



Issue 4/2010

COCOBU INFO

Committee on Budgetary Control

MEETING

MONDAY 22 MARCH 2010

15h00 - 16h00 (Coordinators' Meeting - in camera)
16h00 - 18h30

TUESDAY 23 MARCH 2010

09h00 - 12h30 and 15h00 - 18h30

BRUSSELS
ROOM JAN 6Q2



MONDAY 22 MARCH 2010

16H00 - 18H30

1. ADOPTION OF DRAFT AGENDA

The draft agenda (in EN) was emailed to Members on 12 March 2010.

As the Commission is now not expected to publish its proposals on the European External Action Service (EEAS) before 24 March 2010, the Chairman proposes postponing item 6 to the next meeting.

2. CHAIRMAN'S ANNOUNCEMENTS

The Chairman wishes to make the following announcements:

MONDAY 22 MARCH 2010
15H00 - 16H00
COORDINATORS MEETING (IN CAMERA)

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3.1 Languages available:

BG, ES, CS, DA, DE, EL, EN, FI, FR, IT, LT, HU, NL, PL, RO and SV.

3.2 Webstreaming:

Members are informed that this CONT meeting will be webstreamed (apart from the *in camera* items) on the following link:

<http://www.europarl.europa.eu/wps-europarl-internet/frd/live/live-program?language=en>

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

3.3 Electronic voting cards:

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

3.4 Seminar on budgetary powers:

CONT Members are informed that the Committee on Foreign Affairs (AFET) will be holding a seminar with Members of the Western Balkans parliaments including an item on parliamentary budget oversight on 23 March p.m. and 24 March 2010 a.m. in room PHS 5B001 speakers will include Mr Jean-Pierre Audy, CONT Vice-Chairman.

3.5 AFET meeting on EEAS:

CONT Members are informed that on 23 March 2010 from 15h00-16h45 AFET - in association with the committees involved in the process of setting-up the European External Action Service (BUDG, JURI, AFCO, DEVE, INTA, CONT, FEMM) - will hold an exchange of views with Catherine Ashton, Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy on the setting-up of the European External Action Service (EEAS) and on the outcome of the Foreign Affairs Council meeting of 22-23 March 2010.

3. APPROVAL OF MINUTES OF CONT MEETINGS

The dossier contains minutes of the meeting of 22-23 February 2010, emailed to CONT Members on 8 March 2010.

If no objections are received before the end of the meeting, these will be deemed approved.

4. DISCHARGE 2008: SEVENTH, EIGHTH, NINTH AND TENTH EUROPEAN DEVELOPMENT FUNDS (EDF)

- ◇ *CONT/7/00709*
- ◇ *Rapporteur: Mrs Inés Ayala Sender*
- ◇ *Administrator responsible: Mr József Blaszauer*
- ◇ *Adoption of a draft report*

The rapporteur presented her draft report to the Committee at its meeting of 23 February 2010. The deadline for amendments was set at 12.00 Tuesday 2 March 2010 and **23 amendments** were received. Moreover, DEVE adopted its opinion on 1 March 2010 presenting 7 paragraphs (published on the committee's website).

The mixed language version of the amendments tabled was sent to Members on Monday 8 March (following verification by the Directorate for Legislative Acts). The EN language version of this document was sent to Members on 16 March 2010. The other language versions will be published on CONT's website as they become available from translation. The voting list (with the recommendations of the rapporteur) will also be sent to CONT Members as soon as finalised.

The adoption in plenary is scheduled for the 19-22 April 2010 session (week 16).

5. EUROPEAN COURT OF AUDITORS' SPECIAL REPORT 17/2009 "VOCATIONAL TRAINING ACTIONS FOR WOMEN CO-FINANCED BY THE EUROPEAN SOCIAL FUND"

- ◇ *CONT/7/00524*
- ◇ *Rapporteur: Mr Derek Vaughan*
- ◇ *Administrator responsible: Mr Jean-Jacques Gay*
- ◇ *Exchange of views in the presence of the Member of the European Court of Auditors responsible, Ovidiu Ispir*

The European Court of Auditors' (ECA) Special Report 17/2009 was sent to Members on 29 January 2009. The rapporteur's working document was circulated on 9 March 2010.

