



# Procedure file

| Basic information                                   |                |                     |
|---|----------------|---------------------|
| DEC - Discharge procedure                           | 2009/2071(DEC) | Procedure completed |
| 2008 discharge: EU general budget, Court of Justice |                |                     |
| Subject<br>8.70.03.07 Previous discharges           |                |                     |

| Key players                        |  |   |            |  |
|------------------------------------|--|---|------------|--|
| European Parliament                | Committee responsible                                  | Rapporteur                                    | Appointed  |  |
|                                    | <b>CONT</b> Budgetary Control                          |   | 01/10/2009 |  |
|                                    |  | ECR <a href="#">CZARNECKI Ryszard</a>         |            |  |
|                                    | Committee for opinion                                  | Rapporteur for opinion                        | Appointed  |  |
|                                    | <b>AFET</b> Foreign Affairs                            | The committee decided not to give an opinion. |            |  |
|                                    | <b>DEVE</b> Development                                | The committee decided not to give an opinion. |            |  |
|                                    | <b>INTA</b> International Trade                        | The committee decided not to give an opinion. |            |  |
|                                    | <b>BUDG</b> Budgets                                    | The committee decided not to give an opinion. |            |  |
|                                    | <b>ECON</b> Economic and Monetary Affairs              | The committee decided not to give an opinion. |            |  |
|                                    | <b>EMPL</b> Employment and Social Affairs              | The committee decided not to give an opinion. |            |  |
|                                    | <b>ENVI</b> Environment, Public Health and Food Safety | The committee decided not to give an opinion. |            |  |
|                                    | <b>ITRE</b> Industry, Research and Energy              | The committee decided not to give an opinion. |            |  |
|                                    | <b>IMCO</b> Internal Market and Consumer Protection    | The committee decided not to give an opinion. |            |  |
|                                    | <b>TRAN</b> Transport and Tourism                      | The committee decided not to give an opinion. |            |  |
|                                    | <b>REGI</b> Regional Development                       | The committee decided not to give an opinion. |            |  |
|                                    | <b>AGRI</b> Agriculture and Rural Development          | The committee decided not to give an opinion. |            |  |
|                                    | <b>PECH</b> Fisheries                                  | The committee decided not to give an opinion. |            |  |
|                                    | <b>CULT</b> Culture and Education                      | The committee decided not to give an opinion. |            |  |
|                                    | <b>JURI</b> Legal Affairs                              | The committee decided not to give an opinion. |            |  |
|                                    | <b>LIBE</b> Civil Liberties, Justice and Home Affairs  | The committee decided not to give an opinion. |            |  |
| <b>AFCO</b> Constitutional Affairs | The committee decided not to give an opinion.          |   |            |  |

|                            |  |   |
|----------------------------|--|---|
|                            | <b>FEMM</b> Women's Rights and Gender Equality | The committee decided not to give an opinion. |
|                            | <b>PETI</b> Petitions                          | The committee decided not to give an opinion. |
| <b>European Commission</b> | Commission DG<br><a href="#">Budget</a>        | Commissioner<br>ŠEMETA Algirdas               |

| Key events |  |   |         |
|------------|--|---|---------|
| 23/07/2009 | Non-legislative basic document published   | SEC(2009)1089   | Summary |
| 07/10/2009 | Committee referral announced in Parliament |   |         |
| 23/03/2010 | Vote in committee                          |   | Summary |
| 26/03/2010 | Committee report tabled for plenary        | <a href="#">A7-0079/2010</a>  |         |
| 21/04/2010 | Debate in Parliament                       |  |         |
| 05/05/2010 | Results of vote in Parliament              |  |         |
| 05/05/2010 | Decision by Parliament                     | <a href="#">T7-0094/2010</a>  | Summary |
| 05/05/2010 | End of procedure in Parliament             |   |         |
| 25/09/2010 | Final act published in Official Journal    |   |         |

| Technical information      |                           |
|----------------------------|---------------------------|
| Procedure reference        | 2009/2071(DEC)            |
| Procedure type             | DEC - Discharge procedure |
| Other legal basis          | Rules of Procedure EP 159 |
| Stage reached in procedure | Procedure completed       |
| Committee dossier          | CONT/7/00606              |

