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*Plenary sitting*

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**A8-0058/2016**

17.3.2016

# **REPORT**

on the nomination of Anthony Abela as a Member of the Court of Auditors  
(C8-0024/2016 – 2016/0803(NLE))

Committee on Budgetary Control

Rapporteur: Igor Šoltes

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## PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

### on the nomination of Anthony Abela as a Member of the Court of Auditors (C8-0024/2016 – 2016/0803(NLE))

#### (Consultation)

*The European Parliament,*

- having regard to Article 286(2) of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0024/2016),
  - having regard to Rule 121 of its Rules of Procedure,
  - having regard to the report of the Committee on Budgetary Control (A8-0058/2016),
- A. whereas Parliament's Committee on Budgetary Control proceeded to evaluate the credentials of the nominee, in particular in view of the requirements laid down in Article 286(1) of the Treaty on the Functioning of the European Union;
- B. whereas at its meeting of 15 March 2016 the Committee on Budgetary Control heard the Council's nominee for membership of the Court of Auditors;
1. Delivers a negative opinion on the Council's nomination of Anthony Abela as a Member of the Court of Auditors;
  2. Instructs its President to forward this decision to the Council and, for information, the Court of Auditors, the other institutions of the European Union and the audit institutions of the Member States.

# ANNEX 1: CURRICULUM VITÆ OF ANTHONY ABELA

## POLITICAL CAREER

2008-2016: Main activities and responsibilities	<b>DEPUTY LEADER (PARTY AFFAIRS) LABOUR PARTY</b> Deputy Leader (Party Affairs) Labour Party. Apart from his general responsibilities of running and managing the Party's internal affairs, he also monitored 65 political Labour Party outlets. He also set standards of good governance to 39 Labour Local Councils and saw that these standards are upheld. During his tenure, Labour Party went through radical changes at all levels of organisation.  Since 2013 has been serving as consultant to the Prime Minister on political, social and legal matters. Also provides legal assistance to the Ministry of Family and Social Affairs. Was instrumental in the introduction of a law to protect vulnerable persons from abuse. Was involved in the drafting of the Whistle Blower Act, the abolishment of prescription in the case of abuse of power and acts of corruption by public officials and the law regulating the financing of political parties.
1996-1998 Main activities and responsibilities	<b>MEMBER OF THE EMPLOYMENT COMMISSION</b> The Employment Commission which is an independent judicial body, established under the Constitution that decides matters relating to political discrimination in the industrial relations field.
1993-1997 Main activities and responsibilities	<b>VICE MAYOR OF HAMRUN</b> Elected as Vice Mayor of Hamrun, a major town in Malta, and was responsible for law enforcement and management of the citizens' complaints bureau. Introduced the first bye-laws and established the first local Court.
1989 Main activities and responsibilities	<b>CO-FOUNDER OF ALTERNATTIVA DEMOKRATIKA- GREEN PARTY</b> Co-founder of Alternattiva Demokratika the Green Party, espousing environmental issues, equality of gender, political transparency and a fairer electoral system with the introduction of a national quota to allow small political parties to be represented in Parliament on the line of the German model. Campaigned in favour of the introduction of the Whistle Blower Act, Freedom of Information Act, the abolishment of the institute of prescription in case of abuse of power and corruption by public officials and the need of a Party Financing Law.
1988-1989 Main activities and responsibilities	<b>ELECTED TO THE POST OF PRESIDENT OF THE LABOUR PARTY.</b> Dr.Abelo served as the President of the Labour Party between 1988 and 1989.
1987 Main activities and responsibilities	<b>CONTESTED THE NATIONAL ELECTIONS AS A LABOUR PARTY CANDIDATE.</b> Toni Abela first stood for the Maltese General elections in 1987
1981-1989 Main activities and responsibilities	<b>MEMBER OF THE NATIONAL EXECUTIVE BODY OF LABOUR PARTY</b> During this period he campaigned in favour of wider civil rights, amongst others, the right to divorce, political self-criticism and political transparency.

