



## ISSUE N°13

### MEETING OF MONDAY 13 JULY 2015

15.00 - 18.30 public meeting

### TUESDAY 14 JULY 2015

9.00 – 12.30 and 15.00 - 18.30 public meeting

Room: Altiero Spinelli 1G3

## 1. AGENDA

The [draft agenda](#) (in EN) was emailed to Members on 1 July 2015 and is in the [file for this meeting](#).

## 2. CHAIR'S ANNOUNCEMENTS

The Chairman draws attention to the following points:

### Languages available

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

### Webstreaming

The CONT meeting is web streamed on the [Europarl web-site](#).

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

### Voting cards

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

## MONDAY 13 JULY 2015

15.00 - 18.30 Public meeting



### 3. EXCHANGE OF VIEWS WITH COMMISSIONER MARIANNE THYSSEN, RESPONSIBLE FOR EMPLOYMENT, SOCIAL AFFAIRS, SKILLS AND LABOUR MOBILITY, IN THE CONTEXT OF THE EU POLICY TOWARDS THE ROMA

#### Exchange of views

Administrator: Philippe Godts

In its resolution of 29 April 2015 with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III, Commission and executive agencies (2014/2075(DEC)) the Parliament pointed out that the funds available for the integration of Roma were not always spent for this purpose. The Parliament was in particular concerned that many Roma face discrimination and social exclusion living in very poor socio-economic conditions. It called on the Commission to support effective implementation of National Roma Integration Strategies at local and regional levels and to ensure that budget spending targets the objectives of the mainstream policies.

The exchange of views with Commissioner Marianne Thyssen offers the opportunity to discuss on the follow-up given by the Commission to the abovementioned resolution

### 4. THE OLAF REPORT 2014 – FIFTEENTH REPORT OF THE EUROPEAN ANTI-FRAUD OFFICE, 1 JANUARY TO 31 DECEMBER 2014

#### Presentation of the 2014 Annual Report of OLAF by the Director-General of the European Anti-Fraud Office, Giovanni Kessler



Rapporteur: [Benedek Jávor](#) (Verts/ALE)

Administrator: Michal Czaplicki

The Director-General of OLAF, Giovanni Kessler, will present the Fifteenth report of the European Anti-Fraud Office - 1 January to 31 December 2014. The report explains OLAF's mission, mandate and competences and also OLAF's investigative activities. In addition, the report lists the recommendations OLAF issued and how they were implemented. Furthermore, the report highlights OLAF's cooperation with its partners and fraud prevention and detection activities.

### 5. STUDY ON "EU FUNDS FOR THE MIGRATION POLICIES: ANALYSIS OF EFFICIENCY AND BEST PRACTICE FOR THE FUTURE"

#### Presentation of the study and exchange of views



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

Administrator: Jean-Jacques Gay

This study aims at providing an overview of the EU funds for Migration, Asylum and integration policies with a focus on assessing its effectiveness and presenting some lessons learnt on the implementation of the EU policies in this area. The study also

focuses on how organised crime is involved in misuse of this type of funds and puts forward proposals on how the situation could be improved in management of these funds. The study analyses different models of management of the funds mainly in the following Member States: Italy, Bulgaria, Spain, Greece, Romania, France and the United Kingdom.

**TUESDAY 14 JULY 2015**

9.00 - 12.00 Public meeting

## 6. ELECTRONIC VOTE

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



### Adoption of draft report

Rapporteur for the opinion: [Petri Sarvamaa](#) (EPP)

Administrator: Philippe Godts

As pointed out by the Court of Auditors, the arrangements for the common agricultural policy spending and in particular the new framework for cross compliance, do 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: the achievement of the single audit scheme with only one chain of audits from the final beneficiaries to the European Union institutions and 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.

The English version of the 44 amendments was circulated on 15 June 2016 and published with other language versions on the CONT website. AGRI adopted its opinion on 17 June 2015.

The voting list will be circulated as soon as available.

Event	Body	Date
Deadline for amendments	CONT	02/06/2015
Adoption of the report	CONT	14/07/2015
Adoption in plenary	Plenary	September I 2015

## 8. END OF ELECTRONIC VOTE



### 9. 2013 DISCHARGE - EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY AGENCY (EIT)

#### Consideration of draft report



Rapporteur: [Ryszard Czarnecki](#) (ECR)

Administrator: Hrvoje Svetic

The European Parliament postponed on 29 April 2015 its decision on granting the discharge to the Director of the European Institute of Innovation and Technology (EIT) for the financial year 2013. In its resolution accompanying the decision of postponement Parliament set out the reasons for postponement and called for a report on steps taken in order to redress the identified shortcomings. In particular, the Parliament has noted, inter alia, the combined error rate regarding the audit issues and material procurement errors between 2% and 3% of total 2013 expenditure, which is above the materiality threshold of 2%, the insufficient quality of ex ante and ex post verifications as well as irregular public procurement procedures.

