

**MONDAY, 19 NOVEMBER 2018**

15.00 - 18.30

**TUESDAY, 20 NOVEMBER 2018**

09.00 - 12.30 and 14.30 - 18.30

Room: Altiero Spinelli (ASP) A1G-3, Brussels

## 1. ADOPTION OF THE AGENDA

The draft agenda was e-mailed to Members on 14 November 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 website](#).

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

## 3. APPROVAL OF MINUTES OF MEETINGS

- 27 September 2018 (PE629.382v01-00)
- 4 October 2018 (PE629.483v01-00)
- 10-11 October 2018 (PE629.387v01-00)
- 18 October 2018 (PE629.581v01-00)
- 25 October 2018 (PE629.592v01-00)

**MONDAY, 19 NOVEMBER 2018**

**15.00 - 18.30**

**PUBLIC MEETING**

## 4. DISCHARGE 2017: GENERAL BUDGET OF THE EU - EUROPEAN COMMISSION

CONT/8/14083



**Discharge Hearing with Corina Crețu, Commissioner responsible for Regional Policy, in the presence of the Member of the European Court of Auditors responsible, Tony Murphy**

Rapporteur: [Inés Ayala Sender](#) (S&D)

Administrators: Philippe Godts and Christian Ehlers

Shadow Rapporteurs: Ingeborg Gräßle (EPP), Ryszard Czarnecki (ECR), Martina Dlabajová (ALDE), Bart Staes (Verts/ALE), Luke Ming Flanagan (GUE/NGL), Marco Valli (EFDD), Jean-François Jalkh (ENF)

Regional policy is part of chapter 6 in the European Court of Auditors' Annual Report entitled "Economic, social and territorial cohesion". The main policy instrument is the European Regional Development Fund (ERDF).

In 2017, payments reached EUR 26.6 billion, therefore, the Court audited the certified expenditure included in the 2014-2020 assurance packages and the expenditure underlying audit authorities' final control reports for 2007-2013. By March 2017 the Commission had received 50 assurance packages covering accounts with expenditure for 71 out of 419 OPs. In May 2017, it accepted accounts with expenditure from 17 Member States, covering 70 OPs and expenditure of only EUR 2,5 billion euros. This explains why the Court covered less expenditure than last year. Furthermore, around 48% of this amount concerned operations co-financed by the ESF/YEI. The Court has quantified the estimated level of error at 3,0%.

The documents of particular relevance for the hearing with Commissioner Crețu are:

- The ECA's 2017 Annual Report, Chapters 1, 2, 3 and 6;
- The Commission's follow-up report COM (2018)545 final; 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 47 written questions for this meeting were sent to the Commission on 8 November 2018 and emailed to Members on the same day. The answers from the Commission were sent to the Members on 15 November 2018.

It is proposed that the hearing with the Commissioner Crețu to proceed as follows:

- Introduction by the Member of the European Court of Auditors, Tony Murphy, who will present the findings of the respective chapters of the Annual Report 2017;
- Commissioner Crețu will briefly reply to this introduction;
- CONT Rapporteur will put questions to the Commissioner and/or the Court;
- Other Members will question the Commissioner and/or the Court;
- Closing remarks by the CONT Rapporteur.

### 5. 2016 DISCHARGE: EUROPEAN ASYLUM SUPPORT OFFICE (EASO)

CONT/8/14983



#### Consideration of the motion for decision on closure of accounts

CONT Rapporteur: [Bart Staes](#) (Greens/EFA)  
Administrator: Cécile Bourgault

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

On 24 October 2018, the EP refused to grant the Executive Director of the European Asylum Support Office discharge for the financial year 2016.

Following such refusal, the EP's Rules of Procedure foresee that "a formal proposal to close the accounts for the year in question shall be submitted at a subsequent part-session" (Annex IV, Article 5 (2) (a)). As an accounting necessity, the decision on closure of accounts requires a positive decision.

The Rapporteur tabled a motion for decision to close the accounts of EASO. The motion for decision has been circulated to Members on 13 November 2018 and is published on the [CONT website](#).

