



MEETING OF MONDAY 29 FEBRUARY 2016

15.00 - 18.30

Brussels

Room: Paul Henri Spaak (1A002)

1. AGENDA

The draft agenda (in EN) was emailed to Members on 15 February 2016 and is in the [file for this meeting](#).

2. CHAIR'S ANNOUNCEMENTS

The Chairman draws attention to the following points:

CONT Meeting of Thursday, 7 April, from 9.00 to 12.30

The Chair draws the attention of the Members that the CONT Meeting of Monday 4 April 2016 pm has been cancelled and replaced by a **CONT Meeting on Thursday, 7 April, from 9.00 to 12.30**, during which the vote on the European Parliament 2014 discharge will take place.

Languages available

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

MONDAY 29 FEBRUARY 2016

15.00 - 18.30

PUBLIC MEETING

3. DISCHARGE 2014: EU GENERAL BUDGET - EUROPEAN PARLIAMENT



Consideration of draft report

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

Administrator: Mauro De Oliveira

The European Parliament draft discharge report for the financial year 2014 is based on a wide range of information, which is available on the CONT website:



- Parliament's accounts for the financial year 2014,
- 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 2014,
- 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 19 January 2016, and
- the exchange of views in CONT on 4 February with the Vice-President responsible for budgetary affairs, the Secretary General, the Court of Auditors and the Internal Auditor.

The Rapporteur, Mr Pieper, will present his draft report on the Parliament's management during 2014. 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 commends the revised Transparency register approved by the Parliament on April 2014 and the fact that the costs of delegations, joint parliamentary assemblies, ad hoc delegations and election observation missions outside the Union in 2014 were curbed to 1 351 212 (2014) following the remarks made by the Parliament in its discharge resolution for the financial year 2013.

He emphasises with concern that price levels of restaurants and bars have repeated increase leading to unjustified disadvantageous pricing, especially for assistants, interns and visitors. He considers that the numerous constituency and plenary weeks represent periods during which the canteens and cafeteria facilities are not fully employed and suggests that the staff of these facilities be employed gainfully elsewhere.

The Rapporteur calls for a revision of building security measures and for greater control at the entrance to the Parliament's car parks by means of automatic number plate recognition and the implementation of a central external control point.

He voices his concern in relation to the reimbursement of costs to visitor groups and demands therefore that cash payments be eliminated as far as possible when reimbursing those costs. He points out the high reputational risk for the Parliament and the significant security risk entailed with this procedure.

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

CONT Timetable:

Event	Body	Date
Consideration of the draft report	CONT	29/02/2016
Deadline for amendments	CONT	11/03/2016
Adoption in CONT	CONT	07/04/2016
Adoption in Plenary	Plenary	APRIL II 2016

4. ECA SPECIAL REPORT N°2/2016 (2014 DISCHARGE) ON "2014 REPORT ON THE FOLLOW-UP OF THE EUROPEAN COURT OF AUDITORS' SPECIAL REPORTS"



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

Rapporteur: [Ingeborg Gräßle](#) (PPE)
Administrator: Christian Ehlers

The European Court of Auditors (ECA) assessed whether the Commission had taken



the necessary actions to adequately manage and follow-up the Court's recommendations by evaluating two sub-questions: Had the Commission adequately addressed the audit recommendations in the selected SRs, and was the Commission's follow-up system robust? To this end the Court sampled 44 recommendations from eight special reports (SR) from the period 2009-2012. For these recommendations the Court appraised the current state of play.

The Court's first follow-up report in 2012 (SR 19/2012) observed that the follow-up of our audit recommendations by the Commission needed strengthening. The ECA's second follow-up report in 2013 (SR 19/2013) recommended that the Commission should refine its IT tool for monitoring, the "RAD" (Recommendations, Actions, Discharge) application to better reflect recommendations that had only been partially implemented.

In general the ECA considered the RAD IT tool to be reliable. However, in 11 out of 24 assessed criteria the Court identified shortcomings with regard to the effectiveness of the follow-up system.

The ECA recommended to the Commission to improve further

- 1) explaining and/or documenting the status of actions taken on the recommendations;
- 2) reviewing the actions of Member States and agencies in addressing our audit recommendations;
- 3) report more fully in the Annual Activity Reports or elsewhere on the actions taken in addressing recommendations; and
- 4) reviewing recommendations assessed as partially implemented by the Court to reflect their actual status.

The Commission accepted the recommendations fully or partially.

