



COURT OF JUSTICE
OF THE EUROPEAN UNION

ANNUAL REPORT
**MANAGEMENT
REPORT**
2017





COURT OF JUSTICE OF THE EUROPEAN UNION

MANAGEMENT REPORT 2017

(ANNUAL ACTIVITY REPORT FOR THE FINANCIAL YEAR 2017
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I. INTRODUCTION

The Court of Justice of the European Union ('the Court' or 'the Institution') reports each year by publishing a report composed of the following:

- the 'Judicial activity' report,
- the management report (annual activity report by the authorising officer by delegation) drawn up in accordance with Article 66(9) of Regulation No 966/2012 on the financial rules applicable to the general budget of the Union ('the Financial Regulation').

As statistics on judicial activity show, 2017 was a year of intense activity.

The Court of Justice saw the introduction of a record number of cases (739, as against 692 in 2016) and the number of cases closed was in line with that in 2016 (699, as against 704 in 2016).

With regard to the General Court, 2017 can be considered the first full year characterised by its new organisation, set up after the first two phases of the structural reform intended to enable it to sustainably achieve its mission. While we note a slight decrease in the number of new cases in 2017 (917) compared to 2016 (974), the productivity of the jurisdiction has increased significantly (+140 cases settled compared to 2016, or + 18.5%).

The Institution has continued to explore all avenues open to it in order to achieve the objectives of quality and expediency inherent in the proper administration of justice. The main axes of reform cover all areas of activity of the Institution: improving of the regulatory framework of the courts and their working methods, control on the requirements of full multilingualism and relative reduction in the weight of horizontal services (human resources and finance, IT, logistics and buildings) in order to preserve the working capacity of the cabinets of the Members. Indeed, the weight of 'horizontal services' went from 16.5 % of total staff in 2007 to 14.3 % in 2017, inter alia as a result of the Interinstitutional Agreement on budgetary discipline, on cooperation in budgetary matters and on sound financial management, requiring a 5 % reduction in staff in the 2013-2017 period.

It is important to emphasise the magnitude of the efficiency improvements achieved by the Court as a result of the co-ordinated efforts of the courts and all the services. Those efforts have made it possible, over the period 2010-2017, to see the annual number of completed cases increase by 29.6 %.

In 2017, the Court of Auditors completed its review of the Court's performance in managing cases and published its Special Report 14/2017. That special report stresses that the Court has undertaken extensive actions in terms of its organisation and procedures in order to improve its efficiency in handling cases, and also puts forward suggestions for further improvement. This performance review sought the active involvement of several departments of the Institution.

Finally, it is appropriate to mention that, at the Meeting of Judges organised in March 2017 on the occasion of the 60th anniversary of the Treaties of Rome, it was decided to set up the 'Judicial Network of the European Union', including the constitutional and supreme courts of the Member States, the coordination of which is carried out by the Court. This network, operational from 1 January 2018, aims to strengthen cooperation between the Court and the national courts, in particular by means of a multilingual platform enabling them to share, in a secure environment, a set of information and documents with the aim of promoting knowledge and cooperation between those jurisdictions.

As regards buildings, the Court continues the project for the fifth extension to its buildings which will, in 2019, allow it to gather all of the staff on a single site (when it leaves the last rented building) with the resulting gains in efficiency.

As regards the structure of the present report, Chapter II focuses on the activities of the various departments of the Institution, Chapter III analyses the use of budgetary and human resources made

available to it, and Chapters IV and V report on the functioning of the internal control system and the follow-up of the observations made in the context of the annual (and, where appropriate, special) report of the Court of Auditors and the discharge resolution of the European Parliament for the financial year 2016. Finally, various annexes provide more specific information, some of which is required under specific provisions of the Financial Regulation.

Alfredo CALOT ESCOBAR
Registrar

II. ANNUAL OVERVIEW OF ACTIVITIES

1. ACTIVITIES DIRECTLY RELATED TO JUDICIAL ACTIVITIES

1.1 REGISTRIES OF THE COURTS

1.1.1 TASKS AND OBJECTIVES

The activity of the registries of the Court of Justice and of the General Court is marked by their dual role, which derives from the tasks assigned to them:



- ▶ an external role, in so far as the registries are the natural interlocutors of the parties throughout the court proceedings, from the lodging of the document instituting the proceedings at the registry of the court concerned until service of the decision which closes the proceedings. As they constitute the 'gateway' of their respective courts, the registries are therefore in a situation different to that of the common services of the Institution, as each registry provides a service specific to its court;
- ▶ an internal role, since the registries are in the direct service of the Members of the courts and assist in the daily administration of justice.

As a result, the registries of the two courts are facing the same risks that could obstruct their activities, while having to perform tasks which are specific to them, due, in particular, to the action brought before their court, in order to best serve the court and adapt to its specific needs.

While 2017 had fewer major events than 2016, during which the first two phases of the reform of the European Union's judicial architecture were implemented, including, in particular, the merging of the Civil Service Tribunal with the General Court and the appointment of no less than sixteen new judges (together with six judges who took up their duties in the framework of the three-yearly renewal of the court), it has nevertheless been characterised by sustained activity.

In response to the request that the EU legislature had addressed to it, the Court of Justice continued its examination of the optimum allocation of jurisdiction between the Court of Justice and the General Court and on any changes to the current system that may be appropriate. As a result of those considerations, a report was sent on 14 December 2017 to the European Parliament, the Council and the Commission in which the Court argues that there is no need, at this stage, to carry out a partial transfer of jurisdiction in preliminary ruling proceedings to the General Court, but that amendments are not excluded in the near future, as regards

both direct actions and, in particular, actions for failure of a Member State to fulfil its obligations before the Court of Justice, with regard to the processing of appeals by the latter, which could be simplified.

The General Court, for its part, welcomed two new members, in June and October 2017, and it has taken all necessary steps to better exploit the potential of the reform. The year 2017 could be considered the first full year that allowed the court to test its new organisation in nine chambers. In view of the challenge of integrating a large number of new judges (24 judges have taken up their duties during the period from April 2016 to October 2017), the review of that first year of effective implementation of the reform can be considered very satisfactory. Although the number of new cases (917) was higher than the number of cases closed (895), the average duration of cases disposed of by judgment or by order continued to fall to 16.3 months, and the quality of the decisions has been maintained, as evidenced by the low percentage of total or partial setting aside by the Court of Justice. At the same time, the number of cases referred to a court formation composed of five judges has significantly increased (84 cases in 2017 compared with 29 in 2016). As an actor in the life of the Court, the Registry has naturally taken all reasonable steps to contribute to that success. In that context, it is noted that the procedural instruments acquired by the court in 2015 have been fully used and are particularly suited to the specific features of cases brought before the General Court.

The measures taken by the Court of Justice and the General Court to meet the challenge of the increased workload and the consequences of the reform are more fully described in the contributions by the registries contained in the judicial activity report of the Institution, to which reference is made. In their day-to-day operations, the registries strive to take the necessary steps to ensure that each stage of the judicial process is optimised, while ensuring that the fundamental guarantees of a fair trial are never undermined.

EXTERNAL ROLE OF THE COURT REGISTRIES

As 'gateway' of their court, the registries play an intermediary role between the parties and the court in the context of processing cases brought before it. In that regard, the registries ensure that proceedings run smoothly and case-files are kept in good order. That mission requires them in particular to carry out the following tasks:

- ▶ communication with the national courts, the parties and their representatives and correspondence with the parties and with third parties in connection with pending or closed cases;
- ▶ keeping a record of the procedural documents of each court and managing case-files in cases before the court;
- ▶ receipt, forwarding and keeping of all documents and notifications required by application of the Rules of Procedure;
- ▶ management and updating of the electronic procedural document storage system (either directly, using the e-Curia application, or by scanning all other procedural documents) and updating the procedural databases of the registries;
- ▶ management of the translations of procedural documents into the language of deliberation and their forwarding to Members of the Court;
- ▶ ensuring the presence of a session registrar during oral hearings and the delivery of Opinions and judgments, and preparing the minutes of the hearings;
- ▶ managing the court's publications;
- ▶ archiving case files, and

- ▶ production of court statistics.

To carry out those various tasks, the registries work together with the Directorate for Information Technologies to improve common IT applications to optimise and secure the processing of cases, taking into account the specific requirements resulting from the implementation of the rules of procedure of their courts and the nature of the cases brought before them.

One of the most tangible results of this cooperation has been the e-Curia application, which allows secure lodging and service of procedural documents by exclusively electronic means. Implemented in November 2011, the success of this application has endured since the lodging of procedural documents using this method today represents over 70% of the total of documents lodged at the Court of Justice and more than 80% of documents lodged at the General Court. With a view to completing the digitisation of court proceedings in order to avail of all the intended benefits thereof, that court, in close consultation with the Directorate for Information Technologies, carried out work to generalise the use of that application. That work is well advanced and should, subject to the approval of the necessary amendments to the Rules of Procedure, lead to the abandonment by the General Court of the other modes of lodging and service of procedural documents.

Furthermore, as the Court indicated in its observations on the Special Report of the European Court of Auditors mentioned above, the invitation by the latter to establish an integrated IT system to support the management of cases has been welcomed. The registries will therefore contribute to the setting up of such an IT system, while respecting the specificities of the judicial work and characteristics of each of the courts.

Finally, the external role of the registries has the result that they receive numerous requests for information and access to documents, which they process, either alone or together with the Communication Directorate. More generally, the registries reply to a wide range of questions, whether from representatives of parties involved in legal proceedings, cabinet staff, department staff or third parties.

INTERNAL ROLE OF THE COURT REGISTRIES

The registries of the Court of Justice and of the General Court have the role of providing active legal assistance to Members and their staff in the management of proceedings.

The degree of procedural management assistance given varies according to the court involved. Assistance granted to Members and their staff takes the form, inter alia, of making information of a procedural nature available, either online or in other formats, sustained efforts being made by the registries to encourage the uniform application of the Rules of Procedure by the various chambers.

The organisation of the General Court in nine chambers (on 31 December 2017, eight chambers of five judges and one of four judges) has increased



the number of formations of the court¹. The increase in the number of formations of the court, but also of the number of judges and their staff, resulting from the implementation of the reform, has led to a very significant increase in exchanges between the Registry and the cabinets of Judges (the number of digital transmission sheets exchanged between the Registry and the cabinets has increased by 19% compared to 2016) as well as informal internal requests from the Registry.

That legal assistance role has the result that the registries are at the heart of the administration of justice.

In that regard, representatives of the registries attend administrative meetings of formations of the Court (the registry service was provided during 405 'chamber conferences' at the General Court in 2017), take the minutes, submit those minutes for approval and ensure that decisions taken at those meetings are implemented.

The registrars of each court shall convene and participate in General Meetings (Court of Justice) or Plenary Conferences (General Court), ensure the updating and availability of the documents relating to those meetings or conferences and shall take the draft minutes. The Registry of the Court of Justice also prepares the agenda for the General Meeting with regard to court cases and ensures that decisions taken at those meetings are implemented.

The registries are also responsible for updating and making available the documentation relating to the Conference of Presidents of the Chambers (General Court) and to various committees, in particular those, which exist in each court, responsible for reviewing amendments of the Protocol on the Statute of the Court of Justice or of the Rules of Procedure. In that regard, they were involved, in 2017, in the deliberations relating to the allocation of jurisdiction between the Court of Justice and the General Court or to the protection of personal data in the context of judicial activities, as well as in the preparation or examination of the amendments to the Rules of Procedure of the General Court concerning, respectively, the functions of the Vice-President of that court, on recusal and on the generalisation of the use of the e-Curia application for the lodging and service of procedural acts before that court.

1.1.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

ANALYSIS OF THE RISKS COMMON TO BOTH REGISTRIES

The occurrence of certain risks could impede the proper functioning of the registries, or even prevent completion of the tasks assigned to them. Those risks have, in the majority of cases, a high level of interdependence with risks which could affect the services of the Institution, due, in particular, to their transversal nature or to the fact that the activity of the registries that would be jeopardised depends, in whole or in part, on other services. The main risks identified, as well as the measures taken to confront those risks, are as follows.

¹ On 31 December 2017, the General Court was composed of the President, the Vice-President and 44 other judges, assigned either to one of eight chambers of five Judges, or to the only chamber that still consists of four judges. In addition to those nine chambers, the Appeal Chamber, with jurisdiction to rule on appeals brought against decisions adopted by the Civil Service Tribunal until the date when it merged with the General Court on 31 August 2016, continued its activity.

Major crisis situations

These are risks to which the Institution as a whole is exposed (epidemic, fire, natural catastrophes or adverse weather conditions, and so on). The registries have contributed to the Institution's continuity plan and to the establishment of an Internal Emergency Plan ('IEP') to deal with such crisis situations. An effort undertaken in each Registry has enabled numerous specific measures to be introduced which ensure the continuity of those operations, and that those measures are updated.

IT breakdown

The registries are dependent on IT applications operating as they should, so that any malfunction means that completion of their tasks is disrupted. To prevent those risks or, where appropriate, to respond to them, the registries work very closely with the Directorate for Information Technologies, in order to ensure the smooth running of the applications, their possible improvement or recovery as promptly as possible in the event of difficulty. In that regard, it should be noted that the continuity plan for IT infrastructures, drawn up by that Directorate, is designed to ensure full continuity of service.

Substantially increased workload

A sudden growth in the workload, due to a sudden increase in the number of new cases (in particular in the form of series of cases), but also to Members leaving on the occasion of the three-yearly renewal of the courts, represents a real risk to the registries' activity. Intensification of judicial activity and an increased number of requests from the registries resulting, at the General Court, from the implementation of the reform concerning it, are also identified as risk situations. To deal with such difficulties, great flexibility on the part of the staff is required and must be accompanied by the implementation of specific organisational arrangements, which have already demonstrated their effectiveness.

Incidents arising when handling procedures relating to cases

The purpose of strictly monitoring files, producing checklists and the use of scoreboards, drafting internal procedures and setting operational priorities is to reduce the risk of an incident arising during the handling of cases. In that context, the cooperation between the registries and the departments, in particular the Translation Directorate General, constitutes one of the Institution's concerns to prevent the risks linked to communication and transmission of information. Particular attention is also paid by the registries, both in the processing of cases and in connection with the publication/dissemination of decisions of the courts, with respect to the protection of the identity of persons and other personal data (by granting anonymity), and the preservation of the confidentiality of certain data, in particular business secrets.



1.2 TRANSLATION DIRECTORATE GENERAL

1.2.1 MISSION AND OBJECTIVES

The Translation Directorate General (DGTrad) has the task of ensuring observance of the EU rules governing languages in legal proceedings. This mainly involves translating:

- ▶ in all the languages:
 - ▶ the requests for a preliminary ruling for the purposes of serving them on the Member States;
 - ▶ the notices in the Official Journal of the European Union of actions brought, in order to allow interventions, and decisions adopted;
 - ▶ the published decisions of the Court of Justice and of the General Court in order to enable EU citizens to access the case-law in their own language, as soon as possible and in conditions of equality;
- ▶ in the language of deliberation of the courts:
 - ▶ the pleadings and other documents lodged by the parties in order to allow the formations of the court to become acquainted with them;
- ▶ in the language of the case:
 - ▶ the pleadings and other documents lodged by the parties in a language other than the language of the case, such as the observations and interventions of Member States, in order to allow parties to acquaint themselves with it.

The objectives set for DGTrad are to ensure that:

- ▶ the deadlines with respect to translation necessary to support judicial procedures and for the swift dissemination of case-law are complied with,
- ▶ quantitative production that is economically efficient, that guarantees not only that the current workload will be dealt with but also that any backlog will be absorbed,
- ▶ the legal translations which are produced attain the high level of quality required,

1.2.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

• Results of the operations by reference to the main objectives set

First, it should be noted that DGTrad does not control incoming volumes. The judicial work is determined by the number of references made and actions brought and that the Court of Justice and the General Court must examine and resolve by means of decisions which will be disseminated.

How the number of pages of translation to be produced since 2013 has progressed is shown in the table below. All translations are made at the request of the registries, the cabinets or departments of the Court who contact the Translation Central Planning unit, in order to meet their urgent requirements for translations of quality for the purposes of the courts or, incidentally, the Institution.

Year	Pages to be translated ²	Percentage variation in relation to the previous year
	EUR-28	EUR-28
2013	924.829	+3.7%
2014	1.099.604	+18,9%
2015	1.114.838	+1,4%
2016	1.118.352	+0,3%
2017	1.112.924	-0,5%

The table above shows that the workload has increased by 18.9% in 2014, thus exceeding for the first time 1 million pages (1 099 000), despite the adoption of new translation-saving measures in the context of the passage to the digital Court Reports (abandonment of the chronological and thematic tables of the paper case-law Reports). By contrast, in 2015 the workload increased by 1.4%, to reach a total of 1 114 838 pages. The year 2016 marked a stabilisation of the number of pages entered (+ 0.3%), in the context of the increase in the number of judges at the General Court. Although the volumes to be translated for the Court of Justice, in particular the Opinions of Advocates-General, increased by 12.64%, the volumes to be translated for the General Court decreased by 24.32%. This is due to the investment in the reception and training of new cabinets, and by reorganisation in particular after the partial renewal of the Members and the redistribution of the cases for which they were responsible.

Similar stability was observed in 2017 (- 0.5%). However, the Court of Justice delivered 14.5 % more judgments and the General Court 10% more. However, in both cases, but for different reasons, those judgments consisted of fewer pages of translation to be produced: the average length of judgments of the Court of Justice was 7% lower than in 2016 and the publication rate of the Court's judgments was 24%. In contrast, the Opinions of Advocates-General increased in terms of pages (+ 2.2%).

² Current work only. The part of the settled case-law for in-house translation into Croatian is therefore not shown in the figures for 2013.

It is important to point out that without all the cost-saving measures put in place since 2004, the burden of translation would have exceeded 1 520 000 pages in 2017. It was possible to save almost 410 000 pages of translation as a result of the implementation of the measures taken in the past, namely selective publication and publication by extracts of the case-law, limiting the length of the Opinions of Advocates-General, the abandonment of Reports for the Hearing at the Court of Justice, the drawing up of summaries of certain particularly lengthy requests for a preliminary ruling and the use of editing, consultation on the need to translate certain annexes to procedural documents, etc.

All of those savings measures, adopted by the courts in a difficult budgetary context, remain essential to the achievement of the Translation Directorate General's main objectives: to accompany the proceedings without delaying them, to ensure timely dissemination and publication of case-law and to maintain the level of quality of its services.

The restitution of 60 posts from the translation service over a period of 5 years has heavily affected the production capacity but has been progressively compensated by the abovementioned cost-saving measures, continual pressure on internal productivity and increased outsourcing. The stabilisation of the workload between 2015 and 2017 moreover, has been used to reduce the stock by nearly 60 000 pages over that period, 22 000 (12.4%) of which were dealt with in 2017, leaving a total of 157 000 pages.

As regards quality, the investment made in IT, training, terminology and internal quality assurance processes, particularly within the framework of the methodological approach known as the 'Quality measure', have made it possible to maintain the very high quality level of legal translations, irrespective of the complexity of the documents and the difficulty of the source languages, all while responding to the needs in terms of quantitative production. Given the growing importance of outsourcing, measures have been taken to strengthen and institutionalise, for the benefit of freelance translators, feedback, training and the provision of phraseology, terminology and documentary tools in the context of the 'Maximising the contribution of freelance translation' project.