#### CONT Timetable:

| Event                           | Body    | Date                |
|---------------------------------|---------|---------------------|
| Deadline for tabling amendments | CONT    | 28/11/2018 at 14.00 |
| Vote                            | CONT    | 13/12/2018          |
| Adoption                        | Plenary | January 2019        |

### 6. ANNUAL REPORT 2017 ON THE CONTROL OF THE FINANCIAL ACTIVITIES OF THE EIB

CONT/8/13880 - [2018/2151\(INI\)](#)



#### Consideration of draft report

Rapporteur : [Georgi Pirinski](#) (S&D)  
Administrator: Olivier Sautière

Shadow Rapporteurs : Tamás Deutsch (EPP), Nedzhmi Ali (ALDE), Indrek Tarand (Verts/ALE), Luke Ming Flanagan (GUE/NGL), Marco Valli (EFDD)

Following the presentation and exchange of views on the 2017 EIB annual report held in CONT on 27 September 2018 in the presence of the Vice-President of the EIB, Mr Alexander Stubb, the Committee on Budgetary Control is drafting this year an annual own-initiative

report on 'Control of the financial activities of the EIB' focusing on results (2018/2151(INI)) for which Mr Georgi Pirinski was appointed Rapporteur.

The draft report raises a number of issues namely the role of the EIB for ensuring a value-adding strategic public investment in order to continue bridging recurrent investment gaps and reduce inequalities in the Union.

On the performance of EIB's financial operations, the Rapporteur considers necessary to deepen the verification criteria of the level of EIB's additionality to better orient its funding while inviting the EIB to put forward evidences of sustainability of the its actions.

With regard to the EFSI development, the Rapporteur also draws attention on the room of improvement for broadening EFSI territorial distribution of funds, the need of a better synergy between EFSI and national promotional banks.

Finally, the Rapporteur calls for enhanced transparency both in EIB's governing bodies and at operational level. He calls on the EIB to continue applying strong due diligence and to reinforce the link between EIB funding and tax good governance.

The Committee on International Trade (INTA) will deliver an opinion on this CONT report, the Rapporteur being Mr William (The Earl of) Dartmouth.

The draft report was sent to Members on 7 November 2018 and is available on the [CONT website](#).

### CONT Timetable:

| Event                           | Body    | Date                |
|---------------------------------|---------|---------------------|
| Deadline for tabling amendments | CONT    | 26/11/2018 at 14.00 |
| Vote                            | CONT    | 13/12/2018          |
| Adoption                        | Plenary | January 2019        |

## 7. ECA SPECIAL REPORT 18/2018 (DISCHARGE 2017): IS THE MAIN OBJECTIVE OF THE PREVENTIVE ARM OF THE STABILITY AND GROWTH PACT DELIVERED?

CONT/8/14617



### Presentation of the Special Report by, ECA Member by Neven Mates responsible

Rapporteur: [Georgi Pirinski](#) (S&D)  
Administrator: Philippe Godts

Shadow Rapporteurs: Andrey Novakov (EPP), Nedzhmi Ali (ALDE), Miguel Viegas (GUE/NGL)

The Stability and Growth Pact (SGP) is a set of rules designed to ensure that EU Member States pursue sound public finances and coordinate their fiscal policies, given that a fiscal crisis in one Member State could cause problems for others. The SGP consists of two parts: (1) the well-known "corrective arm" or Excessive Deficit Procedure (EDP), which focuses on bringing the headline deficits below 3 % of GDP, and (2) the "preventive arm", which requires Member States to bring their structural budget

balances (i.e. those excluding the effects of business cycles) into line with country-specific targets known as “Medium Term Objectives” (MTOs).

The Court regretted that the flexibility provisions introduced by the Commission were not limited to the crisis period. As a result, in the period of recovery and expansion (2014-2018), structural balances in several highly indebted countries have either diverged from their MTOs or converged to them at a slow pace that substantial improvement ahead of the next recession is far from being assured. The Court also found that allowances for structural reforms did not correspond to the actual budget costs of these reforms, and that the Commission instead used them as an incentive.

The credibility of the preventive arm has been further eroded, according to the Court, by developments in the corrective arm, which has been implemented in such a way that its requirements can be fully met through cyclical recovery.

Finally, the Court found that the relevant country-specific recommendations adopted by the Council did not sufficiently explain the reasons for fiscal adjustments or the risks if Member States fail to meet them.

The Court recommended that:

- the Commission should address the issue of continuous deviations from the required adjustment path over several years;
- the Commission should ensure that medium-term budget objectives are reached within a reasonable period, with stricter rules for heavily indebted Member States;
- the reform allowance should only cover direct costs related to reforms, and the allowance for unusual events should likewise only cover directly related costs. The investment allowance should not allow increases in non-investment spending in the following years;
- the adjustments required under the corrective and preventive arm should be harmonised: Adjustments required under the corrective arm should not be less far-reaching than those required under the preventive arm;
- country-specific recommendations should contain explicit requirements, with a clearer explanation of their rationale and the risks of not-implementing them;
- the Commission should ensure that Member States’ stability and convergence programmes include more information on revenue and expenditure measures.

