to avoid delays in concluding grant agreements for calls under Horizon 2020 and invites it to present updated information to the discharge authority and to improve the payment appropriations for the procedure next year.

In his F4E JU / ITER report, Mr Hayes highlights that in addition to the construction phase, the Joint Undertaking will have to contribute to the ITER operational phase after 2035 and to the subsequent ITER deactivation and decommissioning phases. He considers it worrisome that those contributions are not yet estimated and calls on the Joint Undertaking to estimate the cost of such phases as soon as possible.

In the SESAR JU discharge report Mr Hayes expresses concern that the Joint Undertaking has not yet introduced specific guidance for the members and their external auditors concerning the declaration and certification of members' in-kind contributions to SESAR 2020 projects.

The Shift2Rail JU is undergoing through the discharge procedure for the first time. The rapporteur praises the good work the JU has done but also emphasises minor problems like the fact that in its procedures for the procurement of services, the Joint Undertaking unwisely set a maximum contract budget, which might not ensure the cost-effectiveness of its multi-annual service contracts.

For all of the JU discharge reports Mr Hayes recognises the need to communicate with Union citizens through the institutions of the Union the importance of its research and collaboration and stresses the importance of highlighting the real improvements made as a consequence of their work.

The Court of Auditors' reports and other relevant information (including annual reports, final accounts etc.) can be found on the [CONT website](#).

The draft reports in English have been sent by email to CONT Members on 2 February. All language versions are available on the [CONT website](#).

Committee on Budgetary Control

CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	19 February
Deadline for amendments	CONT	1 March
Adoption in CONT	CONT	20 March
Adoption in Plenary	Plenary	April

TUESDAY, 20 FEBRUARY 2018

09.00 - 11.15

PUBLIC MEETING

46. 2016 DISCHARGE: GENERAL BUDGET OF THE EU - EUROPEAN COMMISSION CONT/8/10601

47. 2016 DISCHARGE: SPECIAL REPORTS OF THE EUROPEAN COURT OF AUDITORS CONT/8/10883



**Consideration of draft reports in the presence of *Günther Oettinger*,
Commissioner responsible for Budget and Human Resources**

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

Administrators: Christian Ehlers and Philippe Godts

Shadow Rapporteurs: Inés Ayala Sender (S&D), Ryszard Czarnecki (ECR), Martina Dlabajova (ALDE), Luke Ming Flanagan (GUE/NGL), Indrek Tarand (Greens/EFA), Marco Valli (EFDD), Jean-François Jalkh (ENF)

In his draft report Joachim Zeller calls on, in particular, the Commission and the Member States to align policy objectives, financial cycles, the legislative period of the Parliament and the mandate of the Commission and to provide the Parliament with a mid-term evaluation of the current and an evaluation of the past financial periods, including a spending review.

He insists that the Union budget, as a consequence of the "budget focused on results initiative", be presented according to the political objectives of the MFF. He calls on the Commission to commit itself to fundamentally reviewing the young farmers' and greening schemes in light of the findings of the Court of Auditors before the next financing period and to speed up the delivery of cohesion policy programmes and related payments with a view to reducing the length of the implementation period, initially, to year n+2.

He stresses that the Commission should improve the transparency of migration policy financing as recommended by the Court and calls on the Commission to arrange a reduction in the fees charged by the European Investment Bank for creating and administering financial instruments.

Committee on Budgetary Control

The rapporteur calls on the Commission to speed up the preparation of the Union accounts, to ensure that information from Member States on shared management spending is obtained in a more timely manner and to present the management's view on Union spending earlier and together with the accounts, with the view to adopting a discharge decision in year n+1.

The English version of the 2016 Commission draft discharge reports were sent to Members on 2 February 2018.

Other language versions are available on the [CONT website](#).

CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	20 February 2018
Deadline for amendments	CONT	1 March 2018
Adoption in CONT	CONT	19 March 2018
Adoption in Plenary	Plenary	April 2018

48. PARTIAL RENEWAL OF MEMBERS OF THE COURT OF AUDITORS

CONT/8/12053



Hearing of candidates

Rapporteur: [Indrek Tarand](#) (Greens/EFA)

Administrator: Olivier Sautière

Shadow Rapporteur: Inés Ayala Sender (S&D), Martina Dlabajová (ALDE), Luke Ming Flanagan (GUE/NGL)

The Chair reminds the Members to bring their electronic voting card, as there will be an electronic vote at the end of this session.