The above mentioned report deals with vocational training actions for women co-financed by the ESF during the 2000-06 programme period. For the respective programme period, 4 billion euro was earmarked from the ESF for "positive labour market actions for women" compared to the 2007-13 programme period where the budget has significantly decreased. Furthermore, Member States may also implement national or regional programmes or actions without EU co-financing.

The rapporteur welcomes the report of the Court of Auditors while pointing out the principal failings of the Member States regarding for example the training actions contained within the programmes audited.

The conclusions and recommendations of this working document will be forwarded to the 2009 Commission discharge rapporteur for possible inclusion in the 2009 Discharge report.

6. EUROPEAN EXTERNAL ACTION SERVICE (EEAS)

- ◇ *CONT/7/002206*
- ◇ *Exchange of views*

Postponed - see item 1 above.

TUESDAY 23 MARCH 2010
09H00 - 12H30

7. ADOPTION OF COORDINATORS' RECOMMENDATIONS

8. DISCHARGE 2008: EU GENERAL BUDGET, EUROPEAN PARLIAMENT

- ◇ *CONT/7/00566*
- ◇ *Rapporteur: Mr Bart Staes*
- ◇ *Administrator responsible: Mr Bent Adamsen*
- ◇ *Adoption of a draft report*

The draft report was discussed in CONT on 23 February and the deadline for amendments was set for 2 March 2010. 202 amendments were received and emailed to Members (after verification by the Directorate for Legislative Acts) on 5 March 2010.

The voting list will be circulated as soon as possible. The debate in plenary is scheduled for the 19-22 April 2010 part-session.

For background documents on the EP 2008 discharge, please see CONT's website.

9. DISCHARGE 2008: PERFORMANCE, FINANCIAL MANAGEMENT AND CONTROL OF EUROPEAN AGENCIES

- ◇ *CONT/7/02045*
- ◇ *Rapporteur: Mrs Véronique Mathieu*
- ◇ *Administrator responsible: Mrs Elena Mainardi*
- ◇ *Adoption of a draft report*

In addition to the discharge decisions for all 23 decentralised agencies subject to Parliament's discharge, Mrs Mathieu has drafted an initiative report containing horizontal observations on

agencies which was presented to the Committee on Budgetary Control on 22 February 2010.

In her draft report, Ms Mathieu pays particular attention to the agencies' performance, stressing that SMART objectives and RACER indicators should be laid down in their annual work programmes, for performance assessment purposes. In this context, the rapporteur calls on the Court of Auditors (ECA) to look into the matter in its next reports on the agencies.

In the rapporteur's opinion, the small agencies (with fewer than 75 staff members) are faced with serious efficiency problems, and, she therefore, calls on the inter-institutional working group on the future role of agencies to look into the feasibility of determining the critical mass of agencies and setting up common services providing, for example, assistance with procurement procedures, human resources procedures and the budgetary process.

On agencies' large volume of carryovers and cancellations of operational appropriations, the rapporteur stresses that this situation often points to weaknesses in agencies' resource planning systems.

In her draft report, Mrs Mathieu also broaches other weaknesses in agencies such as those related to procurement procedures, the shortcomings in the agencies' planning and implementation of staff recruitment procedures, and the weaknesses in the implementation of the Internal Audit Service's recommendations.

The deadline for amendments was set for Tuesday, 2 March 2010 at 12h00 and the secretariat received **23 amendments**.

The amendments were emailed to Members on 9 March 2010. All language versions of the draft report, amendments are published on CONT's website:

http://www.europarl.europa.eu/meetdocs/2009_2014/organes/cont/cont_20100322_1500.htm

The voting list will be emailed to Members on Monday 22 March 2010 in the morning.