Finally, the commitment of the legal translation service has made it possible to comply with all the time-limits required for the due progress of proceedings in all languages; compliance with the objectives linked to the dissemination of the case-law to citizens has improved yet again. Not only the overwhelming majority of translations of judgments are provisionally disseminated on the day of delivery, but now the time-limit between the delivery of the judgments and their official publication in the European Court Reports lies in general, depending on the language versions, between 24 hours and 2 months.

- **The risks associated with those operations and the effective and efficient functioning of the internal control system**

For each risk set out in the risk analysis prepared by DG Trad, relevant actions have been taken or scheduled, including the updating of the continuity plans. The Directorate General has detailed crisis plans which will help it to deal with risks connected with IT malfunctions and to any massive absenteeism of its staff, for example in the event of an epidemic. In addition, all the lists relating to the operational cell and risk groups are regularly revised. These continuity plans are regularly tested in the framework of internal discussions and exercises organised centrally.

The risks specifically associated with the activities of the translation service essentially relate to control of the workload, maintaining quality and observance of time-limits, especially in the context of the reform of the courts of the Court of Justice, the corollary of which is a possible increase in the number of cases completed by the General Court. A persistent failure to control the workload would affect the handling of cases by the

two courts, and the dissemination of the case-law in all the languages. Issues of quality could affect the overall quality of the Court's work, the proper understanding of case-law within the legal systems of the Member States, and the image of the Court.

As regards control of the workload, the main risk is the possibility of an imbalance between the workload and the human and financial resources available to the translation services, especially in the present budgetary situation and uncertain trends in the political horizon. Thus, on the one hand, it must ensure it continues to make the best possible use of the human and financial resources assigned to it and, on the other, it must very strictly monitor any changes in its workload and future events which may have an impact on that workload. It is by means of this ceaseless monitoring that the Directorate General is able to adapt its budget requests to the indicators that become apparent, while constantly improving its working methods and intensifying the search for savings measures in order to restrict those requests to what is reasonable. The removal of posts, however, which ended in 2017, has heavily affected the human potential and production capacity of the Directorate General. It was in this context that the 'Maximising the contribution of freelance translation' project was conceived and which aims to improve the arrangements for management and collaboration with freelance translators in order to meet the challenge of the structural increase in workload and the number of language combinations to be covered, more smoothly and without risk to quality, while promoting the profession of lawyer-linguist. Thus, in 2017, DG Trad has pursued 23 legal translation contracts covering 211 language combinations, which has given rise to the conclusion of 1 487 framework contracts (as compared to 1 117 framework contracts in the previous contracts).

Concerning quality, the main risks are potential errors or inaccuracies in the translation of pleadings or in the translation of documents originating from one of the judicial bodies of the Court (judgments, orders and Opinions). All the language units apply an internal control system for translations. Whether control is appropriate and, if so, to what degree, is assessed on a case-by-case basis by the Heads of Unit, with particular attention given to texts processed by less experienced officials or freelance translators. The work of freelancers is constantly monitored to take account of the actual quality of the services provided. Should the contractor fail to comply with its obligations, the Court reserves the right to terminate the framework contract at any time. Accordingly, in 2017, some framework contracts had to be terminated due to the insufficient quality of the translations carried out. In general, quality problems can have an economic impact that is significant but difficult to put a figure on, in so far as, on the one hand, imperfect translation of decisions would lead to further proceedings before the Court of Justice and, on the other hand, the internal market would continue to suffer from the resulting legal uncertainty, or even diverging application of EU law.

Concerning complying with deadlines, careful monitoring is carried out centrally and the results in 2017 remain very satisfactory: the objective of making all language versions of judgments of the Court available on the day of delivery, and that of making Opinions available on the day of delivery of the judgment were almost 100 % achieved.

Information technology is a key factor tempering the risks associated with the control of workload, maintaining quality and meeting deadlines. It is in this context that, after migrating in 2016 to a software selected following an inter-institutional procurement procedure, facilitating the creation and efficient operation of translation memories in a work environment that enables the integration of all necessary legal, language and terminology resources, it added, in 2017, the interinstitutional statistical translation software MT@EC. These tools allow a qualitative gain, but also give hope for a certain gain in productivity.

With regard to carrying out budgetary operations under item 1406 (external provision of language services), all acts carried out in that context, whether public contracts, commitments or payments, are checked on a number of levels, both within and outside the Directorate General.

1.2.3 INTER-INSTITUTIONAL COOPERATION

• The Inter-institutional Committee for Translation and Interpretation (ICTI)

The Inter-institutional Committee for Translation and Interpretation (ICTI) is the inter-institutional body which coordinates joint projects of the language services of the various EU institutions and permits the exchange of expertise and best practice. It has two parts (translation and interpretation). The part devoted to translation is organised into two committees: the Executive Translation Committee (ETC) and the Translation Coordination Committee (TCC).

The ICTI and, in particular, with regard to translation, the ETC and the TCC, provide a permanent framework for inter-institutional cooperation, for example in the areas of exchanging information and experience, technological supervision, joint activity and performance indicators, organisation of competitions, outsourcing or training. It has been chaired by the European Parliament since 1 January 2017, for a period of two years.

It is within the framework of the ICTI that the inter-institutional tools used on a daily basis, such as DocFinder, Euramis, IATE, Quest or MT@EC are jointly organised, designed, maintained and funded. It is also within that framework that the Inter-institutional agreement for the use of the SDL Trados Studio translation editor has been prepared and concluded, and towards which the language units of DGTrad completed migration in 2017. It is also in this context that finance is provided for the work which will transform the statistical machine translation tool MT@EC into the e-Translation tool, namely a new, so-called neuronal type of software based on the partial reproduction of human reasoning.

Also in 2017, the ETC (Executive Translation Committee of the Inter-institutional Committee for Translation and Interpretation) has worked to strengthen cooperation at the level of the language communities and exchange of best practices. The Court remains an important player in the interinstitutional bodies and in working groups or networks thereof. In 2017, it confirmed its participation as of 1 January 2018 in the KIAPI (Key Inter-institutional Activity and Performance Indicators) as a full member and not just as an observer, thus responding to a recommendation made by the European Parliament in the context of the budgetary discharge.



In November, the DG Trad hosted the largest annual interinstitutional event: the Middle Management Event, organised under the auspices of the Translation Executive Committee (TEC). The Court thus opened its doors for a day of reflection dedicated to the management of terminology. The event, which brought together more than 170 people (mainly the heads of the language units of the various European institutions) allowed the various actors involved in terminology projects (translators, lawyer-linguists, but also heads of unit) to exchange ideas on the terminology tools used, the impact of terminology on the final quality of the translations and their respective perspectives. The discussions also touched upon the possibility of outsourcing certain terminology work and on closer collaboration between the institutions, in order to maximise possible synergies in the field of terminology.

- **Inter-institutional exchange of staff**

In recent years, the European Central Bank (ECB) has hosted lawyer linguists from DGTrad in Frankfurt on several occasions (in 2010, 2011, 2015 and 2016). The experience, which has been welcomed by the budgetary authority in the context of the discharge procedure, was renewed in 2017 with the secondment of a lawyer-linguist from the French language unit as of October, who will return to the French unit at the beginning of the second half of 2018.

- **Cooperation in respect of the lifting of the Irish derogation**

Council Regulation (EC) No 920/2005 of 13 June 2005 raised the Irish language to the status of an official language of the EU, with effect from 1 January 2007. It has been decided, however, for practical and transitional reasons, not to compel the EU institutions to provide Irish versions of the legislation and case-law of the courts of the European Union: this measure is referred to as the 'Irish derogation'. In accordance with Council Regulation (EU, Euratom) No 2015/2264, that derogation will completely disappear on 1 January 2022.

The Irish authorities and the EU institutions work closely together to accompany the lifting of that derogation. To that end, regular meetings are held within the Interinstitutional Monitoring Group in which DGTrad participates. The cooperation focuses on the development of translation capacity including legal translation in the Irish language, the translation of the *acquis* into Irish and development of terminology resources and translation tools.

- **The international context**

DGTrad is also active within IAMLADP³, a forum which brings together the language services of the EU institutions and a number of international organisations, including the UN, the World Bank, the IMF, the OECD and the OSCE. At its Annual Meeting in June 2017 in Bangkok, the IAMLADP debated, *inter alia*, strategic guidelines, aimed at preserving multilingualism, recognised as essential at UN level, and the demanding nature of professional translation standards, while meeting the challenge of higher quantitative requirements. This implies both rational investments and savings to be achieved through the optimisation of methods and the pooling of resources, training and good practices. It will also be crucial to master increasingly complex IT tools. Three strategic aspects have been identified: efficiency of actions and working methods, evolution of IT technologies and continuous extension of the range of skills.

DGTrad also takes part in the annual meeting of JIAMCATT⁴, a forum for sharing information on support tools for translation and interpreting.

3 International Annual Meeting on Language Arrangements, Documentation and Publications

4 Joint Inter-Agency Meeting on Computer-Assisted Translation and Terminology



1.3 INTERPRETATION DIRECTORATE

1.3.1 MISSION AND OBJECTIVES

It is the task of the Interpretation Directorate of the Court of Justice of the European Union to assist the judicial activity of the Court of Justice and the General Court by supplying high-quality interpretation of the hearings and other meetings organised by the Institution.

Recurrent activities

- ▶ Allocation, according to the schedule of hearings and the recommended language regime, of the required number of qualified conference interpreters, supplementing the staff covered by the Staff Regulations by recruitment of qualified external interpreters (auxiliary conference interpreters: ACIs).
- ▶ Planning the use of each interpreter's time and organising access to procedural files and other documents in order to make it possible for the interpreters assigned to hearings to prepare for them adequately.
- ▶ Managing the budgetary sub-items designed to reimburse the Commission for the salaries and management fees of ACIs paid by that institution on behalf of the Court.



1.3.2 RESULTS OF THE OPERATIONS BY REFERENCE TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

- **Results of the operations by reference to the objectives set**

The main objective of the Interpretation Directorate is to maintain the high quality level of the interpreting provided during oral hearings while containing the related costs, in particular the impact of hiring standby interpreters [auxiliary conference interpreters (ACIs)] on the Court's budget in the context of the real needs of the courts.

It may be noted that the recruitment of ACIs is regulated by the Convention concluded between, on the one hand, the IACI (International Association of Conference Interpreters) and, on the other, the European Parliament, the Commission and the Court of Justice, as revised in 2008⁵.

Increased multilingualism



With 24 official languages since the addition of the Croatian language, the number of potential language combinations to be covered reached 552. The use of the official languages during the oral stage of proceedings before the courts of the Court of Justice is subject to a strict set of rules included in each of those courts' Rules of Procedure. The service must scrupulously comply with the basic texts governing the use of official languages at hearings. The language cover required varies from one case to another: simultaneous interpretation is provided on the basis of the language or languages of the case, the official language of the Governments of the intervening Member States, the languages of the Judges and of the Advocate General in the formation of the court and, in so far as possible, having regard to the main language of the visitor groups attending the hearing.

The number of hearings and other meetings interpreted in 2017 is 696, including 260 hearings before the Court of Justice, 349 before the General Court, as well as 87 meetings and other events (Judges' Forum, official visits, and so on). French and English continued to be the languages most in demand in terms of ACI allocation. It should be noted that the number of hearings and the number of languages to be covered by the interpreting department during sessions remains unpredictable.

Workload

The workload of the interpreting department is likely to increase considerably in the coming years owing to the number of hearings fixed in parallel and the growing number of language combinations to be covered during those sessions.

⁵ Rider to the Agreement on working conditions and financial terms for Auxiliary Conference Interpreters (ACIs) recruited by the institutions of the EU, 1.9.2008.

Number of hearings or other meetings:

With interpretation	2013	2014	2015	2016	2017
Hearings	552	607	565	500	609
Other meetings	77	110	63	102	87
Total sessions	629	717	628	602	696

Distribution of permanent interpreter and AIC assignments between the courts:

%	2013	2014	2015	2016	2017
Court of Justice	70	64	65	76	68
General Court	28	35	34	23	32
CST	2	1	1	1	0

Changes to the number of contract days provided by ACIs:

2013	2014	2015	2016	2017
1 634	1 960	1 661	1 598	2 119

Recruitment

The quality of interpretation at the Court remains fundamental, and the high quality of the service depends on the availability of permanent interpreters of the Institution, who are specialists in judicial and legal work. It must be emphasised that there is no systematic correlation between the number of new cases and the number of stand-by interpreters whom it is necessary to recruit. The range of language combinations to be covered at a hearing is inherently unforeseeable and remains the determining factor for the hiring of standby interpreters, though the permanent posts available are as a priority allocated to the most requested booths in order to reduce as far as possible recourse to ACIs.

The recruitment of qualified conference interpreting staff continues to be carried out through competitions and inter-institutional selection tests in Brussels for accrediting ACIs for all the official languages.

As regards the posts subject to the Staff Regulations, with the exception of the Director, all the administrators in the department – including Heads of Unit – continue to work as conference interpreters, and no purely administrative posts have been created within the department.

In 2017, the Interpretation Directorate made use of 290 auxiliary conference interpreters in order to meet its needs. Those interpreters provided a total of 2 119 ACI contract days, or an average of 56 contract days per week of judicial activity.

- **The risks associated with those operations and the effective and efficient functioning of the internal control system**

If the service were to be unable to provide the interpretation required, qualitatively or quantitatively, the proper functioning of judicial work would run the risk of being compromised. That risk is of critical importance to the Institution.

Constraints

The interpretation service must comply with the language rules prescribed by the basic texts governing the activity of the Court. The demand for interpretation is not controlled by the Institution, as it is primarily dependent on the number of cases brought, the language of the proceedings as well as the number of interveners during the oral procedure and the Members of the Chamber involved. In addition, the hearings are scheduled at increasingly short notice.

Since the language regime of a hearing is likely to undergo last-minute alterations, the Institution is sometimes obliged to bear the costs of cancelled contracts. However, in order to address the financial risk arising from cancelling an ACI, the Interpretation Directorate of the Court cooperates closely with the other interpretation services of the institutions to allow those contracts to be taken on by those services, where possible.

Control measures introduced

The risks are mitigated by the Court's continuity plan and by specific procedures introduced by the Interpretation Directorate in order to ensure continuity of operations through, inter alia, inter-institutional cooperation.

In 2017 it was again possible to meet all requests for interpreting in spite of the range of official languages to be taken into account for oral hearings. It should be noted that the courts are provided with interpreting services exclusively on the basis of their actual language needs, in accordance with their Rules of Procedure.

Continual training efforts are necessary in order to increase the linguistic flexibility of the department through language learning. Accordingly, the permanent interpreters of the Court must master at least three working languages in addition to their mother tongue; in 2017, the average was four, most of the interpreters who are officials having added another working language to their existing language combination, having passed a language addition test following intensive study after joining the service.

In order to deal with the financial risk (mentioned earlier) in the event of cancelling interpretation, the Directorate has strengthened its cooperation with the registries, and has suspended long-term employment of ACIs, while taking the necessary steps to ensure that ACI contracts can be taken on by other European institutions. In 2017, 32% of cancelled ACIs could thus be re-deployed thanks to inter-institutional cooperation, which helped limit costs.

1.3.3 INTER-INSTITUTIONAL COOPERATION

Cooperation with the two other EU interpretation services (European Commission and European Parliament) continued within the ICTI (Inter-institutional Committee for Translation and Interpretation) and particularly with its ECI (Executive Committee for Interpreting). Inter-institutional activity represents a considerable saving in resources for the institutions which participate in it, and includes the following areas:

- ▶ Shared management of over 3 000 accredited conference interpreters (digitalised system for exchanging inter-institutional ACI recruitment data, single payments office, shared quality control);
- ▶ Potential for mutual taking on of cancelled ACI contracts;
- ▶ Structural exchanges of interpreters between the institutions;
- ▶ Mutual availability between the institutions, according to the needs of the departments and in so far as possible, of interpreters subject to the Staff Regulations and freelance interpreters where there are language shortages;
- ▶ Evaluation of demand and available resources;
- ▶ Participation in selection boards for open competitions organised by the European Personnel Selection Office (EPSO) and the inter-institutional working group for the purposes of trying to improve conference interpreter selection procedures;
- ▶ Joint selection of freelance interpreters for all languages (inter-institutional ACI accreditation tests);
- ▶ Sharing and recruitment of qualified interpreters as temporary staff according to the needs of the departments;
- ▶ Raising the awareness of the authorities of the Member States and candidate countries of the language needs of the institutions of the European Union and providing support for training conference interpreters at university level;
- ▶ Taking part in fairs and exhibitions to promote language professions;
- ▶ Common use of communications resources via internet to inform young people about the career of conference interpreter;
- ▶ Introducing a technological observatory to monitor developments in the field of interpreting, including in the field of video-conferencing.



1.4 THE LIBRARY, RESEARCH AND DOCUMENTATION DIRECTORATE GENERAL

The Library, Research and Documentation Directorate General (LRDDG) consists of the Library Directorate, which comprises two Units, and the Research and Documentation Directorate, which comprises three Units.

1.4.1 MISSION AND OBJECTIVES

The mission of the **Library Directorate (LIBD)** is to support the work of the cabinets of the Members and of the departments of the Institution, by providing them with bibliographic information and works they need in carrying out their duties.

The mission of the **Research and Documentation Directorate (RDD)** is to assist the two EU courts in the performance of their judicial duties, analysing and indexing their case-law with a view to its dissemination and updating internal and external research tools at the Institution, and to carry out monitoring of legal developments, particularly in national law, in areas connected with the activity of the Institution.

The main objectives of the LRDDG for 2017 were:

The objectives of the **LIBD** are as follows:

- ▶ Purchase of publications in paper format, including subscriptions to periodicals or collections.
- ▶ Purchase of publications in electronic format and subscriptions to databases.
- ▶ Recording the publications acquired in the digital catalogue.
- ▶ Making the publications acquired available to in-house users, by way of consultation (on-site or online, depending on the format of the publication), simple loan or permanent loan.
- ▶ Managing subscriptions to periodicals.

The objectives of the **RDD** are as follows:

- ▶ Assistance to judicial activity characterised by:
 - ▶ Preliminary examinations of requests for a preliminary ruling and, in certain areas, of appeals, inter alia, to reveal potential issues relating to jurisdiction or admissibility, and the possibility of using specific procedures provided for in the Rules of Procedure.
 - ▶ Drawing up research notes concerning comparative law, international law, national law or EU law.
- ▶ Analysis and dissemination of the case-law which is characterised by:
 - ▶ Drawing up a summary in respect of each decision which is published in the European Court Reports or which is the subject of a Bulletin therein; updating the Digest of case-law on the Curia website on a weekly basis.
 - ▶ Drawing up thematic bulletins on EU case-law
 - ▶ Contributing to the creation of the Institution's Annual Report (case-law of the Court of Justice and the General Court).
 - ▶ Analysing decisions delivered by the national courts following preliminary rulings by the Court of Justice.
- ▶ Regular legal monitoring characterised by:
 - ▶ regular dissemination of information on the case-law of the European Court;
 - ▶ dissemination of information relating to the case-law of national courts regarding EU law;
 - ▶ identification of academic writing concerning the decisions of the courts of the European Union.
- ▶ Managing databases characterised by:
 - ▶ Managing and updating a number of internal databases relating to EU case-law (Minidoc application); updating a database of multilingual summaries; updating the documentation resources with items produced by the Directorate (pre-examination sheets, appeal analysis sheets, summaries and national decisions); updating the case-law (Section 6) and national case-law (Section 8) sections of the inter-institutional database EUR-Lex, managed by the Publications Office.
 - ▶ Steering the Minidoc application to a new IT environment (Minidoc III).
 - ▶ Helping to define and develop the Institution's IT documentation tools.
 - ▶ Organisation of training relating to IT applications intended for staff of the Institution.

