Basic information

2017/2139(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: EU general budget, Court of Justice **Subject** 8.70.03.06 2016 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GRÄSSLE Ingeborg (PPE)	21/03/2018
	Shadow rapporteur SALAFRANCA SÁNCHEZ-NEYRA José Ignacio (PPE) KOHN Arndt (S&D) MACOVEI Monica (ECR) TAKKULA Hannu (ALDE) DE JONG Dennis (GUE/NGL) JÁVOR Benedek (Verts/ALE) JALKH Jean-François (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	The committee decided not to give an opinion.	
INTA International Trade	The committee decided not to give an opinion.	
BUDG Budgets	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	

EMPL	Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI	Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE	Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO	Internal Market and Consumer Protection	The committee decided not to give an opinion.	
TRAN	Transport and Tourism	The committee decided not to give an opinion.	
REGI	Regional Development	The committee decided not to give an opinion.	
AGRI	Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH	Fisheries	The committee decided not to give an opinion.	
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	SVOBODA Pavel (PPE)	09/10/2017
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO	Constitutional Affairs	The committee decided not to give an opinion.	
FEMM	Women's Rights and Gender Equality	The committee decided not to give an opinion.	
PETI	Petitions	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
26/06/2017	Non-legislative basic document published	COM(2017)0365	Summary
13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
27/03/2018	Committee report tabled for plenary	A8-0122/2018	Summary
18/04/2018	Decision by Parliament	T8-0126/2018	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		
18/04/2018	End of procedure in Parliament		
03/10/2018	Final act published in Official Journal		

Technical information

Procedure reference	2017/2139(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10661

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	JURI	PE612.281	25/01/2018	
Committee draft report		PE612.024	29/01/2018	
Amendments tabled in committee		PE618.341	02/03/2018	
Committee report tabled for plenary, single reading		A8-0122/2018	27/03/2018	Summary
Text adopted by Parliament, single reading		T8-0126/2018	18/04/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05940/2018	09/02/2018	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2017)0365	26/06/2017	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0008/2018 OJ C 322 28.09.2017, p. 0001	13/07/2017	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Budget 2018/1323 OJ L 248 03.10.2018, p. 0117	Summary

2016 discharge: EU general budget, Court of Justice

2017/2139(DEC) - 26/06/2017 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

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

Legal reminder: the consolidated annual accounts of the European Union for the year 2016 have been prepared on the basis of the information presented by the institutions and bodies under Article 148(2) of the Financial Regulation applicable to the general budget of the European Union.

Consolidated annual accounts of the EU: this Commission document concerns the EU's consolidated accounts for the year 2016 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 also presents the accounting principles applicable to the European budget (in particular, consolidation).

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.

Audit and discharge: the EU's annual accounts and resource management are audited by the European Court of Auditors, its external auditor, which as part of its activities draws up for the European Parliament and the Council:

- an annual report on the activities financed from the general budget, detailing its observations on the annual accounts and underlying transactions;
- an opinion, based on its audits and given in the annual report in the form of a statement of assurance, on (i) the reliability of the accounts and (ii) the legality and regularity of the underlying transactions involving both revenue collected from taxable persons and payments to final beneficiaries.

The European Parliament is the discharge authority within the EU. The **discharge** represents the **final step** of a budget lifecycle. It is 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 (and other EU bodies) from its responsibility for management of a given budget** by marking the end of that budget's existence.

This discharge procedure may produce three outcomes: (i) the granting; (ii) postponement; (iii) or the refusal of the discharge.

(2) Implementation of the Court of Justice's appropriations for the financial year 2016: the document noted that in 2016 the Court's budget was **EUR 373.2 million,** with an implementation rate of final appropriations of 98.23%, due mainly to the gradual arrival in 2016 of **12 new judges** at the General Court corresponding to the first stage of the strengthening of that court (one of those judges had yet to be appointed at the end of 2016).

By way of reminder, when the 2016 draft budget was drawn up at the beginning of 2015, it was thought that all those 12 judges would already have taken up their duties at the beginning of 2016.

As regards the **Court of Justice's expenditure**, the information is drawn from the 2016 Annual Report – Management Report. The main conclusions were:

- the overall number of cases brought was maintained at a high level in 2016 (**1 604 cases**) with 1628 cases closed;
- continuing **reform process of the judicial architecture** shall enable the Institution, through a doubling of the number of judges of the General Court by a process spreading over three stages until 2019, to fulfil its mission in the best possible conditions;
- improvements were made to the e-Curia application, the Court's recruitment policy and the translation service activities;
- utmost importance was given to the European Parliament's invitation to improve computer security in parallel with the digitalisation of documents;
- **buildings policy**: the Court continues the project for the fifth extension to its buildings which will, by 2019, allow it to gather all its staff on a single site (when it leaves the last rented building) and thereby strengthen the efficiency of the services.

