

MEETING

MONDAY 4 MAY 2015

15.00 - 18.00 public meeting

TUESDAY 5 MAY 2015

9.00 – 12.30 and 15.00 - 18.30 joint hearing

Paul-Henri Spaak 3C050

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eMeeting

1. AGENDA

The [draft agenda](#) (in EN) was emailed to Members on 29 April 2015 and is in the [file for this meeting](#).

Please be informed, that on **Monday, 4 May 2015** the meeting will end **at 18.00**, given that CONT Members are invited by Members of the OLAF Supervisory Committee to attend the presentation of the Supervisory Committee Annual Activity Report 2014, which will be followed by a reception.

2. CHAIR'S ANNOUNCEMENTS

The Chairman draws attention to the following points:

LANGUAGES AVAILABLE

4 May 2015, 15h00-18h00:

BG, CS, DA, DE, EN, ES, FI, FR, HU, IT, LT, NL, PL, PT, RO, SK, SL,
+ PT between 16h00 - 17h30

5 May 2015, 9h00-12h30

FR, DE, IT, NL, EN, DA, ES, FI, CS, HU, LT, PL, SK, SL, BG, RO

Voting cards

The electronic voting system will be used for the vote scheduled during this meeting and Members are reminded to bring their electronic voting card.

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 4 MAY 2015**15.00 - 18.00 Public meeting**

Administrator:
Christian Ehlers

3. ANNUAL REPORT OF OLAF SUPERVISORY COMMITTEE**Presentation of the 2014 Annual Activity Report of OLAF Supervisory Committee**

On this occasion Members of the Supervisory Committee (SC) of the European Anti-Fraud Office (OLAF) will present its 2014 annual activity report (AAR). The 2014 AAR highlights the implementation of OLAF's investigative function, the cooperation with OLAF and governance questions. Other OLAF-SC reports and opinions are annexed to the report.

Recently CONT received the opinions 4 and 5/2014.

Opinion n° 4/2014 dealt with the control of the duration of OLAF investigations. The Supervisory Committee recommended that OLAF should

- (1) enrich the content of the 12-month reports with recurrent factual case-related information;
- (2) better substantiate the factual information concerning reasons for investigations lasting more than 21 months;
- (3) better substantiate the information with regard to remedial measures to speed up;
- (4) give further consideration to the remedial measures to speed up investigations lasting more than 12 months and, in particular, develop tools allowing it to monitor the allocation of investigative resources based on the estimated workload;
- (5) Review and reinforce the process of verification of continuity of investigations carried out by the Investigation Selection and Review Unit.

OLAF reacted to the SC findings in a separate document stating that it includes in its annual reports indicators on the duration of its investigations which show the annual performance of the Office and which allow for comparison over time. In addition, OLAF agreed with the second and third recommendation and has, according to them, already, on its own initiative and in the context of the revision of the Working Arrangements, proposed to the SC to improve the information it provides automatically on the reasons and the remedial measures;

In opinion 5/2014 the OLAF-SC looked at OLAF's external reporting on the duration of investigations. The Supervisory Committee recommended

- (1) For the sake of transparency and comparability of the information in the statistics on average duration of investigations, OLAF should report on the average duration of investigations closed within the reporting period.
- (2) Any one-off administrative operations having an impact on the calculation of the average duration of investigations should be highlighted, as a matter of transparency, in OLAF's reporting.
- (3) In the light of fundamental rights and/or principles of sound administration, OLAF should, in its Annual Report, report more transparently on the duration of the longest lasting investigations.

OLAF emphasised that it will continue to report transparently whenever a one-off administrative operation takes place, as it has done in the past when it reported on the opening of the 423 cases in its 2012 and 2013 OLAF annual reports. OLAF also insisted that there is no link between statistical reporting and the respect of fundamental rights.

The 2014 OLAF-SC AAR was sent to CONT Members, together with the OLAF replies on 24 April 2015.

Rapporteur for the opinion:
[Ingeborg Gräßle](#) (EPP)

Administrator:
Philippe Godts

Exchange of views with the General Rapporteur for the 2016 Budget, José Manuel Fernandes

Main committee: BUDG

CONT Timetable:

Consideration of the draft opinion : 13-14/07/2015

Deadline for amendments: 03/09/2015

Adoption of the draft opinion: 22/9/2015

4. 2016: BUDGETARY PROCEDURE



At the budgetary trilogue on 30 March, the institutions agreed on the time schedule for the adoption of the 2016 budget.

The draft budget 2016 will be adopted by the Commission on 27 May 2015.

