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REPORT

on the nomination of Lefteris Christoforou as a Member of the Court of
Auditors
(C9-0042/2022 – 2022/0802(NLE))

Committee on Budgetary Control

Rapporteur: Luke Ming Flanagan

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PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

**on the nomination of Lefteris Christoforou as a Member of the Court of Auditors
(C9-0042/2022 – 2022/0802(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 (C9-0042/2022),
 - having regard to Rule 129 of its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A9-0132/2022),
- A. whereas, by letter of 10 February 2022, the Council consulted Parliament on the nomination of Lefteris Christoforou as a Member of the Court of Auditors;
- B. whereas Parliament's Committee on Budgetary Control then 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; whereas in carrying out that evaluation, the committee received a curriculum vitae from the nominee as well as the nominee's replies to the written questionnaire that he had been sent;
- C. whereas the committee subsequently held a hearing with the nominee on 21 April 2022, at which the nominee made an opening statement and then answered questions put by the members of the committee;
1. Delivers a favourable opinion on the Council's nomination of Lefteris Christoforou as a Member of the Court of Auditors;
 2. Instructs its President to forward this decision to the Council and, for information, to the Court of Auditors, the other institutions of the European Union and the audit institutions of the Member States.

ANNEX 1: CURRICULUM VITÆ OF LEFTERIS CHRISTOFOROU

LEFTERIS CHRISTOFOROU

BORN 31/08/1963 in Famagusta, Cyprus

MILITARY SERVICE

1981/1983 Ranked as Sergeant and served 26 months in the Army of Cyprus

EDUCATION

1983 Ranked 1st in the University entry exams and awarded a Government Scholarship

1983-1987 **Aristotelio University of Thessaloniki** **Greece**
BSc. In Economics – Completed the degree with Distinction

1987-1989 **Aristotelio University of Thessaloniki** **Greece**
Master in Economics

CAREER

1985-1991 **Macedonia Thrace Bank** **Greece**
Responsible for the Transaction Control Service in retail Banking
Supervised controls and procedures with regard to credit risk
Lead the auditing of the electronic controls of the Bank's network

1991-1996 **Laiki Bank** **Cyprus**
Responsible for determining and executing strategy in Corporate Banking
Day-to-day management of the Regional Branches:
Audited the quality of decisions and adequacy of loan applications, solved operational problems, supported front line colleagues and responded to market trends and competitor's actions

1996-2004 **Cyprus Parliament** **Cyprus**
Member of the Cyprus Parliament with the Democratic Rally Party (DISY)
In the 1996 Cyprus national elections, elected for the first time as the youngest Member of the Cyprus Parliament and received the highest number of votes.

Elected four times with the largest majority among all MPs
As a member of the Cyprus Parliament, the main task was to control the Budget and Public Expenditure of the Government

2001-2014 Chairman of the House Standing Committee on Trade, Energy, Industry&Tourism
Responsible for the control expenses and legality of the acts and actions of the Public Administration for areas concerning the Parliamentary Committee

1996-2014 In the 18 years active in the Cyprus Parliament, participated in the

Parliamentary Committees

- Member of the House Standing Committee on Financial and Budgetary Affairs
- Member of the House Standing Committee on Institutions and Value
- Member of the House Standing Committee on Refugees-Missing-Persons
- Member of the House Standing Committee on Home Affairs

2013-2019 Deputy Chairman of the Democratic Rally Party

EUROPEAN PARLIAMENT

2004 Appointed by the Cyprus Parliament as an observer to the European Parliament.

2014-Today **Member of the European Parliament**
Member of the European People's Party and Head of National Delegation.

Serving as a full member:

- Committee on Budgets
- Committee on Budgetary Control

Substitute member:

- Committee on Economic and Monetary Affairs
- Committee on Women's Rights and Gender Equality

2021 Selected and participated in the Conference of the Future of Europe

ANNEX 2: ANSWERS BY LEFTERIS CHRISTOFOROU TO THE QUESTIONNAIRE

Questionnaire for Candidates for Membership of the Court of Auditors

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.
2. What have been your most significant achievements in your professional career?
3. What has been your professional experience of international multicultural and multilingual organisations or institutions based outside your home country?
4. Have you been granted discharge for the management duties you carried out previously, if such a procedure applies?
5. Which of your previous professional positions were a result of a political nomination?
6. What are the three most important decisions to which you have been party in your professional life?