## OTHER WORK EXPERIENCE

1984 - onwards Name and address of employer	<b>ADVOCATE</b> Self-employed
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Main responsibilities Since 1984 to date, he has uninterruptedly worked as lawyer and practised at the bar. He has practised in various legal fields, mostly family law, Constitutional issues, administrative law, procurement regulations and civil and commercial suits. He was behind ground breaking decisions in the protection of minority shareholders in take over suits, Constitutional cases that have changed laws as regards rent laws, matrimonial regimes, civil rights and electoral laws.

1983- onwards  
Name and address of employer  
Main responsibilities

**COLUMNIST**  
L-Orizzont and Sunday newspaper il- Kullhadd

Since 1983 he has been a resident columnist in weekly and daily newspaper in the Maltese Language. He writes mostly about social and political matters. Presently he is also the Editor of a Sunday newspaper.

## EDUCATION AND TRAINING

Dates (from - to) 1979-1984  
Institution University of Malta  
Title of qualification awarded Doctor of Law  
Thesis 'The Philosophy of Law

Dates (from – to) 1979 – 1983  
Institution University of Malta  
Title of qualification awarded Notary Public Diploma

## LANGUAGES

MOTHER TONGUE	MALTESE		
OTHER LANGUAGES	ENGLISH	ITALIAN	FRENCH
Reading skills	Excellent	Excellent	Good
Writing skills	Excellent	Excellent	Good
Verbal skills	Excellent	Excellent	Good

## **ANNEX 2: ANSWERS BY ANTHONY ABELA TO THE QUESTIONNAIRE**

### **Professional experience**

#### **1. Please list your professional experience in public finance be it in budgetary planning, budget implementation or management or budget control or auditing.**

As a lawyer I have focused on defending the rights of citizens of Malta in all aspects of the law and spheres of civil rights. It has therefore been inevitable that during my professional career I encountered many occasions, where I had to deal with different aspects of public finance in the context of good governance, with a specific view to defending the interests of the citizens. These ranged from wrong assessments or refunds of undue income tax to breach of procurement regulations, the lack of offering a level playing field in granting public contracts, holding public authorities to account when in breach of the financial regulatory regime and the application of the working ethics and sound management principles in corporative laws during conduct of business, receivership or liquidation of commercial companies.

From 1993 to 1997 I also served as a Vice-Mayor in Local Council of Hamrun, which is a major town in Malta, and amongst other duties, it was within my remit to monitor that procurement regulations are followed and adhered to. I drafted the first local bye-laws and managed and organised the first Local Court sittings. From 2008 to date, I have been occupying the post of Deputy Leader of Labour Party, presently in Government, and I had to monitor revenue and expenditure both of the Central Organisation and of more than sixty political outlets. The Labour Party is the only major Party that publishes its accounts and once a year Party Members have the occasion to inspect the accounts and inquire about the financial state of the Party. I have also been responsible for the good and sound management of 39 Labour Local Councils and oversaw that principles of good governance and financial and procurement regulations are being respected and followed.

#### **2. What have been your most significant achievements in your professional career?**

During the course of 33 years as lawyer I have practiced uninterruptedly at the bar in the Maltese Courts. I have specialized in litigation in all branches of the law. There were many instances when I was legal counsel in ground breaking decisions.

I represented a number of minority shareholders in Mid-Med Bank Plc , and obtained an injunction against Government and HSBC Plc from a take-over by the latter which would have markedly depreciated the minority shareholders' equity interests. I also compelled Government to appoint members to the Stock Exchange Tribunal in order to obtain a declaration that the suspension of trading of shares in the Stock Exchange was unreasonable, oppressive and in breach of transparency of equity rights of minority shareholders. The members to the Tribunal were appointed and a favourable declaration obtained.

Another legal suit regarded the exercise of the Constitutional "actio popularis", the first ever to be used in Maltese Courts. On that occasion, I instituted proceedings to annul a law that did not allocate air time on State TV to political Parties that were not represented in Parliament. Claiming that the law in question was in breach of the Constitution and discriminatory, the

Constitutional Court directed State Broadcasting to recognise the right to access to adequate airtime of all political parties, in particular during electoral campaigns.

