2017 discharge: EU general budget, Court of Justice

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PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2017, as part of the 2017 discharge procedure.

Analysis of the accounts of the EU Institutions: **European Court of Justice**.

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

This Commission document concerns the **EU's consolidated accounts for the year 2017** and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cash flows of the EU institutions and bodies with a view to granting discharge.

Discharge procedure: **the final step of a budget lifecycle is the discharge**. It is the decision by which the European Parliament '**releases**' the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. It is granted by the European Parliament on the recommendation of the Council.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

The procedure results in the granting, postponement or refusal of discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

All EU institutions and other agencies, bodies and joint undertakings are subject to their own discharge procedures.

Implementation of the Court of Justice's appropriations for the financial year 2016: the document noted that in 2017 the Court's budget was **EUR 399.3 million**, with an implementation rate of final appropriations of **98.69%.**

Almost 76 % of the budget was allocated to expenditure on the Members and staff, with almost the entire balance being spent on infrastructure, including buildings and information technology.

As regards the expenditure of the Court of Justice, the information taken from the Court's 2017 Annual Activity Report states that:

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- the Court's activity has been **very active**: the number of cases submitted to the Court is up compared to 2016 (1656 cases) and a total of 1594 cases have been closed;
- the statistics concerning the length of the proceedings are very positive;
- the **scale of the increased productivity** achieved by the Court, thanks to the coordinated efforts of the courts and of all the support services which made it possible, over the period 2010-2017, for the number of cases closed to rise by 30% with an increase in the number of new cases of 18% in the same period, although the number of staff in the support services fell;
- at the Meeting of Judges held in March 2017, it was decided to create the '**Judicial Network of the European Union**' covering the constitutional and supreme courts of the Member States, a network coordinated by the Court;
- the Court is continuing the project for the 5th extension of its buildings which should, in 2019, enable it to reunite its staff on one site (vacating the last building that is still rented) and, thereby, increase the efficiency of its services.