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?
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 are potentially in conflict with your prospective duties?
9. Are you prepared to disclose all your financial interests and other commitments to the President of the Court and to make them public?
10. Are you involved in any current legal proceedings? If so, please provide us with details.
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.
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?
13. How would you deal with a major irregularity or even fraud in EU funds and/or corruption case involving persons in your Member State of origin?

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?
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?
16. What added value do you think performance auditing brings, and how should the findings

be incorporated in management procedures?

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?
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?

Other questions

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

REPLIES BY LEFTERIS CHRISTOFOROU 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.**

I believe that my career and my life as a whole have been linked either directly or indirectly to these activities.

My entire career is very closely linked to the economy, public finances, scrutiny of finances, budget management and control, financial control, auditing, finance and budget management.

A. My first experience of these subjects comes from my studies over a period of six years, where I took an undergraduate degree and a master's in economics.

During my four-year undergraduate studies, with a grant and with excellent performance, I had the opportunity to study, investigate and master the following subjects: auditing, public finances, national accounts, the European economy, financial control, accounting, financial theory and macro-economics.

I also undertook two years of postgraduate studies, specialising in business management, accounting, statistics and mathematics, budgets and finance.

Thus, through a period of study lasting six years, I gained a considerable amount of knowledge, experience and familiarity with these subjects.

B. I worked for 11 years in the banking sector, in Cyprus and Greece, where I held positions of responsibility for areas such as audit, administration, lending, risk management, analysis and auditing of accounts, balance sheets, profitability assessment study, accounting and financial audits and financial risk management.

C. For 18 consecutive years as a Member of the Cypriot Parliament, I was involved in the analysis, examination, monitoring and implementation, management and approval of national budgets.

At the same time, I worked on the budgets of public and quasi-public bodies.

I served in the Cypriot Parliament for 18 years, during which time our most important task was to control public spending, to implement and manage the State budget and, in addition, all the budgets of public and quasi-public bodies. I was a member of the Committee on Financial and Budgetary Affairs and other relevant important parliamentary committees. At

the Cypriot Parliament's Committee on Financial and Budgetary Affairs, our main duties comprised the proper financial control of funds, the proper management of public money, the most efficient allocation of budgetary funds possible, and the auditing and identification of omissions, mistakes, mismanagement and wasting of public money. Continuous control was carried out daily, and the use of funds from the State budget was examined and investigated in detail. Our efforts, in the Cypriot Parliament, were directed towards protect public money as comprehensively as possible, combating mismanagement, achieving good management and maximising the work done by taxpayers' money.

I would like to point out the Cypriot Parliament's role is not only legislative, but that, first and foremost, it has a role of oversight with regard to the executive and the public sector. The Cypriot Parliament performs daily checks on the management of public money and the application of the laws and rules of sound administration.

In the Cypriot Parliament, I also served for 13 years as Chair of the Committee on Energy, Trade, Industry and Tourism.

Our main task in the Parliamentary Committee, when I was Chair, was to control the State's public expenditure for sectors where the Committee had responsibilities, and to make civil servants and officials accountable for the sound management and allocation of funds. In addition, we were responsible for the detailed control, examination, analysis and approval of the budgets of the various public and quasi-public bodies operating in the fields of energy, trade, industry and tourism.

D. In my term of office at the European Parliament I have gained considerable experience in the scrutiny of the EU institutions.

For the last eight years as a Member of the European Parliament and as a full member of the Committee on Budgets, I have been focusing on and have been involved in a daily basis with EU budgets, the multiannual financial framework, the Recovery Fund and a wide range of related funding and budget issues.

As a full member of the Committee on Budgetary Control, I am involved directly and on a daily basis with matters relating to controls on the implementation and management of the budget, financial and accounting control, the proper use of funds and the protection of EU public money. My experience as an alternate member of the European Parliament's Committee on Economic and Monetary Affairs is also worth pointing out. I have worked on various issues relating to the European economy, economic management, the financial situation and the finances of the EU and EU Member States.

I have also, on many occasions, acted as rapporteur or shadow rapporteur for reports and opinions falling within the areas you mention.

