

# Procedure file

Basic information		
DEC - Discharge procedure	2012/2170(DEC)	Procedure completed
2011 discharge: EU general budget, Court of Justice		
Subject 8.70.03.07 Previous discharges		

Key players				
European Parliament	Committee responsible	Rapporteur	Appointed	
	<b>CONT</b> Budgetary Control		29/02/2012	
		ECR <a href="#">CZARNECKI Ryszard</a>		
		Shadow rapporteur		
		PPE <a href="#">DEUTSCH Tamás</a>		
		PPE <a href="#">SONIK Bogusław</a>		
		S&D <a href="#">KALFIN Ivailo</a>		
		ALDE <a href="#">SKYLAKAKIS Theodoros</a>		
		Verts/ALE <a href="#">STAES Bart</a>		
		EFD <a href="#">ANDREASEN Marta</a>		
		NI <a href="#">EHRENHAUSER Martin</a>		
	Committee for opinion	Rapporteur for opinion	Appointed	
	<b>PETI</b> Petitions	The committee decided not to give an opinion.		
	<b>REGI</b> Regional Development	The committee decided not to give an opinion.		
	<b>AFCO</b> Constitutional Affairs	The committee decided not to give an opinion.		
<b>DEVE</b> Development	The committee decided not to give an opinion.			
<b>CULT</b> Culture and Education	The committee decided not to give an opinion.			
<b>AFET</b> Foreign Affairs	The committee decided not to give an opinion.			
<b>PECH</b> Fisheries	The committee decided not to give an opinion.			
<b>AGRI</b> Agriculture and Rural Development	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>EMPL</b> Employment and Social Affairs	The committee decided not to give an opinion.			
<b>BUDG</b> Budgets	The committee decided not to give an opinion.			
<b>ITRE</b> Industry, Research and Energy	The committee decided not to give an opinion.			
<b>JURI</b> Legal Affairs			18/09/2012	

Verts/ALE [LICHTENBERGER Eva](#)

<b>ECON</b>	Economic and Monetary 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>INTA</b>	International Trade	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>FEMM</b>	Women's Rights and Gender Equality	The committee decided not to give an opinion.

European Commission

Commission DG  
[Budget](#)  
Commissioner  
ŠEMETA Algirdas

### Key events

24/07/2012	Non-legislative basic document published	<a href="#">COM(2012)0436</a>	Summary
13/09/2012	Committee referral announced in Parliament		
19/03/2013	Vote in committee		
21/03/2013	Committee report tabled for plenary	<a href="#">A7-0090/2013</a>	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Results of vote in Parliament		
17/04/2013	Decision by Parliament	<a href="#">T7-0127/2013</a>	Summary
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

### Technical information

Procedure reference	2012/2170(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10361

### Documentation gateway

Non-legislative basic document		<a href="#">COM(2012)0436</a>	25/07/2012	EC	Summary
Court of Auditors: opinion, report		<a href="#">N7-0127/2012</a> <a href="#">OJ C 344 12.11.2012, p. 0001</a>	06/09/2012	CofA	Summary
Committee opinion	<b>JURI</b>	<a href="#">PE500.526</a>	28/01/2013	EP	
Committee draft report		<a href="#">PE497.967</a>	29/01/2013	EP	

Document attached to the procedure	<a href="#">05752/2013</a>	01/02/2013	CSL	Summary
Amendments tabled in committee	<a href="#">PE506.049</a>	27/02/2013	EP	
Committee report tabled for plenary, single reading	<a href="#">A7-0090/2013</a>	21/03/2013	EP	Summary
Text adopted by Parliament, single reading	<a href="#">T7-0127/2013</a>	17/04/2013	EP	Summary

## Final act

[Decision 2013/545](#)  
[OJ L 308 16.11.2013, p. 0118](#) Summary

## 2011 discharge: EU general budget, Court of Justice

**PURPOSE:** presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the EU Institutions: Section IV Court of Justice.

Legal reminder: the consolidated annual accounts of the European Union for the year 2011 have been prepared on the basis of the information presented by the institutions and bodies under Article 129.2 of the Financial Regulation applicable to the general budget of the European Union. They were prepared in accordance with Title VII of this Financial Regulation and with the accounting principles, rules and methods set out in the notes to the financial statements.

