



**COUNCIL OF
THE EUROPEAN UNION**

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INST 124**

"I" ITEM NOTE

From: Budget Committee
To: Permanent Representatives Committee
Subject: Interinstitutional working group on resources of decentralised agencies
- *Proposed draft terms of reference*

1. In the framework of the negotiations on the 2014 budget, the European Parliament, the Council and the Commission agreed on a joint statement on "*decentralised agencies*" establishing a specific interinstitutional working group to define a clear development path for EU agencies, as recorded in Annex 1.
2. Upon the request of Commissioner Lewandowski, the European Parliament, the Council and the Commission informally met on 21 January 2014, in order to start discussing the terms of reference of this interinstitutional working group.
3. On 19 February 2014, the Budget Committee was able to support the draft terms of reference of the interinstitutional working group, as proposed by the Presidency and recorded in Annex 2.

4. It is suggested that the Permanent Representatives Committee:
- take note of the proposed draft terms of reference of the interinstitutional working group, as recorded in Annex 2;
 - entrust a delegation composed of the Hellenic, Italian, Latvian and Lithuanian representatives, with a mandate to represent the Council in the first meeting of the interinstitutional working group.
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Joint statement on decentralised agencies

"The European Parliament, the Council and the Commission recall the importance to progressively reduce the staffing levels of all EU institutions, bodies and agencies by 5 % over five years, as agreed in Point 23 of the draft Interinstitutional Agreement on budgetary discipline, cooperation in budgetary matters and on sound financial management.

The European Parliament and the Council commit to pursue progressively the above-mentioned 5 % staff reduction for the period 2013-2017 while insisting as well on the proper functioning of the agencies so that they can fulfil the tasks they have been assigned by the legislative authority. In this respect, they consider that further measures, including structural ones, may be required to achieve this reduction for decentralised agencies. In this context, the Commission will continue its assessment of the possibilities to merge and/or wind-up some of the existing agencies, and/or other ways to achieve synergies.

Further to the work carried out by the Inter-Institutional Working Group, which resulted in the Common Approach on decentralised agencies agreed in July 2012, the European Parliament, the Council and the Commission agree on the need for a closer and more permanent scrutiny on the development of decentralised agencies to ensure a coherent approach. Without prejudice to their respective prerogatives, they agree to establish a specific inter-institutional working group with the aim of defining a clear development path for agencies, based on objective criteria. The Group should in particular discuss:

- Evaluation of establishment plans on a case-by-case basis;
- Ways to provide adequate appropriations and staff for additional tasks, assigned to individual agencies by the legislative authority;
- Treatment of agencies which are fully or partially fee-financed;

- Administrative structure of agencies, financing models, treatment of assigned revenues;
- Reassessment of needs; potential mergers/closures; transfer of tasks to the Commission.

The European Parliament and the Council will take into due account the results achieved by the Inter-Institutional Working Group in their deliberations as legislative and budgetary authority."

**Proposed draft terms of reference of the
interinstitutional working group on resources of decentralised agencies**

1. **Composition**

- The interinstitutional working group on resources of decentralised agencies (hereinafter referred to as the "working group") should be composed of a limited number of representatives of the three institutions, nominated according to their respective rules of procedure.
- The working group should have a single configuration. It should meet twice a year at expert level and a third time, around the spring budgetary trilogue, at a high level of representation.
- The Council should be represented by the Presidency-in-office, the two incoming Presidencies and the outgoing Presidency. On the Council side, the high level of representation should be at ministerial level for the Presidency-in-office and at permanent representative level for the rest.
- The Commission should prepare the agenda and chair the meetings. The secretariat of the working group should be provided by the Commission, in close cooperation with the European Parliament and the Council.

2. **Mandate and scope**

- The mandate and scope of the working group is framed by the joint statement on decentralised agencies agreed on 12 November 2013 as part of the conciliation on the budget for 2014.
- The working group should look at ways to define a clear development path for agencies, based on objective criteria, to progressively reduce the staffing levels of decentralised agencies by 5 % over five years, as agreed in Point 27 of the Interinstitutional Agreement of 2 December 2013 on budgetary discipline, on cooperation in budgetary matters and on sound financial management.

- The working group should formulate recommendations that the Commission may take into account in relation to the annual budgetary procedure. Both the European Parliament and the Council may also take stock of the working group's recommendations, without prejudice to their respective prerogatives.

3. **Working method**

- The working group should identify a shortlist of cross-cutting issues with the potential for reaching synergies and savings.
- The working group should develop an analytical "*fiche*" for each issue, presenting possible solutions to address identified problems. The fiches will feed the discussions of the working group, who may validate some of the proposals and/or request additional inputs from the Commission.
- Before drawing up its recommendations, the working group will invite the representatives of the concerned agencies.

4. **Timetable**

- In order to take stock on a regular basis of the progress made towards reaching the 5 % staff reduction over five years, the working group may continue its work until the end of 2017, when the 2018 budget is expected to be adopted and the 5 % target achieved. A final meeting should take place in 2018 in order to assess the accomplishment of the target.
 - The working group is expected to meet according to a timetable which takes into account the calendar of the annual budgetary procedure.
 - At its first meeting the working group should agree on its terms of reference: composition, mandate and scope, working method, and timetable.
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