| Documentation gateway                               |  |  |            |      |         |
|---|--|--|------------|------|---------|
| Non-legislative basic document                      |  | SEC(2009)1089  | 23/07/2009 | EC   | Summary |
| Document attached to the procedure                  |  | N7-0036/2009<br><a href="#">OJ C 269 10.11.2009, p. 0001</a> | 10/11/2009 | CofA | Summary |
| Committee draft report                              |  | <a href="#">PE430.314</a>                                    | 02/02/2010 | EP   |         |
| Amendments tabled in committee                      |  | <a href="#">PE439.353</a>                                    | 03/03/2010 | EP   |         |
| Committee report tabled for plenary, single reading |  | <a href="#">A7-0079/2010</a>                                 | 26/03/2010 | EP   |         |
| Text adopted by Parliament, single reading          |  | <a href="#">T7-0094/2010</a>                                 | 05/05/2010 | EP   | Summary |

| Final act                         |
|-----------------------------------|
| <a href="#">Decision 2010/500</a> |

## 2008 discharge: EU general budget, Court of Justice

PURPOSE: to present the final annual accounts of the European Communities for the financial year 2008 - Other institutions: section IV - Court of Justice.

Note: this summary provides a general overview of the main trends in terms of the Court of Justice's expenditure for the financial year 2008. It does cover the figures for the Court of Justice's expenditure as presented in the [Report on Budgetary and Financial Management in 2008](#).

In regard to judicial activity as such, readers are invited to consult the Annual Report of the Court of Justice for 2008 on the Curia Internet site (<http://curia.europa.eu>), which provides detailed information and statistics concerning the judicial activities of the Court of Justice, the Court of First Instance and the Civil Service Tribunal.

### CONTENT:

#### 1) Appropriations in the financial year 2008:

- Commitments: EUR 290 385 281;
- Implementation rate: 98.74%.

Transfers of appropriations: in the course of 2008, the Court of Justice made 18 budget transfers (representing a total of EUR 10 931 540). In accordance with the Financial Regulation, 8 transfers of appropriations were the subject of notification to the budgetary authority. Those transfers amount to a total of EUR 8 695 500 and correspond to close to 80% of the total sum transferred in the financial year. In addition, 10 transfers within articles, not notified to the budgetary authority as provided for under Article 22(4) of the Financial Regulation, were made in respect of a total of EUR 2 236 040 representing 20% of the total sum transferred in the financial year.