10:30 - 11:15

Hearing of Annemie Turtelboom

Candidate nominated by Belgium (new mandate)

Background

The Members of the European Court of Auditors shall be appointed for a term of six years. In accordance with Article 286(2) of the TFEU the Council, after consulting the European Parliament, shall adopt the list of Members drawn up in accordance with the proposals made by each Member State.

The following candidate has been proposed by the Member State:

- **Annemie Turtelboom**, candidate nominated by Belgium

Committee on Budgetary Control

Appointments to the ECA are submitted to Parliament's plenary on the basis of a report from CONT, which takes into account the primary law requirement of Article 286(1) of the TFEU: "*the Members of the Court of Auditors shall be chosen from among persons who belong or have belonged in their respective States to external audit bodies or who are especially qualified for this office. Their independence must be beyond doubt.*", as well as other considerations.

A. Procedure

According to Rule 121 (1) of Parliament's Rules of Procedure, "candidates nominated as Members of the Court of Auditors shall be invited to make a statement before the committee responsible and answer questions put by members. The committee shall vote on each nomination separately by secret ballot."

I. Questionnaires and statements

In preparation for the hearing, the **candidate** has been asked to answer the **questionnaire** prepared by CONT.

II. The hearing

The hearing will take place according to the timetable set out in the draft agenda. The candidate will be invited to make an opening statement (5 minutes) and the remainder of his hearing will be devoted to replies to questions from Members, 40 minutes.

III. Evaluation, votes and adoption of draft report

Once the hearing has been completed, the committee will hold an evaluation of the candidate and then proceed to vote on the appointment of the candidate in question. Evaluation, votes and adoption of draft report **will be in camera**.

According to Rule 121, the committee shall vote by secret ballot. The vote may be carried out by means of the electronic voting system in accordance with Rule 181.1er. Members should indicate for each candidate whether they give a favourable opinion, a negative opinion or abstain.

B. The report

The format of opinions on candidates for membership of the Court of Auditors is defined as follows¹:

- a) each recommendation on each nomination shall be submitted in the form of a report, to be adopted on the basis of a majority of the votes cast, with the report merely indicating the nomination;
- b) the report shall consist of:
 - i. citations summarising the circumstances of the referral to Parliament;
 - ii. recitals outlining the procedure to the competent committee;
 - iii. operative text which may only consist of a favourable opinion or an unfavourable opinion;
- c) citations and recitals shall not be put to the vote;"

These strict rules on procedures, before the Committee on Budgetary Control and in plenary sitting, adopted by Parliament **do not allow any amendments** to be tabled to the draft report.

The draft report will be finalised, according to the outcome of the evaluation and the vote in committee. The candidate's curriculum vitæ and the answers to CONT questionnaire or summary shall be annexed to the report.

The report for plenary will state that Parliament delivers either a favourable or a negative opinion on the appointment of the candidate.

¹ Parliament's resolution of 4 February 2014

Committee on Budgetary Control

The draft report was circulated to Members on 1 February and is available on the [CONT website](#).

CONT Timetable:

Event	Body	Date
Adoption in Plenary	Plenary	FEBRUARY II

TUESDAY, 20 FEBRUARY 2018

11.15 - 11.30

IN CAMERA

49. PARTIAL RENEWAL OF MEMBERS OF THE COURT OF AUDITORS

CONT/8/12053

Evaluation, vote and adoption of draft report

TUESDAY, 20 FEBRUARY 2018

11.30 - 12.30

IN CAMERA

50. COORDINATORS' MEETING

Meeting held in Camera



TUESDAY, 20 FEBRUARY 2018

15.00 - 18.30

PUBLIC MEETING

51. 2016 DISCHARGE: GENERAL BUDGET OF THE EU - EUROPEAN PARLIAMENT

CONT/8/10621



Consideration of draft report

Rapporteur: [Derek Vaughan](#) (S&D))

Administrator: Hrvoje Svetic

Shadow Rapporteurs: Claudia Schmidt (EPP), Ryszard Czarnecki (ECR), Nedzhmi Ali (ALDE), Dennis de Jong (GUE/NGL), Benedek Jávor (Greens/EFA), Marco Valli (EFDD), Jean-François Jalkh (ENF)

The European Parliament draft discharge report for the financial year 2016 is based on a wide range of information, which is available on the CONT website:

- Parliament's accounts for the financial year 2016,
- the report on budgetary and financial management,
- the Secretary-General's Statement of Assurance,
- the Annual Activity Reports by the Authorising Officers,
- the European Court of Auditors' Annual Report 2016,
- the follow-up report drawn up by the Administration in response to the previous year's discharge resolution,
- the questionnaire with the Secretary-General's replies, emailed to Members on 16 January 2018, and
- the exchange of views in CONT on 23 January 2018 with the Vice-President responsible for budgetary affairs, the Secretary General, the Court of Auditors and the Internal Auditor.