The deadline for budgetary amendments is 3 September for Members of all the committee and 10 September for political groups

As usual the general rapporteur for the next EU budget, will visit the parliamentary committees in order to exchange views on their priorities.

CONT will have on 5 May the opportunity to debate with the general Rapporteur, Mr Fernandes, on its main concerns as expressed in the last resolutions on the discharge for 2013 and in the framework of the Guidelines for the budget 2016 adopted by the plenary on 11 March 2015. The European Parliament recommended that EU spending in 2016 should focus on fostering economic growth, solidarity among Member States and with third countries, and putting EU finances in order.

Rapporteur:
[Karin Kadenbach](#) (S&D)

Administrator:
Philippe Godts

Presentation of the Special Report by the Member of the European Court of Auditors responsible, Kersti Kaljulaid, and consideration of a working document

5. ECA SPECIAL REPORT N° 4/2015 (2014 DISCHARGE): TECHNICAL ASSISTANCE: WHAT CONTRIBUTION HAS IT MADE TO AGRICULTURE AND RURAL DEVELOPMENT?



The Court examined the use of technical assistance funds in agriculture and rural development during the 2007- 2013 programming period. The audit focused on the regularity, the effectiveness and the efficiency of funding at the Commission and in the Member States. The audit aimed to assess how well technical assistance was managed and whether it contributed to the core objectives of agriculture and

rural development policy.

Technical assistance (TA) has traditionally been concerned with the provision of expertise and funding to support government departments in the delivery of programmes linked to policy objectives.

The Court found that the absence of a clear and restrictive definition of the technical assistance in agricultural policy hinders the setting of targets and measurable objectives and thus reduces the degree of accountability. Blurring the distinction between operational and administrative costs is also damaging to budgetary transparency.

Another consequence of this insufficiently prescriptive approach to technical assistance lies in the area of eligibility. Because administrative costs are often shared between Pillar I and Pillar II of the common agricultural policy, there can be confusion over the correct allocation of expenditure to a specific fund.

The audit revealed many problems with contracting and procurement practices in the Member States (affecting 17 of 51 audited procurement procedures, mainly in the area of information and publicity activities).

Finally the Court concluded that owing to the absence of a suitable performance framework for TA expenditure in agriculture and rural development, neither the Commission nor the Member States are able to demonstrate how well technical assistance has contributed to the general policy objectives of the CAP.

The working document of the Rapporteur was sent to Members on 29 April 2015 and was published on [CONT's website](#).

The Rapporteur's recommendations will form part of the Commission's discharge report for the financial year 2014. Amendments may be tabled in this context and the deadline will be the same as the Commission's discharge.

Please be informed that Members of AGRI Committee have been invited to this presentation.

Rapporteur:
[Andrey Novakov](#) (EPP)

Administrator:
Tereza Pinto de Rezende

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

6. ECA SPECIAL REPORT NO 1/2015 (2014 DISCHARGE): INLAND WATERWAY TRANSPORT IN EUROPE: NO SIGNIFICANT IMPROVEMENTS IN MODAL SHARE AND NAVIGABILITY CONDITIONS SINCE 2001



In the first Special Report of 2015, the Court of Auditors observed that the inland waterways transport in Europe had no significant improvements in modal share and navigability conditions since 2001. There was no significant increase in the overall share of inland waterways freight transport (6,4% in 2001 and 6,7% in 2012), a limited number from the identified 47 bottlenecks in river transport were tackled,

long-term strategies were missing in the audited projects, Member States administrative burden made implementation being delayed for sometimes more than one year and the EU strategies lacked comprehensive and robust analysis.

In order to improve the situation, the Court recommended the Member States to prioritise inland waterways projects and the Commission to be more selective when electing inland waterways projects for financing, to carry out in-depth analyses of potential benefits of the different projects, to focus, together with Member States, on eliminating bottlenecks on corridors in the framework of the Connecting Europe facility and to strengthen the legal base.

The Rapporteur produced a very complete and extensive working document with far-reaching recommendations stressing that the EU transport sector is crucial for Europe's economic growth and that the inland waterways require a significant uptake from the Commission and the Member States. He noticed that Member States have decreased the interest in investing in a community transport policy and the Commission have seen its strategic coordination role to be weakened. To achieve a sustainable policy outcome an intensive cooperation between the Member States and the Member States and the Commission is fundamental.

The Rapporteur recommends to focus the limited EU resources on the highest priority projects to ensure removal of bottlenecks and to establish an integrated EU-wide waterway network.