To allow the Parliament to take an informed decision, the EIT has provided CONT on 29 June 2015 a report on its progress since the first report. The second draft report of the Rapporteur, Mr Ryszard Czarnecki, focuses on the changes and improvements made by the EIT since Parliament's first report. The Rapporteur's draft report centres, inter alia, on the following improvements:

- newly introduced complementary ex-ante verifications for grant expenditure, which added a second layer of assurance on the legality and regularity of grant transactions;
- redesigned procurement procedures since 2013 with a proactive approach towards the detection of errors;
- obtainment of the audit certificates on the costs of EIT's beneficiaries and the review of the portfolio of beneficiaries' complementary activities;
- improved the planning and monitoring procedures related to the budget implementation which include a more rigorous assessment of activities;
- increased absorption capacity of the first-wave beneficiaries and introduction of additional second-wave beneficiaries;
- improvements in the vacancy management, establishment of an appraisal and re-classification system providing a better career perspective, strengthening middle management level.

Event	Body	Date
Deadline for amendments	CONT	04/09/2015
Adoption of the draft opinion	CONT	22/09/2015
Adoption in plenary	Plenary	October II 2015

### 10. DISCHARGE 2013: ARTEMIS - EMBEDDED COMPUTING SYSTEMS

### 11. DISCHARGE 2013: ENIAC - EUROPEAN NANOELECTRONICS INITIATIVE ADVISORY COUNCIL



#### Consideration of draft report

Rapporteur: [Ryszard Czarnecki](#) (ECR)

Administrator: Michal Czaplicki

Following the recommendation made by CONT in its first report, the European Parliament postponed on 29 April 2015 its decision on granting the discharge to the Directors of the ARTEMIS and ENIAC Joint Undertaking for the financial year 2013. In its resolution accompanying the decision of postponement, the Parliament set out the reasons for postponement and called for a report on steps taken in order to redress the identified shortcomings. In particular, the Parliament has noted, inter alia, that the Court for the third consecutive year issued a qualified opinion questioning the *ex post* audit strategy with respect to the legality and regularity of the transactions of the ENIAC JU. ARTEMIS JU on the other hand failed to respect the 2014 recommendations of the discharge authority and did not adopt a comprehensive policy for the prevention and management of conflicts of interests.

To allow the Parliament to take an informed decision, the Joint Undertakings have provided CONT on 25 June 2015 a report on their progress since the first report. The second draft report of the Rapporteur, Mr Ryszard Czarnecki, focuses on the progress and changes made by the Joint Undertakings since Parliament's first report. The Rapporteur's draft reports centre, inter alia, on the improvements in the *ex post* audits and audit strategies, the progress in managing the assurances provided by National Funding Authorities as well as on development of new methodology for residual error rate estimation.

Event	Body	Date
Deadline for amendments	CONT	04/09/2015
Adoption of the draft opinion	CONT	22/09/2015
Adoption in plenary	Plenary	October II 2015

## 12. DISCHARGE 2013: EU GENERAL BUDGET - COUNCIL AND EUROPEAN COUNCIL

### Consideration of draft report



Rapporteur: [Ryszard Czarnecki](#) (ECR)

Administrator: Tereza Pinto de Rezende

For the seventh year, and by a large majority, on 29 April 2015, the Plenary postponed the 2013 European Council and Council discharge, maintaining the decision and reconfirming the content of the report, as voted in CONT.

The rapporteur, Mr Ryszard Czarnecki (ECR), in his second report recalls the outstanding issues and Parliament's responsibilities in the discharge process. He is of the opinion that it is necessary to consider different possibilities to update the rules on granting discharge laid down in the TFEU. Also an open and formal dialogue procedure between Parliament and Council would be a positive sign to be sent to the Union's citizens. Notwithstanding, the Rapporteur regrets that no replies were provided in the meantime by the Council to the questions and the requests made in this and the previous discharge exercises. He proposes therefore to refuse again the discharge to the European Council and Council.

Event	Body	Date
Deadline for amendments	CONT	04/09/2015
Adoption of the draft opinion	CONT	22/09/2015
Adoption in plenary	Plenary	October II 2015

### 13. THE ROLE OF THE EU WITHIN THE UN - HOW TO BETTER ACHIEVE EU FOREIGN POLICY GOALS

#### Consideration of draft opinion



Rapporteur for the opinion: [Ryszard Czarnecki](#) (ECR)

Administrator: Olivier Sautière

Main committee: AFET

In his draft opinion, the Rapporteur Mr Czarnecki highlights the need to enhance the UN efficiency, accountability, effectiveness and transparency especially when EU funding is at stake. Likewise, the approximation of the respective governance systems to define common principles of assurance in compliance with the EU legal requirements and the research of synergies and leverages between EU and UN on areas of common interest should be pursued as a permanent objective.

Besides the reinforcement of good governance practices, the Rapporteur considers that Union visibility in multi-donors interventions, the expanding of Union values as well as the adequacy of interventions with EU overall strategy and political priorities have to be constantly ensured. The Rapporteur also underlines the development of an effective result-oriented approach in light of the focus on the performance and sustainability of results achieved of the Union assistance.

The draft opinion is available on the CONT website.