In another case, the Courts declared, that the Commissioner of Police was acting ultra vires, that is beyond his statutory authority and in breach of the financial regulatory regime, when requesting a bank guarantee in order to issue a licence to operate a chauffeur driven car service. By virtue of this decision, many others benefited and the laws were change to the effect that the whole procedure was simplified and made more equitable.

Apart from these three instances, I have been a lawyer in Court decisions that have changed a number laws in conformity with respect to citizens' rights ranging from rent laws, family rights and due process of law in the criminal field.

**3. What has been your professional experience of international multicultural and multi linguistic organisations or institutions based outside your home country?**

During the course of my practise as a lawyer I have been legal counsel in a number of cases involving third country citizens. Many of these cases concerned immigrants seeking asylum or a resident visa, both before the ordinary Courts and the Citizenship Review Board. Others concerned matters of companies jointly owned and/or managed by Maltese citizens and third country citizens.

In 1982 I spent a number of months voluntary caring of the poor and destitute of Calcutta India during which time I also worked in a hospital were leprosy stricken patients are taken care of. In 1983, for a number of months I was deployed at the Malta Mission at New York as legal aid. This was during the 38th session of the General Assembly. During my stay in New York I attended a number of fora and sessions in connection with combating racial hatred and the integration in society of multicultural denominations and human displacements. I also attended a of seminars abroad amongst others at Magill University Canada about divergences in law concepts. On that occasion I was interlocutor between Common Law students and Civil Law students since the Maltese legal system is a mixture of the both. Only last year I also attended to a set of workshops. organised by Eversheds , about border limitations with the participation of legal experts from all over the world. During the past three years I have also been member to a delegation promoting dialogue between Italy and Malta on matters of common interest in natural resources in the surrounding waters of both Countries.

Both during my tenures as one of the co-founders of Alternattiva Demokratika (The Green Party) and as deputy leader of the Labour Party, I have participated in a number of European conferences and seminars. As a deputy leader of the Labour Party I have regularly been in charge of receiving and working together with representatives and delegations from other European parties. I have also led Party delegations to non EU Countries. During this period I even attended General Conferences of Labour and Socialist Parties abroad.

It would be moot to state that I speak Maltese, my mother tongue which is a Semitic language with great linguistic affinity with Arabic. I also speak and write very good English and Italian. I am also conversant in French.

**4. Have you been granted discharge for the management duties you carried out previously, if such a procedure applies.**

As a self-employed lawyer the procedure of granting discharge never applied to me. For all public activities discharge has always been given without any remarks or reservations.

**5. Which of your previous professional positions were a result of a political nomination?**

From 1996 till 1999 I have been a member of the Maltese Employment Commission which is an Independent Constitutional judicial body. It is made up of five members, three of which are appointed by the President of the Republic after being advised by the Prime Minister. I was one of those three members to be appointed. Presently I am also an adviser to the Prime Minister on social issues.

**6. What are the three most important decisions to which you have been party in your professional life?**

The first important decision came when I started practicing as a lawyer in 1984. I was offered an employment in the private sector who for a young lawyers who has just started practicing law was quite attractive. Instead I decided to do it on my own. The motivation behind this decision was the fear of losing my professional and personal independence. Consequently I started my own legal firm. It is a small firm but successful in the field of litigation.

The second decision when I decided not to remain within the Labour Party fold in 1989. Due to a number of undesirable developments within the Party, I felt that my integrity and political principles would have been compromised if I would have stayed. I resigned from the post of President of the Party along with the Parliamentary Whip after having made an appeal for Party reform which appeal fell on deaf ears. By taking this decision I risked jeopardising my profession.

The third important decision to run and be elected for the post of Deputy Leader of the Labour Party in 2008. The post requires long hours of work and great stress, especially when elections are near. In Malta elections are ferociously partisan. I managed to fully fulfil the duties of this post and exercising my profession at the same time. I have always been able to earn my living from the legal profession while the post of Deputy Leader in my case was always totally non remunerative.

