Basic information

2016/2011(INI) INI - Own-initiative procedure	Procedure completed
Application of the European order for payment procedure See also 2004/0055(COD) **Subject** 7.40.02 Judicial cooperation in civil and commercial matters 8.50.01 Implementation of EU law	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
JURI Legal Affairs	CHRYSOGONOS Kostas (GUE/NGL)	26/11/2015
	Shadow rapporteur BUDA Daniel (PPE) REGNER Evelyn (S&D) CAVADA Jean-Marie (ALDE) ANDERSSON Max (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Justice and Consumers	JOUROVÁ Věra

Key events

Date	Event	Reference	Summary
13/10/2015	Non-legislative basic document published	COM(2015)0495	
21/01/2016	Committee referral announced in Parliament		
13/10/2016	Vote in committee		

18/10/2016	Committee report tabled for plenary	A8-0299/2016	Summary
01/12/2016	Decision by Parliament	T8-0481/2016	Summary
01/12/2016	Results of vote in Parliament		
01/12/2016	End of procedure in Parliament		

Technical information	
Procedure reference	2016/2011(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
Amendments and repeals	See also 2004/0055(COD)
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	JURI/8/05517

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE584.146	06/06/2016	
Amendments tabled in committee		PE587.422	14/07/2016	
Committee report tabled for plenary, single reading		A8-0299/2016	18/10/2016	Summary
Text adopted by Parliament, single reading		T8-0481/2016	01/12/2016	Summary

European Commission

Document type	Reference	Date	Summary
Follow-up document	COM(2015)0495	13/10/2015	Summary
Commission response to text adopted in plenary	SP(2017)128	27/03/2017	

Application of the European order for payment procedure

2016/2011(INI) - 01/12/2016 - Text adopted by Parliament, single reading

The European Parliament adopted by 568 votes to 43, with 8 abstentions, a resolution on the application of the European Order for Payment Procedure, following the Commission report on the application of Regulation (EC) No 1896/2006 of the European Parliament and of the Council.

Impact assessment: while welcoming the successful operation in all the Member States of the European Order for Payment Procedure, Parliament deplored **the significant delay of almost two years** in the submission of the Commission's report as well as th**e lack of up-to-date data on the situation in the Member States** with regard to the functioning and implementation of the Payment Procedure. It called on the Commission, therefore to produce an extended, updated and detailed impact assessment for each Member State.

Better exploitation of the procedure's potential: this procedure was created to enable the rapid, facilitated and inexpensive recovery of sums arising from debts that are certain, of a fixed amount and due, and uncontested by the defendant. Although the operation of this procedure seems largely satisfactory according to statistics, the procedure is working greatly below its full potential, as it is mainly used in Member States whose legislation includes a similar national procedure. The resolution stressed that **late payments** are a key cause of insolvency, which threatens the survival of businesses – and in particular of small and medium-sized enterprises.

Better information for citizens and professionals: regretting that the use of the European Order for Payment Procedure varies significantly between Member States, Parliament called for:

- practical steps to **further inform citizens, businesses, legal professionals and all other relevant parties** of the availability, functioning, application and advantages of the European Order for Payment Procedure in cross-border cases;
- **assistance for members of the public and in particular for small and medium-sized enterprises** to improve their use, understanding and knowledge of existing legal instruments with a view to the enforcement of claims at cross-border level under the relevant EU legislation;

Practical implementation: several elements are key for the effective use of the Procedure. Parliament:

- encouraged Member States to strive to **issue orders within 30 days**, and to accept **applications in foreign languages** where possible. More Member States should follow the example of France, the Czech Republic, Estonia, Cyprus and Sweden and allow claimants to submit their applications in additional languages;
- fully supported the work being done to allow, in the future, the **electronic submission of applications** for a European Order for Payment; the Commission, in this connection, should encourage use of the e-CODEX pilot project and to extend it to all Member States;
- called on the Commission to adopt **updated standard forms** as required, and making better provision, inter alia, for an appropriate description of the interest to be paid on claims.

A future review of the regulation should look at **removing certain exceptions** to the scope of the procedure and at revising the provisions on the review of European Orders for Payment.

Application of the European order for payment procedure

2016/2011(INI) - 13/10/2015

PURPOSE: to assess the application of Regulation (EC) 1896/2006 of the European Parliament and of the Council creating a European Order for Payment Procedure.

CONTENT: the Commission presents a report on the application of Regulation (EC) 1896/2006 of the European Parliament and of the Council creating a European Order for Payment Procedure, which is the first true European civil payments procedure. It has been applied since December 2008 in all Member States except Denmark. The procedure is an optional procedure that can be used in cross-border cases as an alternative to domestic payment orders. The procedure allows creditors to recover uncontested civil and commercial claims according to a uniform procedure available in 27 Member States.

General assessment of the Regulation: the Commission considers that, overall, the objectives of the Regulation to simplify, speed up and reduce the costs of litigation in cases concerning uncontested claims and to permit the free circulation of European payment orders in the EU without exequatur **was broadly achieved**, though in most Member States the procedure was only applied in a relatively small number of cases.

From the studies and consultation carried out, it appears that there have been **no major legal or practical problems** in the use of the procedure or in the fact that exequatur is abolished for the recognition and enforcement of the judgments resulting from the procedure. The report reviews the existing case-law.