The rapporteur

- Salutes the fact that 23 of 44 recommendations were fully implemented;
- Welcomes also that the Commission, by and large, accepted the Courts additional recommendations in the current special report;
- Notes however that the Court considered that 18 of 44 recommendations, listed in the annex of the working document, partially or not implemented or could not be verified;
 - in the agricultural policy area (10 recommendations) follow-up of recommendations often concerned the Commission and Member States and the former was of the opinion that it had fulfilled its responsibility;
 - in the social policy area (2 recommendations), coming under shared management, the Court considered that performance and effectiveness were not measured sufficiently;
 - in the area of external relations (3 recommendations) the Commission should directly assess the reasonableness of projects costs and rely less on the market knowledge of international organisations; the Commission should have upgraded the quality and security of the Common External Relation Information System (CRIS); and
 - in the area of competition (3 recommendations) the Court is of the opinion that preliminary investigations should be better managed, the number of unfounded complaints reduced and to improve the State Aid Reporting Interface (SARI)
- Stresses that from the point of view of the discharge authority it is unsatisfactory when adversarial procedures end in: the Commission and the Court conclude differently; calls therefore on both institution to avoid such an outcome;
- Calls on the Court to clearly indicate in its recommendations which kind of action is expected from the Commission and which kind of action is expected from the Member States;
- Calls on the Court to develop a system, together with national audit authorities, which will allow the ECA to evaluate the follow-up Member States have given to its recommendations;
- Emphasises that it never received a satisfactory explanation why the Commission considered it over years very important that directorates general dispose of their own internal audit capabilities, only to regroup the internal audit capabilities under the Internal Audit Service again as of April 2015

The Rapporteur's conclusions may 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: 4 March 2016.



CONT Timetable:

Event	Body	Date
Consideration of draft report	CONT	23/02/2016
Deadline for amendments	CONT	4/03/2016
Adoption in CONT	CONT	23/03/2016
Adoption in Plenary	Plenary	APRIL II 2016

5. International Accounting Standards (IAS) Evaluation and the Activities of the International Financial Reporting Standards (IFRS) Foundation, European Financial Reporting Advisory Group (EFRAG) and the Public Interest Oversight Board (PIOB)



Consideration of draft opinion

Rapporteur: [Ryszard Czarnecki](#) (ECR)
Administrator: Olivier Sautière
Main Committee: ECON

In his draft opinion, the rapporteur, Mr Czarnecki believes that strengthening the reliability, comparability and transparency of financial information is an overarching objective and stresses that Parliament should be involved in the development and endorsement process of financial reporting standards to ensure overall consistency of accounting and principles and their appropriateness through careful cost/benefits analysis.

In addition, the Rapporteur supports the advisory role of the European Financial Reporting Advisory Group ensuring European presence in discussions related to global accounting standards and points out that lessons learnt from the implementation of the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) should be used as possible benchmarks for EU Member States for the development of European Public Sector Accounting Standards (EPSAS).

Finally, he highlights that the setting-up of reinforced accounting and reporting instruments in the public sector will benefit to political decision-making, economic governance and public accountability.

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

CONT Timetable:

Event	Body	Date
Consideration of the draft opinion	CONT	29/02/2016
Deadline for amendments	CONT	11/03/2016
Adoption in CONT	CONT	07/04/2016
Adoption in ECON	ECON	25/04/2016
Adoption in Plenary	Plenary	June I 2016



6. Assessment of the EU Youth Strategy 2013-2015



Exchange of views

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

The economic crisis hit the young people particularly hard, especially in terms of employment and social inclusion. Something needed to be done to overcome the consequences of that crisis and that is why the Commission and the Member States in a more systematic cooperation put together a set of measures to improve young people's employability, their integration in the labour market, their social inclusion and participation.

The CONT opinion should focus on evaluating the performance of the EU funds, particularly European Social Fund (ESF) and Youth Employment Initiative (YEI) used to improve the young people's conditions, whether in education, training or working. At this CONT meeting, the Members will have a first exchange of views.

CONT Timetable:

Event	Body	Date
Exchange of views	CONT	29/02/2016
Consideration of the draft opinion	CONT	15/03/2016
Deadline for amendments	CONT	22/03/2016
Adoption in CONT	CONT	20-21/04/2016
Adoption in CULT	CULT	30/05/2016
Adoption in Plenary	Plenary	June II 2016

7. Any other business

8. Next meetings

NEXT MEETING

- **15 March 2016, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)**
- **22 March 2016, 15.00 - 18.30 (Brussels)**
- **23 March 2016, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)**
- **7 April 2016, 9.00 - 12.30 (Brussels)**

WATCH LIVE

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PAPERLESS PROGRAMME (INTERNAL USERS ONLY)

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