**Independence**

**7. The Treaty stipulates that the Members of the Court of Auditors must be ‘completely independent’ in the performance of their duties. How would you act on this obligation in the discharge of your prospective duties?**

I will act with utmost impartiality, objectivity and integrity. I have been trained to fully respect and adhere to the rule of law and I have learned to abide by the principle of collegiality in decision making and to avoid or make known any conflict of interests that I might have.

**8. Do you or your close relatives (parents, brothers and sisters, legal partner and children) have any business or financial holdings or any other commitments, which might conflict with your prospective duties?**



No, none at all.

**9. Are you prepared to disclose all your financial interests and other commitments to the President of the Court and to make them public?**

Yes, without any reservation.

**10. Are you involved in any current legal proceedings? If so, please provide us with details.**

Yes I have a number of civil proceedings against me in my capacity of Editor. It is to be made clear, that these are not against me as a private person, but against me in my capacity of Editor as the legal representative of the Sunday newspaper owned by Labour Party. In Malta libel suits, as in many other countries, are for purposes of legality only directed against the Editor as a defendant and since I am the registered Editor of the newspaper with the Press Registrar, inevitably I have to be cited as defendant. These consist in civil suits of a civil nature only. Therefore being the legally registered Editor of the Sunday newspaper by the name of "Kulhadd", which is the official newspaper of Labour Party, I have been suited in that capacity only.

**11. Do you have any active or executive role in politics, if so at what level? Have you held any political position during the last 18 months? If so, please provide us with details.**

Yes I have been until now the Deputy Leader (responsible for Party Affairs) of the Labour Party. This has been a non-remunerative post. During my tenure, for the first time in the history of Labour Party, I introduced a statutory prohibition for the holder of this post not to be able to contest local and European Parliament elections. I have been responsible for the running of the Party in most of its important roles and functions such as selecting electoral candidates, assuring the good governance of local Councils, political sections within the National Party structures, national events and overseeing the general operations of the Party.

**12. Will you step down from any elected office or give up any active function with responsibilities in a political party if you are appointed as a Member of the Court?**

Yes. I have already announced this decision to the Party and the Party is already in the process of electing my successor.

**13. How would you deal with a major irregularity or even fraud and/or corruption case involving persons in your Member State of origin?**

Fraud, corruption and major irregularities know no borders or nationality. If persons in my Member State of origin are involved in such acts, I will deal with them in the most uncompromising manner and report the matter to the competent Authorities in terms with my obligations as an Auditor of the Court Of Auditors.

**Performance of duties**

**14. What should be the main features of a sound financial management culture in any public service? How could the ECA help to enforce it?**

The foundation is simply a culture of good governance which however is not that simple to realise in the real world. Its basic three principles are, transparency, accountability and the knowledge of a deep sense of duty towards the public. To achieve, this a correct and sound public financial management must be in place and open to public inspection. Furthermore it must be based on a constant perceptible improvement of the quality of the deliverables and services that the citizens rightly expect from the Public Service as these are funded by the money of the tax payer.

A clear regulatory regime of financial rules is also essential to guarantee that the Public Service operates according to the principles of good governance, that its deliverables and services are put to proper use by its recipients and that the agreed policy aims are achieved. Accountability and transparency are not to be used interchangeably albeit there cannot be accountability without transparency. At all stages, openness and transparency have to be sustained through all the stages of the process when Authorities are being held to account. To err is human, and letting people know of your errors in itself instils trust. It's a far much better thing to do than let the public come to know, example through the media, that you have tried to conceal you errors.

Furthermore, funding must be directed towards achieving the real priorities within a pre-established financial framework. Myopic decisions to obtain short term political gains have proved to be the main cause of challengeable public spending and in the long term damning to those making them. Therefore a strong external agent that exposes in a timely manner these type of decisions is essential for a sound financial management culture in the public service. In this direction cost effectiveness and the maximisation of the use of the best human resources are essential to a sound financial management in any system of expenditure. In a world were public distrust in financial institutions has increased after a series of financial global crises, instilling greater trust in the public sector has become a sine qua non for a good functioning of the Institutions that govern people. ECA is the right vehicle to accomplish this task within the multi-level Institutional structures of the EU and it's relation with Member States.