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

As a follow-up, a succinct working document with the recommendations of the Rapporteur will be sent to CONT Members. The Rapporteur’s conclusions will be part of the 2017 discharge report.



### 8. IMPLEMENTATION OF THE LEGAL PROVISIONS AND THE JOINT STATEMENT ENSURING THE PARLIAMENTARY SCRUTINY OVER DECENTRALISED AGENCIES

CONT/8/13392 - [2018/2114\(INI\)](#)

#### Consideration of draft opinion to AFCO



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

Administrator: Cecile Bourgault

Shadow Rapporteurs: Petri Sarvamaa (EPP), Karin Kadenbach (S&D), Nedzhmi Ali (ALDE)

Following the implementation of the Joint Statement on the decentralised agencies and the outcome of the interinstitutional Working Group, some unresolved issues still need to be addressed.

Mr De Jong calls on the Commission to submit without delay an evaluation of multiple locations of agencies as well as proposals for possible mergers of agencies or transfers of tasks to the Commission.

According to the Rapporteur, the provisions of the Joint Statement concerning the selection of a new seat for an agency should particularly be revised. Furthermore, Mr De Jong expresses concern about potential conflicts of interest that may arise for agencies that rely on fees.

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

#### CONT Timetable:

| Event                           | Body    | Date                |
|---------------------------------|---------|---------------------|
| Deadline for tabling amendments | CONT    | 22/11/2018 at 14.00 |
| Vote                            | CONT    | 22/01/2019          |
| Adoption in main committee      | AFCO    | 20/02/2019          |
| Adoption                        | Plenary | March I 2019        |

### 9. REVIEW OF STATUS OF THE COMMISSION'S REGISTER OF EXPERT GROUPS AND THEIR COMPOSITION

CONT/8/14958

#### Presentation of the study



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

Administrator: Rudolfs Verdins (PolDep) and Philippe Godts (CONT)

Mr Roland Blomeyer will present the study which was carried out by Blomeyer & Sanz on the request of the CONT Committee.

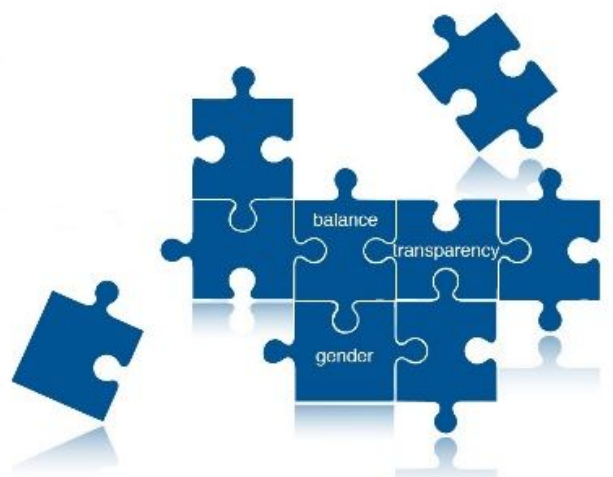
This study aims to provide insight into the development of the European Commission's system of Expert Groups, including the Register of Expert Groups, thus updating the European Parliament's study 'Composition of the Commission's expert groups and the status of the register of expert groups' (September 2015).



## Committee on Budgetary Control

The study finds that the Commission's revised Horizontal Rules, introduced in May 2016, triggered important improvements in terms of transparency, balance of interests and gender. Nevertheless, the authors of the study believe that there are possibilities to enhance the system, and make the following suggestions:

- further strengthening balance of interests with a specific focus on the Expert Groups that continue to experience high degree of imbalance;
- further enhance transparency of Expert Group deliberations;
- remind Expert Groups about the requirement for gender balance;
- for the Commission to report on the system and evaluate performance.



The authors also suggest conducting further research on specific types of Expert Group membership and the use of Expert Groups in general.

**TUESDAY, 20 NOVEMBER 2018**

**9.00 - 12.30**

**PUBLIC MEETING**

**\*\*\* ELECTRONIC VOTING \*\*\***

## 10. ASSESSING HOW THE EU BUDGET IS USED FOR PUBLIC SECTOR REFORM

CONT/8/13322 - [2018/2086\(INI\)](#)



### Adoption of draft report

Rapporteur: [Brian Hayes](#) (EPP)  
Administrator: Tereza Pinto de Rezende

Shadow Rapporteurs: Gilles Pargneaux (S&D), Nedzhmi Ali (ALDE), Bart Staes (Greens/ALE), Miguel Viegas (GUE/NGL)

The draft report received 31 amendments and an opinion by the REGI committee. The amendments tabled seek the deletion of the reference to governance, the Member States' major competence in relation to its own public administration, the link to eGovernment, and to associate the public sector reform with EU funds use, particularly structural funds. It also encourages the cooperation with Member States more in a subsidiarity perspective.