The objective of the financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of users. The objective is to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

1) Purpose: the document helps to bring insight into the EU budget mechanism and the way in which the budget has been managed and spent in 2011. It recalls that the European Union's operational expenditure covers the various headings of the financial framework and takes different forms, depending on how the money is paid out and managed. In accordance with the Financial Regulation, the Commission implements the general budget using the following methods: direct or indirect centralised management (by means of bodies or agencies of public law or other); decentralised management where the Commission delegates certain tasks for the implementation of the budget to third countries; and, thirdly, shared management where budget implementation tasks are delegated to Member States, in areas such as agricultural expenditure and structural actions.

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Amongst the other legal elements relating to the implementation of the EU budget presented in this document, the paper focuses on the following issues:

- accounting principles applicable to the management of EU spending (business continuity, consistency of accounting methods, comparability of information ...);
- consolidation methods of figures for all major controlled entities (the consolidated financial statements of the EU comprise all significant controlled entities institutions, organisations and agencies, this being 50 controlled entities, 5 joint ventures and 4 associates. In comparison with 2010, the scope of consolidation has been extended by 7 controlled entities (one institution, 6 agencies);
- the recognition of financial assets in the EU (tangible and intangible assets, financial assets and other miscellaneous investments);
- the way in which EU public expenditure is committed and spent, including pre-financing (cash advances intended for the benefit of an EU organ);
- the means of recovery following irregularities detected;
- the modus operandi of the accounting system;
- the audit process followed by the European Parliament's granting of the discharge.

To recap, the final control is the discharge of the budget for a given financial year. The discharge represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. When granting the discharge, Parliament may highlight some observations that it considers important, often by recommending that the Commission takes action on the aspects in question.

The document also details specific expenditure of the institutions, in particular: i) pensions of former Members and functionaries of institutions; ii) joint sickness insurance scheme and iii) buildings.

Lastly, the document presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

2) Implementation of appropriations under Section IV of the budget for the financial year 2011: the document comprises a series of detailed tables, the most important concerning the implementation of the budget. Concerning the expenditure of the Court of Justice, information drawn from the "[Annual Report 2011 of the Court of Justice of the European Union](#)" shows that:

- the total of commitments granted to this institution for 2011 was EUR 341.2 million;

- the rate of payments was 98.4%.

3) Budgetary implementation - conclusions: the main characteristics of the Court of Justices budgetary implementation for the financial year 2011 were chiefly marked by:

- greater intensity of judicial activity: with 1 569 new cases and 1 518 cases closed, the Court saw a sharp rise in the number of proceedings brought before the three courts, and settled by them. Nevertheless, this increase in the volume of cases calls for a certain vigilance on the part both of the Court of Justice of the European Union and of the legislative authorities of the Union, in order that the effectiveness of the judicial system of the Union may not be jeopardised and in order that European citizens may continue to be served as well as is possible. With that in mind, the Court last year proposed a series of amendments to its Statute and a thorough recasting of its Rules of Procedure with a view, on the one hand, to improving its and the General Courts efficiency and productivity and, on the other, to modernising its procedures;
- IT projects: the objective was to bring the Court closer to the citizen. The opening of the e-Curia system which enables procedural documents to be lodged and served electronically, the launch of a more efficient, new search engine for consulting case-law and the putting on line of the catalogue of the Courts library are designed to make the Court of Justice more accessible and more transparent;
- replacement of certain members of the institution: 2011 also saw the departure of the President and two members of the Civil Service Tribunal as a result of the partial renewal of its membership, and the departure of one member of the Court of Justice and of one member of the General Court.

## 2011 discharge: EU general budget, Court of Justice

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The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) in which it calls on the European Parliament to grant the Registrar of the Court of Justice discharge in respect of the implementation of the Court of Justice's budget for the financial year 2011.

Members welcome the fact that on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error. The Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics related to human resources and procurement for the Court of Justice.