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

Throughout my career, I have always made it my priority and my main objective to protect public finances from mismanagement, fraud and the waste of public funds.

This can be seen from my career as a whole, and the duties I carried out as a Member of the Cypriot Parliament and as a Member of the European Parliament. I believe that those of us in public office have a duty to safeguard in public money in every way we can, since it is taxpayers' money.

There have been many significant achievements in my career. To name but a few:

A. As part of my parliamentary activity, I have taken initiatives for reforms to improve the management of public finances, to consolidate the public sector and to make more efficient and effective use of every euro from public funds.

Together with my colleagues, I also systematically monitored the proper and efficient implementation of the budget.

As a Member of the Cypriot Parliament, together with others I established robust procedures for the implementation and control of the budget and strengthened control mechanisms.

During my 18 years in the Cypriot Parliament, I helped modernise and reform the economy and the civil service. I also took initiatives and brought in legislation to strengthen and modernise the welfare state, support vulnerable groups and protect consumers.

In the Cypriot Parliament, my colleagues and I exercised parliamentary control on a daily basis over the management and allocation of public money and on issues of sound administration of the State. We also supported legislative and other initiatives to protect public money.

B. As a Member of the Cypriot Parliament, I undertook significant economic and social initiatives.

One example, which I regard as a major success, is the promotion and adoption of my proposal for legislation safeguarding equal rights for children whose father or mother is a Cypriot refugee. Unfortunately, for decades there had been unacceptable discrimination against women, so that only children with a refugee father had rights.

I believe that, with this initiative for which I have long fought, I have made a significant contribution to raising awareness, among individuals and the State, of gender equality issues, and it has served as a starting point for remedying other injustices and forms of discrimination.

C. I supported and promoted green policies in a timely fashion, particularly in the area of renewable energy and energy saving.

I have supported consumer rights by means of legislation and have defended them.

D. In my professional career in the banking sector, I have helped to strengthen audit and accounting controls, producing significant results in reducing errors and abuses. With others, I have also improved and upgraded electronic control systems and have promoted the automation of audits.

E. As a Member of the European Parliament for eight years and as a full member of the Committee on Budgets and the Committee on Budgetary Control, I have participated in every effort and initiative to protect public money and ensure that European funds are used more efficiently.

I have also made these efforts more effective by speaking in European Parliament plenary sessions, tabling questions to the European Commission and making public interventions in the media.

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

During my term as a Member of the Cypriot Parliament, I took part in parliamentary delegations and various international missions.

For example, as Chair of the Parliamentary Committee on Energy, Trade, Industry and Tourism, I represented the Cypriot Parliament at international conferences, international organisations and parliamentary missions in the international arena.

We also organised events and conferences and hosted representatives from countries across the world in Cyprus.

I was selected by the Cypriot Parliament in 2004 to be an observer at the European Parliament before Cyprus joined the EU, participating in the accession processes.

I believe that contact and understanding of other cultures is very important, as it widens the horizons of knowledge, understanding and mutual comprehension between people of different cultures and ethnic backgrounds. After all, the EU's motto is 'United in diversity', affirming the will of Europeans to unite in the creation of the EU and to work together for peace and prosperity, while at the same time benefiting from the cultural wealth, traditions and languages of Europe.

I believe that as a Member of the European Parliament, and through my participation in various actions by Parliament, I have gained enormously valuable and powerful experience in this area.

All these experiences have strengthened my resolve to fight uncompromisingly against all forms of discrimination.

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

The discharge procedure is not applicable to any of the duties that I have previously carried out.

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

All the positions that I have held to date, both State and political, have been positions to which I was directly elected by the people.

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

Throughout my life I have focused on the issues of the economy and the EU. Similarly, I have fought with particular awareness on behalf of the environment, gender equality and social justice, and have taken important decisions. I will cite the three most important examples:

A. The first important decision was to support the European future outlook of Cyprus and to contribute to its accession to the EU.

The main reason I embarked on politics in my area was that I believed in the European vision and in European principles and values. I set myself a life goal, of achieving the accession of Cyprus to the EU.

I fought hard for my country to join the EU and promoted the idea of us joining the EU and did everything I could to support a future for Cyprus within Europe.