There is, however, also a political dimension to the matter which is essential to economic stability as a whole: democratic legitimacy. Lack of sound financial management is conducive to the perception that democratic Institutions are not functioning, whether they are directly elected, such as the European Parliament or indirectly representative, such as the Commission or the Council. A general feeling of economic discontent has been the harbinger of undemocratic political formations and movements. Bad management of tax payer's money puts the whole democratic system in doubt. There is what I call, an indiscriminately pervasive negative perception of all Institutions were finances are not being soundly managed. People fail to distinguish between which of the Institutions is not working correctly and those that are. Citizens put Institutions in one kettle of fish, be it Member States and the European Union, albeit that other Institutions may be working correctly.

Within this context the European Court of Auditors occupies a unique position. As an external Audit Body it instils trust in the European Union's democratic institutions. It has been appropriately described as the "conscience of integrity" of the European Union. The European Court of Auditors is already giving the right answer to the perennial question "Qui custodiet ipsos custodet?" (Who is to guard our guardians ?) with the invaluable work that it has carried out since the time of it's establishment in 1977. With its corpus of annual reports, specific

reports, special reports, opinions and accumulated experience throughout its forty years of existence, it is in a position to advise, guide and act as an eye opener to those who are responsible for the implementation of the EU Budget. If all players and stakeholders pay heed to what the ECA says and has to say, the complex trail of budget expenditure from the top to the bottom would undoubtedly improve.

**15. Under the Treaty, the Court is required to assist Parliament in exercising its powers of control over the implementation of the budget. How would you further improve the cooperation between the Court and the European Parliament (in particular, its Committee on Budgetary Control) to enhance both the public oversight of the general spending and its value for money?**

The Annual Audit Report on the implementation of the Budget along the much expected declaration of assurance, is presented by the Court of Auditors to Parliament and remains the corner stone in assisting Parliament in scrutinising the performance of the Commission on the expenditure of the budget before giving discharge to the Commission. It gives Parliament the appropriate tools to examine the reliability of the accounts and the degree of adhesion to the regulatory regime, in particular the Financial Regulation.

The primary aim of the DAS is to provide stakeholders, mainly the European Parliament and the Council of Ministers but also EU citizens in general, with an appraisal and opinion regarding the way in which EU money has been spent. The observations that the Court makes vis-à-vis the legality of transactions in a given budgetary year serve as an appropriate means to avoid future errors. In this regards Parliament discovers in the findings of the Court the adequate tool to put pressure on the Commission so that it exercises more caution and avoid future errors.

No other Institution is a better equipped to provide Parliament and especially to its Budgetary Control Committee, with inestimable information and opinions on the outcomes achieved by the Union's policies. In this manner, Parliament will be in a better position to enhance the performance and effectiveness of community financed operations, to strengthen the process of bench-marking and to evaluate the effect of the Union's policies on Member States. Now, that there is Member of the Court responsible for Institutions Mr Ville Itala, closer cooperation between the Court and Parliament and its Budgetary Control Committee has become more possible. Constant contact between the two would benefit and strengthen both Institutions.

I refer to the International Peer Review Report of the ECA of 2014 were a number of sensible suggestions have been made to enhance cooperation between the Court and Parliament ( Budgetary Control Committee). It suggests that the ECA reporting Members responsible for each special report to prepare and follow the deliberation of special reports by CONT. Amongst other suggestions it also states that ECA should consider making the implementation of its recommendations a topic of parliamentary deliberations beyond the discharge procedure.

**16. What added value do you think performance auditing brings and how should the findings be incorporated in management procedures? Many EU citizens are under the impression that they are not getting good value for the money that they are paying by way of taxes to the EU.**

It is estimated that each EU citizen approximately contributes to the EU Budget between 280 and 300 Euros per capita per year. As one author has put it, the general impression is that on the one hand, that European “funds ‘grow on trees’ and that they therefore constitute a kind of ‘manna’ to be taken advantage of”. On the other, that the “Brussels bureaucratic system is perceived as a monstrous pitfall in which moneys are squandered without control”. Although all three stages of a sound Audit, i.e. Finance, Compliance and Performance, can contribute to a better general understanding of the functioning of the European Union in budget spending, the performance audit has acquired major importance to dissipate the negative impressions about the EU.