1.4.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

• Results of operations in relation to the main objectives of the Library Directorate

Paper publications	- Purchases of works in paper format	4 780
Electronic publications	- Total number of electronic applications	2 845
	- Applications concerning legal periodicals	>1 000
	- In 2017, there were 47 923 consultations relating to digital library applications (not counting electronic journals and applications for which there are no statistical data because they can be consulted directly via the Internet); - The Library has access to the full text of 879 periodical titles (776 journals and 103 year books).	
Registration in the catalogue	- New references in the catalogue (monographs and articles resulting from the analysis of journals and collections)	19 341
Services to users	- Permanent loans (works lent for an indefinite period to in-house readers at their request)	969
	- Ordinary loans (works lent to in-house users for a fixed period of 15 or 30 days)	6 494
	- External users (Library visits by legal students and researchers, university academic staff and lawyers)	449
Management of subscriptions	- Management of 8 framework supply contracts with the objective of supplying subscription(s) allowing access to the content of specialist periodicals, excluding general daily press, in paper format or in paper and digital formats and related services.	

- **Results of operations in relation to the main objectives of the Research and Documentation Directorate**

Assisting judicial activity	• Pre examinations	537
	• Initial checking of appeals	62
	• Research notes	14
Analysing and disseminating case-law	• Summaries	1 205
	• National decisions (Monitoring requests for a preliminary ruling)	167
	• A new edition of the trademark case-law bulletin was published in 2017.	
	• The chapters concerning the case-law of the Court of Justice and the General Court were written for the Court's Annual Report.	
Monitoring legal developments	• Preparation of a factsheet setting out the most important case-law on access to environmental information	
	• National decisions (not including monitoring)	346
	• Notes of academic literature	3 619
	• 13 news flash items concerning the case-law of the European Court of Human Rights • 6 news flash items concerning the case-law of national courts	
Administration of databases	• Direct actions registered	1 032
	• Decisions of the EU courts, the metadata of which have been fed into the internal databases and EUR-Lex	1 511
	• The work relating to the modernisation of Minidoc continued in 2017 with the bringing into production of the national decisions module which made it possible to significantly modify the workflows.	
	• In the course of 2017, the RDD continued to explore the long-term possibilities of automating certain legal analytical work on decisions. This work should be finalised in the course of 2018.	
	• During 2017, corrections of the English version of the multilingual summaries database were carried out.	
	• Minidoc II/EURêka training (participants not including RDD)	278

- **Risks associated with those operations and the effective and efficient functioning of the Directorate's own internal control system**

LIBD :

In order to respond to the challenges facing modern legal libraries (technological developments, digitisation of available resources), the Library Directorate has, during the first half of 2017, carried out a review of all its activities. On the basis of that analysis, strategic guidelines on the future of the library were proposed to the Administrative Committee which approved them at its meeting on 25 September 2017. The new strategy aims to modernise the library in a context marked by limited resources.

The main focus of the new strategy seeks to allow modernisation of electronic tools and an enlargement of the offer of resources in digital format, financed by reducing the resources granted for documentation in paper format. The other strands of the new strategy are intended to deepen collaboration with other libraries, develop training activity especially for users and to improve communication of the service.

The implementation of the strategic guidelines for the future of the Library aims to limit the most significant risk for the Library Directorate, resulting from the increase of activity having regard to the available resources, which is that it will no longer be able to deal with its workload. The reduction in resources for acquisitions in paper format in order to modernise electronic tools (integrated management system of the library, digital library and discovery tool) should reduce indexing work and optimise cataloguing operations. In addition, the introduction of co-operation to foster the exchange of bibliographic data should help to contain the workload relating to the cataloguing of legal works acquired by the service.

To limit the risks associated with the current operations of the library (acquisition of books and periodicals) all staff directly or indirectly involved in the circuit of acquisitions received, during 2017, training in financial management (Expenditure Lifecycle, contract management, use of SAP). As a result of those training courses, as from 1 January 2018, all transactions relating to acquisitions in paper format are entirely managed using the SAP application (MIGO, CAF, passed for payment).

As part of its unflinching efforts to preserve its stock, the Library maintained the strict application of its security measures, introduced in conjunction with the Directorate General for Infrastructures.

Risks associated with the hosting of the catalogue on the Internet (various server or software malfunctions, risks to the Institution's addresses arising from cyber-attacks, etc.) are contained through cooperation with the Directorate for Information Technologies, on the one hand, and the company that owns the software and server used, on the other.

- **Risks associated with those operations and the effective and efficient functioning of the Directorate's own internal control system**

RDD :

Overall, the most significant risk for the RDD remains the risk of being unable to deal with its workload, the regular increase in which is due, on the one hand, to the fact that most of its activities are directly related to a continuing and substantial increase in judicial activity which should further accelerate with the reform of the General Court and, on the other, to the extension of the scope of its activities resulting from the assignment of new tasks and the need constantly to adapt the quality of its output to new requirements indicated by the users thereof, in particular by the Members of the Institution.

In order to limit the impact of those risks, and not add to the current workload, in 2017 the RDD outsourced the correction of the English version of the database of multilingual summaries. For the financial year 2018, the RDD obtain appropriations for the analysis of legal citations and that of decisions that are the subject of a Bulletin in the second part of the Court Reports. Furthermore, the implementation of a new methodology for producing summaries, approved by the Administrative Committee in 2016, has allowed some easing of the burden relating to their preparation and to help reduce the resources necessary for their translation. As regards the tasks related to legal analysis, during 2017 the RDD continued its training and supervision efforts in the area of legal data processing, with the long term aim of taking advantage of advances in this area in order to automate certain aspects of this work. In that regard, the work conducted in 2017, in close

cooperation with the DIT, should allow partial automation of the citation of legal provisions referred to in the decisions.

The RDD pays particular attention to the processing time and maintenance of the quality of its products and services in the context of the accelerated pace of judicial activity, over which the Institution has no control.

As in previous years, the deadlines given for all activities of the Directorate are monitored with the help of databases which allow the Heads of Unit and the Director to carry out regular checks. The working methods used when carrying out activities are regularly subject to assessment with a view to improving and simplifying them and to make best use of new technology. In this respect, the continued investment, in 2017, in the modernisation of the work tools has made it possible to bring into service the Minidoc III 'national decisions' module, in order to achieve productivity gains that will allow better control over the workload resulting from the foreseeable increase in litigation. Maintenance that is sufficiently adaptable is important in order to take advantage of technological change.

Finally, a characteristic risk for the RDD is the loss of skills due to the turnover of the Directorate.

In order to limit the impact of this turnover, various actions have been undertaken, notably in the training of new employees and updating manuals intended to guide staff in the performance of their duties. Furthermore, during the 2017, the RDD has prepared a new intranet site which contains a heading designed to enable staff to easily acquaint themselves with the procedures applicable to the various activities.

1.4.3 INTER-INSTITUTIONAL COOPERATION

LIBD :

The Court Library has played its part in the cooperation of the libraries of the institutions and agencies of the European Union organised in connection with the inter-institutional working group EUROLIB.

During 2017, the Library Directorate has consulted with the corresponding departments in the Commission, Council, Parliament and Court of Auditors in order to see how far co-operation can be envisaged and to have feedback on an integrated library management system.

Furthermore, the Library Directorate has been in contact with leading research centres in order to evaluate the possibility of exchanging bibliographical data and sharing work relating to indexation of periodicals.

RDD:

The Directorate represented the institution, inter alia:

- ▶ in the Council's Working Party on Legal Data Processing (e-Law and e-Justice), composed of representatives of the Member States and of the institutions in order to initiate and monitor developments in legal data processing;
- ▶ in the Inter-institutional Lex Group, bringing together representatives of the institutions in order to manage the EUR-Lex database.



1.5 PROTOCOL AND VISITS DIRECTORATE

1.5.1 MISSION AND OBJECTIVES

The Protocol and Visits Directorate (PVD) is responsible for all the events and activities involving representation of the Institution and of its Members, in particular formal sittings and official visits, and the planning and management of the reception policy of the Court, including seminars and the various types of visits. It also manages works of art entrusted to the Court, in conjunction with the Directorate for Buildings and Security.

Functionally, the PVD consists of a protocol team directly attached to the director, as well as the seminars and visits unit. The various sectors work with the support of a central financial unit.

1.5.2 RESULTS OF THE OPERATIONS BY REFERENCE TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

- **Results of operations in relation to the main objectives**

Protocol Service

As has been noted in previous years, activities involving representation have for some years been undergoing a qualitative change in the direction of increasing support for the life of the Court. Thus, and in particular from 2012 onwards, the directorate has exercised, in addition to strictly ceremonial activities, a broader function, including the organisation of exceptional events, such as symposia or seminars, planned on the occasion of court celebrations.

For this type of activity, in 2017, the PVD organised 72 events, in all categories. The ceremonial events, in the strict sense, were as follows: five formal sittings, 26 official visits, three visits abroad by Court delegations and 10 courtesy visits. The ceremonial activities were, therefore, approximately at the same level as in 2016.

The PVD also organised two conferences and eight high level seminars, including the Judge's Forum, which in 2017 was addressed to the Presidents of the highest national courts, on the occasion of the commemoration of the 60th anniversary of the signing of the Treaties of Rome.

The Forum, whose work focussed on the theme 'The European justice network: a guarantee of high-quality justice', took place from 26 to 28 March 2017 and brought together 66 participants from all the Member States. The organisation of that event required significant preparatory work.

The PVD organised, on 11 September 2017, an initial technical meeting of the Judicial Network of the European Union, with the aim of establishing the practical arrangements for cooperation within the Network, which saw the involvement of the correspondents appointed by the highest national courts.

Seminar and visits service

Once again, in 2017, the seminars and visits service reached an unprecedented level: 15 523 visitors, divided into 641 groups, were received at the Court.

The seminars activity, the preparation of which is particularly demanding, since it is addressed almost exclusively to groups of magistrates, is maintaining its steady increase, with a year-on-year increase in the number of days devoted to it. Like the Judges' Forum, the seminars constitute a key opportunity to enhance relations between the Court and the national courts and the dissemination of EU law.

In 2017, 125 seminar days were organised for an audience of 2 056 participants. These results represent an increase of 7.2% compared to 2016, which confirms the growing trend of interest shown by legal professionals in this type of event. That favourable development is, inter alia, the result of numerous exchanges with the various judicial authorities of Member States and the close co-operation that the Court has established with the European networks specialised in legal training.

It is important to note that the seminar service develops tailor-made programmes which are tailored to the demands of the groups and which allow the Court to pursue the objective of familiarising the participants with the functioning of the Institution, the practice of EU law and the preliminary ruling procedure.

Regarding the visits activity, the team received a total of 13 467 visitors, divided into 516 groups. The number of visitors has therefore increased by 6.5% compared to the previous year.

The organisation of visits makes it possible to reach a wide public and to provide better information to citizens on the judicial institution and on EU case-law. Since 2016 and following a modification to the visit forms, the 'MyVisit'



application allows those wishing to visit the Court to choose, from the programme elements proposed by the PVD, those that best correspond to their interests and knowledge of law.

- **Risks associated with the above operations and the efficient and effective functioning of the internal control system**

The PVD continuously revises its working methods, in particular the use of its human and financial resources, in order to adapt them at any given moment to the needs of organising various types of events, thereby increasing its effectiveness and, as a consequence, the quality of its services.

In the context of enhanced security measures established by the Court, the PVD has revised its procedures in order to deal with extraordinary situations in the best possible way. Since 2016, the Court's internet site now contains information intended to alert the public that hosting activities of the Institution may be cancelled.

1.5.3 INTER-INSTITUTIONAL COOPERATION

During 2017, the Seminars and Visits unit participated in the joint organisation of five visits, in cooperation, inter alia, with Eurostat and the EFTA Court.

In June 2017, the unit organised a one-day event for the visits services of the institutions based in Luxembourg. This event made it possible to present to colleagues in other institutions a programme of visits including attendance at an oral hearing, with a prior presentation of the case heard in Court, a general presentation of the Court and guided tour of the buildings.

Finally, following an initiative launched in November 2016 by the Seminars and Visits unit, there was also an informal meeting of the visits services in 2017. At that meeting, organised at the Maison de l'Europe, the heads of departments discussed the possible publication of a joint informative brochure on the programmes they offer.



1.6 COMMUNICATION DIRECTORATE

1.6.1 TASKS AND OBJECTIVES

The Communication Directorate is responsible for all events and activities involving communication (internal and external), information and management of the historical archives of the Institution and, in particular:

- ▶ dissemination to the public and media (including social media) of information on the judicial activity of the Court of Justice and the General Court;
- ▶ management of the Court's information publications intended for a wide audience (annual report, leaflets, brochures and ad hoc publications), coordination of the publishing activities of the Institution as a whole (including the function of webmaster of the Internet, Intranet and Extranet sites) and, more generally, internal communication activities;
- ▶ management of all requests for access to administrative documents of the Court, management of the historical archives of the Institution, processing requests for access to historical archives (in cooperation with the European University Institute in Florence) and the management and distribution of communication material for visitors and citizens.



1.6.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

• Results of operations in relation to the main objectives

In the context of external communication, in 2017 the Directorate has drafted a total of 146 press releases. It also sent out 469 newsletters to correspondents interested in the activities of the Institution (including 2 056 journalists from all countries).

The Directorate identified, in 2017, 9 899 articles in the European and international press in connection with the Institution or decisions of the Institution, all languages combined.

It also organised, for the attention of the audiovisual media, the retransmission of formal sittings, pronouncement of judgments and readings of the Opinions of the Advocates-General on 59 occasions.

The Press and Information Unit of the Directorate also responds to questions from citizens who contact the Institution to obtain information on its activities and functioning. In 2017, the Directorate handled about 14 000 e-mails and as many telephone calls. It has also made 236 presentations to visitors registered in advance.

The Directorate also organised 129 meetings with journalists and the media and 54 interviews for Members of the Courts. It also organised the annual 'Open Day' of the Institution and welcomed 3 627 visitors in this context.

The Directorate can also be found on Twitter with two accounts (English and French) with a total of 42 213 followers (compared with 31 700 in 2016, that is, an increase of 33%). In 2017, 350 tweets (around 100 more than the previous year) were sent out, mainly concerning judgments, orders and Opinions. It should be noted that the commitment rate of followers is around 2.5%, a very satisfactory outcome which shows the active interest and support of the followers for the work of the Court.

As webmaster, moreover, the Directorate manages the website. It created, modified or updated more than 750 pages (for the most part in all 23 official languages covered by the Institution). A website in 4 languages for the 2017 'Open Day' was also created.

The production of the weekly newsletter created at the end of 2015 and intended mainly for staff was also continued (35 issues were published throughout the year).



The Directorate also published the Institution's 2016 annual report, namely the judicial report (in 23 language versions), the overview of the year (56 000 copies distributed across the European Union) and the management report. Furthermore, it designed, developed and/or updated a dozen other publications, such as leaflets (9), brochures (7, of which 3 were in the 23 official languages of the European Union), books (2) and cover pages (6). It was also responsible for the layout of various publications and created other communication materials (cards, electronic photo boards, stickers, digital posters, exhibition panels, etc.), for a total of 167 products, all languages combined.

A series of animated videos on the Court which began in 2016 (videos to explain the functioning of the Court to the general public) was continued, with the production of 10 in the 23 official languages of the European Union. Furthermore, it produced, in 23 language versions, a virtual tour and a digital greeting card. Finally, it created 2 publication templates and 6 PowerPoint templates on behalf of other services of the Court.

Concerning internal communication, the Directorate manages the website of the Institution. The Directorate created 10 Intranet sites for the various services and developed the design of 10 pages on behalf of those services. In particular, a total of 1 000 requests for on-site intervention from the various services were processed in 2017. More than a hundred (112) boxed texts have also been specifically created to highlight and draw the attention of readers to certain information published on both the Internet and the Intranet.

The total number of publications produced in-house - all languages, sizes and forms included - is 562.

With regard to access to documents, historical archives and communication material, the Directorate handled, in 2017, 98 requests for access to administrative documents, including 31 formal requests for access (23 initial requests and 8 confirmatory applications), 52 informal requests and 15 requests of various kinds received through channels other than the official form. The overall number of applications for access to documents has increased in 2017 by around 30% compared to 2016 (73 applications for access processed). In addition, the Directorate also handled, in 2017, 22 requests for access to the historical court archives (about 400 cases) and 2 requests for access to administrative historical archives were also processed, an increase of 140% compared to 2016 (in terms of files, the increase is more than 500%).

In July 2017, series of historical court archives were sent to Florence, relating to a total of 1 110 documents. The catalogue of legal proceedings for 1980 to 1982 has been updated: 1 819 cases were identified, corresponding to 929 case files. Finally, nearly 400 court archive files have been examined.

As regards communication material, 10 000 leaflets, 1 600 works, 7 200 overviews of the year, 1 500 annual reports and 47 000 articles of various types were distributed on-site to visitors and citizens.

- **Risks associated with those operations and the functioning of the internal control system**

As regards internal communication, the risk of overloading the server has been resolved by various technical measures. Similarly, an internal procedure was implemented to better identify delays in updating (as with the Extranet, in particular) and to better meet the deadlines for submission.

In the area of access to documents and management of the historical archives, one-off reinforcements have made it possible to process, within a reasonable period, a request requiring the control of approximately 300 legal files. The staff of the 'Access to Documents' Unit did not have sufficient capacity to meet that unusual workload. In addition, the Directorate had to find solutions to be able to exchange and store voluminous files resulting from the digitisation of court records between it and the HAEU (Historical Archives of the European Union). To that end, a cloud system for the Court ('Oodrive') has been set up for the receipt and transmission of files, while a new internal server has made it possible to store 3 324 files in 2017.

1.6.3 INTER-INSTITUTIONAL COOPERATION

The Directorate has cooperated with the corresponding departments of other European Institutions, and particularly the European Commission, on a regular basis. To increase the visibility and media impact of the cases, images of the delivery of judgments or readings of Opinions have been disseminated on the Audiovisual Service of the Commission (EBS) following their registration by the multimedia service of the Institution.

It also participated on two occasions in a programme organised by the EIB, which consists of inviting journalists from the 28 Member States to discover over several days the European institutions based in Luxembourg. In that context, the Court has, *inter alia*, enabled those journalists to meet the Presidents of the Court of Justice and of the General Court and other staff of the institution.

In order to save resources in the collection of press articles relating to the institution (articles included in an internal press review, which allows it to track and assess the Directorate's work of external communication), a high-performing search software was developed in collaboration with the Joint Research Centre, attached to the European Commission.



The Directorate has also cooperated closely with the Publications Office, both in relation to traditional publications (brochures, leaflets, etc.) and electronic publications. In particular, the Publications Office provided support in the field of publishing and modern technology via selected subcontractors, by virtue of its expertise, in accordance with the competitive tendering procedures.

The Directorate also participated on several occasions in 2017 in the Inter-institutional Internet Editorial Committee (CEiii), managed by the Communication Directorate of the European Commission, in the Management Committee of the Publications Office and the Inter-institutional Digital Publishing Committee (IDPC), the Web Preservation Group and the Open Data Portal Group.