Members also note that the Court of Justice had commitment appropriations amounting to EUR 336 million (more than 98% implementation rate).

On an operational level, Members express concern that the amount of pending cases in the General Court is still very high in 2011 (i.e. 1300 pending cases in 2010 and 1308 pending cases in 2011). They urge the Court of Justice to examine what type of organisational changes could lead to a the reduction in the number of pending cases and also believes that the General Court needs human resources reinforcement. They note that the Court of Justice completed 550 cases in 2011, an appreciable increase compared with the previous year (522 cases completed in 2010).

Members welcome the eCuria application enabling procedural documents to be lodged and notified electronically and has enabled the optimisation of internal work flows. However, they ask Parliament's Committee on Budgetary Control to be given an accurate description of costs relating to the creation, maintenance and updating of the eCuria application.

Overall, Members support the initiative taken by the Court of Justice to reform its Statute and Rules of Procedure in view of the challenges it faces in connection with the increased number of cases.

Members find the engagement of the Court of Justice in holding a collection of works of art representative of the Union's artistic heritage an ambitious project requiring specialised resources. They invite the Court of Justice to explain how this project articulates with the traditional activities of the Court of Justice. They take note that in 2012, the Court of Justice paid EUR 7500 to insure a collection valued at EUR 2 400 000.

## 2011 discharge: EU general budget, Court of Justice

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**PURPOSE:** to grant discharge to the Court of Justice for the financial year 2011.

**NON-LEGISLATIVE ACT:** Decision 2013/545/EU of the European Parliament on discharge in respect of the implementation of the European Unions General Budget, section IV Court of Justice, for the financial year 2011.

**CONTENT:** with the present decision, and in accordance with Article 318 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament grants discharge to the Registrar of the Court of Justice in respect of the implementation of the budget for the financial year 2011.

The decision is in line with the European Parliament's resolution adopted on 17 April 2013 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 17 April 2013).

## 2011 discharge: EU general budget, Court of Justice

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The European Parliament adopted by 553 votes to 45, with 11 abstentions, a decision to grant the Registrar of the Court of Justice discharge in respect of the implementation of the Court of Justice's budget for the financial year 2011.

In its resolution accompanying the discharge decision, Parliament notes that the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error. The Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics related to human resources and

procurement for the Court of Justice.

Parliament also notes that the Court of Justice had commitment appropriations amounting to EUR 336 million (more than 98% implementation rate).

On an operational level, Parliament expresses concern that the amount of pending cases in the General Court is still very high in 2011 (i.e. 1300 pending cases in 2010 and 1308 pending cases in 2011). It urges the Court of Justice to examine what type of organisational changes could lead to a the reduction in the number of pending cases and also believes that the General Court needs human resources reinforcement. Members note that the Court of Justice completed 550 cases in 2011, an appreciable increase compared with the previous year (522 cases completed in 2010).

Overall, Parliament supports the initiative taken by the Court of Justice to reform its Statute and Rules of Procedure in light of the challenges it faces in connection with the increased number of cases.

eCuria: welcoming the e-Curia application, which came into operation in November 2011, enabling procedural documents to be lodged and notified electronically, Parliament asks to be informed of the measures taken to resolve informatics breakdowns which can affect the e-Curia performance. It stresses that e-Curia must, in due course, make it possible to do away with a great proportion of exchanges of correspondence and with the scanning of documents coming in and going out, and enable the optimisation of internal work flows and asks Parliament's Committee on Budgetary Control to be given an accurate description of costs relating to the creation, maintenance and updating of the e-Curia application. It considers very positive that by the end of 2012, 14 Member States, two European Free Trade Association countries and five European institutions (in particular Parliament, the Council and the Commission) were active users of e-Curia.

Lastly, Members find the engagement of the Court of Justice in holding a collection of works of art representative of the Union's artistic heritage an ambitious project requiring specialised resources. They invite the Court of Justice to explain how this project articulates with the traditional activities of the Court of Justice. They take note that in 2012, the Court of Justice paid EUR 7500 to insure a collection valued at EUR 2 400 000.