The draft report and amendments are available in the [CONT website](#).

## 11. ESTABLISHING, AS PART OF THE INTEGRATED BORDER MANAGEMENT FUND, THE INSTRUMENT FOR FINANCIAL SUPPORT FOR CUSTOMS CONTROL EQUIPMENT

CONT/8/13762 - [2018/0258](#)(COD)



### Adoption of draft opinion to IMCO

Rapporteur: [Nedzhmi Ali](#) (ALDE)

Administrator: Michal Czaplicki

Shadow Rapporteurs: Claudia Schmidt (EPP), Caterina Chinnici (S&D), Dennis de Jong (GUE/NGL)

In his opinion, the Rapporteur believes that the new Customs Control Equipment instrument must be consistent with and exploit any synergies with other EU action programmes and funds with similar objectives in related fields, especially the Customs Program. Mr Ali proposes 13 amendments in that regard. Members of the Committee submitted additional 52 amendments in which they strive for more coherence between the national customs services, propose to shorten the reporting deadlines for some activities and ask for more quantitative and qualitative indicators.

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

## 12. ESTABLISHING THE 'CUSTOMS' PROGRAMME FOR COOPERATION IN THE FIELD OF CUSTOMS

CONT/8/13985 - [2018/0232](#)(COD)



### Adoption of draft opinion to IMCO

Rapporteur : [Wolf Klinz](#) (ALDE)

Administrator: Michal Czaplicki

Shadow Rapporteurs: Claudia Schmidt (EPP), Arndt Kohn (S&D), Dennis de Jong (GUE/NGL)

The Rapporteur is of the opinion that the new Customs Programme must be coherent with other EU action programmes and funds in related fields such as the Fiscalis Programme, the EU anti-fraud Programme and Single Market Programme, as well as with the Internal Security fund and Instrument for Border Management and Visa, the Reform Support Programme, the Digital Europe Programme, the Connecting Europe Facility and the Own Resources decision, implementing regulations and measures. Mr Klinz proposes 13 amendments in that regard.

The Members of the Committee submitted additional 47 amendments which ask for greater simplicity, involving academics as external experts, more IT collaboration between Member States.

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



### 13. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING REGULATIONS (EU) No 1308/2013 ESTABLISHING A COMMON ORGANISATION OF THE MARKETS IN AGRICULTURAL PRODUCTS, (EU) No 1151/2012 ON QUALITY SCHEMES FOR AGRICULTURAL PRODUCTS AND FOODSTUFFS, (EU) No 251/2014 ON THE DEFINITION, DESCRIPTION, PRESENTATION, LABELLING AND THE PROTECTION OF GEOGRAPHICAL INDICATIONS OF AROMATISED WINE PRODUCTS, (EU) No 228/2013 LAYING DOWN SPECIFIC MEASURES FOR AGRICULTURE IN THE OUTERMOST REGIONS OF THE UNION AND (EU) No 229/2013 LAYING DOWN SPECIFIC MEASURES FOR AGRICULTURE IN FAVOUR OF THE SMALLER AEGEAN ISLANDS

CONT/8/13989 - [2018/0218\(COD\)](#)



#### Adoption of amendments to AGRI

Rapporteur: [Tomáš Zdechovský](#) (EPP)

Administrator: Philippe Godts

Shadow Rapporteur: Karin Kadenbach (S&D), Nedzhmi Ali (ALDE), Luke Ming Flanagan (GUE/NGL)

The Commission proposal for the Multiannual Financial Framework (MFF) for 2021-2027 (the MFF proposal) sets the budgetary framework and main orientations for the Common Agricultural Policy (CAP). On this basis, the Commission presents a set of 3 regulations laying down the legislative framework for the CAP in the period 2021-2027, in particular the proposals of CAP strategic plan regulation, CAP horizontal regulation and the present proposal: the amending proposal. These proposals provide for a date of application as of 1 January 2021 and are presented for a Union of 27 Member States.

The purpose of this proposal (the amending regulation) is to amend a limited number of provisions of CAP regulations in view of economic, environmental and societal evolutions experienced since their entry into force in 2014.

CONT Members have tabled 7 amendments; they mainly concern the objectives of the new CAP delivery model. The voting list will be circulated as soon as possible.

The amendments are available in the [CONT website](#).