In the context of the management of historical archives, the Directorate works closely and regularly with the HAEU at the European University Institute in Florence. It also participates in the Interinstitutional Archives Group (IIAG Group, two meetings took place in 2017).



2. OTHER ADMINISTRATIVE SUPPORT ACTIVITIES

2.1 DIRECTORATE GENERAL FOR INFRASTRUCTURE

2.1.1 MISSION AND OBJECTIVES

The Directorate General for Infrastructure (DGI) supports the judicial and administrative activity of the Institution through its three directorates:

- ▶ the **Directorate for Buildings (DB)**, the task of which is to develop, operate and maintain the property assets of the Court, in accordance with the highest standards of security, safety, comfort and sustainable management, and in compliance with sound budgetary and financial management;
- ▶ the **Directorate for Logistics (DL)**, the task of which is to make available to the Members and services of the Institution the operational and logistical teams, equipment, supplies and publications they require to perform their duties in the best possible conditions;
- ▶ the **Directorate for Information Technologies (DIT)**, the task of which is to provide a set of IT systems and services that enable the Court to fulfil its mission effectively.

The main objectives of the DGI for 2017 were as follows:

- ▶ to ensure that the Institution has adequate infrastructure (buildings) to perform its duties. In particular, to observe the schedule and budget of the 3rd tower project (DB);
- ▶ to guarantee the security of the premises of the Court and the safety of those occupying it (DB);
- ▶ to guarantee the security of the premises of the Court and of the persons occupying them. In particular, identify the measures necessary to upgrade the security arrangements of the institution (DB);
- ▶ to facilitate the exercise of the judicial activity through the service of court officers at hearings, provision of transcripts of hearings, the reproduction of procedural documents, etc. (DL);

- ▶ to help to make available to the Members and staff a suitable logistical environment, both for the exercise of the professional activity itself (provision of furniture, equipment, office supplies, paper, gowns, etc.) and in the work environment and social relations (restaurant, cafeteria, delivery of mail etc.) (DL);
- ▶ to participate in actions to assist the dissemination of the activity of the Institution by ensuring publication of the Reports of case-law and putting judgments, opinions of the court, orders and Opinions online (DL);
- ▶ to overhaul the Court's IT systems, building and development of IT tools to improve the working methods and to examine the possibility of setting up an integrated case management system (DIT);
- ▶ to supply the users of the IT and multimedia systems a high quality service and support, and to ensure the security of the IT systems (DIT).

2.1.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

• Results of operations in relation to the main objectives

DB: The project to construct the fifth extension of the Palais of the Court made good progress in 2017: continued construction of the third tower and completion of the Palais car park extension, in accordance with the schedule.

In 2017, the catalogue of measures to upgrade the security arrangements, developed in 2016 with the assistance of specialists in the area, gave rise to preliminary studies and pre-project work. Those include the construction of a protective perimeter around the Court complex, which will incorporate pavilions that allow access control upstream from the existing entrances, as well as some specific upgrading work. Whereas the major part of the pre-project work was completed in 2017, 2018 will be dedicated to contract award procedures and the beginning of the work.

After obtaining EMAS registration at the end of 2016, efforts to reduce the ecological footprint of the Institution continued in 2017.

DL: As part of a process of continuous improvement, the Directorate continued to rationalise resources. In line with previous years, its operating budget has been reduced in 2017 by over 9% in relation to the previous year (budget reduction of more than 38% over five years). In parallel, it continued its efforts to increase the quality of the management and services. To that end, the Directorate revised several operational processes with a view to their optimisation and introduced the management of stocks of supplies in real time.

The process of increasing production of the electronic case-law Reports from previous years was achieved according to schedule, in parallel with the current publication by means of the 'document by document' chain of production (58 000 documents), the procedures and tools for which were also upgraded. The case-law is now put online quickly: the period between the delivery of the judgment or the service of the order and the publication in the Reports is in the order of 24 to 48 hours for the versions in languages of the case and for the version in the working language and within two months for 90% of the documents in the other language versions.

In May, a new catering and caretaker service contract entered into force. It places more focus on fresh and seasonal products from short supply chains and products from the 'bio' sector and pays increased attention to environmental protection.

The Court has assumed the role of lead institution in the interinstitutional procurement procedure for the rental of cars. The financial conditions of the new contract are particularly favourable and allowed the Institution to achieve savings in that area. Plug in hybrids cars already constituted, at the end of 2017, 10 % of the fleet of the Institution.

DIT: New strategic guidelines for the period 2018-2020, submitted by the DIT at the end of the year, were approved by the Administrative Committee of the Institution. The DIT positions itself vis-à-vis the courts and the services of the Court as a partner that will actively support them to design and implement their future capacities. The DIT bases its work on the goals of the Institution, these being the quality of justice, efficiency and effectiveness of working methods, transparency vis-à-vis citizens and monitoring bodies, multilingualism and compliance with the rules regarding security and data protection.

In respect of ongoing projects, the work to complete the documentary base of the ECM continued. A new internal search engine (EURêka), more user-friendly and efficient, has been brought into production. It is intended to be extended to procedural documents, and ultimately to replace the existing search tools.

The DIT has also carried out an IT exchange platform for the courts participating in the Judicial Network of the European Union, which was opened to users in early January 2018. Finally, the DIT has started to modernise and standardise the chains for scanning and optical character recognition of documents used by the various services of the Court.

With regard to administrative information systems, the Court continues to use, wherever possible, applications in common with other institutions. New HR tools, inter alia for the management of training, were implemented in 2017.

The DIT commenced the renewal, planned over 3 years, of multimedia equipment put into service at the end of 2008, at the time of the 4th extension of its buildings. The work carried out during the summer of 2017 made it possible, inter alia, to completely replace the video equipment of the Great Hall of the Palais. Finally, in 2017 the DIT finalised the renewal of the network equipment in that part of the building.

The number of calls to the IT Helpdesk regarding incidents has tended to decrease in 2017. At the end of the year, the DIT put in place a more effective system for handling and resolving critical incidents.

- **Risks associated with the above operations and the efficient and effective functioning of the internal control system**

The main risk relates to the non-availability of infrastructures, including undermining the security of the buildings and its occupants, the availability and the confidentiality of information systems. Internal control measures taken and established to contain that risk are described below, by directorate.

DB: The risks mentioned are mitigated by the continuity plan, in particular by regular evacuation exercises, the strengthening of security measures in the event of an increase in the alert level and the independent monitoring of the quality of services provided by the security company. The risks related to the construction projects are managed using the instruments described in Annex 5.

DL: The main risk to the physical integrity of persons is managed by means of random checks on compliance with hygiene rules by an outside body in order to contain the risk of food poisoning.

DIT: With regard to security, the DIT applies an information systems security policy similar to that of other institutions and uses the expertise of the CERT-EU ('Computer Emergency Response Team for EU institutions, bodies and agencies').

2.1.3 INTER-INSTITUTIONAL COOPERATION

DB: In 2017, the Directorate for Buildings continued to chair the Inter-institutional Security Group (ISG) and to participate actively in the inter-institutional coordination group for the establishment of the institutions in Luxembourg (GICIL - groupe interinstitutionnel de coordination de l'installation des institutions à Luxembourg).

In the environmental field, a representative of the Court participates in the work of ECONET (the network of EMAS coordinators of the Union institutions) and the GIME (Inter-institutional environmental management group).

In 2017, the Court also facilitated cooperation, notably with the EIB, the Court of Auditors and the OIL, to exchange ideas on best practices and their respective experience in large-scale building projects, particularly regarding the upgrading of security arrangements.

DL: One consolidated policy of the Directorate for Logistics is to take maximum possible advantage of inter-institutional calls for tenders, in order to benefit from better prices on the market and to optimise the associated management costs. In that context, in 2017 the Directorate also continued to chair the interinstitutional meetings concerning its field of activity, in particular the Chair of the Management Committee of the Publications Office in its formation composed of alternates.

DIT: Inter-institutional cooperation on information systems has three aspects:

- ▶ The Court uses applications and hosting services common to other institutions. The shared applications cover the main areas of administrative management (human resources, payroll, training, and budget, financial and accounting management).
- ▶ The Court uses inter-institutional framework contracts, which allow administrative efforts to be shared when drawing up tenders and to obtain prices associated with a larger volume of orders. For those inter-institutional contracts, the Court is either a partner or the lead institution, as was the case for the contract on IT infrastructures, shared with the Court of Auditors and the Translation Centre, which was signed at the beginning of 2015.
- ▶ Finally, the Court actively participates in bodies such as the Inter-institutional IT Committee (CII - Comité interinstitutionnel de l'informatique) and its sub-groups, to share problems and solutions at inter-institutional level, the Steering Committee of the CERT-EU (see above) and the FORMATS group of the Publications Office.



2.2 DIRECTORATE GENERAL OF PERSONNEL AND FINANCE

As its name indicates, the Directorate General of Personnel and Finance covers activities connected with staff management and activities connected with management of the budget and financial matters (organised within two separate Directorates).

2.2.1 HUMAN RESOURCES AND PERSONNEL ADMINISTRATION DIRECTORATE

2.2.1.1 MISSION AND OBJECTIVES

The mission of the Human Resources and Personnel Administration Directorate ('HRD') consists of the design and implementation of policies related to staff management. The HRD, therefore, has the role of interlocutor for the departments responsible for the following:

- ▶ centralising, coordinating and monitoring the various requests and procedures relating to the recruitment of officials and servants of the Institution and to their career development;
- ▶ ensuring the application of the rules on rights under the Staff Regulations, social and medical matters and working conditions;
- ▶ organising training of various kinds (general, specific, at the request of various departments, language, office and IT training), as well as targeted staff information sessions;
- ▶ managing the budget allocated to remuneration and missions, and payment of salaries.

The activities concern all staff members (temporary and contractual) in service in the institution who, on 31 December 2017, were distributed as follows:

DISTRIBUTION OF STAFF BY EMPLOYMENT STATUS	
Officials	1 409
Temporary staff	622
Members of the contract staff	149
TOTAL	2 180

These activities were carried out with the assistance of the 64 officials and other staff who constitute the HRD (ratio of 2.8% in relation to the staff of the Institution).

2.2.1.2 RESULTS OF THE OPERATIONS BY REFERENCE TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

• Results achieved in the field of recruitment and the management of rights under the Staff Regulations

In 2017, the HRD sent 2 422 proposed files (2 295 files in 2016), drawn up by its services, to the various appointing authorities and authorities empowered to conclude contracts of employment (AECE).

The activity of the units in the various areas falling within their competence was as follows:

Activity	Year 2017	Year 2016
Recruitments	383 files including 100 vacancies and 43 notices of interinstitutional transfer	357 files
Traineeships	297 trainees • 215 unpaid traineeships in cabinets • 82 paid traineeships in departments	245 trainees 188 unpaid traineeships in cabinets 57 paid traineeships in departments
Working conditions (Requests handled relating to part-time arrangements, parental and family leave, flexitime and teleworking)	2 091 requests	2 078 requests
Termination of service due to retirement	40 files	53 files
Termination of service for other reasons	• 3 pension files (determination) • 14 transitional allowance files • 2 survivors' pension files	• 6 pension files (determination) • 12 transitional allowance files • 3 survivors' pension files
Family allowances	6 097 interventions	4 518 interventions
Annual leave and special leave	2 173 requests (Not including sick leave)	2 253 requests (Not including sick leave)
Accident reports	139 files	134 files
Casualty	101 files closed	148 files closed
Medical examinations	50	48
Interventions of the medical service	2 498	2 556

• Results achieved in the field of professional training

In 2017, 76 387 hours of training were followed by the staff of the Court, namely:

Type of training	Year 2017		Year 2016
	Participants	Hours of training	Participants
General training	2 449	13 615	1 935
Language training	1 841	57 697	1 527
Office and IT training	1 995	5 075	2 352

- ▶ Several specific training courses were also organised, such as the training for lawyer-linguists and interpreters (level 9-12), conversation classes in English and French, legal drafting training sessions for legal secretaries and administrators.
- ▶ e-learning type training courses were introduced, together with several video tutorials, to become familiar with new IT applications and office tools.
- ▶ In the field of management, a training programme related to the pilot project 'Development of managerial and management skills' was carried out.

• Results achieved in the field of professional training

In 2017, due to the use of Sysper II, the number of transactions encoded by the Remunerations and Missions unit decreased significantly to 10 434, a decrease of 17.5% compared to the previous year.

In the same period, the number of checks of automated decisions from Sysper to NAP has increased significantly.

• Results obtained in the optimisation of the management tools

During 2017, the work has continued in relation to the acquisition of new automatic document generation modules or functionalities in the SYSPER personnel management application, managed by the European Commission. The enrichment of that application by the acquisition of those systems contributes to a major rationalisation of the management of the various applications and more effective interaction with the users concerned.

It should be noted, in this regard, that the opening of the e-CV module has made it possible for staff members to enter data relating to their professional and academic background in order to make it available to the senior and middle management of the Institution and the relevant managers of the Directorate. In that same line, and in the interests of centralised management and harmonisation of the rules for the processing of unsolicited applications submitted by external candidates, the Court acquired the application EU CV online, also managed by the European Commission.

Those two systems allow, apart from the expected savings in terms of time and resources, the creation of a pool of job profiles, provide an overview of the skills of internal staff and external candidates and thereby ensure quality selection resulting in recruitment that corresponds to the needs of the Institution.

Moreover, in order to ease payroll processing, the HRD have put in place electronic pay slips and initiated the actions needed to digitise personal files in the context of a fruitful cooperation with the European Commission, which will be continued in 2018

- **The risks associated with those operations and the functioning of the internal control system**

Constraints

In the event of crisis, the major risks linked to the activities of the HRD concern the making of payments, maintaining the medical and welfare officer services, and recruitment that is strictly essential to the functioning of the Institution.

**Control measures introduced**

- ▶ The HRD continuity plan, drawn up in accordance with the guidelines for the identification and assessment of risk issued by the Directorate for Budgetary and Financial Matters and the Internal Auditor of the Institution, as well as the establishment of the working group, constitute two structural measures to ensure continued performance of the essential missions of the HRD in the event of a crisis.
- ▶ As regards the technological monitoring aimed at the rationalisation of the IT activities of the HRD, the Sysper application for the electronic management of human resources was gradually enhanced with various modules concerning the different units of the HRD and through the supply of new data or the acquisition of additional management tools. The increased use of this application makes it possible to avoid manual encoding and calculation errors, and to automate various procedures. The application also makes it possible to compile advanced statistics and to cross-check information, resulting in optimal control of the situation of staff of the Institution and of their working conditions, due in particular to improved administrative traceability.
- ▶ Possibilities for simplifying administrative procedures are continuously identified, and the versatility, flexibility, and even the transversal mobility of HRD staff in relation to various tasks are being examined and looked at in greater depth.
- ▶ It should be stressed that, throughout the year 2017, the HRD have initiated and launched projects relating to the modernisation of human resources management and working methodologies, including application of recommendations made by the internal auditor in the area of recruitment. The measures implemented focus on stimulating the processing of certain procedures, the simplification of certain activities and reducing levels of validation.

- ▶ The sharing of knowledge is a major priority in order to avoid any risk of loss of expertise acquired by colleagues who successfully manage significant areas of activity. As a result, the elements relating to the various procedures, namely their purpose, the rules governing their handling and the detailed rules for their application, are identified in explanatory documents and diagrams, leading to a better understanding by operators and historic traceability of the relevant information. In that context, specific internal training on the work tools or on technical aspects of the various files ensures transfer of know-how and, at the same time, a considerable gain in effectiveness and efficiency.
- ▶ The publication of information in the new, more user-friendly version of the staff vademecum (information and knowledge management), helps to ensure compliance with the regulatory framework (Staff Regulations, Financial Regulation, internal rules), as do the training measures and support from the Directorate for Budgetary and Financial Matters in the financial field, and a high level of quality of services in the management of staff.

2.2.1.3 INTER-INSTITUTIONAL COOPERATION

Inter-institutional cooperation in the area of staff management is of major interest to the Institution.

This cooperation takes various forms:

- ▶ Cooperation with EPSO, under Article 2(2) of the Staff Regulations:
 - active participation in open competitions by representatives of the Court in the EPSO working group responsible for programming competitions, in selection boards and in COPARCO;
 - use of EPSO reserve lists to obtain an overall view of the profiles of the successful candidates and proactive recruitment processes;
 - use of selection procedures for CAST contract staff, recruited to perform manual or administrative support tasks, or to cover specific needs in specialised areas where there is a shortage of suitable profiles.
- ▶ Cooperation with the Commission for:
 - use of the Sysper IT application, allowing, inter alia, monitoring of the rate of occupation of posts, career development, statutory rights, absences, work arrangements, as well as the production of statistics;
 - remuneration management using the NAP (Nouvelle Application Paie) payroll application;
 - outsourcing of some activities falling within the remit of the HRD, namely in the areas of transfer of pension rights, the severance grant and unemployment benefit. The activities in question have been delegated, since July 2016, to the European Commission so that the HRD can best manage its workload in the context of staff cuts imposed on the services of the Institution on the basis of the Interinstitutional Agreement on budgetary discipline, on cooperation in budgetary matters and on sound financial management. That cooperation between the management service of the HRD and that of the Commission was satisfactorily continued throughout 2017.
- ▶ Cooperation with the Council and the Court of Auditors for the management of budget appropriations and the implementation of payments using the SAP application;

- ▶ Inter-institutional consultation to ensure a harmonised application of the Staff Regulations or prior to the launch of a new project relating to staff management;
- ▶ Inter-institutional cooperation in the work of the various committees and working groups regarding health insurance, pensions, social affairs and management of rights under the Staff Regulations.
- ▶ Cooperation with the other institutions for the organisation of language courses, seminars and inter-institutional conferences.

2.2.2 DIRECTORATE FOR BUDGETARY AND FINANCIAL MATTERS (DBFM)

2.2.2.1 MISSION AND OBJECTIVES

In general, the Directorate seeks to make a major contribution to ensuring that the Institution's financial architecture and internal control is robust and that relevant and transparent budgetary information is disseminated both within and outside the Court. Its main activities are as follows:



- ▶ Drawing up and monitoring the budget, with the objectives, externally, to provide information of quality to the budgetary and discharge authority, in particular by way of presenting estimates, transfer requests or other specific reports and, internally, to provide maximum support to the authorising services in order to optimise the management of appropriations.
- ▶ Assistance and advice regarding internal control and public procurement: the main objective is to contribute to improved efficiency of the internal control systems within the Institution, most particularly in the area of public procurement and risk analysis.
- ▶ Ex-ante and ex-post verifications: to ensure the ex-ante verification of the Institution's financial operations and ex-post verifications with the objective of ensuring compliance with the requirements of the legality and regularity of all expenditure, and the application of the principle of sound financial management. The same applies to factors relating to the determination and alteration of rights of staff subject to the Staff Regulations which have a financial impact.
- ▶ General Accounting and Financial Management, the objective being to accomplish all the tasks incumbent on the accounting officer under the provisions of Article 68 of the Financial Regulation and to provide to the departments of the Institution the required accounting and financial expertise.
- ▶ Assistance/advice relating to the development and use of the integrated budgetary and financial management system (SOSII-SAP), the objective being to ensure its optimal operation.