The vote in plenary is scheduled for the session of 19-22 April 2010.

10-34

DISCHARGE 2008: AGENCIES

- ◇ *Rapporteur: Mrs Véronique Mathieu*
- ◇ *Administrator responsible: Mrs Elena Mainardi*
- ◇ *Adoption of draft report*

The number of decentralised agencies subject to discharge by Parliament for the financial year 2008 has constantly grown over the last few years and is now 23.

On 22 February 2010, Ms Mathieu presented her draft Reports in which she proposes granting discharge to 22 agencies and postponing discharge to one agency, the European Police College (CEPOL). The director of CEPOL was invited to answer CONT Members' questions together with the director of FRONTEX at the CONT committee meeting on 25 January 2010. Their written answers were made available to Members by email and put on the CONT website (see the link below).

In her draft report on CEPOL, Mrs Mathieu invites the College to communicate specific measures based on an action plan to the discharge authority by **30 June 2010**.

The deadline for amendments was set for Tuesday, 2 March 2010 at 12h00.

23 amendments were tabled to the draft reports.

In addition, the following opinions were received from other committees:

- ✓ EMPL: opinions on the 2008 discharge of CEDEFOP, ETF, EU-OSHA and EUROFOUND
- ✓ LIBE: opinions on the 2008 discharge of CEPOL, EMCDDA, EUROJUST, FRA and FRONTEX
- ✓ TRAN: opinions on the 2008 discharge of EASA, EMSA, ERA and SESAR

- ✓ ENVI: opinions on the 2008 discharge of ECDC, ECHA, EEA, EFSA and EMEA

The draft reports, the amendments tabled to Ms Mathieu's draft reports, the opinions, the Court of Auditors' reports and other relevant information (including annual reports, final accounts etc.) can be found on CONT's website at the following link:

<http://www.europarl.europa.eu/activities/committees/editoDisplay.do?language=EN&menuId=2035&id=1&body=CONT>

The voting list will be emailed to Members on Monday 22 March 2010 in the morning.

The votes in plenary are scheduled for the session of 19-22 April 2010.