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

## 14. DISCHARGE 2017: GENERAL BUDGET OF THE EU - EUROPEAN COMMISSION

CONT/8/14083



**Discharge Hearing with Carlos Moedas, Commissioner responsible for Research, Science and Innovation, in the presence of the Member of the European Court of Auditors responsible, Alex Brenninkmeijer**

Rapporteur: [Inés Ayala Sender](#) (S&D)

Administrators: Philippe Godts and Christian Ehlers

Shadow Rapporteurs: Ingeborg Gräßle (EPP), Ryszard Czarnecki (ECR) Martina Dlabajová (ALDE), Bart Staes (Verts/ALE), Luke Ming Flanagan (GUE/NGL), Marco Valli (EFDD), Jean-François Jalkh (ENF)

Research and Innovation falls under chapter 5 'Competitiveness for growth and jobs' in the European Court of Auditors (ECA) Annual Report 2017.

In 2017, payments of DG R&I reached EUR 3,2 billion. The Court's audit sample comprised 130 transactions and was designed to be representative of the full range of spending under this MFF sub-heading. It consisted of 91 transactions in research and innovation (53 under the FP7 and 38 under Horizon 2020) and 39 transactions under other programmes and activities, in 18 Member States and 5 non-member countries. The Court has quantified the estimated level of error at 4,2%.

The documents of particular relevance for the exchange of views with Commissioner Moedas are:

- The ECA's 2017 Annual Report, Chapters 1, 2, 3 and 5;
- The Commission's follow-up report COM (2018) 545 final 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 48 written questions for this meeting were sent to the Commission on 8 November 2018 and emailed to Members on the same day. The answers from the Commission were sent to the Members on 15 November 2018.

It is proposed that the hearing with the Commissioner Moedas 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 2016;
- Commissioner Moedas will briefly reply to this introduction;
- CONT Rapporteur will put questions to the Commissioner and/or the Court;
- Other Members will question the Commissioner and/or the Court;
- Closing remarks by the CONT Rapporteur.

### 15. IMPLEMENTATION OF THE TREATY PROVISIONS ON PARLIAMENT'S POWER OF POLITICAL CONTROL OVER THE COMMISSION

CONT/8/13389 - [2018/2113\(INI\)](#)



#### Consideration of draft opinion to AFCO

Rapporteur: [Tomáš Zdechovský](#) (EPP)

Administrator: Philippe Godts

Shadow Rapporteurs: Georgi Pirinski (S&D), Nedzhmi Ali (ALDE), Dennis de Jong (GUE/NGL)

In his opinion, the Rapporteur points out that the discharge procedure has proved to be a powerful tool that has had an impact on: (i) the evolution of the EU's budgetary system, (ii) the EU financial management, (iii) the shaping of the agenda setting and (iv) the way the EU policies are defined and implemented; whilst contributing to increasing the Parliament's political leverage. Mr Zdechovský develops the two dimensions of the discharge procedure: compliance and performance and considers how to improve the political control over the Commission.

#### CONT Timetable:

| Event                           | Body    | Date                |
|---------------------------------|---------|---------------------|
| Deadline for tabling amendments | CONT    | 04/12/2018 at 14.00 |
| Adoption                        | CONT    | 07/01/2019          |
| Adoption in main committee      | AFCO    | 22/01/2019          |
| Adoption in Plenary             | Plenary | February 2019       |

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

### 16. ANNUAL REPORT 2017 ON THE PROTECTION OF THE EUROPEAN UNION'S FINANCIAL INTERESTS- FIGHT AGAINST FRAUD

CONT/8/13882 - [2018/2152\(INI\)](#)



#### Consideration of draft report

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

Administrator: Michal Czaplicki

Shadow Rapporteurs: Peter Niedermueller (S&D), Nedzhmi Ali (ALDE), Benedek Jávor (VERTS/ALE), Dennis de Jong (GUE/NGL)

As in previous years, the Committee on Budgetary Control decided to draw up a report on the Protection of the Union's financial interests. On 27 September Commissioner Oettinger presented the annual report of the Commission. In his presentation, Mr Marinescu put stress on the fact that in 2017, a total of 15 213 fraudulent and non-fraudulent irregularities were reported to the Commission, 20.8% fewer than in 2016. They involved approximatively EUR 2.58 billion, 8.6% down from previous year.

In his report, the Rapporteur:

- expresses his concern that intra-Community VAT fraud cases cost the Union EUR 50 billion annually;
- notes the uneven distribution of irregularities linked to traditional own resources (TOR) among Member States, with Greece (7.17%), Spain (4.31%) and Hungary (3.35%) clearly above the EU average of 1.96% of the total TOR non-collected;
- notes with dismay that the average recovery rate for years 1989-2017 for cases reported as fraudulent is only 37%;
- notes that a significant amount of public investment is spent through public procurement (€2 trillion per year) and emphasises the benefits of e-procurement in fighting fraud;
- invites the Commission to continue its efforts in standardising the nomenclature of errors linked to expenditure;
- notes with concern that according to OLAF estimates, the illicit trade in cigarettes causes annual financial losses of over EUR 10 billion in the budgets of the Union and its Member State.;

The Commission's Annual Report 2017 on the Protection of the EU's Financial Interests - Fight against fraud and the draft report are available on the [CONT website](#).