2.2.2.2 RESULTS OF THE OPERATIONS BY REFERENCE TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

- **Results of the operations by reference to the objectives set**

As regards the activity of drawing up and monitoring the budget, the process of drawing up the 2018 budget achieved full compliance with the timetable set by the European Commission. In that context, close contact was maintained with all parties to the budgetary procedure. Further, both the reports relating to the closure of the 2016 budget year and those required for the due implementation of appropriations in that of 2017 (procedures for transfers of appropriations) were also drawn up in full accord with the provisions of the Financial Regulation. Last, the authorising services were given maximum support in order to optimise the management of appropriations.

As regards the results of the operations of ex ante verification, ex post verification and those relating to assistance and advice regarding internal control and public procurement, see Chapter IV 'Functioning of the internal control system'.

As regards accounting and financial management, the 2016 financial statements of the Institution were sent to the accounting officer of the Commission, the budgetary authority and the Court of Auditors within the time limits required and certified without reservation. In terms of volume of operations, there has been a slight increase in management indicators (number of invoices, number of payments made) but a sharp increase (+ 50 %) in the number of new suppliers recorded in the legal entities file due to the renewal of the framework contracts for external translation.

- **The risks associated with those operations and the functioning of the internal control system**

Broadly speaking, the risks inherent in the DBFM's activities were duly overcome thanks to organisation, the procedures in hand and the competence and esprit de corps of the members of staff.

In the budgetary sphere, the risks of wrongly implementing appropriations were properly managed thanks, in part, to the measured evaluation of the appropriations sought when drawing up the draft budget and, in part, to exchanges of information between the DBFM and the authorising departments throughout the financial year (reporting).

As regards the risks associated with the operations of ex ante verification, ex post verification and those relating to assistance and advice regarding internal control and public procurement, that is dealt with in see Chapter IV 'Functioning of the internal control system'.

As regards financial management, control of the risks relating to implementation of payments relies, in essence, on the organisational set up (separation of duties, keeping a centralised file of legal entities, cash flow estimates and regular reporting on the monitoring of payment due dates) and on the controls incorporated in SOSII-SAP. Regarding general accounting, the continual checking of accounts and specific cut-off procedures enabled the accounting officer of the Institution to certify, with reasonable assurance, that the accounts for the 2016 financial year are a true and fair view of the Institution's financial situation, and the Court of Auditors has made no observations.

The specific risks connected with the functioning of SOSII-SAP are controlled by means of a permanent helpdesk, the central monitoring/supervisory role of the Inter-institutional Steering Committee and, finally, the continuity plan currently in place.

2.2.2.3 INTER-INSTITUTIONAL COOPERATION

The development, installation and operation of the SAP integrated financial and budgetary management system provide an example of very effective interinstitutional cooperation. This project, undertaken jointly by the Council, the Court of Auditors, the Court of Justice and the European University Institute in Florence, makes possible very significant direct budgetary savings (reduced development costs, shared technical infrastructure, common support and maintenance structure...).



2.3 LEGAL ADVISER ON ADMINISTRATIVE MATTERS

2.3.1 MISSION AND OBJECTIVES

The recurrent activities of the legal adviser are mainly the following:

- ▶ To represent the Union or the Institution in proceedings in which they are a party before the courts and tribunals of the European Union, and in particular the preparation of written and oral pleadings;
- ▶ assisting the Institution's two Committees who have the power to rule on complaints brought under Article 90(2) of the Staff Regulations of Officials of the European Union, which includes ensuring that complaints are monitored and investigated;
- ▶ drafting opinions and providing assistance to the departments of the Institution on legal issues in relation to the Institution's administrative activity;
- ▶ preparing the Institution's replies to the European Ombudsman as part of procedures for dealing with complaints brought before the Ombudsman against the Institution;
- ▶ taking part, as a member, in the work of the Public Procurement Consultative Committee which acts in a consultative capacity in public contract award procedures where the contract has a value exceeding EUR 60 000.

2.3.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

- **Results of operations in relation to the main objectives**

Proceedings before the Courts of the European Union in which the European Union, represented by the Institution, or the Institution was involved as a party

On 1 January 2017, 15 cases in which the European Union, represented by the Institution, or the Institution was involved as a party were pending before the courts of the European Union. In 2017, 13 new cases were brought. Of those 28 cases in total, 14 have been closed by a judgment or an order in 2017, while 14 were pending on 31 December 2017.

Of the 28 cases pending during 2017, 22 were in actions for damages brought against the European Union, represented by the Institution (11 cases at first instance and 11 appeals). Of those 22 cases, 14 cases raised the question of compliance with the obligation to adjudicate within a reasonable time by the courts of the European Union (7 cases at first instance and 7 appeals). The 6 cases which were not actions for damages fall within the field of public administration (5 cases) or, in 2017, access to documents (1 case). All those cases together have led the Legal Adviser to prepare 21 written pleadings and 34 other procedural documents and to make representations before the General Court on two occasions.

Of the 14 cases closed in 2017, the Institution was successful in 10 cases. In the remaining 4 cases, which raised the question of compliance with the obligation to adjudicate within a reasonable time by the courts of the European Union, the Institution was ordered by the General Court to pay a total amount of approximately EUR 1.5 million by way of damages in respect of a total of approximately EUR 65 million claimed by the applicants. The judgments in those 4 cases were the subject of appeals which were pending on 31 December 2017.

Claims

As regards dealing with complaints brought under Article 90(2) of the Staff Regulations of Officials of the European Union, no complaint was under investigation on 1 January 2016, whereas 14 complaints were brought in 2017, 8 of which were at the end of the year. The 6 other complaints were the subject of an express decision during 2017. The Institution's committees empowered to rule on complaints held a total of three meetings.

Legal advice and assistance

In 2017, the department of the Legal Adviser received around 160 internal consultations, which related to various fields, such as public procurement, contracts and obligations, staff cases, access to documents, security, the protection of personal data and intellectual property law. Furthermore, certain internal consultations, on particularly complex questions, required a significant investment of human resources from the department of the Legal Adviser. The department of the Legal Adviser also contributed to the preparation and/or updating of various internal rules.

Proceedings before the Ombudsman

In addition to a request for information relating to a procedure that was the subject of a decision of the European Ombudsman in 2013 and a request for information on the implementation of a provision of the Staff Regulations, four cases relating to complaints brought before the European Ombudsman required the intervention of the department of the Legal Adviser in 2017. That intervention took the form of preparing

and/or submitting the reply to a request for information from the European Ombudsman. Three of the four abovementioned cases were closed in 2017, the responses provided by the Institution leading the European Ombudsman to decline jurisdiction, to close the file without taking any action or to make a decision finding there had been no maladministration. One file was still pending on 31 December 2017.

In December 2017, the European Ombudsman issued a report showing a 100% satisfaction rate with regard to the answers provided by the Institution in 2016.

Taking part in the work of the Advisory Committee for Public Contracts

In the context of his participation in the work of the Advisory Committee for Public Contracts, the department of the Legal Adviser participated in 9 meetings of that Committee in 2017, for which it also drafted the minutes, and contributed to the preparation of 39 opinions issued by it during that year.

The risks associated with those operations and the functioning of the internal control system

In order to perform all of its tasks, the department of the Legal Adviser had, on 1 January 2017, in addition to the post of Legal Advisor, two additional permanent AD posts and a permanent AST post. In addition, the service availed of the assistance of a function group AD staff member assigned to another department of the Institution as a trainee over two periods of 5 months during the year. The year 2017 was marked by the fact that, of the three staff members of the AD function group, two new colleagues joined the service during that year.

The very limited organisational chart of the department of the legal adviser allows the internal control system to function efficiently and effectively. However, that reduced organisational chart means that the slightest change in the availability of the members of that service is liable to immediately affect the capacity to carry out its tasks. In the performance of his tasks in the area of litigation, the Legal Adviser must provide a quality service within the procedural or statutory time limits prescribed. Moreover, a helpful reply to requests for advice and assistance from services of the institution, sometimes raising complex problems, must often be given at short notice. It is therefore necessary at all times to effectively allocate the various members of the department of the Legal Adviser to the many tasks to be carried out.

2.3.3 INTER-INSTITUTIONAL COOPERATION

The department of the Legal Adviser had several ad hoc informal contacts with the services of other institutions with a view to improving reciprocal knowledge of best practices, thereby allowing more efficient management of the cases.

Furthermore, during the year 2017, the department of Legal Adviser continued to ensure the follow-up of judicial proceedings brought before a court of a Member State in defence of the interests of both the Institution and the Commission in the context of an action for damages based on Article 85a of the Staff Regulations of Officials of the European Union. That procedure led in 2017 to a judicial decision that upheld the conclusions of the two institutions and which had been voluntarily implemented by the third party responsible.



2.4 THE DATA PROTECTION OFFICER

2.4.1 MISSION AND OBJECTIVES

The data protection officer ensures that processing of personal data carried out by the departments of the Institution as part of their administrative activities is not likely to affect the rights and freedoms of the persons concerned.

Before initiating data processing, the controller must notify the data protection officer. The data protection officer keeps a register of operations identified (notified or otherwise) and a register of notified operations.

In 2017, the mandates of data protection officer and deputy data protection officer were renewed until March 2019.

2.4.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF ASSOCIATED RISKS AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

- **Examination of processing carried out or envisaged**

In the exercise of those functions, in 2017 the data protection officer examined 25 personal data processing operations carried out or envisaged by the services of the Institution. He sought clarification from those services, made recommendations, requested updates on notifications, and assisted those responsible for processing regarding the preparation of processing notifications and their annexes. In 2017, 8 processing operations were notified and 12 processing operations were the subject of a draft notification (including updates of notified operations).

- **Cooperation in the context of the prior checking procedure**

The data protection officer cooperated with the services of the Institution and/or the European Data Protection Supervisor (EDPS) in two proceedings brought by the latter in accordance with Article 27 of Regulation No 45/2001.

- **Consultations by the services**

The data protection officer was consulted 20 times by the Institution's services on data protection issues.

- **Awareness-raising**

On the occasion of Data Protection Day, on 28 January 2017, two screenings of the documentary film 'Democracy: Im Rausch der Daten' were organised. Both screenings were introduced, respectively, by the data protection officer and the deputy data protection officer.

In view of the transition to the new regime of data protection resulting from the recast of Regulation No 45/2001, a group of data protection correspondents was set up with representatives from the cabinets and the registries of the two courts and the various administrative departments. This group held two meetings in October and December 2017. It carried out, inter alia, a survey of training needs and started work on an action plan for the transition to the new rules.

During the year, the data protection officer made various presentations on the impact of the new rules and specific issues of data protection.

2.4.3 INTER-INSTITUTIONAL COOPERATION

Apart from the prior checking files, the data protection officer handled several files in cooperation with the EDPS. In that context, the data protection officer commented on draft EDPS guidelines.

The data protection officer and the data protection officer's assistant each attended a meeting of the Interinstitutional Network of data protection officers.

III. USE OF HUMAN AND FINANCIAL RESOURCES

Two specific annexes provide more information, first, on the use of budgetary resources (see annex 'Report on budgetary and financial management') and, secondly, on the use of human resources (see annex 'Report on staff policy'). Consequently, the tables that follow present a summary only of the implementation of appropriations and the use of human resources.

1. THE IMPLEMENTATION OF APPROPRIATIONS

EUR million

Budget chapters	Final	% Implementation	Final	Commitments	% Implementation
	appropriations		appropriations		
	2016	2016	2017		2017
10 - Members of the institution	32.9	92.2%	32.7	31.4	96.3%
12 - Officials and temporary staff	227.9	99.1%	241.2	238.6	98.9%
14 - Other staff and external service providers	21.2	97.4%	22.5	22.4	99.2%
16 - Other expenditure related to persons connected with the Institution	6.3	94.5%	6.1	5.8	94.5%
Title 1 Sub-total	288.3	98.1%	302.5	298.2	98.6%
20 - Buildings and associated costs	65.2	99.3%	70.0	69.9	99.9%
21 - Data processing, equipment and moveable property	21.9	98.4%	21.5	21.3	99.0%
23 - Current administrative expenditure	1.5	79.3%	2.1	1.8	85.9%
25 - Meetings and conferences	0.5	95.5%	0.5	0.4	81.4%
27-37 - Information: purchasing, archiving, production and distribution and expenditure relating to certain institutions and bodies	2.6	93.9 %	2.7	2.5	93.8 %
Titles 2 and 3 Sub-total	91.7	98.6%	96.8	95.9	99.1 %
100 - Provisional appropriation	0	0%	0	0	0%
COURT TOTAL	380.0	98.2%	399.3	394.1	98.7%

Source: Report on budgetary and financial management during the year 2017

Overall, the rate of implementation of appropriations in 2017 was again very high (98.7%), even higher than in 2016 (98.2%).

2. USE OF POSTS PROVIDED FOR IN THE ESTABLISHMENT PLAN

Posts provided for in the establishment plan are allocated as set out in the table below:

Area of activity	2017		
	Number of posts	%	
Cabinets	537	26.1	Cabinets of Members of the Court of Justice and of Members of the General Court
Registries	135	6.5	Registry of the Court of Justice and of the General Court
Support for judicial activity	101	4.9	Research and documentation, library and support for hearings
Language services	994	48.2	Translation (922); Interpretation (79)
Administrative, logistical and IT support services	296	14.3	Administration, protocol and information, publication, legal adviser, internal audit, staff committee and IT
Total	2 063	100	

The developments that distinguish the establishment plan for 2017 from that for 2016 are as follows:

- ▶ first, the creation of nine permanent posts in the Directorate-General for Translation. In that regard, Regulation (EU, Euratom) No 2015/2264 of 3 December 2015 established that the scope of the existing derogation concerning the use of the Irish language as an official language when drafting and translating official documents will be progressively reduced as from 1 January 2017 and will definitively cease to apply from 1 January 2022. Accordingly, the Commission had invited all institutions to provide the resources necessary to give effect to the provisions of that Regulation. The Directorate-General for Translation must set up a team whose mission is to work on the translation of all documents pertaining to court proceedings as well as a selection of essential case-law. That team, consisting of five lawyer-linguists (AD 7), a management assistant (AST 3), a language editor (AST 3) and two assistants/secretaries (AST 1) will work on the terminology, with the aim of eventually having in the Irish language the same terminology of procedural and comparative law as in the other languages. The Court will also rely on that team to explore the potential market for future Irish-speaking lawyer-linguists and freelance translators;
- ▶ secondly, the reduction of staff in line with the target of a 5% reduction of staff set for the period 2013-2017, which resulted in the shedding of 19 permanent posts in 2017.

It is noted that those changes did not change the distribution of posts by sector of activity, which remains similar to that in previous years, with just over 85% of posts devoted to judicial and linguistic activities.

With regard to the occupation rate of posts, it remains at a very high level (around 97%) in 2017, due to sustained judicial activity which requires recruitment to be carried out quickly and comprehensively for all posts which have fallen vacant.

IV. FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

• Overall assessment of the costs and benefits of controls

On that subject, it is important to point out that, in recent years, efficient and effective functioning of the internal control system has been one of the priorities of the Court. That system is based, inter alia, on the following pillars:

- ▶ An internal control framework based on the application of internal control standards adapted in 2014 following the updating of the Institution's internal financial rules.
- ▶ Separation of tasks within the departments, with verification agents in most of the authorising departments who carry out initial checks on the validity of all expenditure.
- ▶ A highly effective integrated account and budget management system which facilitates the control and monitoring of operations, the proper functioning of which is ensured by the DBFM;
- ▶ Assistance and advice provided by the DBFM in respect of questions relating to the application of the Financial Regulation and, in particular, in respect of questions relating to public procurement, has helped reduce the risk of irregularities and/or errors in managing appropriations;
- ▶ Continuity in risk analysis and management exercises for the whole Court, which provide an overview of the risks to be dealt with;
- ▶ The existence of a centralised ex ante verification department, included in the DBFM, which carries out ex ante controls on all financial transactions at the Court.
- ▶ The performance of ex post controls by the DBFM, on the basis of an annual programme approved by the authorising officer by delegation;
- ▶ An Internal Audit Unit providing the Institution with (i) a guarantee as to the degree of control over operations carried out in implementation of the budget and (ii) advice on improving the conditions under which those operations are carried out and on encouraging sound financial management. The Internal Audit Unit is attached to the office of the President of the Court and the Internal Auditor enjoys full autonomy in conducting his audits.

The cost-effectiveness of that internal control environment is very positive, as a result, inter alia, of the following:

- ▶ An accounting and financial management application (SOSII-SAP) which has been developed inter-institutionally in close cooperation with the Council, the Court of Auditors and the European University Institute in Florence, thereby providing the Court with access to an effective management tool at the lowest possible cost; and
- ▶ Centralised responsibility for ex ante verifications, resulting in a saving of human resources devoted to control tasks;
- ▶ Rapid and appropriate action taken in response to the advice and recommendations of the Internal Auditor or to observations of the Court of Auditors.

- **Results of activities and management indicators relating to activities of verification, assistance and advice on internal control and internal audit**

Ex ante verification

Since 15 June 2016, a new simplified circuit (without centralised ex ante verification) has been set up for certain transactions of very low value⁶, thus allowing, in the context of an ever-increasing workload, the work of centralised ex-ante verification to be concentrated on more complex transactions or on those presenting greater financial risks.

For example, in 2017, 18 765 files were audited by the 'Financial Assistance, Budget and Verification' Unit, compared with 20 103 in 2016, and 3 843 transactions of very low value were the subject of the simplified financial circuit (without centralised ex ante verification) as compared to 2 119 in 2016. Consequently, and in particular as a result of the application of this simplified financial circuit, the workload of the ex-ante verification decreased by 6.6% as compared to 2016. Comparing the data for 2017 with that of 2015, the last year during which all the transactions were subject to a centralised ex ante verification, the reduction that can be observed is 13.8%.

Had this new circuit not been introduced, the workload would have increased by 1.7% as compared to 2016, and 3.8% as compared to 2015.

In 2017, the average period for processing transactions submitted for validation was 4 days as compared to 7.5 days in 2016.

In the year 2017, the competent unit returned to the originating agents, for alteration or cancellation, a total of 753 files, which is about 4% of the transactions submitted for verification.

In addition, no substantive disagreement was recorded between the authorising officer by delegation and the Financial Assistance, Budget and Verification Unit during the 2017 financial year.

Ex post verification

The 'Financial Assistance, Budget and Verification' Unit has established an ex post control system which, combined with the action of all those involved in the control chain, contributed to the ability of the authorising officer by delegation to report his assurance.

During 2017, two ex-post controls were carried out:

- ▶ An ex post control concerning remuneration, which revealed certain weaknesses in the implementation of the human resources management system (Sysper2). Moreover, during the substantive tests carried out on a sample of payments, a single error with a financial impact was detected and certain findings relating to the content of personal files were carried out.
- ▶ An ex post control concerning expenditure related to budget item 2100 'Purchase, servicing and maintenance of equipment and software, and related work', the results of which were satisfactory, with a decision to the close previous recommendations made, in view of the corrective measures adopted by the services concerned.

⁶ The transactions concerned by that simplified circuit are those not exceeding EUR 700 for the Translation Directorate General and those not exceeding EUR 200 for all other services.

Assistance and advice on internal control and public procurement

Continued efforts were made to improve the quality of the support offered to authorising departments with regard to application of the Financial Regulation, more particularly in the complex area of public procurement.

Participation in the inter-institutional working groups in the matter has been effective and fruitful, particularly in the area of 'green procurement' (green public procurement aimed at encouraging a sustainable consumption model).