The Rapporteur, Mr Vaughan, will present his draft report on the Parliament's management during 2016. His draft report contains comments and recommendations based, inter alia, on the Court of Auditors' and the Internal Auditors' findings, as well as, the result of the extensive discussion process held with the Parliament's Authorising Officers.

He is concerned that the Court of Auditors found weaknesses in the control system for the expenditure and payments related to a political group. Mr Vaughan encouraged the Parliament's Secretariat to continue its additional efforts in assisting the political groups in improving their internal financial management and in providing them with better guidance.

Mr Vaughan commends the improved cooperation in the security field between the Parliament and the national authorities of its host countries, in particular the Belgian authorities. He points out that the openness to the public is a hallmark of the Parliament, and supports the reorganisation and improvement of entrances to all Parliament buildings at the three places of work. Mr Vaughan notes that this reorganisation was based on a new security concept which guarantees a safe working environment for parliamentary activities while retaining Parliament's openness.

He emphasises major technical and editorial improvements of Parliament's public website, as well as a significant increase in the volume of requests submitted to the Citizens' Enquiries service (AskEP) since 2014. He notes the latest Eurobarometer survey commissioned by the Parliament, and highlights that, according to the survey, the percentage of citizens who have a positive view of the Parliament is on the rise.

Mr Vaughan points out that the Parliament's medium-term building strategy, taking into account recent developments on the Luxembourg and Strasbourg premises, should be focused on the Brussels premises and in particular on the future of the Paul-Henri Spaak building. He acknowledges that the Bureau mandated the Secretary-General to work out detailed proposals on all possible options for the refurbishment of the Paul-Henri Spaak building.

All language versions of the draft report will be available on the [CONT website](#).

CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	20 February 2018
Deadline for amendments	CONT	1 March 2018
Adoption in CONT	CONT	19 March 2018
Adoption in Plenary	Plenary	April 2018

2016 DISCHARGE: OTHER INSTITUTIONS (ITEMS 5 TO 59)

52. COUNCIL AND EUROPEAN COUNCIL CONT/8/10641

53. EUROPEAN EXTERNAL ACTION SERVICE CONT/8/10764

54. COURT OF JUSTICE CONT/8/10661

55. EUROPEAN COURT OF AUDITORS CONT/8/10681

56. EUROPEAN ECONOMIC AND SOCIAL COMMITTEE CONT/8/10701

57. COMMITTEE OF THE REGIONS CONT/8/10721

58. EUROPEAN OMBUDSMAN CONT/8/10741

59. EUROPEAN DATA PROTECTION SUPERVISOR CONT/8/10761



Consideration of draft reports

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

Administrators: Tereza Pinto De Rezende and Olivier Sautière

Shadow Rapporteurs: Julia Pitera (EPP) for the EEAS and José Inácio Salafranca Neyra for all the other Institutions (EPP), Arndt Kohn (S&D), Monica Macovei (ECR) for EESC and Court of Justice and Ryszard Czarnecki (ECR) for all the other institutions, Wolf Klinz (ALDE), Dennis de Jong (GUE/NGL), Benedek Javor (Greens/ALE), Jean-François Jalkh (ENF)

On 26 October 2017 the questions from CONT Members concerning the 2016 discharge "Other institutions" were sent to the Council of the European Union, Court of Justice, Court of Auditors, European Economic and Social Committee,

Committee on Budgetary Control

Committee of the Regions, European Ombudsman, European Data Protection Supervisor and the European External Action Service.

The replies received from the institutions (except from the Council) were e-mailed to CONT Members on 27 November 2017.

The CONT Members held an exchange of views on the main issues concerning the 2016 discharge with the Secretaries General of the Institutions (except of the Council) on 4 December 2017.

The Council did not reply to the questionnaire and reiterated the situation is the same as in previous years.