### CONT Timetable:

| Event                           | Body    | Date                |
|---------------------------------|---------|---------------------|
| Deadline for tabling amendments | CONT    | 26/11/2018 at 14.00 |
| Adoption                        | CONT    | 13/12/2018          |
| Adoption in Plenary             | Plenary | January 2019        |

## 17. ESTABLISHMENT OF THE EUROPEAN MONETARY FUND

CONT/8/13886 - [2017/0333R\(APP\)](#)

### Consideration of draft opinion to ECON



Rapporteur: [Cătălin Sorin Ivan](#) (NI)  
Administrator: Olivier Sautière

Shadow Rapporteurs: Brian Hayes (EPP), Inés Ayala Sender (S&D), Wolf Klinz (ALDE), Miguel Viegas (GUE/NGL)

Established outside the Community framework by an intergovernmental treaty, the European Stability Mechanism (ESM) is a permanent rescue mechanism aimed at safeguarding the financial stability of the euro area. It was created at the height of the sovereign debt crisis in order to help governments which had lost, or were about to lose, access to financial markets.

It entered into force in October 2012, replacing several other ad-hoc rescue mechanisms. The ESM may use a number of financial stability instruments such as the issuance of bonds or other debt instruments in order to provide stability support to euro-area Member States experiencing severe funding problems. Help provided is subject to strict conditionality.

In a Parliament's resolution of 12 June 2013 on '[strengthening democracy in the future EMU](#)', the Parliament reiterated its longstanding demand that the ESM be integrated into the Community framework and be made accountable to Parliament.

On 1 March 2017, the European Commission presented a White Paper on the Future of Europe, which was followed by several reflection papers in the different domains of European policy-making. This draft opinion concerns the third Reflection Paper entitled '[Deepening of the Economic and Monetary Union](#)'.

On 6 December 2017, the Commission set out a roadmap for deepening EMU, which comprised a proposal for a Council Regulation to create an EMF anchored in the Union legal framework. The tasks and the financial means of the ESM would be transferred to the EMF, and other tasks could be added at a later stage ([https://ec.europa.eu/info/law/better-regulation/initiatives/com-2017-827\\_en](https://ec.europa.eu/info/law/better-regulation/initiatives/com-2017-827_en))

On 19 June 2018, President Macron and Chancellor Merkel agreed (Meseberg Declaration) on proposing to the other Member States to transform the ESM into an EMF.

The Rapporteur in his draft opinion welcomes the new set of measures proposed by the Commission to complete the Economic and Monetary Union (EMU) in line with Parliament's longstanding position on the integration of the ESM into the EU legal framework while considering the use of the Community method in this proposal to be a strong driver for reinforcing the democratic legitimacy and to design a robust accountability framework with enhanced parliamentary oversight.

The Rapporteur also stresses that, as regards the European Stability Mechanism (ESM), the European Court of Auditors does not currently have well-established audit rights and that there is no formal accountability to Parliament. He considers that, with regard to the public dimension and impact of the future EMF, assurance should be provided by public auditors, with the European Court of Auditors being given a clear role in the discharge procedure of the EMF in accordance with Article 287 of the TFEU. He therefore asks the Commission to include a clear provision that the European Court of Auditors is the external auditor of the EMF, with an explicit definition of its rights.

The draft opinion was sent to Members on 29 October 2018 and is available on the [CONT website](#).

### CONT Timetable:

| Event                           | Body    | Date                |
|---------------------------------|---------|---------------------|
| Deadline for tabling amendments | CONT    | 21/11/2018 at 14.00 |
| Adoption                        | CONT    | 13/12/2018          |
| Adoption in main committee      | ECON    | tbc                 |
| Adoption in Plenary             | Plenary | tbc                 |

## 18. THE IMPLEMENTATION BY THE COMMISSION OF ARTICLE 61 OF THE NEW FINANCIAL REGULATION ON CONFLICTS OF INTERESTS IN MEMBER STATES

CONT/8/14959



### Exchange of views with representatives of the European Commission

Administrator: Philippe Godts

CONT Members will have the opportunity to exchange views with the Commission as to the interpretation and the implementation of the new provision inserted in the financial regulation concerning the conflict of interest.