2016 discharge: EU general budget, Court of Justice

2017/2139(DEC) - 13/07/2017

PURPOSE: presentation of the Annual report of the Court of Auditors on the implementation of the budget concerning the financial year 2016.

CONTENT: the Court of Auditors published its 40th annual report on the implementation of the general budget of the Union for the year 2016. This report follows a five-part structure:

- the statement of assurance (DAS) and a summary of the results of our audit on the reliability of accounts and the regularity of transactions;
- the analysis of budgetary and financial management;
- the Commission's performance reporting framework;
- the findings on EU revenue;
- the presentation of the main headings of the current multiannual financial framework (MFF), the results of the testing of the regularity of transactions.

The Court concludes that **payments for 2016 are legal and regular, with the exception of those based on the cost reimbursement payments**. It believes that the EU accounts present a true and fair view of the EU's financial position.

The audit also focuses on the budget implementation of the **Court of Justice of the European Union**.

Overall, audit evidence indicates that **spending on 'Administration' is not affected by a material level of error**. For this MFF heading area, testing of transactions indicates that the estimated level of error present in the population is 0.2 %.

The Court noted that the institutions had **collectively cut the number of posts** in the establishment plan by 4% over the period from 2013 to 2017. The institutions had reduced the number of staff (posts actually occupied by a staff member) by 1.4 % between 2013 and 2017.

The Court of Justice of the European Union was assigned **137 more posts**, mostly because of an increase in the number of judges and advocates-general.

The Court also examined how the budgeted number of **contract staff** had changed. This number rose from 4 517 to 5 417 between 2013 and 2017 - an increase of 19.9 %. Contract staff made up 11.4 % of the number of staff in the establishment plan in 2013, and 14.2 % in 2017.

The institutions are **achieving the 5 % reduction target** by eliminating vacant posts in the establishment plan and by not replacing staff members leaving upon retirement, illness or at the end of temporary contracts.

The Court **did not detect any specific problem regarding the Court of Justice of the European Union**.

2016 discharge: EU general budget, Court of Justice

2017/2139(DEC) - 27/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ingeborg GRÄSSLE (EPP, DE) recommending the European Parliament to give discharge to the Registrar of the Court of Justice in respect of the implementation of the Court's budget for the financial year 2016.

Members noted with satisfaction that the Court of Auditors observed that **no significant weaknesses** in respect of the audited topics relating to human resources and procurement for the Court of Justice of the European Union (CJEU).

The payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the Court of Justice were free from material error.

Budgetary and financial management: Members noted that in 2016, the CJEU had appropriations amounting to EUR 380 002 000 (compared to EUR 357 062 000 in 2015) and that the **implementation rate was 98.2 %.** They acknowledged the high rate of utilisation but noted a slight decrease compared to previous years.

They noted that the estimated revenue of the Court of Justice for the financial year 2016 was EUR 51 505 000 whereas the established entitlements were 3.1 % lower than estimated (EUR 49 886 228). They noted that the difference of EUR 1.62 million is mainly attributed to the late arrival in 2016 of 16 of 19 additional judges to the General Court.

Members considered that the CJEU consistently overestimates its commitments for missions, having committed EUR 342 000 in 2016 whereas payments were only EUR 157 974. They called on the CJEU to ensure sound financial planning in order to avoid a similar discrepancy in the future.

Court's actions: Members noted the judicial activity of the CJEU in 2016, with 1604 cases brought before the three courts and 1628 cases completed in that year, a number lower than in 2015 where 1775 cases were completed. They noted that the average duration of proceedings was 16.7 months which was slightly higher than in 2015 (16.1 months). Due to reform of the CJEU, the average time taken to decide a case in 2017 was 16 months.

Members reiterated that 2015 was the year of adoption of the **judicial architectural reform** of the Court of Justice, which was accompanied by the development of new rules of procedure for the General Court. They stressed that, by virtue of the number of judges being doubled in a three-stage process extending until 2019, reform will enable the Court of Justice to continue to deal with the increase in the number of cases.

The report noted that in 2016, following reform of the judicial architecture of the CJEU, **staff cases** were the third most frequent type of proceedings in the General Court. The CJEU is called on to continue providing statistics on its judicial activities.