Performance audit actively contributes to establish whether the right policies are being pursued to achieve the right objectives. It is in this context that the three Es find their application: economy, efficiency, and effectiveness in the way entities are functioning within the EU structures. Performance audits provide the right mechanism to question current practises and identify their shortcomings, therefore forming the basis for improvement in a more rational and organic manner. This will serve as means to make the necessary interventions not by way of crisis management, but in a much orderly and systematic manner.

But the matter does not stop here. The success of change does not lie in the proposal that brings about that change, but in following the effects of that change. Therefore the establishment of a follow up mechanism is a sine qua non for any change to be successful. Knowledge about how changes have affected the stakeholders will further improve the management of public expenditure. Performance audits contain enough information that can lead to this mechanism.

A dimension of the performance audit which is as yet somewhat underestimated, is it's didactic value. It provides all stakeholders with empirical findings and material which are accumulated during the course of the different stages of the performance audit by the Court. In other words, all stake holders can learn from the end result of a performance audit. Whether or not all or some of them take advantage of this opportunity is another question.

**17. How could cooperation between the Court of Auditors, the national audit institutions and the European Parliament (Committee on Budgetary Control) on auditing of the EU budget be improved?**

The general principles towards reaching this aim are already in place in article 287(3) of the Treaty. In its simplicity this article requires that (1) in Member States the audit shall be carried out in liaison with national audits bodies and (2) that these bodies shall co-operate with the Court of Auditors and vice-versa, in a spirit of trust while maintaining their independence.

Towards this end, both EUROSAI and its Contact Committee can serve as excellent fora and as a real opportunity to promote an effective synergy between the two auditing Institutions with the aim of enhancing the methods for a better monitoring of the agents that implement the budget. To this effect a constant information acquired through these meetings from the Court of Auditors to the Committee on Budgetary Control, will keep the latter astride about the development between the European Court of Auditors and national audit institutions, will enable Parliament to give its reactions and a constructive feedback whenever the circumstance arises. In this manner one would be buttressing the analysis of the implementation of the EU budget.

The tripartite interaction between the European Court Of Auditors, Parliament (Committee on Budgetary Control) and national audit Institutions, and this in the light that nearly 80% of the EU budget falls within the shared management sphere, calls for further understanding of how this complex relation works and in particular of how checks and balances come into play. To this end, ad hoc initiatives such as conferences and fora with the presence of the European Court Of Auditors and Parliament's Committee on Budgetary Control, where all stakeholders have the opportunity to meet and exchange ideas, will nurture a healthier climate in the realm of cooperation between the Court, the Committee and Member States. Such initiatives will also provide the occasion to discuss follow up methods to implement the Court's proposals and recommendations.

Due to its advisory character, The European Court Of Auditors inevitably needs the help of other Institutions if it wants to be effective. In this regard the European Court Of Auditors must be considered as a the natural Institutional ally of the Committee on Budgetary Control in that both have a common terrain: that of searching for methods of control to oversee budget expenditure and to ascertain that a sound financial management system is in place at all levels and stages of budget expenditure.

However, in the furtherance of mutual respect and cooperation between the Court and Parliament it is essential that the independence of the Court is guaranteed. Both institutions need each other but none of the two is dependent on the other.

**18. How would you further develop the reporting of the ECA to give the European Parliament all the necessary information on the accuracy of the data provided by the Member States to the European Commission?**

Apart from a number of specialised reports presented during the year, one of the most important documents that provides vital information to the European Parliament to analyse and evaluate the Commission's responsibility in the implementation of the EU budget, is - without a shadow of doubt - the Annual Report of the Court of Auditors on the implementation of the EU budget. Annual Reports contain inestimable information as to how Member States operate in the implementation of their share of the budget under, amongst others, a shared management system with the Commission.