During Cyprus's pre-accession period, as a Member of Parliament and as chair of an important parliamentary committee and a member of other parliamentary committees, I supported and promoted legislation to harmonise with EU law, helping to safeguard and strengthen the case for our accession to the EU.

B. I prepared and worked with others to help prepare many laws to modernise the economic, fiscal and financial sectors.

I contributed to debating, drafting and adopting legislation on the transparency and the modernisation of the civil service.

As Chair of the Committee on Energy, Trade, Industry and Tourism, I was responsible, among other things, for the accounting and auditing sector of Cyprus, and promoted, together with my colleagues, legislation to harmonise Cyprus with EU law and to modernise the accounting and auditing framework.

C. As a Member of the European Parliament and a full member of the Committee on Budgets, I consider it a major achievement to have contributed and succeeded in shaping a strong multiannual 2021-27 financial framework that focuses on development, the digital world, green issues and a social budget.

I consider the creation of the NextGenerationEU Recovery Fund to be a historic success for the EU, in which our contribution played an important part.

As a full member of the Committee on Budgetary Control, I have helped to promote the principles of control, transparency, accountability, sound financial management and the protection of taxpayers' money.

I participate in FEMM, the European Parliament's Committee on Women's Rights and Gender Equality, and I consistently make interventions, both in the European Parliament and in written speeches, promoting and calling for the full implementation of gender equality. I have contributed to gender mainstreaming in both the budget and the Recovery Fund, which is an important step in the right direction.

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?

The independence of the Members of the European Court of Auditors is clearly laid down in the Treaty, which states:

'Its Members shall be completely independent in the performance of their duties, in the Union's general interest' (Article 285) and 'Their independence must be beyond doubt' (Article 286(1)).

The provisions of the Treaty are also strengthened by the Court's Ethical guidelines and Code of Conduct for ECA Members as well as Rules of Procedure in the Rules Implementing the Rules of Procedure.

If I am appointed a Member of the Court of Auditors, I assure you that I will strictly respect the principle of independence and fully comply with all the obligations arising from the Treaties.

I firmly believe that the principle of the independence of the Members of the Court of Auditors must be highlighted in their day-to-day work.

It is only through rigorous commitment to the principle of independence that the work of the Court of Auditors may be successfully implemented and citizens' confidence in the EU institutions may be strengthened.

Independence is the vital pre-requirement and basic foundation for the functioning of the European Court of Auditors.

If I am appointed a Member of the Court of Auditors, my mission will be to protect the interests of the EU and European citizens, and that is what I will do consistently, rigorously, with complete independence, impartiality, integrity and transparency, fully complying with the principles laid down by the Treaties and the principles upon which the Court of Auditors functions.

I will address any case of fraud, irregularity or corruption, irrespective of its source, in the same rigorous manner, and in full. I will immediately inform the President of the European Court of Auditors and the European Anti-Fraud Office (OLAF)

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 are potentially in conflict with your prospective duties?

Neither I nor my close relatives have any business or financial holdings or other commitments that might conflict with the performance of my prospective duties.

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, of course. I am prepared to disclose all my financial interests and assets in a fully transparent manner.

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

I am not involved in any current legal proceedings.

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.

I am a Member of the European Parliament and of my political party. I have not held any other political position during the last 18 months.

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?

If I am appointed a Member of the Court of Auditors, I would of course do so.

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

I would deal with cases of irregularity and fraud, whether from my State or from any other State, in the same way, namely with zero tolerance and absolute rigour.

I believe that fraud, corruption and mismanagement must all be treated with zero tolerance. Should any fraud be detected, I would immediately inform the President of the Court of Auditors and OLAF.

Our society must do everything in its power to eliminate fraud and corruption, and we must combat it without making any concessions, allowances or compromises.

European citizens require us to protect their money and demonstrate that the EU is a reliable institution that respects public funds.

I believe that it is our essential duty to be worthy of our mission and meet the expectations of European citizens, so that through our actions we convince them that the European Court of Auditors is under no obligation to anyone and works effectively to fight corruption in the EU. Fraud and corruption have no colour, ethnicity or origin; they are our worst enemy and pose the greatest threat to EU institutions, and so we must address them.

The members of the European Court of Auditors have a responsibility toward all European citizens and must rigorously protect their financial interests.