Members also noted the overall **decrease in the duration of proceedings** in 2016. They called on the CJEU to pursue its effort to ensure the continuation of a downward trend so that all cases are concluded within a reasonable period of time.

Members made a series of recommendations to the Court:

- introduce a more targeted performance based approach in respect of the external activities of judges for the dissemination of Union law;
- call for a greater level of transparency with regard to the external activities of each judge and provide information regarding other posts and paid external activities of the judges on its website and in its annual activity report, including the name of the event, the venue, the role of the judges concerned, the travel and subsistence costs and whether they were paid by the CJEU or by a third party;
- publish CVs and declarations of interest for all CJEU members, listing membership of any other organisations;
- urge the CJEU to establish and implement strict obligations on 'revolving doors' rules;
- consider producing minutes of meetings held with lobbyists, professional associations and civil society actors, when this does not undermine the confidentiality of ongoing cases;
- provide detailed quantitative and qualitative financial information on the state of play of IT projects within the CJEU since 2014;
- improve its communication activities in order to make itself more accessible to the citizens of the Union, e.g. by organising training seminars for journalists or developing communication products on its activity in accordance with a more citizen centred approach;
- encourage its staff to familiarise itself with the 2016 guidelines highlighting the vital role of **whistleblowers** in bringing wrongdoing to light;
- consider extending the languages of deliberation of the CJEU, in particular the General Court, to languages other than French;

perform impact assessments on the consequences of **Brexit** and inform the European Parliament of the results by the end of 2018.

2016 discharge: EU general budget, Court of Justice

2017/2139(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the Court of Justice for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1323 of the European Parliament on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section IV — Court of Justice.

CONTENT: the European Parliament decided to **grant discharge** to the Registrar of the Court of Justice in respect of the implementation of the budget of the Court of Justice for the financial year 2016.

This decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the discharge decision in respect of the implementation of the general budget of the European Union for the financial year 2016 (*please refer to the summary dated 18.4.2018*).

Parliament welcomed the Court's overall prudent and **sound financial management** in the 2016 budget period: in 2016, the ECJ had a total amount of **EUR 380 002 000** available to it and the budget implementation rate was 98.2%.

Parliament reiterated its call for a greater level of transparency with regard to the external activities of each judge. It urged the ECJ to define and impose strict obligations on ‘revolving doors’. It also regretted the lack of effort by Member States to achieve a gender balance in high-ranking positions.

2015 was the year of adoption of the **judicial architectural reform** of the Court of Justice. By virtue of the number of judges being doubled in a three-stage process extending until 2019, reform will enable the Court of Justice to continue to deal with the increase in the number of cases.

Parliament will monitor the results of this reform in the light of the Court of Justice's ability to deal with cases within a reasonable period and in compliance with the requirements of a fair trial.

Parliament stressed the need to establish an independent disclosure, advice and referral body with sufficient budgetary resources in order to help **whistleblowers**. It invited the ECJ to improve its communication in order to make itself more accessible to the citizens of the Union.

Lastly, it pointed out that the ECJ is still complying with the Interinstitutional Agreement to reduce its staff by 5% over five years, despite the creation of 137 new posts related to the increase in the number of judges and advocates general.

2016 discharge: EU general budget, Court of Justice

2017/2139(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided by 556 votes to 124, with 4 abstentions, to **grant discharge** to the Registrar of the Court of Justice for the implementation of the Court’s budget for the financial year 2016.

Parliament noted with satisfaction that the Court of Auditors had observed that no significant weaknesses in respect of the audited topics relating to human resources and procurement for the Court of Justice of the European Union (CJEU).

The payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the Court of Justice were **free from material error**.

However, the Members stressed that the discharge procedure needs to be streamlined and sped up. They requested that the CJEU and the Court of Auditors follow best practice in the private sector and proposes in this regard to **review the timetable for the discharge procedure** so that the vote on the discharge would take place in Parliament’s plenary part-session in November, thereby closing the discharge procedure within the year following the accounting year in question.

Budgetary and financial management: in 2016, the CJEU had appropriations amounting to EUR 380 002 000 (compared to EUR 357 062 000 in 2015) and that the implementation rate was 98.2 %. Members acknowledged the high rate of utilisation but noted a slight decrease compared to previous years.

The estimated revenue of the Court of Justice for the financial year 2016 was EUR 51 505 000 whereas the established entitlements were 3.1 % lower than estimated (EUR 49 886 228). They noted that the difference of EUR 1.62 million is mainly attributed to the late arrival in 2016 of 16 of 19 additional judges to the General Court.

