

# Minutes of the meeting of the Interinstitutional Working Group on National Declarations held on 26 June 2014

## Operational Conclusions

Subject to the two changes proposed, discussed and accepted during the meeting, the Interinstitutional Working Group adopted the recommendations for the establishment and the use of voluntary National Declarations in the framework of Article 59(5) of the Financial Regulation.

The Commission will adopt the recommendations through a Communication to the European Parliament, to the Council and to the Court of Auditors. It is envisaged that this Communication will be included as an ECOFIN's A/Information point agenda (no presentation and no discussion expected). This Communication will also be transmitted to the National Parliaments.

## Adoption of the agenda and approval of the minutes of the meeting of 05/06/2014

Both the agenda and the minutes of the technical meeting of 5 June were agreed by the group representatives.

## Presentation and discussion of the draft recommendations for national declarations

The Chair, Commissioner Šemeta, after having briefly referred to the background of the creation of the group, described the evolution of its work, and namely the discussions about the structure of the voluntary declarations, their content, the implications at national level, and identification of concrete incentives to issue them. While recognising that a political responsibility would increase transparency and accountability in shared management, he also considered that the necessary flexibility had been introduced to accommodate additional national requirements and that Member States are not restricted to the content of the recommendations (e.g. the three illustrative examples proposed).

Commissioner Šemeta finally referred to his expectations of the results of the working group, namely regarding the contents of the declaration (more than a summary of findings), the added value that the declaration will represent and the way it will strengthen the provision of assurance in the management of EU funds, and encouraged the Member States to pursue a high level of publicity.

MEP Jan Mulder stressed that the European Parliament has been asking for national declarations for a long time. But now we have a possible "template" that can be used by all Member States that decide to issue National Declarations. He nevertheless stresses that the "stick and carrot" policy in this domain has still to be developed and that the aim of the whole exercise that the group has been developing essentially aims at contributing to obtain an error rate which is below the level of materiality.

The NL representative considered the results obtained as a small step for the Netherlands (already issuing a National Declaration) but a good step forward to the EU. He requested a small change to the illustrative example 3: include in Part I the wording [Member State]. The sentence should read "Having regard to the [Member State] Council of Ministers decision...". The proposal has been accepted by the working group.

The SE representative thanked the Commission for the last version of the draft recommendations and welcomed all efforts for a sound financial management of EU funds in order to substantially reduce the error rate level. The SE representative also welcomed the Commission's flexibility which allows SE to continue issuing its National Declarations. In this line, SE can agree with the proposed text.

The DK representative thanked the Commission and MEP Mulder's cooperation for taking another step in order to increase accountability by issuing guidelines that may encourage Member States to implement National Declarations. The DK representative congratulated the Commission for its flexibility on the development of the recommendations and declared that DK is fully in line with them.

The UK representative is always supportive of measures enhancing the sound management of EU funds and considered the document presented as a very good step forward in that direction. While welcoming the flexibility demonstrated, the UK representative mentioned that the UK could support the recommendations.

The EL Presidency requested to delete the wording "in particular" in page one, second sentence of the second paragraph. It would read as follows: "Consequently, the recommendations, included in the present text, should be addressed to Member States ...". The group accepted the proposal.

#### **Adoption of the recommendations on national declarations.**

Commissioner Šemeta concluded that the document proposed setting the draft recommendations for the establishment and the use of voluntary National Declarations in the framework of Article 59(5) of the Financial Regulation was adopted by the working group.

Nevertheless, he considered that despite the number of improvements implemented, the situation at present is still not fully satisfactory. Error rates remain high in shared management and we have to strive for further improvements.

Commissioner Šemeta also stressed that, in the Commission's view, a further enhanced accountability system with the introduction of national declarations is one element in an overall strategy for an improved EU sound financial management, the national declarations being a potential building block of assurance for the Commission's assurance process.

Finally, the Commissioner reminded that, although remaining voluntary, the results of the working group resulted in a set of concrete criteria which could be used in practice.

## **Conclusions.**

Commissioner Šemeta express his gratitude to Jan Mulder who encouraged all parties concerned to enhance transparency and accountability to the benefit of the European Citizen and thanked all the participants in the working group for the results achieved.

He closed the meeting by informing that the Commission will adopt the working group recommendations through a Commission's Communication, which will subsequently be transmitted to the Council, to the European Parliament and to the European Court of Auditors and the national Parliaments. It is also expected that the Commission's Communication will be included as an "A point" or "Information point" in ECOFIN's agenda.

Finally, Commissioner Šemeta informed that Commission is willing to explore ways to further promote these national (political) declarations after the working group has concluded its work.

## Technical meeting of the working group on national declarations

05 June 2014

### List of participants

A. ŠEMETA	Commissioner
BAUDRU Baudouin	Cabinet Šemeta
MULDER Jan	MEP – CONT Member
KLAASSEN Maarten Antonius Gerardus	Assistant of MEP Mulder
NANOPOULOU Argyro	GR – Chair of COMBUD
KOROMANTZOU Vivian	GR – Vice-Chair of COMBUD
KIRK JENSEN Jacob	DK
BJERG ALVI Mette	DK
SORBER Michiel	NL
HAGBERG Julia	SE
POURGHAZI Azin	UK
EHLERS Christian	EP – CONT SEC
GODTS Philippe	EP – CONT SEC
Dominykas MORDAS	EP SEC ALDE
SAARILAHTI Ilkka	COU - Head of Unit DDG.D2.2A
PARADIS	BUDG.D
VAN DER ZEE Reinder	BUDG.01
LOPEZ SANCHEZ Jose Antonio	BUDG.D.3
PIRAO Jose	BUDG.01
VAN ASSCHE Quentin	BUDG.D.3
Tonny MATHIEU	SG.B.1
CROFT Richard	MARE.F.1