

2006 discharge: EC general budget, Court of Justice

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The Committee on Budgetary Control adopted the report by Nils **LUNDGREN** (ID, SE) recommending that the Parliament grant the Court of Justice's Registrar discharge in respect of the implementation of the Court of Justice budget for the financial year 2006.

First of all, the parliamentary committee recalls that, in 2006, the European Court of Justice (ECJ) had available commitment appropriations amounting to a total of EUR 252 306 372.60 (compared to EUR 232 602 467.74 in 2005), with a utilisation rate of 94.58%.

Overall, MEPs welcome the adoption by the ECJ of a code of conduct applying to Members and former Members of the Court of Justice, the Court of First Instance and the Civil Service Tribunal, including an obligation to submit a declaration of financial interests. However, they regret that this information has not been published on the ECJ's website.

Likewise, MEPs express their satisfaction that, since 1 October 2007, two separate administrative units carry out the internal audit and verification of accounts, ending a situation criticised in previous years by both the European Court of Auditors and Parliament.

MEPs also express their satisfaction with the audits carried out by the internal auditor (on the organisation and budgetary management of visits, on insurance contracts, on procedures relating to minimum standards of internal control, on the management of removal expenses, and on telephone usage) as well as the action taken following the recommendation made during the 2005 discharge procedure.

Procurement: while MEPs Welcomes the reduction of the number of negotiated contracts as a proportion of the number of contracts awarded (from 38% in 2005 to 34% in 2006 with a value of more than EUR 60 000), they believe that further efforts should be made to further reduce this proportion.

Expenditure on buildings of the Court: MEPs point to the criticism in the special report No 2/2007 of the Court of Auditors on expenditure on buildings that the independent expert, whose appointment was provided for in the framework contract for the extension of the ECJ's main building (the 'Palais'), was not appointed from the start and the original framework contract set out only general principles. However, the independent expert (KPMG) has now finally been appointed and has started the work of monitoring all accounting records. MEPs hope that the initial budget will be respected and encourage the ECJ to monitor closely all aspects of the progress of the project.

The parliamentary committee also notes that a lease-purchase contract has now been signed between the Grand Duchy of Luxembourg and the ECJ setting out the provisions necessary to supplement the framework contract of 2001 and providing for the sale to the ECJ of the land on which the complex is situated for the symbolic price of EUR 1 when the ECJ becomes the owner of the buildings. It recalls that the Court of Auditors pointed out that there had been a "lack of competition" concerning the building of the extension to the Court of Justice in Luxembourg in its 2007 Special Report. MEPs therefore call on the Commission to submit, by July 2008 at the latest, the findings of the further investigations into this situation.

Personnel: lastly, MEPs highlight that, in 2006, the number of officials and agents in service rose over the year by 4.8% to 1 786. However, the Court continues to have difficulties in recruiting qualified staff for interpreter and IT specialist posts.