10. EUROPEAN CENTRE FOR THE DEVELOPMENT OF VOCATIONAL TRAINING (CONT/7/01099)

11. TRANSLATION CENTRE FOR THE BODIES OF THE EUROPEAN UNION (CONT/7/01103)

12. EUROPEAN POLICE COLLEGE (CONT/7/01125)

13. COMMUNITY FISHERIES CONTROL AGENCY (CONT/7/01120)

14. EUROPEAN AGENCY FOR RECONSTRUCTION (CONT/7/01095)

15. EUROPEAN AVIATION SAFETY AGENCY (CONT/7/01112)

16. EUROPEAN CENTRE FOR DISEASE PREVENTION AND CONTROL (ECDC) (CONT/7/01116)

17. EUROPEAN CHEMICALS AGENCY (CONT/7/01122)

18. EUROPEAN ENVIRONMENT AGENCY (CONT/7/01089)

19. EUROPEAN FOOD SAFETY AUTHORITY (CONT/7/01114)

20. EUROPEAN MONITORING CENTRE FOR DRUGS AND DRUG ADDICTION (CONT/7/01091)

21. EUROPEAN MEDICINES AGENCY (CONT/7/01104)

22. EUROPEAN MARITIME SAFETY AGENCY (CONT/7/01110)

23. EUROPEAN NETWORK INFORMATION SECURITY AGENCY (ENISA) (CONT/7/01127)

24. EUROPEAN RAILWAY AGENCY (CONT/7/01118)

25. EUROPEAN TRAINING FOUNDATION (CONT/7/01108)

26. EUROPEAN AGENCY FOR SAFETY AND HEALTH AT WORK (CONT/7/01101)

27. EURATOM SUPPLY AGENCY
(CONT/7/01129)

**28. EUROPEAN FOUNDATION FOR
THE IMPROVEMENT OF LIVING
AND WORKING CONDITIONS**
(CONT/7/01097)

29. EUROJUST (CONT/7/01106)

**30. EUROPEAN UNION AGENCY FOR
FUNDAMENTAL RIGHTS**
(CONT/7/01093)

**31. EUROPEAN AGENCY FOR THE
MANAGEMENT OF OPERATIONAL
COOPERATION AT THE
EXTERNAL BORDERS OF THE
MEMBER STATES OF THE
EUROPEAN UNION
(FRONTEX)** (CONT/7/01131)

**32. EUROPEAN GNSS
SUPERVISORY AUTHORITY**
(CONT/7/01124β)

**33. EUROPEAN JOINT
UNDERTAKING FOR ITER AND
THE DEVELOPMENT OF FUSION
ENERGY** (CONT/7/01459)

**34. SESAR JOINT UNDERTAKING
(SJU)** (CONT/7/01461)

TUESDAY 23 MARCH 2010
15H00 - 18H30

**35. DISCHARGE 2008: EU
GENERAL BUDGET - SECTION
III - COMMISSION**

- ◇ *CONT/7/00546*
- ◇ *Rapporteur: Mr Bogusław Liberadzki*
- ◇ *Administrators responsible: Mrs Carmen Castillo del Carpio and Mr József Blaszauer*
- ◇ *Adoption of draft report*

The rapporteur presented his draft report to the Committee at its meeting of 22 February. The deadline for amendments was set at 12.00 Tuesday 2 March 2010 and **208 amendments** were received.

The original version of the amendments was emailed to Members on 5 March 2010 (following verification by the Directorate for Legislative Acts). The EN language version of this document was sent to Members on 10 March 2010. The other language versions will be published on CONT's website as they become available from translation.

The final opinions received from other committees were also emailed to Members on Friday 5 March 2010. The translated versions of these opinions are available on CONT's website.

The voting list (with the recommendations of the rapporteur) will be sent to CONT Members as soon as possible. It will take account of the 208 received amendments plus amendments contained in the opinions received from other committees.

The adoption in plenary is scheduled for the 19-22 April 2010 session (week 16).

Mr Algirdas Šemeta, Commissioner responsible for Taxation and Customs Union, Audit and Anti-Fraud will make a brief statement before the vote.

36-42

DISCHARGE 2008: EU GENERAL BUDGET - OTHER INSTITUTIONS

- ◇ *Rapporteur: Mr Ryszard Czarnecki*
- ◇ *Administrator responsible: Mr Rudolf Verdins*
- ◇ *Adoption of draft reports*

The presentation of the draft reports by the rapporteur and the discussion took place at the CONT meeting on 22-23 February 2010.

Altogether, the CONT secretariat received 36 amendments to five of the draft reports by the deadline on 2 March 2010: 24 to the Council's report, three to the Court of Justice of the EU report, four to the Court of Auditors report, three to the Economic and Social Committee report and two to the Committee of the Regions report. No amendments were tabled to the Ombudsman's report or to the EDPS' report.

The rapporteur tabled two amendments: one granting and another postponing discharge to the Council, depending on the results of the meeting between CONT Coordinators and representatives of the Spanish Presidency and of the Secretariat General of the Council on 15 March 2010. The rapporteur also noted that on 10 March 2010 the Council published on its website a document (Council doc. no 7311/10) responding to his request to follow-up the Parliament's resolution of 25 November 2009.

Concerning the rest of the other institutions, the rapporteur recommends granting discharge to all of them.

There were no opinions from other committees. The original versions of the amendments (mixed language or EN) were emailed to CONT Members on 5 March 2010. The voting list with the rapporteur's recommendations will be emailed to CONT Members as soon as possible. The vote in plenary is scheduled for the session of 19-22 April 2010.