**TUESDAY, 20 NOVEMBER 2018**

14.30 - 17.30

**PUBLIC MEETING**

## 19. DISCHARGE 2017: GENERAL BUDGET OF THE EU - EUROPEAN COMMISSION

CONT/8/14083



**Discharge Hearing with Martin Selmayr , Secretary General of the European Commission, in the presence of the Member of the European Court of Auditors responsible, *Pietro Russo***

Rapporteur: [Inés Ayala Sender](#) (S&D)

Administrators: Philippe Godts and Christian Ehlers

Shadow Rapporteurs: Ingeborg Gräßle (EPP), Ryszard Czarnecki (ECR), Martina Dlabajová (ALDE), Bart Staes (Verts/ALE), Luke Ming Flanagan (GUE/NGL), Jean-François Jalkh (ENF)

The Secretariat-General of the European Commission is one of the central services of the European Commission, facilitating its smooth and effective functioning and providing strategic direction.

It is the President's department, at the service of the President, the College and the other Commission departments. It manages the collegial decision-making process and ensures the alignment of EU policies with the political priorities of the Commission. In agreement with the President, the Secretariat-General provides support to the Vice-Presidents in the performance of their role.

During the reporting year, the Secretary General was Mr Alexander Italianer. The College decided on 21 February 2018 to appoint Martin Selmayr as the new Secretary-General with effect from 1 March 2018, following the announcement of Mr Italianer's retirement.

The Secretariat-General's work in 2017 spanned the full range of the Commission's activities, covering both the delivery of priority policies and the updating and strengthening of corporate policies in support of those priorities. In 2017, the Secretariat-General also contributed to the ongoing debate on the Future of Europe, launched by the Commission's White Paper in March 2017.

In particular, the Secretariat-General helped coordinate the preparation of reflection papers on key topics of strategic interest for the future of the Union, including:

- the future of EU finances,
- the social dimension of Europe,
- harnessing globalisation, •the deepening of the Economic and Monetary Union,
- the future of European Defence.

The documents of particular relevance for the exchange of views as regards the 2017 Commission discharge are:

- The ECA's 2017 Annual Report, Chapters 1, 2 and 3.
- The Commission's follow-up report COM (2018) 545 final
- The Annual Activity Report of the Secretariat-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 9 November 2017 and e-mailed to Members on the same day. The answers from the Commission were received on 15 November 2018 and emailed to Members on the same day.

## 20. STUDY ON EX-ANTE CONDITIONALITY IN ESI FUNDS STATE OF PLAY AND THEIR POTENTIAL IMPACT ON THE FINANCIAL IMPLEMENTATION OF THE FUNDS

CONT/8/

### Presentation of the study



Rapporteur: [Georgi Pirinski](#) (S&D)

Administrator: Rudolfs Verdins (PolDep) and Philippe Godts

Jorge Núñez Ferrer and Roberto Musmeci will present the study which was carried out by Centre for European Policy Studies (CEPS) on the request of CONT Committee.

This study is a detailed analysis of progress in the fulfilment of all Ex-Ante Conditionalities in the Common Provision Regulation for European Structural and Investment (ESI) Funds. It evaluates relevance, costs and benefits associated with fulfilment procedures and attempts to assess their impacts on implementation the ESI Funds. In particular, the study seeks to understand to what extent the conditionalities have been useful and if the costs of fulfilling them are proportional to the resulting benefits.



## 21. ECA OPINION ON COMMISSION PROPOSALS FOR REGULATIONS RELATING TO THE COMMON AGRICULTURAL POLICY FOR THE POST 2020 PERIOD

CONT/8/14962

### Presentation of the opinion by *João Figueiredo*, ECA Member responsible



Rapporteur: [Joachim Zeller](#) (EPP)  
Administrator: Philippe Godts

According to opinion 7/2018 published on 7 November 2018 by the European Court of Auditors, the proposed reform of the Common Agricultural Policy after 2020 falls short of the EU's ambitions for a greener and more robust performance-based approach.

The auditors note that many of the proposed policy options are very similar to the current CAP. In particular, the largest part of the budget would continue to be direct payments to farmers, based on a given amount of hectares of land owned or used. However, this instrument is not appropriate for addressing many environmental concerns, nor is it the

most efficient way of supporting viable income, note the auditors.

The proposal introduces key changes in the way that policy would be put into practice. There is a shift from an emphasis on compliance towards a focus on performance, which the auditors welcome. However, they consider that the proposal does not contain the necessary elements of an effective performance system. There will be fewer and less effective checks and audits, the auditors point out.