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 European Court of Auditors was established in 1975 with the remit of verifying the sound management of EU funds and, as the EU's external auditor, to contribute to better financial management of the EU, with a view to protecting the financial interests of European citizens. Anyone who manages public money must adhere faithfully and strictly to the laws and rules of sound administration.

European citizens' money must be spent by governments, institutions and civil services in the most efficient and effective way, with the aim of creating the greatest possible benefit for society and the economy.

The prime task of the European Court of Auditors is to strengthen and improve the financial management and accountability of the EU.

Under the European Treaty, the EU budget must be implemented in accordance with the principle of sound financial management.

Everyone has an obligation and duty, in managing the EU budget, to fully respect the objectives set out in the principles of economy, efficiency and effectiveness, in relation to all actions and programmes financed by the budget.

All of us, including the Court of Auditors in particular, must foster a culture of sound financial management in the EU and the Member States. Thus, , in addition to accountability and full compliance with the provisions of sound management, clear objectives will be set for an effective system of governance and internal control, as well as reliable performance indicators.

The European Parliament is the Court of Auditors' main ally, and has consistently supported, promoted and strengthened this philosophy and approach.

The important and effective role of the European Parliament's Committee on Budgetary Control, which has consistently had excellent cooperation with the European Court of Auditors, makes a major contribution to the efficient use of funds and the accountability of the public administration to European citizens. A prerequisite for success in this important audit mission is full transparency.

In addition to regular financial controls and compliance checks, I believe that performance audits should be further stepped up.

Those programmes and actions that have shortcomings and where there is a high risk of fraud should be identified.

The Court of Auditors, through its reports accompanied by supporting evidence, its audits and guidance, has the opportunity to develop a strong culture of sound management of public funds.

A culture of sound financial management must feature:

- Clear, achievable operational and strategic objectives in all actions and budget areas, with continuous and close monitoring accompanied by performance indicators
- Focus on the legality of expenditure
- An effective and robust internal control system
- Transparency and democratic accountability in reporting and publishing findings
- Secure, objective information
- Commitment to maximising economic impact by making the best use of public resources
- Professionally trained, competent and impartial staff
- Control and information systems using advanced technology
- Efficiency in management
- Quality of financial information
- Respect for laws and regulations
- Protection of public money against mistakes and losses

The Court of Auditors is doing an important job and is rightly referred to as ‘ the conscience of the EU’.

The Court of Auditors can help to achieve even more in terms of sound financial management by making better use of the human resources who are its strongest asset and its best investment.

Faced with new major challenges, the Court must develop and upgrade its digital capabilities and digital control.

I am convinced that improving digitalisation will lead to more effective, faster and safer controls.

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?

Article 287 TFEU states that ‘the Court of Auditors shall provide the European Parliament and the Council with a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions which shall be published in the Official Journal of the European Union. This statement may be supplemented by specific assessments for each major area of Union activity’.

In accordance with the requirements of the Treaty, the Court of Auditors has a basic obligation to provide the European Parliament and the Committee on Budgetary Control with all relevant information for the effective control of EU expenditure and the cost/benefit ratio of this expenditure.

I believe that the timely submission of reports by the Court of Auditors is of the utmost importance because it allows for prompt and better use of them by Parliament and timely decision-making on EU policies.

The faster the Court of Auditors submits its discharge reports, the better the audit will be and the more efficiently EU funds will be managed.

The quality of the reports must help Parliament to make use of them in the context of discharge.

The Court of Auditors reports must be of high quality and validity in order to properly guide the legislative and executive bodies in their efforts to achieve improvements in EU-funded projects and programmes.

Members of the Court of Auditors have a significant responsibility to draw up their reports responsibly, objectively, clearly and in a timely and reliable manner, contributing to the best result in terms of the implementation of the budget and Parliament's discharge procedure. I would point out, in accordance with my experience, that there is significant constructive cooperation between the Court of Auditors and Parliament, and in particular the Committee on Budgetary Control, characterised by mutual trust and respect. It is essential for Parliament to be involved in and contribute to the creation of the work programme of the Court of Auditors.