All language versions of the draft reports are available on the CONT website:

http://www.europarl.europa.eu/meetdocs/2009_2014/organes/cont/cont_20100222_1500.htm

36. COUNCIL (CONT/7/00586)

37. COURT OF JUSTICE (CONT/7/00606)

38. COURT OF AUDITORS (CONT/7/00626)

39. ECONOMIC AND SOCIAL COMMITTEE (CONT/7/00646)

40. COMMITTEE OF THE REGIONS (CONT/7/00666)

41. EUROPEAN OMBUDSMAN (CONT/7/00686)

42. EUROPEAN DATA PROTECTION SUPERVISOR (CONT/7/00706)

43. PROTECTION OF THE COMMUNITIES' FINANCIAL INTERESTS - FIGHT AGAINST FRAUD - ANNUAL REPORT 2008

- ◇ *CONT/7/01375*
- ◇ *Rapporteur: Mr Andrea Cozzolino*
- ◇ *Administrator responsible: Mrs Elena Mainardi*
- ◇ *Adoption of a draft report*

On 22 October 2009 the Bureau authorised CONT to draw up an own-initiative report on the Commission's 2008 annual report on the protection of the Communities' financial interests and Mr Cozzolino was appointed rapporteur.

In his report the rapporteur analyses the irregularities which the Member States communicated to the Commission. Mr Cozzolino has arrived at the conclusion that a new political

impetus is needed in order to achieve substantial improvements in cooperation in the fight against VAT fraud and considers it essential to make the Member States more accountable in this connection, starting with the quality of the information entered into the databases.

The rapporteur also points out that structural actions are the spending area with the most stringent rules and most complex management procedures in the EU budget. In this context, the rapporteur urges the Commission to consider revising the decommitment rules with a view to improving the quality of spending and ensuring that quantitative targets are met.

With regard to pre-accession funds, Mr Cozzolino calls on the Commission to take appropriate steps to lessen the risks generated by the highly changeable environment in which DG ELARG operates, with a view to ensuring effective multiannual planning of internal audit operations.

On an integrated internal control framework, the rapporteur takes the view that the annual summaries submitted to the Commission by the Member States should have a firmer legal basis than that currently in place (Article 53b(3) of Council Regulation (EC, Euratom) No 1605/2002 (Financial Regulation)). Mr Cozzolino calls, therefore, in connection with the review of the Financial Regulation, for those summaries to provide an exhaustive qualitative analysis of the findings of the audits carried out by each Member State.

Finally, concerning OLAF, the rapporteur acknowledges and voices his support for OLAF's work, which he sees as playing an essential role in protecting the financial interests of the European Union. He, nevertheless, takes the view that OLAF should draw more extensively on the work carried out by the Commission's internal audit services when initiating investigations, rather than relying mainly on information provided by officials or Member States.

The CONT secretariat received **36 amendments** by the deadline of 1 February 2010 at noon, as

well as 12 amendments from REGI opinion-giving committee (48 amendments in total).

The amendments were emailed to Members on 12 February 2010 in the English version. All language versions of the draft report, amendments and REGI final opinion are published on CONT's website:

http://www.europarl.europa.eu/meetdocs/2009_2014/organes/cont/cont_20100222_1500.htm

The voting list was emailed to Members on Wednesday 17 March 2010.

The vote in plenary is scheduled for the session of 19-22 April 2010.

44. ANY OTHER BUSINESS

45. DATE OF NEXT MEETING

The next meeting of the Committee on Budgetary Control will take place in Brussels on:

- Monday 26 April 2010, 15h00-18h30
- Tuesday 27 April 2010, 09h00-12h30

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The meeting scheduled in the CONT calendar for Thursday 25 March 2010 p.m. as a "fall back" (room JAN 2Q2) will be cancelled if all discharge reports can be adopted on 22-23 March 2010.