#### 2) Main axes of expenditure and principal activities in 2008:

- Inauguration of the new Palais ? institutional reform: the outstanding event for the Court of Justice in 2008 was the inauguration of the new buildings of the Court, ?the new Palais?, which consolidates and extends the existing buildings. The new Palais is of an innovative architectural design and has been constructed in a way that respects and builds on the structure of the original Palais. It is made up of the original Palais, remodelled so as to accommodate the courtrooms, the Anneau (?Ring? in English), a two-storey building which is so called, despite its rectangular form, because it completely encircles the original Palais, and which houses the offices of the Members of the Court and staff working directly with them, two Towers intended for the translation service and the Gallery, a long luminous passage by way of an architectural link connecting not only the original and new buildings with each other but also the institution's various activities. With regard to the provisions governing the institution's operation, the amendment of the Rules of Procedure of the Court of Justice on 8 July 2008 involved the insertion of Title IVa, which contains the provisions designed to introduce the procedure, provided for in Article 62 of the Statute of the Court of Justice, for review of decisions of the Court of First Instance on appeal. The most noteworthy element of these new provisions is the creation of a special chamber entrusted with the task of determining, upon a proposal of the First Advocate General, whether a decision of the Court of First Instance should be reviewed. This chamber is to be composed of the President of the Court of Justice and of four Presidents of five-judge chambers.
- Judicial activity - delivering judgments: the statistics concerning the Court of Justice's judicial activity in 2008 reveal, first, a very significant reduction in the duration of preliminary ruling proceedings compared with preceding years and, second, a continuation of the upward trend in the volume of litigation. The Court completed 495 cases in 2008. Of those cases, 333 were dealt with by judgments and 161 gave rise to orders. The number of judgments delivered and orders made is lower than in the previous year (379 judgments and 172 orders). It should nevertheless be noted that the number of preliminary ruling cases completed in 2008 (238 cases in net figures, 301 cases in gross figures) is markedly higher than in 2007 (218 cases in net figures, 235 in gross figures). The Court had 592 new cases brought before it, a number which exceeds even the number in 2007, which had been the highest in the Court's history. The number of cases pending at the end of 2008 did not, however, increase substantially (767 cases, gross figures) beyond the number at the end of 2007 (741 cases, gross figures). Moreover, the duration of proceedings in 2008 showed a considerable change. In the case of references for a preliminary ruling, the average duration of proceedings was 16.8 months, as against 19.3 months in 2007 and 19.8 months in 2006. In 2008 use of the urgent preliminary ruling procedure was requested in six cases and the use of the expedited or accelerated procedure was requested eight times. Also, the Court continued to use the simplified procedure to answer certain questions referred to it for a preliminary ruling. Lastly, the Court made frequent use of the possibility offered by Article 20 of its Statute of determining cases without an opinion of the Advocate General where they do not raise any new point of law. About 41 % of the judgments delivered in 2008 were delivered without an opinion (compared with 43 % in 2007).

#### 3) Salient facts of the 2008 budget implementation:

Title 1 (Persons working with the institution): the final budget funding of Title 1 for the financial year 2008 is EUR 222 070 742, which represents almost 76 % of the total budget of the Court of Justice. Those appropriations were committed to the extent of EUR 218 656 267, in other words a very high rate of implementation of 98.46%. In addition, it may be noted that certain savings have been achieved in respect of budget items connected with expenditure under the Staff Regulations relating to the renewal of the terms of office of the Members of the three courts (temporary allowances, rights connected with entering the service, transfer or leaving the service). As regards the payment of officials, one notes a high implementation rate of 98.72%. This is a product of a very active recruitment policy on the part of all of the Court's services. The proportion of posts filled is highly satisfactory in respect of posts granted in connection with the enlargement of 2004 and also most encouraging for posts created for the recent enlargement. If non-enlargement posts are included, the proportion of posts filled as at 31 December 2008 is 98%, a very high figure if the effect of ordinary staff turnover is taken into consideration.

The following should also be noted:

- improvements in the use of commitments appropriations for external translation and interpretation services;

- strengthening further training in order to cover the growth in specialised language training for the Court's lawyer-linguists and interpreters as a direct result of the enlargements of 2004 and then of 2007, but also of the operation, since 1 March 2008, of the urgent preliminary ruling procedure which increases the requirements of language coverage;
- strengthening the 'Early childhood centre' item, which is allocated entirely to the funding of interinstitutional activities, of which the managing institutions are the Parliament for the creches and the Commission for the day-care centre/study centre.

Title 2 (Buildings, furniture, equipment and miscellaneous operating expenditure): the final budget funding in Title 2 for the 2008 financial year is EUR 71 970 249, which represents a little less than a quarter of the total budget of the Court of Justice. Those appropriations were committed at a very high rate of implementation of 99.65 %. As regards the lease/purchase items, the report states that the expenditure under this item is very largely assigned to prepayments, on the basis of contracts signed with the Luxembourg authorities, in respect of ongoing building projects, principally the new Palais project, which became necessary owing to the two recent enlargements. The construction/renovation works were, for the most part, completed in 2008, enabling the Members and staff of the Court of Justice to move into the new buildings on schedule.

Title 3 (Expenditure resulting from special functions carried out by the institution): the expenditure in question, for which the Court is liable, relates to legal aid, covering lawyers' fees and other expenses. It is difficult to estimate such expenditure because the budget implementation varies greatly from year to year.

Title 10 (Other expenditure): no budget funding was allocated to this Title in 2008 therefore no observations were made.