In the course of the preparation of the annual activity reports, the Commission's Directorate Generals principally rely on the sources of information provided by Member States. When the Court Of Auditors analyses the accuracy of data obtained, certain inaccuracies always come to the surface in the report. The root of the problems lies mostly with the Member States which provide inaccurate information to the Commission.

The Court of Auditor's reports shed light on the internal systems of auditing of Member States , how their national external audit Institutions work, the manner of overseeing EU funded activities administered by national agents, their mechanism of collecting data and their whole general system of good governance. The information acquired by the ECA during the course of formulating its Annual Report as well as other reports, is not only precious material that helps to identify the shortcoming of any system of financial management in a Member State, but also assists Parliament to deepen its understanding of how the Commission, under a shared management, is working. With this aim in mind, frequent meetings, formal or otherwise, between the Court of Auditors and Parliament's Committee on Budgetary Control should be encouraged. At present they hold one annual meeting.

Frequent contacts between these two Institutions would provide answers to questions as to why the Court of Auditors in its annual Audit Report of 2014 felt the necessity to reprimand Member States because they failed “to use information available to them”. Had they done so “they could have prevented or detected and corrected the errors before the related errors were made.” Although the Member States had the appropriate institutional tools to avoid errors in the management of funds, at the moment of pay outs or refunds to the beneficiaries, they failed to utilise those tools. It is important for Parliament to know why these shortcomings have a recurrence in every Annual Report.

Consequently, the Court of Auditors does well in continuing to expose shortcomings both as regards the Commission and the Member States. The Court should in an ongoing manner explain in detail to Parliament, what these deficiencies and shortcomings consist of. The Court should also provide the manner in which these can be addressed to avoid their repetition in the future. In this regard, Parliament has an important role to play not only when it comes to the discharge of the Commission, but also to enable each Member of Parliament to insist with his Government that ECA recommendations for the avoidance of future errors are to be strictly followed. Going downwards to the root of the problem is the best way to avoid tension between the multilevel Institutional framework of the EU, reduce errors and guaranteeing that all funds are reaching their rightful destination and therefore leading to good value for money to the EU citizens in both net beneficiaries and net contributors Member States.

The annual meeting between the Court and the Committee on Budgetary Control is therefore a welcome event. This is one of the appropriate fora where the Court can inform the Committee first-hand about the failures and weaknesses of the system that repeatedly contributes to a higher margin of errors beyond the materiality threshold. This is where the Court can further explain as to whether the goals and aims of funding are being achieved and if not why. These meetings can be turned into a quality of information session.

### **Other questions**

#### **19. Will you withdraw your candidacy if Parliament’s opinion on your appointment as Member of the Court is unfavourable?**

By nominating me as a Member of the Court of Auditors, the Prime Minister of Malta has put great trust in me to respect and defend the principles of independence, integrity and honour that govern the work of the European Court of Auditors.

I feel it my duty to gain the same trust from the European Parliament and its Control Committee so that I will be in a position to respect and defend those principles which are essential for the credibility and reputation of the Court of Auditors and which form the basis for an effective and loyal cooperation with the European Parliament.

If the Parliament finds major objections in these points to my nomination to the Court of Auditors, I will feel obliged to withdraw my candidacy.

## RESULT OF FINAL VOTE IN COMMITTEE RESPONSIBLE

<b>Date adopted</b>	15.3.2016
<b>Result of final vote</b>	+: 9 -: 17 0: 0
<b>Members present for the final vote</b>	Louis Aliot, Inés Ayala Sender, Zigmantas Balčytis, Ryszard Czarnecki, Tamás Deutsch, Martina Dlabajová, Jens Geier, Ingeborg Gräßle, Bogusław Liberadzki, Monica Macovei, Georgi Pirinski, Petri Sarvamaa, Claudia Schmidt, Igor Šoltes, Bart Staes, Marco Valli, Derek Vaughan, Anders Primdahl Vistisen, Tomáš Zdechovský, Joachim Zeller
<b>Substitutes present for the final vote</b>	Richard Ashworth, Karin Kadenbach, Andrey Novakov, Julia Pitera, Miroslav Poche
<b>Substitutes under Rule 200(2) present for the final vote</b>	Xabier Benito Ziluaga