Event	Body	Date
Consideration of the draft opinion	CONT	14.07.2015
Deadline for amendments	CONT	04.09.2015
Adoption in CONT	CONT	22.09.2015

### 14. MISSION TO "THE SAHRAWI REFUGEE CAMP OF TINDOUF IN ALGERIA" - RESULTS

#### Exchange of views with Claus Sorensen, Director-General of Directorate-General for Humanitarian Aid and Civil Protection (ECHO)

Administrator: Philippe Godts

In its resolution of 29 April 2015 with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III, Commission and executive agencies (2014/2075(DEC), the Parliament called on the Commission to clarify the measures taken in response to the findings of the report drafted by the OLAF on the humanitarian aid granted to the Sahrawi refugee camp of Tindouf in Algeria (OF 2003/526) and called on in particular the Commission to re-evaluate and adapt Union aid to the actual needs of the population concerned and to ensure that the interests and needs of the refugees will not be harmed because they are the most vulnerable to any possible irregularity.

The exchange of views with Claus Sorensen offers the opportunity to discuss on the follow-up given by the Commission to the abovementioned resolution

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**TUESDAY 14 JULY 2015**

12.00 - 12.30 In camera

## 15. COORDINATORS' MEETING

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**TUESDAY 14 JULY 2015**

15.00 - 16.00 Public meeting

## 16. ECA SPECIAL REPORT N° 5/2015 (2014 DISCHARGE) ON "ARE FINANCIAL INSTRUMENTS A SUCCESSFUL AND PROMISING TOOL IN RURAL DEVELOPMENT AREA?"



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

Rapporteur: [Jens Geier](#) (S&D)

Administrator: Philippe Godts

Financial instruments were first applied to agriculture in the 2000-2006 programming period and were extended to 2007-2013 with a view to helping farmers and small rural businesses obtain private funding for rural investment projects. These instruments, via loan funds and guarantee funds, are meant both to attract additional public and/or private capital (leverage effect) and allow the initial allocations of funds to be reutilised (revolving factor). At the end of 2013, the EU and the Member States had contributed around 700 million euro in financial instruments in the area of rural development.

The Court addressed the questions of whether financial instruments had been successful in the 2007-2013 programming period in the area of rural development and whether the changes introduced for the new programming period 2014-2020 were likely to have a significant impact on the key shortcomings identified.

Overall, the Court concluded that financial instruments had been unsuccessful in the field of rural development and although the 2014-2020 period is potentially promising, it will be a considerable challenge to achieve the desired impact, mainly due to a persistent overcapitalisation and the risk of continued dependence on grants.

However, it needs to be pointed out that with regard to the management of EU funds no misuse took place. It was rather the lack of effectiveness and a massive overcapitalisation of the financial instruments that lead to commitments with only very limited impact compared to the main purpose to foster the implementation of EU policies in the area of rural development.

The Rapporteur recommends in particular that



- the Commission identifies the obstacles faced in rural development in order to encourage Member States to better set up and assess the budgetary demand for financial instruments and to avoid overcapitalisation.
- the Commission provides guidance and actively promotes the quality of the mandatory ex- ante assessments for financial instruments as introduced for the programming period 2014-2020 ;
- the Member States validate the risk exposure ratio by appropriate technical expertise;
- the Commission sets appropriate standards and targets for leverage and revolving effects .in order to increase the effectiveness of the financial instruments for the programming period 2014-2020;
- the Commission encourages Member States to establish a single financial instrument which is able to provide both loans and guarantees, thus increasing its activity and critical mass;
- the Member States overcome selection weaknesses in the management of grants for investment measures, which could result in deadweight or displacement effect
- the Member States examine how grants and financial instruments can be combined in the Operational Programme to provide the best value for money, by optimising leverage and /revolving effects;

The Commission provides clearly defined operational implementing rules, including the exit policy, in due time and before the closure of the 2007-2013 programming period.

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.

**TUESDAY 14 JULY 2015**

16.00 - 18.30 Public meeting

### *Public hearing*

## **17. HEARING ON "THE USE OF EU FUNDS IN MEMBER STATES IN PARTNERSHIP WITH COMPANIES (CONTRACTORS OR SUBCONTRACTORS) OUTSIDE OF A GIVEN MEMBER STATE"**



Rapporteur: [Ryszard Czarnecki](#) (ECR)

Administrator: Christian Ehlers

On 2 December 2014 coordinators decided, upon request of the ECR Group to organise a hearing on the subject mentioned above. The question raised is: Who benefitted from ERDF assistance in countries that joined the EU in 2004 or later? Coordinators endorsed the outline for the hearing on 17 June.

It was agreed to look at two Member States in detail, Poland and Hungary, as they are among the most important beneficiaries of structural funds. In addition, a broader, more horizontal view would be added.

The draft programme including the name of the speakers was sent to Members on 3 July.





### NEXT MEETINGS

**21 September 2015, 15.00 – 18.30 (Brussels)**

**22 September 2015, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)**

**See also the [2015 calendar of meetings](#) for future meetings**

### WATCH LIVE

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

### PAPERLESS PROGRAMME

**Meeting documents:** In light of the European Parliament's paperless project please bear in mind that only a very limited number of paper dossiers will be available in the meeting room.

### (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