As of April 2017, a new green public procurement helpdesk called 'Inter-Institutional GPP (Green Public Procurement) Helpdesk' was launched following the signing of an interinstitutional framework contract in which the Parliament is the lead institution.

The GPP Helpdesk provides fast, efficient, direct and practical assistance, with the objective of assisting the Institution to integrate ecological criteria into all stages of the public procurement procedures, in order to contribute to reducing the environmental impact and promoting sustainable consumption.

In 2017, 52 SAP procurement requests were processed by the Contracts cell of the Financial Assistance, Budget and Verification Unit, with an average processing time of 1.12 days: compared to 2016, there has been a slightly lower number of requests to process (-7) and the processing time was reduced by 43%.

As regards the preventive analysis of the complete tender files ('pre-referral'), during the year 2017, 14 pre-referral cases were processed by the unit, with an average processing time of 3 days (in 2016, 18 files were processed, with a processing period of 6 days).

As regards internal control and risk analysis, the annual updating of the integrated exercise of the continuity plan, of risk analysis and of the annual activity report was carried out.

In addition, a brainstorming exercise on the updating of the minimum internal control standards was continued, in cooperation with the other institutions, to take account also of the upgrade being carried out by the Commission.

Internal audit

In accordance with Article 99 of the Financial Regulation, the Internal Auditor is to report to the Institution his findings and recommendations and the Institution is to forward each year to the Parliament and the Council a report containing a summary of the number and type of internal audits carried out, the recommendations made and the action taken on those recommendations.

As stated in that report, sent separately, audits were completed in 2017 in the following areas

- ▶ follow-up audit on publications,
- ▶ analysis of procedures and arrangements for interinstitutional billing
- ▶ audit of the organisation of the internal telephone control system.

In 2017, the service continued to provide advice in several areas of activity, in a context characterised by the progressive reform of the judicial architecture, by budgetary rigour and the increased workload in the departments of the Institution.

Furthermore, the annual internal audit report shows that satisfactory action was taken in response to the recommendations made. Regular monitoring of the actions taken by the audited departments makes it possible to assess whether they are appropriate, effective and timely and to identify and record improvements

made. That monitoring showed that the majority of audits carried out before 2017 can be considered to be closed and that a number of actions have already been implemented by the departments, or are under way, in order to respond appropriately to the audits completed in 2017. A high percentage of acceptance of recommendations made and swift implementation are the key performance indicators of the internal audit activity. Furthermore, the action taken in response to the advice and recommendations of the Internal Auditor contributes to the continuous improvement of the internal control framework of the Court.

- **The risks associated with those operations and the functioning of the internal control system**

Lastly, as regards assistance and advice on internal control and public procurement, the complexity of the legislation in force, the variety of scenarios which may arise and the necessarily limited means of the departments are inherent factors exposing them to risks which require constant vigilance from all persons involved. In that regard, the absence of observations from the Court of Auditors in its Annual Reports between 2010 and 2016 is a wholly objective indicator of the quality of the control systems in place.

In the area of ex ante verification, the main risks are the fact that the controls may be carried out over too long a period or incorrectly. In order to mitigate those risks, rules for prioritisation in the processing of files were established, and cross-checks and checklists are used for some transactions.

V. OBSERVATIONS MADE IN CONNECTION WITH EARLIER DISCHARGES OR REPORTS OF THE COURT OF AUDITORS

The charter of the authorising officer's duties, as amended by the Administrative Committee of the Court on 30 June 2014, provides that the authorising officer by delegation is to include, in his annual activity report, remarks concerning the follow up to observations expressed by the Court of Auditors and/or the Discharge Authority.

- **Observations made by the Court of Auditors**

It is important to note that the Court of Auditors indicated in its last Annual Report on the implementation of the budget concerning the financial year 2016, in paragraph 10.14, that no specific problem concerning the Court was detected.

The results of the 2016 controls thus confirm, as they have since 2010, the absence of observations from the Court of Auditors.

Finally, it should be noted that the Court of Auditors issued a special report No 14/2017 on the Examination of performance in the management of cases at the Court of Justice of the European Union, published in September 2017. In that report, the Court of Auditors recognises the large-scale activities undertaken by the Court in its organisation and procedures in order to improve its efficiency in processing the cases before it and also proposes avenues for further improvements.

- **Observations made by the discharge authority**

As this activity report is being drawn up, the procedure of obtaining discharge in respect of the implementation of the 2016 budget has not yet been formally concluded. However, it is at a relatively advanced stage, since the discharge report, amended and voted at the meeting of the Committee on Budgetary Control of 20 March 2018, will be submitted for plenary vote in Parliament in April 2018.

At this stage, the draft resolution voted by the Committee on Budgetary Control relating to the Court concerns, first of all, the findings of the Court of Auditors for the financial year 2016, and underlines that no significant weaknesses had been identified as regards the matters audited by the Court of Auditors, namely, human resources and public procurement and that the management of its administrative expenditure is free from material error (paragraphs 1 and 2).

The resolution also sets out a number of positive points concerning the functioning of the Court's services. This relates, in particular, to the prudent and sound financial management in 2016 budget year (paragraph 3), the very high budget implementation rate [even if slightly down on the previous year (98.2 % in 2016, as against 99% in 2015)] (paragraph 5), the Court's workforce reduction of 5% in the period 2013-2017 (paragraph 35), the very high rate of occupation of posts (98%) (paragraph 36), actions taken to encourage the presence of women in managerial positions (paragraph 37), exchanges of staff between the Court and the European Central Bank (paragraph 39), interinstitutional cooperation in the field of translation (paragraph 40), participation as a full member of the Court in the Interinstitutional Group on Inter-institutional Key Indicators of Translation Activity and Performance and the presentation of translation costs in accordance with the harmonised method adopted by that group (paragraph 41), the constant increase in the use of e-curia

which is now used by all Member States (paragraph 43), efforts made with regard to online communication (paragraph 44), actions taken to rationalise car fleet management (paragraph 45), the Court's commitment to high environmental objectives (paragraph 46), detailed information provided on real estate projects (paragraph 47) and the adoption of the guidelines for the protection of whistle-blowers (paragraph 49).

With regard to other observations/recommendations relating to administrative or language activities, the Court continues to consider them with the greatest attention. As regards the reference to the high rate of staff turnover, the Court will study the question and send answers to Parliament (paragraph 36), it will also provide the information requested by the Parliament concerning its projects in the IT field (paragraph 42), will continue the communication efforts as requested (paragraph 44), will make an evaluation of the use of the offices in 'open space' (paragraph 48) and will study the request to bring forward the timetable for the presentation of the annual report of activities to 31 March (paragraph 4). As regards the observation relating to unpaid traineeships, the Court has already made the inclusion, in its 2019 estimates, for appropriations for remuneration of traineeships in the cabinets of the Members.

Concerning the implementation rate of the budget line for Members' missions, the Court, while noting that such expenditure is by nature difficult to estimate in advance, has already, when drawing up the 2019 estimates, reduced the amount provided for that expenditure to take account of the observation made by the European Parliament (paragraph 7).

As regards the activity of the courts (Court of Justice, the General Court and the Civil Service Tribunal), the Court notes with satisfaction the comments concerning the reduction of the average length of proceedings in 2016 (paragraph 16) it also takes note of the fact that the European Parliament believes that a review of the ten years of activity of the Civil Service Tribunal should be made (paragraph 13).

As regards the paragraphs concerning the Members of the courts (paragraphs 17, 18, 19 and 20), the Court takes note of the requests made by the Parliament. In that regard, reference is made to the entry into force of the Code of Conduct for Members and former Members (OJ 2016/C 48 3/01), which responds to Parliament's observations regarding the conditions for carrying out external activities and the publication of financial interests (paragraph 17), activities which are already published on the institution's Internet site after the activity has taken place, in line with the provisions of the Code of Conduct (paragraph 19).

As regards the paragraphs related to the Court of Auditors' Special Report No 14/2017 (paragraphs 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 42 and 54), they will be duly taken into account in the context of the reflections that the Institution is carrying out with regard to the implementation of the recommendations made in that report. It takes note in particular of the European Parliament's request to set up an integrated case management system (paragraph 42).

In general, all the actions and measures described above demonstrate the Court's concern to implement as rapidly as possible the recommendations of the discharge authority and at the same time confirm that the Court is open-minded and determined constantly to improve the efficiency of the management of all its activities.

ANNEXES

ANNEX 1

REPORT ON STAFF POLICY

1. INTRODUCTION

In accordance with Article 38(3)(b)(ii) of the Financial Regulation, this document outlines the policy of the Court of Justice of the European Union ('the Court' of 'the Institution') for the management of posts and external personnel. That policy aims, in particular, to make optimal use of the human and budgetary resources made available by the budgetary authority, while seeking to develop employee skills and ensure good working conditions. In that context, the Court's personnel administration uses all the means at its disposal in order to achieve those objectives in a difficult context of budgetary restrictions.

2. STAFFING SITUATION

At the end of the financial year, **2 180 people**, that is officials, members of the temporary staff, and members of the contract staff ('CS'), were employed by the Court.

The distribution of staff by type under the Staff Regulations and by function group may be presented as follows:

DISTRIBUTION OF STAFF BY TYPE UNDER THE STAFF REGULATIONS	% of the Institution's staff	
Officials	1 409	65%
Temporary staff	622	28%
Contract staff	149	7%
TOTAL	2 180	100 %

DISTRIBUTION OF STAFF BY FUNCTION GROUP		% of the Institution's staff
AD	1 225	56%
AST	746	34%
AST/SC	60	3%
CS	149	7%
TOTAL	2 180	100 %

The average age of the Institution's staff was 45 years, distributed as follows by age bracket:

19-29	3%
30-39	22%
40-49	41%
50-59	26%
60-67	8%

3. RECRUITMENT AND OCCUPATION OF POSTS

3.1 PERMANENT POSTS

The Court has set itself a twofold objective in terms of occupation of posts; first, ensuring as high a rate of occupation of posts as possible in the light of the heavy workload borne by the Institution and, secondly, filling the permanent posts with permanent staff as far as possible.

The efforts made have led to a very high rate of occupation of posts in all the services (almost 98%) notwithstanding certain difficulties which have a direct impact on the recruitment procedures, such as the low level of the basic salaries for the starting grades or more limited career development opportunities in Luxembourg due to the lower number of institutions located there.

3.2 POSTS IN THE CABINETS

The number posts made available by the budgetary authority for the staffing of the Cabinets of Members of the Institution, as members of the temporary staff pursuant to Article 2 of the CEOS, amounts to 524. On 31 December 2017, those posts were filled by 413 temporary agents and 111 seconded officials under Article 37 of the Staff Regulations. The rate of occupation of posts in the Cabinets is 100%.

3.3 TEMPORARY STAFF IN THE COURT'S SERVICES

3.3.1 MEMBERS OF THE TEMPORARY STAFF

As pointed out above, the Court's policy is to fill the permanent posts available in the establishment plan with officials. However, a derogation from that rule is necessary in the following two cases: (a) where an official is seconded in the interests of the service, the official's post in that case being retained for his reinstatement, and (b) where the procedure for filling a post has not led to applications from qualified officials

and there are no suitable successful candidate lists from a competition. The number of temporary staff members occupying permanent posts under Article 2(b) of the CEOS at the end of the financial year was 168, 21 of whom were engaged to replace officials on secondment. 50 members of the temporary staff under Article 2(a) of the CEOS were engaged to replace officials temporarily.

3.3.2 CONTRACT STAFF

Contract staff in active employment at the Court come within the scope of Article 3a or 3b of the Conditions of Employment of Other Servants.

As regards the first category of staff (contract staff), these are entrusted with manual or administrative support service tasks. At the end of the financial year, 85 members of the contract staff were in service at the Court in order to carry out those types of task, that is, 4% of the Institution's staff.

As regards staff in the second category (contract staff for auxiliary tasks), these staff are recruited to replace officials or members of the temporary staff who are temporarily absent (for example, on maternity leave or long-term sick leave) or, exceptionally, to tackle specific peaks in workload. In addition, contract staff in function group II are engaged in the Visits unit as part-time visit guides and other members of the contract staff in function group III are engaged to carry out proof-reading tasks in the Translation Directorate General (using appropriations specifically allocated by the budgetary authority for that purpose). At the end of the financial year, 64 contract staff for auxiliary tasks were in service at the Court, representing approximately 3% of the Institution's staff.

4. EQUAL OPPORTUNITIES

The Court regularly ensures that the working environment is free from all forms of discrimination and that there is a balanced distribution of staff.

At the end of the financial year, the Institution's staff were distributed by gender as followed:

DISTRIBUTION OF STAFF BY FUNCTION GROUP AND GENDER		% of the Institution's staff
WOMEN		
AD	649	61%
AST	574	
AST/SC	47	
CS	49	
TOTAL WOMEN	1319	
MEN		
AD	576	39%
AST	170	
AST/SC	13	
CS	102	
TOTAL MEN	861	
OVERALL TOTAL	2180	100%

These statistics show that the measures introduced in the area of equal opportunities in order to make it easier to reconcile professional and family commitments have encouraged the occupation of posts by women. In particular, it is apparent from the table above, and from the organisational chart, that 53% of the employees in the AD function group are women.

More particularly with regard to management posts, the occupancy rate for women at the end of the financial year was 37% for senior management and 36% for middle management, as shown in the table annexed to this report illustrating the distribution of management posts by nationality and by gender. The increase in the annual rate of 36% compared to 2016 (35%) shows a growth in the staffing of those posts by women, notwithstanding the limited number and structure of the Court's administrative entities.

Both the structure of the Court's staff and the determined policy of equal opportunities which has just been referred to point, however, to additional scope for improving those statistics. In 2017, the Court's administration continued a pilot project for the development of managerial and management know-how skills, which it launched in 2016, aimed in particular at encouraging women to apply for management posts. In addition, a working group comprising female managers in the Institution, called upon to identify obstacles which may act as a brake on women's access to management posts proposed incentives or remedial measures. The measures in question were broken down into concrete actions and are being implemented.

5. GEOGRAPHICAL BALANCE

Court staff is made up of officials and other staff representing the 28 Member States of the European Union. The various recruitments are held always on the basis of merit of candidates, the Staff Regulations stipulating in that regard that vacancies are filled 'acting solely in the interest of the service and without regard to nationality'.

The geographical distribution of staff at the end of the year is set out in the table annexed to this report.

6. CAREER MANAGEMENT

6.1 HORIZONTAL MOBILITY

The Court consistently encourages horizontal mobility within the Institution, by favouring the options of filling posts by transfer within the Institution. The drawing up of vacancy notices and the advice provided by the Human Resources Directorate, in conjunction with the services concerned, are aimed at facilitating the appropriate career choices.

6.2 VERTICAL MOBILITY

In accordance with the internal decisions on promotions which implement the provisions of the Staff Regulations laying down rates of promotion, it was possible to promote 338 officials in the 2017 promotion exercise having regard to both the merits observed and the budgetary resources allocated to that end by the budgetary authority.

In addition, in the context of the certification exercise under Article 45a of the Staff Regulations, three officials from the Court were selected to participate in the training programme organised by the European School of Administration in 2017. That procedure generates great interest among the employees in the AST function group and contributes to better skills management within the Court. Of a total of 24 people selected since 2005 to participate in such a programme, 18 have already been appointed as administrators.

6.3 INTER-INSTITUTIONAL MOBILITY

Staff have moved between the Court and the other institutions in the context of transfer procedures. As regards transfers to the Court, this policy enriches its staff with employees mastering working methods and management tools implemented in the other institutions, elements valuable for broadening the skills of internal staff and for the useful sharing of best practice.

As regards the departures from the Court to the other institutions, this situation reflects the fact that a percentage of its staff aspire to a career in a large institution or to a place of recruitment other than Luxembourg. That mobility contributes also to the enrichment of the other institutions' recruitment profiles, in particular in the field of law.

In a total of 43 recruitment procedures open to the officials of other institutions, organised and completed during 2017, five officials were transferred to the Court. 14 officials from the Court were transferred to other institutions.

An example of inter-institutional mobility which is worth mentioning in this respect is the exchange of officials with the European Central Bank in Frankfurt, which has already on several occasions hosted lawyer-linguists from the Translation Directorate General, and with the European Court of Human Rights, which hosted, in 2017 and for a period of six months, an administrator from the Research and Documentation Directorate of the Court. Those exchanges, which are very useful, occur in the context of the acquisition of new knowledge and skills by the Institution's officials through the work methods encountered in other institutions or international organisations.

6.4 REDEPLOYMENT

In assessing the Institution's efforts as regards redeployment, it should be borne in mind that here, in contrast with the situation prevailing in the other institutions, the 'production' of the Court, namely the judgments, orders and opinions, is carried out in the Cabinets of the Members. The services do not participate directly in this 'production'; they only provide the necessary resources, either for their development (registries of both jurisdictions, research and documentation, administration, translation, interpretation) or to disseminate it (analysis of case-law, information, translation, publication in the European Court Reports).

That situation, in an institution like the Court, where the staff of the Cabinets account for more than a quarter of total staff, must be taken into account to understand how the possibilities for redeployment are limited.

As regards the Cabinets, their structure has developed over the years, as needs have evolved. The budgetary authority has recognised the relevance of those needs by providing the necessary budgetary posts.

As regards the services, their tasks are linked with the exclusive activity of the Institution, that is to say, judicial activity, and cannot undergo any fundamental change. In contrast with the situation in certain other institutions, there is no reason for a large-scale redeployment of staff from one service to another to take account of the need, for example, to fulfil new tasks or implement new policies.

7. STREAMLINING OF ACTIVITIES

The Court faces, as do all the other institutions, a strict budgetary context that requires even more dynamic management of human resources and at times difficult choices, as it is essential to be able to identify priorities and identify synergies in order to maintain the proper functioning of the services.

In 2017, the Court continued its efforts to reduce staff by the 5% required over the period 2013-2017, in order to achieve in 2017 the ultimate objective of returning 98 posts. It must be emphasised that the burden of the reductions in staff made has fallen exclusively on the services, which have thereby sustained an actual reduction in staff of 6.5%, since the choice had to be made to preserve the Institution's core activity (the courts) in the context of a large increase in cases. It must be stressed that the Court is particularly affected by the conditions for applying the reduction in staff provided for, which take no account of the Institution's level of activity during the period 2013-2017, since the Court of Justice is unable to regulate the number of cases brought before its courts.

Consequently, in order to preserve the judicial activity proper, the various services of the Court have been invited, since 2014, to pursue their efforts in the context of a broader consideration which does not exclude any avenues for improving their efficiency. Several internal working groups were, therefore, set up, charged with identifying possible negative priorities and internal or horizontal synergies making it possible to eliminate superfluous tasks, streamlining administrative processing/procedures as much as possible by the more extensive use of IT tools or achieving a better balance in terms of the outsourcing of activities and bringing them in-house, while maintaining the level of quality essential in order to meet needs.

The Institution's services have steadfastly continued to work towards that goal, while fulfilling the obligation of continuity in respect of their activities and maintaining the production flows necessary to meet the deadlines set, notwithstanding the reduction in staff.

8. WORKING CONDITIONS

Flexible working hours and the teleworking introduced within the services whose tasks and activities allow such a measure to be implemented, are intended to optimise the working conditions of the Court's staff and to promote work-life balance. The figures in the table below show the success of such a step.