Between 12,000 and 13,000 applications for European orders for payment are received by the courts of Member States per year. The highest numbers of applications (more than 4,000 annually) are in Austria and Germany where also most European orders for payment are issued. Between 300 and 700 applications are received annually in Belgium, the Czech Republic, France, Hungary, the Netherlands, Portugal and Finland. In the other Member States, the procedure has been taken up to a more limited extent.

The Commission considers that the application of the Regulation has generally improved, simplified and accelerated the handling of uncontested pecuniary claims in cross-border disputes. In the light of this, it is therefore considered **not appropriate at this time to change the fundamental parameters of the European procedure.**

Awareness of the existence and operation of the procedure: a 2010 Eurobarometer showed that awareness and use of the European procedures including the European order for payment procedure among citizens is relatively low: **only 6 % of those asked** had heard about the European order for payment procedure. The Commission states that **further awareness-raising is necessary,** both at European and at Member State level. Efficient and active promotion of the Regulation should take place, providing the general public and professionals with information on the European order for payment procedure.

Electronic submission of the application: many Member States allow the electronic submission of the application (Czech Republic, Germany, Estonia, France, Lithuania, Austria, Slovenia, Slovak Republic, Finland, Sweden, UK, Cyprus) or envisage developing electronic processing in the future in all courts having jurisdiction to deal with the European order for payment procedure (Ireland, Italy, Malta, Portugal). Following a Commission study on the feasibility of electronic application for European payment orders, a pilot project on this issue is being co-funded by the Commission. Nine Member States are participating in the e-CODEX pilot for the European order for payment procedure.

In addition, the operation of the Regulation **may be improved through non-legislative and implementation measures**. The Commission will use the cooperation mechanism of the **European Judicial Network in Civil and Commercial Matters** in a proactive manner to improve the implementation and promote the take-up of this useful instrument.

On-line claims: the Commission considers that the operation of the procedure could further be improved by ensuring its electronic processing. Many Member States allow the electronic submission of the application (Czech Republic, Germany, Estonia, France, Lithuania, Austria, Slovenia, Slovak Republic, Finland, Sweden, UK, Cyprus) or envisage developing electronic processing in the future in all courts having jurisdiction to deal with the European order for payment procedure (Ireland, Italy, Malta, Portugal).

Following a Commission study on the feasibility of electronic application for European payment orders, a pilot project on this issue is being co-funded by the European Commission. Nine Member States are participating in the e-CODEX pilot for the European order for payment procedure.

Merits of a centralised system: Member States are encouraged to give further consideration to the suitability of centralisation of the handling of cases under the procedure. Five Member States have concentrated jurisdiction to handle European orders for payment in a single specific court/authority. In the other Member States, district and regional courts (or notaries for instance in Hungary) are competent for issuing European orders for payment. Overall, the data on the use of the procedure as to whether a centralised system leads to a more frequent use of the procedure are inconclusive. Nevertheless, in the light of the written and non-adversarial nature of the procedure, where no debate on the substance of the claim takes place, and which is thus particularly suited for electronic processing, the European order for payment procedure does appear better suited for centralised court handling than other procedures which require a debate on the substance and consideration of evidence.

Application of the European order for payment procedure

2016/2011(INI) - 18/10/2016 - Committee report tabled for plenary, single reading

The Committee on Legal Affairs adopted an own-initiative report by Kostas CHRYSOGONOS (GUE/NGL, EL) on the application of the European Order for Payment Procedure, following the Commission report on the application of Regulation (EC) No 1896/2006 of the European Parliament and of the Council.

Whilst welcoming the successful operation in all the Member States of the European Order for Payment Procedure, Members deplored **the significant delay of almost two years** in the submission of the Commission's report as well as th**e lack of up-to-date data on the situation in the Member States** with regard to the functioning and implementation of the Payment Procedure. They called on the Commission, therefore to produce an extended, updated and detailed impact assessment.

Better information for businesses, and legal professionals: Members regretted that use of the European Order for Payment Procedure varies significantly between Member States. They called for:

- practical steps to **further inform citizens, businesses, legal professionals and all other relevant parties** of the availability, functioning, application and advantages of the European Order for Payment Procedure in cross-border cases;
- **assistance for members of the public and in particular for small and medium-sized enterprises** to improve their use, understanding and knowledge of existing legal instruments with a view to the enforcement of claims at cross-border level under the relevant EU legislation;

Practical implementation: several elements are key for the effective use of the Procedure. The report:

- encouraged Member States to strive to **issue orders within 30 days**, and to accept **applications in foreign languages** where possible. More Member States should follow the example of France, the Czech Republic, Estonia, Cyprus and Sweden and allow claimants to submit their applications in additional languages;
- fully supported the work being done to allow, in the future, the **electronic submission of applications** for a European Order for Payment; the Commission, in this connection, should encourage use of the e-CODEX pilot project and to extend it to all Member States;
- called on the Commission to adopt **updated standard forms** as required, and making better provision, inter alia, for an appropriate description of the interest to be paid on claims.

A future review of the regulation should look at **removing certain exceptions** to the scope of the procedure and at revising the provisions on the review of European Orders for Payment.