Members considered that the CJEU consistently overestimates its **commitments for missions**, having committed EUR 342 000 in 2016 whereas payments were only EUR 157 974. They called on the CJEU to ensure sound financial planning in order to avoid a similar discrepancy in the future and encouraged it to apply the new concept of **performance-based budgeting** to its own budget-planning procedure.

Court’s actions: Members recalled that 2015 was the year of adoption of the **judicial architectural reform of the Court of Justice**, which was accompanied by the development of new rules of procedure for the General Court. They stressed that, by virtue of the number of judges being doubled in a three-stage process extending until 2019, reform will enable the Court of Justice to continue to deal with the increase in the number of cases.

In 2016, following reform of the judicial architecture of the CJEU, staff cases were the third most frequent type of proceedings in the General Court. The CJEU is called on to continue providing statistics on its judicial activities.

Members also noted the **overall decrease in the duration of proceedings in 2016** by an average of 0,9 months at the Court of Justice and 1,9 months at the General Court compared to 2015. They called on the CJEU to pursue its effort to ensure the continuation of a downward trend so that all cases are concluded within a reasonable period of time.

Members made a series of recommendations to the Court to:

- introduce a more targeted **performance-based approach** in respect of the external activities of judges for the dissemination of Union law;
- call for a greater level of **transparency** with regard to the external activities of each judge and provide information regarding other posts and paid external activities of the judges on its website and in its annual activity report, including the name of the event, the venue, the role of the judges concerned, the travel and subsistence costs and whether they were paid by the CJEU or by a third party;
- publish CVs and **declarations of interest** for all CJEU members, listing membership of any other organisations;
- urge the CJEU to establish and implement strict obligations on **‘revolving doors’** rules;
- consider producing minutes of meetings held with **lobbyists**, professional associations and civil society actors, when this does not undermine the confidentiality of ongoing cases;
- provide detailed quantitative and qualitative financial information on the state of play of **IT projects** within the CJEU since 2014;
- simplify procedures for cases concerning intellectual property ;
- improve its **communication activities** in order to make itself more accessible to the citizens of the Union, e.g. by organising training seminars for journalists or developing communication products on its activity in accordance with a more citizen centred approach;

- encourage its staff to familiarise itself with the 2016 guidelines highlighting the vital role of whistleblowers in bringing wrongdoing to light;
- consider extending the languages of deliberation of the CJEU, in particular the General Court, to languages other than French;
- perform impact assessments on the consequences of **Brexit** and inform the European Parliament of the results by the end of 2018.

Lastly, Parliament recalled the importance of the objective of a **balanced representation of genders** in senior and middle-management posts. It also called for the geographic imbalance at middle and senior management to be redressed.

2016 discharge: EU general budget, Court of Justice

2017/2139(DEC) - 09/02/2018 - Supplementary non-legislative basic document

Based on the observations contained in the report by the Court of Auditors, the Council called on the European Parliament to **grant discharge** to all of the EU institutions in respect of the implementation of their respective budgets for the financial year 2016.

The Council notes with satisfaction that the **estimated level of error** reported by the Court for payments in the "Administration" policy area further decreased by 0.6 percentage points to **0.2 % in 2016**, well below the materiality threshold of 2 %. It welcomes that **no serious weaknesses** were identified by the Court in the systems examined.

The Council underlines the need to respect the principles of annuality and of sound financial management and that the carry-over of appropriations should always be compliant with the rules of the Financial Regulation and be motivated with factual and genuine reasons.

The Council regrets that not all the EU institutions, bodies and agencies have achieved **the 5 % reduction of posts in the establishment plan** by the end of 2017 and urges these institutions, bodies and agencies to carry out the remaining reduction as soon as possible in order to achieve this target fully.

The Council also notes the Court's findings that the total number of staff posts in the establishment plans decreased by 1.1 % between 2012 and 2017, the number of posts actually occupied by staff increased by 0.4 % over the period from 1 January 2013 to 1 January 2017, and the actual payments for salaries for permanent officials and temporary agents increased by 9.2 % between 2012 and 2016.

While recognising that during the period 2013-2017 some EU institutions, bodies and agencies were tasked with new responsibilities and equipped with new resources, the Council considers that the gap between the expectations and the outcome is significant.

In this context, the Council acknowledges that by focusing solely on the headcount based on establishment plan posts, the methodology chosen was **not suited** to achieve the goal of reducing administrative expenditure.

The Court did **not detect any specific problem concerning the Court of Justice of the European Union**.