

## Newsletter

Issue 26, October 2016



### Introductory words by Prof. Dr. Danuta Maria HÜBNER

Dear Readers,

I am very happy to present the 26th issue of the AFCO Newsletter, a tool prepared by the Secretariat which aims at informing you about AFCO activities and at increasing awareness on institutional challenges that the EU is facing.

At our meeting on Thursday 20 October, AFCO will consider important and topical institutional issues such as the “constitutional relationship of the United Kingdom with the European Union: the consequences of the results of the referendum of 23 June 2016”, the “proposal for amendment of Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management” and the vote on the “role of whistle-blowers in the protection of EU’s financial interests” opinion.

Prof. Dr. Danuta Maria HÜBNER, Chair

### Meeting languages available

FR,DE,IT,NL,EN,ES,PT,PL,RO

### Meeting Documents

In light of the European Parliament's paperless project please bear in mind that only a very limited number of paper dossiers will be available in the meeting room.

Instead, meeting documents will be made available on the following public and internal websites:

<http://www.emeeting.europarl.europa.eu/committees/archives/201512/AFCO>

and (EP internal only):

<http://www.emeeting.ep.parl.union.eu/committee/>



### MEETING DATE AND VENUE

20.10.2016 in BRUSSELS  
09:00-12:30

Room: Paul-Henri Spaak (4B001)

Please find below the link to the latest committee draft agenda:

<http://www.europarl.europa.eu/committees/en/a-fco/draft-agendas.html>

### The constitutional relationship of the United Kingdom with the European Union: the consequences of the referendum of 23 June 2016.



### Exchange of views

The Conference of Presidents (CoP) decided on 8 September that, until Article 50 is triggered by the British authorities, the issue of Brexit would be

dealt with by the Conference of Presidents, Guy Verhofstadt being the coordinator of the activities at this stage. The chair of AFCO would be closely associated and invited to attend all the meetings of the CoP in which the issue will be dealt with.

The CoP has divided the Brexit issue into three main phases:

\*the 1st phase corresponds to the period before the triggering of Article 50 and during this preparatory phase all committees are in charge of analysing the impact on policies and on specific files;

\*the 2nd phase, which will start after the triggering of Article 50, is the negotiation phase and although the EP will not negotiate directly it will influence the negotiations in order to obtain a result enabling the EP to deliver its consent - the negotiator for the EP is Guy Verhofstadt, who will report to the CoP, to AFCO and possibly to the Conference of Committee Chairs (CCC), the idea being that Guy Verhofstadt and the Chair of AFCO organise ensure the necessary dialogue with the other committees;

\*the 3rd phase corresponds to the procedure of consent, for which AFCO will be responsible, with the contribution of all committees, through opinions in the usual terms but also through an intense dialogue and cooperation.

Within AFCO in particular, an exhaustive analysis of the consequences of the UK withdrawal must go on.. A list of experts to hear will be established based of the political groups' proposals and the general themes to be discussed comprise the content of the withdrawal agreement provisions, the analysis of the future framework of the relationship of the EU with the UK and finally, consequences of the several options ranging from "hard Brexit" to "soft Brexit". The Policy Department will be asked to assist in providing the required expertise for these debates.

\*

\*

\*

## **Proposal for amendment of Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management**



*Rapporteur:* Danuta Maria Hübner

A Commission's proposal for an amendment of the Interinstitutional Agreement (IIA) of 2 December 2013 on budgetary discipline and sound financial management in regards to the procedure to request for the European Union Crisis Reserve's resources has been referred to AFCO. The suggested procedure would be to present the Commission's proposal to the two arms of the budgetary authority with the view to transfer resources from the Reserve to the corresponding budgetary lines. In the event of disagreement a trilogue procedure shall be initiated.

Rule 140 (2) of the Rules of Procedure stipulates that interinstitutional agreements "...shall be signed by the President after examination by the committee responsible for constitutional affairs and after their approval by the plenary". The current practice is that the Committee on Budget leads the negotiations on the proposed amendment of the IIA, but once the negotiations are completed, the draft agreement should be submitted to AFCO for its recommendation to the plenary.

In this particular case BUDG has informed AFCO that they are negotiating the IIA amendment together with the annual budget for 2017 and it is not at all clear at this stage what would be the end result. The Council is not very inclined towards what the Commission has proposed which means that the final text might be completely different.

BUDG has prepared a draft motion for a resolution, winding up the plenary debate on the basis of a Commission statement from 25 October 2016. The

resolution is to be voted in BUDG on 24 October and in the plenary on 26 October. The text is more concentrated on the MFF revision and on the annual budget for 2017, without specific mention of the IIA amendment.

The objective would be to vote the amended IIA by the end of the year together with the budget for 2017.

*Shadow Rapporteurs:* Pedro Silva Pereira (S&D)

### **The role of whistle-blowers in the protection of EU's financial interests**



*Rapporteur:* Morten Messerschmidt

The European Parliament is pushing forward this issue in two different committees:

\*The Legal Affairs Committee (JURI) will draft a legislative initiative report, which will authoritatively call on the Commission to produce a proposal including details about the legal bases and its key principles for whistle-blower legislation as well as the scope of the proposed protection;

\*Budgetary Control Committee (CONT) is drafting an own-initiative report on the need for whistle-blower protection in the context of the spending

of EU funds, on which AFCO will deliver the current opinion being drafted by Morten Messerschmidt.

In his draft opinion, the rapporteur emphasizes that all EU institutions should adopt internal rules on whistle-blowing.

After two discussions in committee it is now time to proceed to the vote. By the deadline, 28 amendments had been proposed to the draft of the rapporteur.

#### *Calendar Proposed:*

Exchange of views on draft opinion: 29 September 2016

Deadline for tabling amendments: 5 October 2016 (at 6pm)

Vote: 20 October 2016

*Shadow Rapporteurs:* Constance Le Grip (PPE); Ramón Jáuregui Atondo (S&D); Sylvie Goulard (ALDE); Barbara Spinelli (GUE/NGL); Isabella Adinolfi (EFDD); Gerolf Annemans (ENF).

#### **Next Meeting**

Thursday 8 November 2016, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)

\*

\*

\*

#### **Further information**

For any further information, please visit the AFCO committee website:

<http://www.europarl.europa.eu/committees/en/afco/home.html>

Twitter Activities of the AFCO committee may be followed on twitter @EPInstitutional.

**Contact the editor**

European Parliament, Directorate General for Internal Policies of the Union, Secretariat of the Committee on Constitutional Affairs.

Tel: + 32 2 28 43676 – e-mail: [afco-secretariat@ep.europa.eu](mailto:afco-secretariat@ep.europa.eu)

**Legal disclaimer**

The items contained herein are drafted by the Secretariat of the Committee on Constitutional Affairs and are provided for general information purposes only. The opinions expressed in this document are the sole responsibility of the author(s) and do not necessarily represent the official position of the European Parliament. The AFCO Newsletter may contain links to websites that are created and maintained by other organisations. The AFCO Secretariat does not necessarily endorse the views expressed on these websites.