During 2017, occasionally or for longer periods throughout the year, the Court's staff have benefited from the following working arrangements and part-time work:

Type of measure	2017 Number
Part-time working	413
Structural part-time working	65
Parental leave	397
Family leave	31
Flexible working hours	755
Teleworking	383

It should be noted in that regard that the Court uses the appropriations made available by the part-time working in order to recruit temporary staff. Similarly, except when the parental or family leave is for a short period, those going on family or parental leave are replaced by recruiting temporary staff.

As regards, more particularly, the teleworking scheme, in 2017 the Court's administration reviewed the decision determining the departments or categories of staff that can participate in the scheme in order to broaden its scope. Moreover, since 6 February 2018 the applications for authorisation and extension of approval for participation in the scheme of teleworking are made via Sysper, which allows them to be processed more quickly and easily.

9. COMMUNICATION AND SOCIAL DIALOGUE

The modernisation of the Intranet sites of several services and the distribution of newsletters and official messages aimed at staff have enriched the channels of information and increased the awareness of the Court's employees of subjects relating to the different staff management policies and procedures. All that information strengthens commitment to the ethics and values of the Court and contributes to a high level of involvement of its human capital.

In addition, the social dialogue between the administration and staff representatives has an actual, direct effect on the implementation of staff policy and the application of the Staff Regulations and internal rules, a dialogue which takes place in particular in the context of the different joint committees of the Institution and also through consultations with representative or recognised trade unions.

10. TRAINING AND DEVELOPMENT OF SKILLS

Training and the continuous development of skills plays an essential role for the Court's staff.

A reception and integration programme enables newcomers to become acquainted with the various services of the Institution and become familiar with the products of their activities. This step promotes the rapid integration of new staff and collaborative relationships between staff and between services.

Apart from the general language training, the establishment and updating of professional benchmarks and competency frameworks have made it possible to put in place a training programme that is better adapted to the Court's needs.

The job descriptions, currently being drawn up for all the services of the Institution, on the basis of homogeneous criteria, constitute a complete inventory of the posts to be filled and of the conditions under which they are to be carried out. In addition, they contribute to the rationalisation and harmonised approximation of the vacancy notices of the Institution, the development of the various existing jobs and functions, as well as awareness of the skills development needs of employees of the Court.

In addition, in the area of management and performance management, in order to complement the offer of the European School of Administration, specific training is organised for heads of service or heads of teams each year with the aim of increasing the awareness of staff in both AD and AST function groups of the issues linked, inter alia, to personal effectiveness, time and stress management, project management and conflict management.

The introduction, in 2016, of a new managerial skills management policy continued throughout 2017, with a view to enhancing opportunities for personal development and further training, promoting internal mobility as a means of professional development and improving access for women to management posts.

11. HEALTH, SAFETY AND WELL-BEING AT WORK

The Court is committed to the health and safety of staff. It is constantly monitoring the reinforcement of security measures and is carrying out sustained communication and raising awareness among staff on matters relating to health, safety and well-being at work, areas which will be analysed in more detail in the context of developing a new policy during the current year.

In that context, the Court reinvigorated in 2017 the network of 'confidential counsellors', who may be contacted by any member of staff wishing to be advised or assisted in the event of psychological or sexual harassment. The persons in question receive training to provide helpful support to staff members when needed.

Annex 1

Court of Justice of the European Union

		DISTRIBUTION OF STAFF BY GENDER (permanent and temporary posts)															
Gender	Function group	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total
F	AD					33	3	102	70	103	122	67	83	35	29	2	649
	AST	26	28	118	103	97	75	51	37	33	3	5					576
	AST/SC	2	38	5	1	1											47
F Total		28	66	123	104	131	78	153	107	136	125	72	83	35	29	2	1272
M	AD					10	1	76	57	80	65	80	101	41	57	8	576
	AST	2	5	47	28	35	29	9	5	8		2					170
	AST/SC	3	7	3													13
M Total		5	12	50	28	45	30	85	62	88	65	82	101	41	57	8	759
Total		33	78	173	132	176	108	238	169	224	190	154	184	76	86	10	2031

Annex 2

DISTRIBUTION OF STAFF BY NATIONALITY AND BY FUNCTION GROUP
(permanent/temporary posts and contract agents)

Court of Justice of the European Union

Nationality	AD	AST	AST/SC	FGI	FGII	FGIII	FGIV	Total
Germany	76	40	2	3		2		123
Austria	15	4						19
Belgium	105	70	6	8	1	2	1	193
Bulgaria	35	16	3			1		55
Cyprus	2	2						4
Croatia	29	8	2		1	1	1	42
Denmark	33	13	1	1				48
Spain	72	45	7		1	1		126
Estonia	31	14	2			1		48
Finland	31	17				2		50
France	188	206	18	35	7	6	2	462
Greece	47	35		3	2	1		88
Hungary	38	17	1			3		59
Ireland	13	10						23
Italy	83	46		11	3	2	3	148
Latvia	34	11	2			1		48
Lithuania	34	17	1			1		53
Luxembourg	9	17		5				31
Malta	23	10	1			1		35
Netherlands	21	6		1		2		30
Poland	42	27	1	2	1	1		74
Portugal	39	32	3	6	2	2	1	85
Czech Republic	33	14			1			48
Romania	39	20	2	2		2	1	66
United Kingdom	52	12	1	1	1	2		69
Slovakia	31	12	3			4		50
Slovenia	33	12	1		1	1		48
Sweden	35	12	3	1		1		52
Others	2	1						3
Total	1225	746	60	79	21	40	9	2180

Annexe 3

Court of Justice of the European Union

SENIOR AND MIDDLE MANAGEMENT - 31.12.2017						
Gender	Nationality	Director-General	Director	Head of Unit	Deputy Head of Unit	Total
F	Germany		1	1		2
	Croatia			1		1
	Denmark			2		2
	Spain		3	1		4
	Estonia			1		1
	Finland		1			1
	France			3	1	3
	Hungary			2		2
	Italy			2		2
	Latvia			1		1
	Lithuania			1		1
	Romania		1			2
	United Kingdom		1			2
	Slovenia			1		1
	Sweden			1		1
	F Total			7	19	1
M	Germany	1		2		4
	Belgium	1	3	5	1	9
	Bulgaria			1		1
	Denmark			2		2
	Spain			3		3
	Estonia		1	1		2
	Finland			1		1
	France	1		4		5
	Greece		2	2		4
	Ireland		1			1
	Italy	1		3		4
	Latvia			1		1
	Malta			1		1
	Netherlands			2		2
	Poland			1		1
	Portugal			3		3
Czech Republic			1		1	
United Kingdom			1		1	
Slovakia			1		1	
M Total		4	8	35	1	48
Total		4	15	54	2	75

Court of Justice of the European Union

Annex 4

DISTRIBUTION OF STAFF BY NATIONALITY	
Member State	% of staff in active employment
Germany	6%
Austria	2%
Belgium	9%
Bulgaria	3%
Cyprus	1%
Croatia	2%
Denmark	2%
Spain	6%
Estonia	2%
Finland	2%
France	21%
Greece	4%
Hungary	3%
Ireland	1%
Italy	7%
Latvia	2%
Lithuania	2%
Luxembourg	1%
Malta	2%
Netherlands	1%
Poland	3%
Portugal	4%
Czech Republic	2%
Roumania	3%
United Kingdom	3%
Slovakia	2%
Slovenia	2%
Sweden	2%

ANNEX 2

REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT FOR THE FINANCIAL YEAR 2017

1 – INTRODUCTION

This report, in accordance with Article 142 of Regulation (EU, Euratom) No 966/2012 on the financial rules applicable to the general budget of the European Union (the Financial Regulation) and Article 227 of the rules of application of that financial regulation, is to *'give an account, both in absolute terms and expressed as a percentage, at least, of the rate of implementation of the appropriations together with summary information on the transfers of appropriations among the various budget items'*. It serves also to describe, first, *'the achievement of the objectives for the year, in accordance with the principle of sound financial management'* and, secondly, *'the financial situation and the events which have had a significant influence on activities during the year'*.

In that context, Section 2 of this Report gives an overview of budget implementation in 2017 and Section 3 examines in more detail the trends in budget lines by chapter of the budget of the Court of Justice of the European Union ('the Court' or 'the Institution'). Lastly, the annexes, by means of tables with figures, provide detailed information, in aggregate form and by service, concerning budget implementation in 2017.

With regard to judicial activity sensu stricto, readers are invited to consult the Annual Report of the Court for 2017 on the Curia website (<http://curia.europa.eu/jcms/AnnualReport>), a report which contains a full analysis of the activity of the Court of Justice and the General Court and detailed statistics for each of those courts.

As those statistics show, 2017 has been a year of unflagging judicial activity. The overall number of cases brought before the courts in 2017 (1656 cases) is higher than in 2016 (1604). The number of cases completed in 2017 has remained at a high level (1594 cases, as opposed to 1628 cases in 2016). Last, the statistics concerning the length of proceedings are very positive.

The Court has continued to explore all avenues that might enable it best to pursue its prime objectives of quality and speed in the handling of cases. The main areas of intervention include all spheres of activity: improvement of the working methods of the judicial bodies, strict management of the requirements of full multilingualism (obligatory in order to communicate with the parties in the language of the case and to ensure that the case-law is disseminated in every one of the Member States) and reducing the relative weight of the

horizontal services in order to maintain the working capacity of the cabinets and, as far as possible, of the services more directly associated with judicial work.

It is important to emphasise 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 (disregarding the accession of Croatia), due to compliance with the Inter-institutional Agreement on budgetary discipline, co-operation in budgetary matters and sound financial management, which required a reduction of 5% in staff numbers over the period 2013-2017. Accordingly, a total of 98 posts have been given up by the Court, a reduction which puts significant pressure on some support services. More particularly, the language services have given up 64 posts, which represents approximately 60% of the total reduction.

Further, at the Meeting of Judges which was organised in March 2017 on the 60th anniversary of the Treaties of Rome, it was decided to create the 'Judicial Network of the European Union' covering the Constitutional Courts and Supreme Courts of the Member States, a network that is coordinated by the Court. That network, operational from 1 January 2018, is designed to strengthen cooperation between the Court and the national courts and tribunals by means of a multilingual platform that will enable them to share, in a wholly secure environment, all the information and documents required to promote mutual familiarity with EU case-law and the case-law of the Member States, and an intensification of the dialogue between the Court of Justice and the national courts and tribunals in preliminary ruling cases.

Last, as regards buildings, the project for the fifth extension to its buildings will make it possible for the Court, as of 2019, to reunite all its staff on one site (vacating the last building that is still rented) and thereby increase the efficiency of its services

2 – OVERVIEW OF BUDGETARY IMPLEMENTATION IN 2017

2.1 – REVENUE

The estimated revenue of the Court for the financial year 2017 was EUR 53 595 000.

As shown in **Table 1** below, the established entitlements in the financial year 2017 come to EUR 51 677 001 and are 3.6% lower than estimated.

Table 1 – Estimated revenue and established entitlements

(in euros)

TITLE	ESTIMATED REVENUE 2017	ESTABLISHED ENTITLEMENTS 2017	% of total
4 - Revenue accruing from persons working with the institutions and other Community bodies	53 595 000.00	50 769 549.16	98.24
5 - Revenue accruing from the administrative operation of the institution	0.00	907 452.34	1.76
9 - Miscellaneous revenue	0.00	0.00	0.00
TOTAL	53 595 000.00	51 677 001.50	100.00
%	100.00%	96.42%	

It may be noted that the revenue-entitlements established in Title 4 (chiefly deductions from the remuneration of Members and staff in respect of taxes and social security contributions) represent over 98% of all revenue, while revenue in the other Titles represents less than 2% only.

Annexes 1 and 2 provide additional information with figures on the whole revenue stream (revenue entitlements carried over, revenue entitlements established and revenue entitlements collected).

As regards revenue from entitlements carried over from the preceding financial year, **Table 2** below shows that revenue in Title 5 represents the total revenue from entitlements carried over and collected in 2017.

Table 2 – Revenue from entitlements carried over

(in euros)

TITLE	CARRIED OVER 2016 TO 2017	REVENUE FROM ENTITLEMENTS CARRIED OVER	% of total
4 - Revenue accruing from persons working with the institutions and other Community bodies	0.00	0.00	0.00
5 - Revenue accruing from the administration of the institution	23 812.82	7 402.81	100.00
9 - Miscellaneous revenue	0.00	0.00	0.00
TOTAL	23 812.82	7 402.81	100.00
%	100.00%	31.09%	

2.2 – EXPENDITURE

2.2.1 – APPROPRIATIONS FOR THE FINANCIAL YEAR

The appropriations for expenditure initially entered in the Court's budget for the financial year 2017 came to EUR 399 344 000.

As shown in **Table 3** below, budget implementation for the financial year 2017 amounts to EUR 394 095 585 and represents a very high rate of use of final appropriations of 98.69%, which is higher than in 2016 (98.23%).

As examined in more detail in Chapter 3, the budget implementation of both Title 1 and Title 2 in 2017 are very considerable (98.6 % and 99.1% respectively, as opposed to 98.1% and 98.6% in 2016).

Generally, as in previous years, it may be observed that almost 76% of the budget implemented by the Court in 2017 is allocated to expenditure on the Members and staff (expenditure in Title 1), nearly all of the balance concerning expenditure on infrastructure (Title 2), particularly buildings and information technology.

Table 3 – Commitments of appropriations in the financial year

(in euros)

TITLE	APPROPRIATIONS IN THE FINANCIAL YEAR 2017	COMMITMENTS IN THE FINANCIAL YEAR 2017	% of total
1 – Persons working with the institution	302 536 500.00	298 167 052.66	75.66
2 – Buildings, furniture, equipment and miscellaneous operating expenditure	96 748 500.00	95 877 942.77	24.33
3 – Expenditure resulting from special functions carried out by the institution	59 000.00	50 589.62	0.01
10 – Other expenditure	0.00	0.00	0.00
TOTAL	399 344 000.00	394 095 585.05	100
%	100.00%	98.69%	

Annexes 3, 4a and 4b provide detailed additional data with figures on the use of appropriations in the financial year 2017 (comparison with 2016, details of implementation by budget line and by service).

2.2.2. – APPROPRIATIONS CARRIED OVER

Table 4 below shows that, of the appropriations carried over from 2016 to 2017, the total of which was EUR 22 240 120.22, a large proportion was used (86.28% in 2017 as opposed to 90% in 2016).

Table 4 – Use of appropriations carried over

(in euros)

TITLE	APPROPRIATIONS CARRIED OVER 2016 TO 2017	PAYMENTS OUT OF APPROPRIATIONS CARRIED OVER	CANCELLATIONS
1 – Persons working with the institution	6 886 429.46	5 080 239.38	1 806 190.08
2 – Buildings, furniture, equipment and miscellaneous operating expenditure	15 353 690.76	14 107 919.82	1 245 770.94
3 – Expenditure resulting from special functions carried out by the institution	0.00	0.00	0.00
10 – Other expenditure	0.00	0.00	0.00
TOTAL	22 240 120.22	19 188 159.20	3 051 961.02
%	100.00%	86.28%	13.72%

Annex 4a provides additional detailed information with figures on the use of appropriations carried over from 2016 to 2017.

2.2.3. – APPROPRIATIONS CORRESPONDING TO ASSIGNED REVENUE

In accordance with Article 21 of the Financial Regulation, certain revenue may be assigned to the financing of specific items of expenditure. Such assigned revenue represents, therefore, additional appropriations that may be used by the Institution.

Table 5 below shows details, by title, of the sums of assigned revenue carried over from one financial year to another, and of the assigned revenue established and collected during the financial year.

Table 5 – Use of assigned revenue

(in euros)

TITLE	ASSIGNED REVENUE CARRIED OVER 2016 TO 2017	ASSIGNED REVENUE 2017	PAYMENTS 2017	CANCELLATION OF ASSIGNED REVENUE FOR 2016 NOT ELIGIBLE FOR CARRYING OVER	ASSIGNED REVENUE CARRIED OVER 2017 TO 2018
1 – Persons working with the institution	368 794.35	362 545.78	356 584.31	5 270.08	369 485.74
2 – Buildings, furniture, equipment and miscellaneous operating expenditure	428 085.12	499 644.57	452 200.53	13 375.02	462 154.14
3 – Expenditure resulting from special functions carried out by the institution	2 391.00	4 434.73	6 622.73	0.00	203.00
10 – Other expenditure	0.00	0.00	0.00	0.00	0.00
TOTAL	799 270.47	866 625.08	815 407.57	18 645.10	831 842.88

The appropriations from assigned revenue established during the financial year 2017 came to EUR 866 625, almost 74% of which corresponds to revenue from:

- ▶ application of a service agreement with the Publications Office (EUR 252 483),
- ▶ the sale of electricity produced by the panels of photovoltaic cells (EUR 138 896),
- ▶ reimbursement of costs in respect of the leasing of buildings and reimbursement of expenditure by staff such as telephone calls or public transport (EUR 106 049),
- ▶ reimbursement by the Commission and Council of excess advance payments (EUR 83 309),
- ▶ refunds from insurance companies (EUR 56 684).

It must also be noted that a very high percentage of appropriations from assigned revenue carried over from 2016 to 2017 were used (89.8%).

Annex 5 provides additional detailed information with figures on the use of assigned revenue.

2.2.4. – TRANSFERS OF APPROPRIATIONS

In the course of the financial year 2017, as shown in Table 6, the Court made 21 budget transfers pursuant to Article 25 of the Financial Regulation, representing a total of EUR 13.9 million, or 3.5% of the final appropriations. The effects of the various transfers at the level of each budget item can be seen in **Annex 4a**.

In part (EUR 10.8 million, or 78% of the total amount of the transfers made in 2017), those transfers of appropriations were the subject of notification to the budgetary authority in accordance with the provisions of Article 25(1) and (2) of the Financial Regulation.

The largest increase in appropriations concerns a transfer to budget line 2001 'Lease/purchase', amounting to EUR 8.7 million, intended to finance an advance payment under a lease/purchase contract relating to buildings, with the aim of reducing the financial burden in relation to future charges concerning the Project for the fifth extension to the buildings of the Court (the third tower).

Next, with respect to the remaining EUR 2.1 million, the increases submitted to the budgetary authority have made it possible to deal with unexpected requirements within Title 2 'Buildings, furniture, equipment and miscellaneous operating expenditure': first, EUR 0.8 million to meet the payment of damages, following the order made against the Institution by two judgments of the General Court because of the failure to adjudicate within a reasonable time in the context of three cases closed by the General Court in 2011; second, EUR 0.7 million in order to finish certain work linked to the security of the buildings (structural work, technical work and the installation of a temporary reception area for monitoring visitors in the periphery of the buildings complex occupied by the Institution, the completion of two secure reception units at the entry to two staff parking areas, ordering blast protection film to be installed on glass at certain locations and improving accessibility to staff parking areas); EUR 0.4 million to fund a whole series of new IT projects, not planned for in the 2017 budget, in particular, the completion of an IT information exchange platform following the creation of the Judicial Network of the European Union, and EUR 0.2 million to ensure the replacement of machines in the reproduction shop and the purchase of three X-ray scanners to equip the new temporary visitor reception area.