Concerning the EEAS discharge, replies to the 53 questions submitted to the EEAS were emailed to CONT Members on 19 December 2017.

The hearing held on 25 January 2018 with the High Representative of the Union for Foreign Affairs and Security Policy, Ms Federica Mogherini, provided to Members an opportunity to address a range of matters relating to the improvement of the efficiency of the EEAS' services, the streamlining of top management, the priority given to the management of gender and geographical balance at Headquarters and in Union's delegations, the 5% staff reduction, the management of the EEAS' building policy as well as the management of various costs/logistics.

Further to the CONT exchange of views, a second set of replies to 11 additional questions was sent to CONT Members on 9 February 2018.

The Rapporteur prepared the draft reports based on the documents submitted by the institutions, on the exchange of views in CONT and on the replies given by all the institutions – except the Council – to the questionnaires.

The Members received the original language version of the draft reports on 2 February 2018. Other language versions are available on the [CONT website](#).

At this CONT meeting, the CONT Members will have an exchange of views on the 2016 discharge "Other institutions" after the presentation of the draft reports by the rapporteur.

CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	20 February 2018
Deadline for amendments	CONT	1 March 2018
Adoption in CONT	CONT	20 March 2018
Adoption in Plenary	Plenary	April 2018

60. BRIEFING PAPER ON FUTURE OF EU FINANCES : FUTURE OF MFF POST-2020

CONT/8/11847



Presentation of the Briefing Paper by the Member of the European Court of Auditors responsible, *Jan Gregor*

Rapporteur: [Petri Sarvamaa](#) (EPP)
Administrator: Olivier Sautière

The briefing paper by the Court of Auditors (ECA) is not an audit report but a review based on publicly available information establishing and presenting the underlying facts on a particular subject.

The objective of this briefing paper is to provide a response to the Commission's Reflection Paper on 'the Future of EU finances' and a contribution to the spending review, which takes into account the results of the meeting of the European Council in December 2017 and the responses from other stakeholders to the reflection paper.

On the basis of the Court's audit knowledge and experience, this briefing paper puts a focus on the issues of the Reflection Paper which relate to how the EU budget operates and provides advice on how to improve the financial management, transparency and accountability of the EU budget system.

In this briefing paper, the ECA presents in particular its views on four key principles: EU added value, flexibility within a stable framework, simplified rules and accountability.

The ECA briefing paper is available on the [CONT website](#).

61. ECA SPECIAL REPORT 21/2017 (DISCHARGE 2017): GREENING: A MORE COMPLEX INCOME SUPPORT SCHEME, NOT YET ENVIRONMENTALLY EFFECTIVE

CONT/8/



Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Samo Jereb*

Rapporteur: [Tomáš Zdechovský](#) (EPP)
Administrator: Philippe Godts

Shadow Rapporteurs: Karin Kadenbach (S&D), Martina Dlabajová (ALDE), Luke Ming Flanagan (GUE/NGL)

The audit of the European Court of Auditors (ECA) covers the design of greening and its first two years of implementation (claim years 2015 and 2016), as well as the coherence between this scheme and the other environmental instruments of the CAP, i.e. cross-compliance and the environmental measures under rural development.

The Court's main objective was to assess whether greening was capable of enhancing the CAP's environmental and climate performance, in accordance with the objective set in the relevant EU legislation.

Committee on Budgetary Control

The Court found that the green payment lacks a fully developed intervention logic. The Commission has not set specific targets or otherwise specified what greening can be expected to achieve for the environment and climate.

The initial Commission proposal for greening was more ambitious in environmental terms but the subsequent dilution of the policy's environmental content did not change the level of funding proposed. This was set, from the outset, at 30 % of CAP direct payments.

On average, greening subsidies exceed significantly the costs to farmers (including from lost income) of meeting greening requirements. This is because the greening budget was fixed without a link to the policy's level of environmental ambition. Greening remains, essentially, an income support scheme.

According to the ECA, greening is unlikely to provide significant benefits for the environment and climate, mainly because of the significant deadweight that affects the policy. This deadweight arises primarily from the fact that greening requirements are generally undemanding and largely reflect normal farming practice. Additionally, due to extensive exemptions most farmers (65 %) are able to benefit from the green payment without actually being subject to greening obligations. As a result, greening leads to a positive change in farming practices on only a very limited share of EU farmland.