**TUESDAY, 20 NOVEMBER 2018**

17.30 - 18.30

**IN CAMERA**

## 22. OLAF INVESTIGATIONS AND FRAUD PATTERNS IN BULGARIA

CONT/8/14961

### Exchange of views with *Ville Itälä*, Director-General of OLAF



Administrator: Michal Czaplicki

The Budgetary Control Committee has received a petition regarding fraud cases in Bulgaria. CONT Members will discuss jointly with OLAF on the follow up of these cases.

## 23. OLAF INVESTIGATION ON EUROPEAN ASYLUM SUPPORT OFFICE (EASO)

CONT/8/15019

### Exchange of views with *Ville Itälä*, Director-General of OLAF



CONT Rapporteur: [Bart Staes](#) (Greens/EFA)  
Administrator: Cécile Bourgault

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

The Director General of OLAF will give an update on the investigation on EASO to the Members of the Budgetary Control

## 24. COORDINATORS' MEETING



### Meeting held in camera

## 25. ANY OTHER BUSINESS

### JOINT COMMITTEE MEETING PETI-JURI-CONT: EXCHANGE OF VIEWS WITH EMILY O'REILLY



On 21.11.2018, there will be a joint committee meeting with PETI-JURI-CONT to hold an exchange of views with the European Ombudsman on her recommendation in joint cases 488/2018/KR and 514/2018/KR on the European Commission's appointment of a new Secretary-General. The meeting is organised in a PETI committee slot.

**Location:** Brussels, meeting room: ASP 1G3 - from 14:30 to 15:30

## CONT-AGRI JOINT PUBLIC HEARING ON LEADER EXPERIENCES



On 22.11.2018, the Committees on Budgetary Control and on Rural Development will hold a joint public hearing on "Leader experiences - lessons learned and effectiveness of EU funds for rural development". The meeting is organised in an AGRI committee slot.

During CONT-AGRI joint public hearing, CONT Members will have the opportunity, in the presence of the Court of Auditors, the Commission and of experts, to discuss the following dimensions of the European rural development policy:

- What indicators for rural development for monitoring and evaluation? The specific achievements of Leader.
- Tracking overall inputs and outputs in rural development. How can we measure the added value of the Leader programme in the future?
- The global impact of rural development programmes in rural areas
- Local partnerships for rural development and innovation
- Lessons from the past- how to improve LEADER in the future

Co-Rapporteurs: Ingebourg Gräßle (EPP) and Paolo de Catro (S&D)

**Location :** Brussels, meeting room: PHS 1A002 - 22/11/2018 from: 10.00 to 12.30

## 26. NEXT MEETINGS

- 26 November 2018, 15.00 – 18.30 (Brussels)
- 27 November 2018, 9.00 – 12.30 (Brussels)
- 3 December 2018, 15.00 – 18.30 (Brussels)
- 13 December 2018 (Strasbourg)

### 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

### POLICY DEPARTMENT PUBLICATIONS

#### Recent publications

##### CONT

Proceedings of the Workshop on "[How to better combat fraud? Follow up of the Commission's anticorruption sharing programme](#)"

Proceedings of the Workshop on "[The revision of OLAF Regulation in light of the future cooperation with EPPO](#)"

In-Depth Analysis "[State Aid and EU funding: are they compatible?](#)"

Study "[Ensuring high quality job creation from EU funding programmes: how can the best practice of Horizon 2020 be better integrated into other programmes \(ESF, Youth Guarantee, Globalisation Fund\)?](#)"

##### BUDG

In-Depth Analysis "[The EU spending on fight against climate change](#)"

Study "[EU funds for migration, asylum and integration policies](#)"

Study "[Potential revenue from the extension of charging fees by EU Agencies](#)"

Study "[Financial Implementation of European Structural and Investment Funds](#)"

#### Forthcoming publications

##### CONT

- Study "Review of status of the Commission's register of expert groups and their composition" - **19 November 2018 pm - ASP1G3**

- Study "Ex Ante Conditionality in ESI funds state of play and their potential impact on the Financial Implementation of the Funds" - **20 November 2018 pm - ASP1G3**

- Study "EU-funded large-scale infrastructure: deficient project preparation and procurement processes?" - **26 November 2018**

#### Forthcoming Events

Joint **AGRI/CONT** Hearing "LEADER Experiences - lessons learned and effectiveness of EU funds for rural development" - **22 November 2018 – PHS1A002**

### CONTACTS

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Policy Department Webpage:

[http://www.poldepnet.ep.parl.union.eu/poldept/cms/cache/offonce/poldepnet/poldep\\_d/poldepd\\_presentation](http://www.poldepnet.ep.parl.union.eu/poldept/cms/cache/offonce/poldepnet/poldep_d/poldepd_presentation)

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