30th and 31st annual reports on monitoring the application of EU Law (2012-2013)

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PURPOSE: report of the 31st Annual Report on monitoring the application of EU law (2013).

CONTENT: this EU Report reviews the performance on key aspects of the application of EU law and highlights strategic issues.

1) Transposition of the Directives: late transposition of directives remains a **persistent problem** hindering delivery of tangible benefits for citizens. The timely transposition of directives remains a top priority within the Commission's EU law policy.

There were more directives to transpose in 2013 compared to the previous year (74 in contrast to 56 in 2012) but fewer than in 2011 (131). However, there was only a slight increase in **new late transposition** infringements in 2013 compared to the previous year (478 new late transposition infringements were launched in 2013 compared to 447 procedures in 2012).

The **four policy areas** where the most new late transposition infringements were launched in 2013 were environment (168 procedures), health and consumers (58), internal market and services (47) and transport (36).

Although the timely transposition of directives continues to be a challenge in many Member States, the report noted that:

- Denmark, Latvia and Malta maintained a very low number of late transposition infringement cases over the past three years;

- Greece and the Czech Republic made good progress in reducing their late transposition infringements during the same period.

In 2013, the Commission continued to refer a number of late transposition infringements to the Court of Justice with a **request for daily penalties** under Article 260(3) TFEU. Member States increased their efforts to achieve complete transposition before the judgment of the Court of Justice during 2013.

2) Pre-infringement phase: complaints by citizens, businesses and stakeholder organisations make a significant contribution to monitoring the respect of EU law obligations. In 2013, **the Commission received more new complaints (3505) than in any of the previous three years**. As a result, the total number of open complaints increased by approximately 19% during 2013. The three Member States against which the most complaints were filed were:

- Italy: 472 complaints, most of them related to employment (120 complaints), internal market and services (81) and environment (64);

- Spain: 439 complaints, especially in connection with employment (100 complaints), justice and environment (65 each); and

- Germany: 297 complaints, mainly related to justice (64 complaints), internal market and services (57) and environment (53).

According to the report, 72% of new complaints were concentrated in the following **five policy areas**: justice (590), environment (520), internal market and services (494), employment (470) and taxation and customs union (452).

The European Parliament alerted the Commission to shortcomings in the way Member States implement and apply EU law by way of **petitions and questions** in the following areas:

environment, home affairs, justice, health, transports, taxation, agriculture and rural development.

The Commission considers that **the high and rising number of complaints** indicates that citizens are more and more aware of the benefits that flow from the full and correct application of EU rules. At the same time, this is an indication of the **expectation that the implementation of EU law requires increased efforts** from the Member States and on-going monitoring from the Commission.

3) Infringement procedures: at the end of last year, 1,300 infringement cases remained open. The number of open infringement cases has continued to fall.

The **overall decrease of formal infringement procedures** during the past five years (from nearly 2,900 to 1,300) reflects in part that problems have been solved with the use of EU Pilot, a Commission initiative aimed at rapidly resolving problems related to the application of EU law in compliance with EU law.

The report shows that **the structured dialogue via EU Pilot has proven effective** in the early resolution of potential infringements, to the benefit of citizens and business alike. **The situation varies across Member States**:

- the Czech Republic and Portugal have managed to halve the number of their infringement cases during this period and the Netherlands and Luxembourg have also significantly improved their results;

- however, Slovenia, Cyprus and Romania saw their number of infringement cases rise over the past five years, although their total cases are at average level.

The Commission will continue its active monitoring of the application of EU law. This includes proactive assistance to the Member States and, if necessary, the launch of formal infringement proceedings.