The Court also found that certain design limitations reduced the effectiveness of the three greening practices. Crop diversification could not provide the full environmental benefits of crop rotation. The Environmentally sensitive permanent grassland (ESPG) designation was based mainly on biodiversity-related criteria and poorly targeted carbon rich permanent grassland outside Natura 2000 areas. Finally, the predominance of productive Ecological Focussed Area (EFA) types, combined with a lack of meaningful requirements on management, limited the positive impact of EFAs on biodiversity.

The Court made several recommendations and in particular asked the Commission, for the next CAP reform, to develop a complete intervention logic for the EU environmental and climate-related action regarding agriculture, including specific targets and based on up-to-date scientific understanding of the phenomena concerned.

The ECA Special report is available on the [CONT website](#).

The rapporteur's conclusion as formulated in his working document circulated on 25 January 2018 will form part of the Commission's 2016 discharge report.

62. ANY OTHER BUSINESS

63. NEXT MEETINGS

- 26 February 2018, 15.00 to 18.30 (Brussels)
- 27 February 2018, 09.00 to 12.30 (Brussels)
- 19 March 2018, 15.00 - 18.30 (Brussels)
- 20 March 2018, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)

CONT



Committee on Budgetary Control

WATCH LIVE

Watch the CONT committee meeting live on the [EP website](#) or on [Europarl TV](#)

PAPERLESS PROGRAMME (INTERNAL USERS ONLY)

Access CONT committee meeting documents on [eMeeting](#) or any CONT committee information on [eCommittee](#)

FOR FURTHER INFORMATION

Contact the CONT Secretariat or visit the website of the CONT committee

NEWS FROM POLICY DEPARTMENT - BUDGETARY AFFAIRS

FORTHCOMING EVENTS



EUROPEAN PARLIAMENTARY WEEK - BUDG - Interparliamentary Conference on Stability, Economic Coordination and Governance in the European Union

19 February 2018 - Interparliamentary Committee Meeting (BUDG)- 16h45 - 18h45 - JAN6Q2

16h45 - 17h45 - Session I: The post-2020 Multiannual Financial Framework (MFF) - addressing emerging challenges and new priorities, and their financing

17h45 - 18h45 - Session II: Reform of the European Union's system of own resources

20 February 2018 - Concluding plenary session: The next Multiannual Financial Framework (MFF), 15:30 - 17:15, Hemicycle

JOINT BUDG/ECON Workshop on "A fiscal capacity to strengthen and enlarge the euro area" - 21 March 2018 - 14h30 - 17h00 - PHS3C050

BUDG Hearing "The EU budget and the Paris climate agreement" - 23/24 April 2018 - Room TBC

CONT Workshop on "Has the Single European Sky initiative provided more efficiency for European Air traffic Management - is SESAR delivering results" - 26 April 2018 - Room TBC

CONT Workshop on "Efficient use of EU funding in the Baltic Sea: State of play in the combat against eutrophication" - 15 May 2018 - Room TBC

Joint Hearing BUDG/CONT/LIBE - Assessing the flow of EU Migration funding within the Union - 16 May 2018 - Room TBC

CONT Workshop on "How to better combat the fraud? Follow up of the Commission's anti-corruption sharing programme" - 20 June 2018 am - Room TBC

POLICY DEPARTMENT PUBLICATIONS

Recent publications

CONT

Study - Transitional Allowances for former EU office holders - too few conditions?

Study - "10 years cooperation and verification Mechanism (Bulgaria and Romania) - Analyse of the Reports: evaluation and achievements"

Committee on Budgetary Control

Forthcoming publications:

CONT/BUDG

Study "Oversight and Management of the EU Trust Funds" - **Study Presentation 27 February 2018**

BUDG

- Study "Potential revenue from the extension of charging fees by EU Agencies" - **April 2018 - TBC**

CONTACTS

Email: poldep-budg@ep.europa.eu

Webpage: http://www.poldepnet.ep.parl.union.eu/poldept/cms/cache/offonce/poldepnet/poldep_d/poldepd_presentation

Disclaimer

The items contained herein are drafted by the secretariat of the European Parliament and are provided for general information purposes only. The opinions expressed in this document are the sole responsibility of the author(s) and do not necessarily represent the official position of the European Parliament. This document may contain links to websites that are created and maintained by other organizations. The secretariat does not necessarily endorse the view(s) expressed on