## 2008 discharge: EU general budget, Court of Justice

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The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) recommending the European Parliament to grant the Court of Justice's Registrar discharge in respect of the implementation of its budget for the financial year 2008.

The committee cites that in 2008 the European Court of Justice (ECJ) had commitment appropriations available amounting to a total of EUR 297 million (2007: EUR 275 million), with a utilisation rate of 98.20%, higher than the average of the other institutions (95.67%).

Members note that the Court of Auditors indicated in its annual report that its audit of a contract the ECJ concluded for the provision of services (following a joint open tender procurement procedure with a Member State) showed weaknesses in the internal control system for performing this tendering procedure. Taking account of the various enlightenments provided by the Court of Justice on this issue, Members endorse the Court of Auditor's suggestion that enhanced procurement procedures should be established.

Members also welcome the following elements:

- the effective operation of the recently established ECJ's Internal Audit unit;
- the constant reduction in the duration of proceedings before the ECJ, in particular, a significant reduction in the duration of preliminary ruling procedures (even if this reduction is not yet satisfactory);
- the fact that the Court of First Instance in 2008 showed a 52 % increase in the number of cases decided, as well as a certain decrease in the duration of proceedings, which is not yet satisfactory;
- the new integrated system for management and financial control (SAP), in operation since 1 January 2008, which has enabled budget savings and gains in efficiency for the three institutions involved (the Council, the ECJ and the Court of Auditors);
- the ongoing successful interinstitutional cooperation with the Court of Auditors as regards training.

Members take note of the follow-up by the ECJ of the observations made by the Parliament and the Court of Auditors in previous discharges and reports. However, they regret the reluctance of the ECJ to publish its members' declarations of financial interests, and requests that it implements this practice without delay.

## 2008 discharge: EU general budget, Court of Justice

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PURPOSE: to grant discharge to the Court of Justice for the financial year 2008.

LEGISLATIVE ACT: Decision 2010/500/EU of the European Parliament on the discharge for implementation of the European Union general budget for the financial year 2008 (Section IV - Court of Justice).

CONTENT: with the present decision, the European Parliament grants the Registrar of the Court of Justice discharge in respect of the implementation of the budget for the financial year 2008.

This decision is in line with the European Parliament's resolution adopted on 5 May 2010 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 5 May 2010).

## 2008 discharge: EU general budget, Court of Justice

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The European Parliament adopted a decision on discharge to be granted to the Court of Justice's Registrar in respect of the implementation of its budget for the financial year 2008.

Furthermore, Parliament adopted a resolution with observations which are an integral part of the decision to grant discharge.

Parliament cites that in 2008 the European Court of Justice (ECJ) had commitment appropriations available amounting to a total of EUR 297 million (2007: EUR 275 million), with a utilisation rate of 98.20%, higher than the average of the other institutions (95.67%).

Parliament notes that the Court of Auditors indicated in its annual report that its audit of a contract the ECJ concluded for the provision of services (following a joint open tender procurement procedure with a Member State) showed weaknesses in the internal control system for

performing this tendering procedure. Taking account of the various enlightenments provided by the Court of Justice on this issue, Parliament endorses the Court of Auditor's suggestion that enhanced procurement procedures should be established.

Parliament also welcomes the following elements:

- the effective operation of the recently established ECJ's Internal Audit unit;
- the constant reduction in the duration of proceedings before the ECJ, in particular, a significant reduction in the duration of preliminary ruling procedures (even if this reduction is not yet satisfactory);
- the fact that the Court of First Instance in 2008 showed a 52 % increase in the number of cases decided, as well as a certain decrease in the duration of proceedings, which is not yet satisfactory;
- the new integrated system for management and financial control (SAP), in operation since 1 January 2008, which has enabled budget savings and gains in efficiency for the three institutions involved (the Council, the ECJ and the Court of Auditors);
- the ongoing successful interinstitutional cooperation with the Court of Auditors as regards training.

Parliament regrets the reluctance of the ECJ to publish its members' declarations of financial interests and requests that it implements this practice without delay.