Under Articles 287 and 319 of the Treaty on the Functioning of the EU, effective cooperation between Parliament and, in particular, the Committee on Budgetary Control, the Court of Auditors, is very important for the supervision and control of the implementation of the EU budget.

It is important to continue close relations and regular liaison between Parliament and the Court of Auditors regarding effective control and support for the annual work programme.

I am aware of the increased sensitivity of the European Parliament and the Committee on Budgetary Control regarding effective controls and combating corruption, and I believe that the success of this objective, shared with the Court of Auditors, requires continued and enhanced close cooperation.

If I am appointed as a Member, I will do my very best to help strengthen cooperation and maximise the results produced.

16. What added value do you think performance auditing brings, and how should the findings be incorporated in management procedures?

Performance auditing is defined in the performance audit manual of the Court of Auditors and in various other international standards.

Performance auditing is the fully independent and objective evaluation that records the efficiency and effectiveness in the use of public money.

The Court's performance audit manual states:

‘A performance audit is an independent and objective examination of undertakings, systems, programmes or organisations, with regard to one or more of the three aspects of economy, efficiency and effectiveness, aiming to lead to improvements’.

In order to add value to performance audits, auditors must rigorously identify errors and weaknesses identified in management procedures and suggest specific improvements in their reports. This will also be a strong signal to those audited that any mistakes will be identified and that there will be corrections and consequences.

I believe that the Court of Auditors should prioritise performance audits in those areas where they will have the greatest impact and will lead to maximum added value.

Performance audits are of paramount importance because they ensure that the principles of sound financial management are respected and at the same time enable improvements to be made to reduce risks and errors.

Performance audits establish whether public funds have been used in an appropriate legal and efficient manner.

They are a necessary, important and useful complement to other audits, together with compliance checks and accounting controls.

I believe that in carrying out performance audits we must consider how the objectives of each activity, funding stream and action are being achieved. This will enable performance audits to be used to provide specific suggestions, proposals and views on further improvements and efficiency in the implementation of the various projects.

The Court of Auditors has thus a key role as, through its recommendations and suggestions, it can help ensure the optimal use and management of EU public funds.

Performance audits are necessary, useful and important and there should be an optimal balance between financial controls and performance audits. thus, performance audits give a clearer picture of the use of public resources, in the European Parliament, in the EU institutions and among European citizens, and enhance transparency and democratic accountability.

I believe that performance audits have an important role to play for the Court of Auditors, but also for all those audited, and especially the Member States.

The principles to be applied to performance audits should be established on the basis of the 6 'Es':

- Economy
- Efficiency
- Effectiveness
- Ethics
- Equality
- Environment

Performance audits make an important contribution to Parliament's decisions in the discharge procedure.

Performance audits are the basis and foundation for building a more effective, efficient and productive EU that maximises the use of public resources, reducing waste and improving its image in the eyes of European citizens.

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?

National audit institutions are partners of the European Court of Auditors and it is necessary to cooperation between them, joint audits and coordination through the exchange of knowledge and experience. Synergies are also needed between them to improve existing procedures and controls, better coordinate and organise work and to develop common practices, create a common information system and make use of modern technology, maximise the efficiency of controls and avoid the duplication of controls.

It is also important to harmonise control methods with national accounting principles.

Article 287(3) of the Treaty on the Functioning of the EU states that 'the audit shall be carried out in liaison with national audit bodies. The Court of Auditors and the national audit bodies of the Member States shall cooperate in a spirit of trust while maintaining their independence.'

Strengthening and improving relations and cooperation between the Court of Auditors and the national audit authorities will have significant benefits in protecting public money. It is important to exchange information, experience and knowledge, and this creates mutual benefit.

I believe that the national audit bodies should step up their controls on EU funds allocated to their countries. It is necessary for the Court of Auditors to cooperate with the national audit authorities, and this cooperation creates added value as many national policies are co-funded by EU money.

It is common knowledge that a significant part of the management of EU funds is carried out through national budgets. It goes without saying that effective control of the funds requires effective cooperation between the Court of Auditors and the national audit bodies. There must be mutual trust, joint coordination and a common effort to ensure effective control of the management of resources and the protection of citizens' money.

It is important to encourage national parliaments to support national accounting authorities in carrying out controls on the use of EU funds.