For that purpose, an in-depth strategic approach and planning should be put in place to synchronise the funding from ESIF, TEN-T and the Connecting Europe Facility. In addition, the Rapporteur proposes to establish intermodal transport centres and to reinforce the Commission's coordination role. The Commission is asked to provide intensive technical assistance and guidance to the Member States, to prioritise funding projects that use innovative solutions, to improve awareness among Member States and their regions about available funding instruments for supporting inland waterway transport. The Member States should make an effort of better coordination, including binding commitments and conditionalities, with specific and achievable actions to eliminate bottlenecks, having the Commission to improve the ex-ante evaluation of operations.

The working document was sent to Members on 15 April 2015 and is available on the [CONT website](#).

The Rapporteur's recommendations will form part of the Commission's discharge report for the financial year 2014.

Amendments may be tabled in this context and the deadline will be the same as the Commission's discharge.

Please be informed that Members of TRAN Committee have been invited to this presentation.

TUESDAY 5 MAY 2015

9.00 - 10.00 - Coordinators' meeting in camera



7. COORDINATORS' MEETING

Meeting held in camera

TUESDAY 5 MAY 2015

10.00 - 11.00 - Public meeting

*** VOTING TIME ***

Rapporteur for the opinion:

[Patricija Šulin](#) (EPP)

Administrator:

Tereza Pinto de Rezende

Consideration of amendments

Main committee: JURI

CONT Timetable:

Adoption in CONT: 05/05/2015

Adoption in JURI: 16-17/06/2015

Plenary vote: July 2015

8. ANNUAL REPORTS 2012-2013 ON SUBSIDIARITY AND PROPORTIONALITY



Three amendments were tabled and accepted by the Rapporteur.

To ensure a more far-reaching text, the Rapporteur proposed a compromise amendment on amendment 1 which was accepted by the author.

The voting list including the proposed COMP was circulated to the MEP and political groups the week before the vote.

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

*** END OF VOTING TIME ***

Rapporteur:

[Petri Sarvamaa](#) (EPP)

Administrator:

Philippe Godts

Consideration of draft report

CONT Timetable:

Deadline for amendments: 02/06/2015

Adoption in CONT: 14/07/2015

Plenary vote: September 2015

9. PROTECTING THE EUROPEAN UNION'S FINANCIAL INTERESTS: TOWARDS PERFORMANCE-BASED CONTROLS OF COMMON AGRICULTURAL POLICY



As pointed out by the Court of Auditors, the arrangements for the common agricultural policy spending, continue to be complex and in particular the new framework for cross compliance does not yet correspond to a reduction in the level of complexity of this policy for the managing authorities or for the beneficiaries.

In his draft initiative report Petri Sarvamaa favours innovative solutions and wants to explore the two following approaches:

1. the achievement of the single audit scheme with only one chain of audits from the final beneficiaries to the European Union institutions and

2. the setting up of a flexible organisation of checks promoting performance based controls of Common Agricultural Policy.

The English version of the draft report was sent to Members on 29 April 2015 and was published on the [CONT website](#).

TUESDAY 5 MAY 2015

11.00 - 12.30 **In camera**

Administrator:
Philippe Godts

Exchange of views with the Vice-President of the European Commission responsible for Budget and Human Resources, Kristalina Georgieva

10. TOBACCO AGREEMENTS

Four Cooperation Agreements are currently in force between the Member States, the EU and Philip Morris International (PMI), Japan Tobacco International (JTI), Imperial Tobacco Limited (ITL) and British American Tobacco (BAT).

The agreement with PMI is due to expire in July 2016. The agreement requires the parties to meet 2 years before the expiration date with a view to explore whether the Cooperation Agreement should be prolonged. Such a meeting took place already on 9 July 2014.

In the resolution accompanying its decision to grant the discharge to the Commission for 2012 adopted in April 2014 the Parliament asked for an assessment of the existing agreements with the four tobacco groups.

In this general context CONT will have an exchange of views with Vice-President Kristalina Georgieva.

TUESDAY 5 MAY 2015

15.00 - 18.30 - Joint hearing

Co-rapporteurs:
[Inés Ayala Sender](#) (S&D)
[Janusz Lewandowski](#) (PPE)

11. JOINT HEARING OF CONT AND BUDG ON "CONTROL CHALLENGES IN THE EU'S OWN RESOURCES SYSTEM"

See separate CONT News

Administrator:
Olivier Sautiere (CONT)
Holger Benzing (BUDG)



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NEXT MEETINGS

- **8 June 2015, 19.00 – 20.00
(Strasbourg)**
- **17 June 2015, 9.00 – 12.30 and
15.00 – 18.30 (Brussels)**