Under the Treaty, the Commission is responsible implementing the EU budget, in cooperation with the Member States. The Court of Auditors has sole responsibility for audit. The Committee on Budgetary Control is responsible for monitoring this process and for granting discharge.

I have long been firmly and deeply committed to democratic and parliamentary procedures. In the experience I have gained as a Member of the European Parliament and of the Committee on Budgetary Control, I believe that it is absolutely necessary, in order to achieve the common objectives, for the Court of Auditors and its Members to be at all times at the disposal of the European Parliament.

If I am appointed a Member of the Court of Auditors, I will work from day one to support all actions and initiatives to strengthen cooperation between the European Parliament, the national audit bodies and the Court of Auditors.

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?

One of the most important tasks of the Court of Auditors is the Court of Auditors' annual report on the implementation of the EU budget, which the European Parliament is invited to consider in the context of the discharge. The figures and information provided by the Court of Auditors to Parliament are therefore very important.

I believe that the Court of Auditors, as the external auditor of the EU institutions, can provide Parliament and the Committee on Budgetary Control with important information on the outcomes of EU policies, so that it can help to improve the performance and actions financed by the EU.

As a significant part of the EU budget – around 80% – is implemented through joint management with the Member States, the quality of the information provided by Member States is of paramount importance for the credibility of the annual activity reports by the Commission's Directorates-General.

Immediate steps need to be taken to oblige Member States to carry out full audits and to provide reliable information to the Court of Auditors and EU institutions,

I believe that the Member States have an obligation to provide true, reliable and timely information on matters relating to governance, financial management and internal audit systems.

Reliable data, information and figures are needed to accurately assess the management of the budget and the implementation of EU policies in EU Member States.

The Court of Auditors and the European Commission should examine the quality of the data and information submitted by the those audited.

For errors and weaknesses identified in the implementation of the budget, the European Commission has a responsibility, together with the Member States, to collaborate closely and to carry out an objective evaluation.

We must seek to put pressure on the Member States to provide objective, reliable information on their systems for governance, financial management and internal audit.

The Court of Auditors' reports should identify errors and weaknesses through the provision of information by the Member States in coordination with verification by the Commission.

I believe that the annual reports of the Court of Auditors highlight errors and weaknesses, both concerning inaccuracies and errors by the Member States and shortcomings in the control carried out by the Commission.

The audit reports audit should be clearer and comprehensible, without complicated technical jargon. It is possible to draw up a very detailed report with all the necessary technical and scientific terms, together with a short summary report in simpler language. In addition, this will also enable citizens to be better informed.

Other questions

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

Given my position in the European Parliament for eight years and the unlimited respect I have for the European Parliament and my fellow MEPs, I think it goes without saying that I would fully respect the decision and withdraw my candidacy immediately.

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Partial renewal of the European Court of Auditors (2022) - CY nominee						
References	05686/2022 – C9-0042/2022 – 2022/0802(NLE)						
Date of consultation / request for consent	10.2.2022						
Committee responsible Date announced in plenary	CONT 14.2.2022						
Rapporteurs Date appointed	Luke Ming Flanagan 16.2.2022						
Discussed in committee	21.4.2022						
Date adopted	21.4.2022						
Result of final vote	<table> <tr> <td>+: </td><td>25</td></tr> <tr> <td>–: </td><td>1</td></tr> <tr> <td>0: </td><td>2</td></tr> </table>	+:	25	–:	1	0:	2
+:	25						
–:	1						
0:	2						
Members present for the final vote	Matteo Adinolfi, Gilles Boyer, Olivier Chastel, Caterina Chinnici, Corina Crețu, Ryszard Czarnecki, José Manuel Fernandes, Luke Ming Flanagan, Daniel Freund, Isabel García Muñoz, Monika Hohlmeier, Jean-François Jalkh, Pierre Karleskind, Mislav Kolakušić, Joachim Kuhs, Ryszard Antoni Legutko, Claudiu Manda, Jan Olbrycht, Younous Omarjee, Markus Pieper, Sándor Rónai, Petri Sarvamaa, Angelika Winzig, Lara Wolters, Tomáš Zdechovský						
Substitutes present for the final vote	Andrey Novakov, Mikuláš Peksa, Viola Von Cramon-Taubadel						
Date tabled	27.4.2022						