Table 6 – Transfers of appropriations

(in euros)

TYPE OF TRANSFER	NUMBER OF TRANSFERS IN 2017	TOTAL AMOUNT TRANSFERRED
Title to title	4	9 800 000.00
Chapter to chapter	2	216 000.00
Article to article	2	740 000.00
Item to item	13	3 110 749.06
TOTAL	21	13 866 749.06

3 – BUDGET IMPLEMENTATION IN 2017 BY CHAPTER

3.1 TITLE 1 – PERSONS WORKING WITH THE INSTITUTION

As shown in **Table 7** below, the final budget funding of Title 1 for the financial year 2017 comes to EUR 302 536 500. This funding represents almost 76% of the Court's total budget. Those appropriations were committed to the extent of EUR 298 167 053, which represents a high rate of implementation of 98.56% (98.12% in 2016).

Table 7 – Use of appropriations in the financial year

(in euros)

TITLE 1	APPROPRIATIONS IN THE FINANCIAL YEAR 2017	COMMITMENTS IN THE FINANCIAL YEAR 2017	% of implementation
10 – Members of the institution	32 673 500.00	31 453 258.20	96.27
12 – Officials and temporary staff	241 187 500.00	238 553 826.79	98.91
14 – Other staff and external services	22 535 500.00	22 355 827.78	99.20
16 – Other expenditure relating to persons working with the institution	6 140 000.00	5 804 139.89	94.53
TOTAL	302 536 500.00	298 167 052.66	98.56

3.1.1 CHAPTER 10 – MEMBERS OF THE INSTITUTION

The final appropriations in this Chapter, amounting to EUR 32 673 500, were committed to the extent of EUR 31 453 258, which represents a very high rate of implementation of 96.3% in 2017 (92.2% in 2016).

It has to be pointed out that a budget surplus of approximately EUR 2 million became available in this chapter for, in particular, the following reasons:

- ▶ there were no unexpected resignations by Members of the Institution in 2017. Consequently, the initial estimate that there would be two unexpected departures from the Court of Justice and two from the General Court, before the expiration of current terms of office, gave rise to a surplus. It should be noted that no partial renewal of term of office took place at either the Court of Justice or the General Court in 2017;
- ▶ the impact on Line 102 'Temporary allowances', for 12 months in 2017, of five departures from the General Court in September 2016 as against six departures that were initially envisaged, and the impact of four departures within the former Civil service Tribunal (TFP) as against eight departures that were initially envisaged when that court was incorporated within the General Court on 1 September 2016. In fact, of the eight serving Members of the TFP on 31 August 2016, four joined the General Court in September 2016 and four had to leave the Institution. Second, the retirement of a former Member of the Court of Justice, in the course of 2017, before completion of payment of temporary allowances, increased the surplus appropriations within this budget line;

- ▶ the decisions on the appointment of two of the last three additional Judges in the General Court who have to take up their duties in the first and second stages of the reform of the court were very far apart in 2017 (June and October 2017) and the decision with respect to the last of those Judges had not yet been made on 31 December 2017.

Part of that surplus, approximately EUR 0.16 million, was used to increase appropriations in Article 232 'Legal costs and damages'. A further part, amounting to EUR 0.66 million, was used to increase the appropriations in Item 2001 'Lease-purchase' for the mopping-up transfer at the end of the year (see Section 2.2.4).

3.1.2 CHAPTER 12 – OFFICIALS AND TEMPORARY STAFF

The final appropriations in this Chapter, amounting to EUR 241 187 500, were committed to the extent of EUR 238 553 827, which results in a very high rate of implementation that is stable as compared with 2016 (98.9%, as opposed to 99% in 2016).

Generally, it is to be borne in mind that Chapter 12 represents the largest volume of appropriations in the Court's budget (some 60% of the total budget). Accordingly, the surplus established during the financial year 2017 remains limited, having regard both to the total amount of those appropriations and to the difficulties of making budget estimates nearly 12 months in advance, using numerous forecasting parameters that are necessarily only estimates (rate of salary increases, tempo of recruitment or turnover, rate of standard abatement etc).

Part of the budget surplus in this Chapter can be explained by, first, the fact that there were no unexpected resignations of Members of the Institution in 2017 (as against an estimate of two at the Court and two at the General Court). Consequently, the number of staff in the cabinets (legal secretaries and assistants employed in temporary posts) who had to be replaced was lower and, therefore, there were budget savings in terms of installation allowances (for staff entering the service) and resettlement allowances (for staff leaving). Second, that budget surplus can also be explained by the fact that the decisions on the appointment of the last three additional Judges in the General Court in the first and second stages of increasing the number of Judges in that court were very far apart in 2017 (the first Judge at the beginning of June and the second Judge in October) while, for the last Judge, the decision had still not been made on 31 December 2017.

It is important to emphasise that the proportion of posts occupied, coming in 2017 to a very high level of almost 97% at the Court, ensures that the proportion of vacant posts is around 3% on average. Those good results are the fruit of a very active recruitment policy on the part of all the Court's services, allowing the number of vacant posts to be kept as low as possible, in spite of the constraints inherent in the normal, inevitable turnover of staff, and the greater difficulties of recruiting staff in Luxembourg because of the higher level of the cost of living. The low proportion of vacant posts is also a very good indicator of the heavy workload borne by the services of the Court, having regard to the increase in judicial activity in recent years.

In that regard, the Court always turns to good account the analysis of the disparities in implementation found in the appropriations of Chapter 12, in order to continue to refine its methodology for estimating remuneration and pensions and thereby endeavour to improve as much as possible its performance in the implementing of appropriations.

Part of the budget surplus in this Chapter (EUR 0.6 million) was used to increase appropriations in Article 232 'Legal costs and damages'. A further part, amounting to EUR 0.3 million, was used to fund IT development in a series of projects that were not planned for in the 2017 budget. Last, that budget surplus was also used, to the extent of EUR 7.6 million, for the mopping-up transfer at the end of the year (see Section 2.2.4).

3.1.3 CHAPTER 14 – OTHER STAFF AND EXTERNAL SERVICES

The final appropriations in this Chapter, amounting to EUR 22 535 500, were committed to the extent of EUR 22 355 828, which represents a rate of implementation of 99.20% (97.45% in 2016).

The final appropriations in Chapter 14 are mainly concentrated in two budget items.

Approximately one third of the appropriations in this chapter are allocated to Item 1400 'Other staff'. The rate of implementation of the final appropriations for this item in 2017 is 98.03% (as against a rate of 96.4% in 2016).

Approximately two thirds of total appropriations in this chapter are allocated to Item 1406 'External services in the linguistic field', in order to cover the services of freelance interpreters and translators. The rate of implementation of the final appropriations for this item 1406 in 2017 is 99.94% (98.15 % in 2016).

In general, it is to be recalled that, in the areas of both translation and interpretation, the recourse to external (freelance) personnel in order to meet the obligations of multilingualism, with a view to communicating with the parties in the language of the case and ensuring the dissemination of the case-law in each of the Member States, constitutes an adjustment variable that is essential in order to make up for the staff reductions suffered since 2013 in a context of increased volume of work.

As far as translation is concerned, the number of pages to be translated amounted to 1 112 924 in 2017 and would have been nearly 1 520 000 pages without the numerous measures giving rise to translation savings which were taken by the courts, such as, inter alia, the selective publication of the case-law, summarising of requests for a preliminary ruling, reduction in the average length of Opinions, publication by extracts of certain particularly long decisions and the abandonment of the chronological and thematic tables of the old paper European Court Reports.

As regards interpretation, the effect of the arrival of new Judges in the General Court, in the course of 2016, but also in the course of 2017, was to increase the number of hearings and other meetings requiring interpretation in 2017 (the number rising from 602 in 2016 to 696 in 2017, or + 15.6%), while at the same time increasing the number of days of contract of auxiliary conference interpreters (ACIs) from 1 598 ACI days in 2016 to 2 119 in 2017, or + 32.6%.

3.1.4 CHAPTER 16 – OTHER EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION

The final appropriations in this Chapter, amounting to EUR 6 140 000, were committed to the extent of EUR 5 804 140, which represents a rate of implementation of 94.53%, almost the same as in 2016 (94.52%).

Two items in this chapter represent 78.5% of the final appropriations. These are Item 1612 'Further training', where the rate of implementation came to 86.28% (compared to 91% in 2016), and Item 1654 'Early childhood centre,' where the rate of implementation was 100% in 2017, just as in 2016.

3.2 TITLE 2 – BUILDINGS, FURNITURE, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE

As shown in **Table 8** below, the final budget funding in Title 2 for the financial year 2017 comes to EUR 96 748 500. That total amount represents 24.2% of the Court's entire budget in 2017. Those appropriations were committed to the extent of EUR 95 877 943, which results in a very high rate of implementation of 99.1% in 2017 (98.6% in 2016).

Table 8 – Use of appropriations in the financial year

(in euros)

TITLE 2	APPROPRIATIONS IN THE FINANCIAL YEAR 2017	COMMITMENTS IN THE FINANCIAL YEAR 2017	% of implementation
20 – Buildings and associated costs	70 003.000.00	69 901 602.41	99.86
21 – Data processing, equipment and movable property: purchase, hire and maintenance	21 465.000.00	21 248 913.22	98.99
23 – Current administrative expenditure	2 116.000.00	1 817 834.44	85.91
25 – Expenditure on meetings and conferences	521 500.00	424 523.86	81.40
27 – Information: Acquisition, archiving, production and distribution	2 643 000.00	2 485 068.84	94.02
TOTAL	96 748 500.00	95 877 942.77	99.10

3.2.1 CHAPTER 20 – BUILDINGS AND ASSOCIATED COSTS

The final appropriations in this Chapter, amounting to EUR 70 003 000, were committed to the extent of EUR 69 901 602, which results in a very high rate of implementation of 99.86%, compared with 99.3% in 2016.

Those appropriations are intended to cover the cost of renting, purchasing and running the various buildings occupied by the Court.

More generally, the Institution's buildings policy has two main objectives:

- ▶ first, after initially following a policy of renting, the Court has, since its seat was definitely fixed in Luxembourg (decided at the European Council at Edinburgh in 1992), sought to become the owner of the buildings it occupies, like the other institutions, and in accordance with the recommendations of the special report of the Court of Auditors (No 2/2007), which emphasises the budget savings of such a policy;
- ▶ second, the Court seeks to have at its disposal buildings that are adapted to its specific needs and to bring together all its services on a single site, so as to improve its operation to the maximum.

More detailed information on the Institution's buildings policy and the state of projects under way is given to the budgetary authority in a specific report addressed to it no later than 1 June each year.

The final appropriations in Articles 200 'Buildings' and 202 'Costs relating to buildings' represent 76% (EUR 53 208 000) and 24% (EUR 16 795 000) respectively of the total appropriations in this chapter.

The appropriations in Article 200 'Buildings' mainly fund expenditure on rent and lease purchase.

Expenditure under Item 2000 'Rent' in 2017 amounted to EUR 9 million, with a 100% rate of implementation, as in 2016. In that regard, first, a sum of EUR 0.5 million was transferred to Line 2007 'Fitting-out of premises', as part of the strengthening of security measures in the buildings occupied by the Court. The 2017 budget contained a reserve for the possible renting of additional areas under Line 2000. Since those areas were ultimately not rented, that budget surplus could be made available. Second, a sum of EUR 0.2 million made it possible to increase Line 2008 'Studies and technical assistance in connection with building projects' by using the budget surplus that arose from the fact that the actual indexing of the contract for the lease of the last building was lower than initially estimated when the 2017 budget was drawn up at the beginning of 2016.

As regards final expenditure in Item 2001 'Lease/purchase', that amounted to EUR 39.6 million and corresponds in the main to the charges payable under the two contracts concluded with the Luxembourg authorities for the purchase, renovation and construction of the various buildings of the Court's main site (the Palais, renovated and extended and brought into service at the end of 2008, on the one hand, and the renovated Annex buildings, on the other). Budget surpluses arising from Chapters 10, 12 and 14 made it possible to make an advance payment, at the end of 2017, with respect to the lease/purchase contract for the project for the 5th extension of the Court's buildings, to the extent of EUR 8.72 million.

As regards the other budget lines in Article 200, the expenditure of Line 2007 'Fitting-out of premises' amounted in 2017 to EUR 3.3 million. In that context, an overall amount of EUR 2.43 million, derived from four budget lines in Chapter 20, was transferred to budget line 2007 in order to fund various work associated with the security of the buildings.

The expenditure in Line 2008 'Studies and technical assistance in connection with building projects' amounted in 2017 to EUR 1.3 million. A sum of EUR 0.2 million, derived from budget line 2000 'Rents', was transferred in order to be able to finalise certain studies relating to the security of the buildings.

As regards expenditure in Article 202 'Buildings-related costs', this amounts to EUR 16.7 million and corresponds, almost entirely, to the expenditure on cleaning and maintenance, energy consumption and security/surveillance required for the proper functioning of the Court's buildings. The rate of implementation established for that article in 2017 is 99.6% (98.4% in 2016).

First, as regards Item 2022 'Cleaning and maintenance', there was a fall in expenditure compared with 2016 of approximately EUR 200 000 (EUR 7 392 338 in 2017 as against EUR 7 581 675 in 2016, or - 2.5%).

Next, Item 2024 'Energy consumption' shows a reduction in expenditure of EUR 64 000 (EUR 2 076 474 in 2017 as against EUR 2 140 661 in 2016, or - 3 %), a result of, in particular, a lower consumption of municipal heating in the buildings because of weather conditions that were quite conducive to energy savings.

Last, mention should be made of the reduction in expenditure in Item 2026 'Security and surveillance' as compared with 2016, amounting to EUR 300 000 (EUR 6 895 419 in 2017 as against EUR 7 196 463 in 2016, or - 4.2 %) which is due to, in particular, a reduction in the amount used in 2017 with respect to exceptional services under the contract for the surveillance of the buildings occupied by the Institution.

In that context, the surplus appropriations released from that item, by comparison with the estimates prepared in early 2016 for the draft 2017 budget, made it possible to contribute, to the extent of EUR 0.66 million, to increasing the appropriations for funding the completion of certain work linked to the security of the buildings under Line 2007 'Fitting-out of premises', as mentioned above.

3.2.2 CHAPTER 21 – DATA PROCESSING, EQUIPMENT AND MOVABLE PROPERTY

The final appropriations in this Chapter, amounting to EUR 21 465 000, were committed to the extent of EUR 21 248 913, which represents a very high rate of implementation of 99%, as against 98.4% in 2016.

The appropriations in Chapter 21 are for the most part (88.1%) intended for expenditure on IT (Article 210), the balance being allocated to expenditure on furniture (Article 212), technical equipment and installations (Article 214) and vehicles (Article 216).

So far as Article 210 'Equipment, operating costs and data-processing and telecommunications services' is concerned, it is important to stress how vital this expenditure is to the proper working of all the Court's activities, first and foremost its judicial activity, but also linguistic and administrative activities.

At the same time as pursuing major developments linked to digital working in respect of the flow of documents (including the continuing improvement of the e-Curia application and of the electronic publication of the European Court Reports), the development or improvement of the applications specific to the various activities of the Court have been continued in order to increase the efficiency and productivity of the courts and support services.

In that context, two transfers of appropriations made it possible to increase the IT appropriations initially estimated in Article 210 (EUR 18 476 000) in order to cover certain additional investment in the course of the financial year. A first transfer of EUR 131 000, from Article 272 'Documentation, library and archiving expenditure' and Item 2741 'General publications', to Line 2100 'Purchase, servicing and maintenance of equipment and software' and a second transfer, amounting to EUR 305 000, from Item 1200 'Remunerations and allowances' to Line 2102 'External services for the operation, implementation and maintenance of software and systems' were used to fund the purchase of licences and IT developments linked to a whole series of new IT projects.

As regards the three other budget articles in Chapter 21, their rate of implementation in 2017 varied as follows in relation to 2016: 87.12% as against 89 % in 2016 for Article 212 'Furniture', 87.2% as against 80.1% in 2016 for Article 214 'Technical equipment and installations' and 97.1% as against 92.7% in 2016 for Article 216 'Vehicles'.

As regard Article 212, the reduced implementation of appropriations is due, first, to the fact that it was anticipated, when the draft 2017 budget was being prepared in early 2016, that the European Parliament would conclude in 2016 a new inter institutional framework contract with respect to furniture, with estimated higher prices. However, the European Parliament decided to extend the existing framework contract, which was less expensive as compared with the budget estimates. Further, the purchase of court-room armchairs that was planned when the 2017 budget was drawn up was brought forward to 2016, giving rise to a surplus of appropriations in 2017. Accordingly, a sum of EUR 85 000 could be transferred from budget article 2012 to Article 214 'Technical equipment and installations', in order to equip the access to the new temporary visitor area with three X-ray scanners.

As regards Article 214 'Technical equipment and installations', there should be noted a second increase, again amounting to EUR 85 000, derived from Line 2741 'General publications', in order to purchase machines for the Institution's document reproduction shop.

Last, as regards Article 216, budget implementation was slightly higher in terms of appropriations and in terms of the percentage of final appropriations, following the arrival, in 2017, of two of the last three Judges expected in order to increase the number of Judges in the General Court. Accordingly, the costs of renting official vehicles were better adapted to the estimate made when the 2017 budget was drawn up.

3.2.3 CHAPTER 23 – CURRENT ADMINISTRATIVE EXPENDITURE

The final appropriations in this Chapter, amounting to EUR 2 116 000, were committed to the extent of EUR 1 817 834, which results in a rate of implementation of 85.91% (79.3% in 2016).

It may usefully be noted that:

- ▶ expenditure in Article 230 'Stationery, office supplies and various consumables' amounted to EUR 477 196 in 2017 (implementation rate of 69.2%), as opposed to EUR 694 000 in 2016 (100% implementation). The under-implementation in this Item in 2017 is due to (i) the existence of available stocks of paper which reduced consumption in the first part of the year and (ii) significant efforts to reduce the consumption of paper, the fruit of a resolutely pursued policy of digitalisation of flows of documents;
- ▶ expenditure in Article 231 'Financial charges' amounted to EUR 6 000 in 2017 as opposed to EUR 10 088 in 2016 (rate of implementation of 30% in 2017 as against 20.18% in 2016). In that regard, the assumption that negative interest would have to be incurred on the Institution's current account was not borne out in 2017, as in 2016;
- ▶ expenditure in Article 232 'Legal expenses and damages' amounted to EUR 850 000 in 2017 as opposed to EUR 14 150 in 2016 (100% rate of implementation in 2017 as against 20.21% in 2016). In 2017 it was necessary to make payment of damages following the order made against the Institution, in a number of cases, because of the failure to adjudicate within a reasonable time in certain cases closed by the General Court in 2011;
- ▶ expenditure in Article 236 'Postal charges' was EUR 121 000 (rate of implementation of 77.07% as against 52.9% in 2016). The expenditure in 2017 stabilised as compared with the expenditure in 2016 (EUR 111 000) notwithstanding the fact that the activity of the General Court increased due to the arrival of new Judges, which indicates the very positive results of the policy of digitalisation of flows of documents that are inherent in the judicial activity by means of an ever increasing use of the e-Curia application (the percentage of documents lodged by means of e-Curia reached 81%, as against 38% in 2012). The amount of expenditure in this line has gone from EUR 541 308 in 2012 to EUR 121 000 in 2017;
- ▶ expenditure in Article 238 'Other administrative expenditure' amounted to EUR 363 639 in 2017 (91.14% rate of implementation in 2017 as opposed to 75.2% in 2016). It should be mentioned that a portion of the appropriations of this Chapter is intended to promote a mobility policy for the Court's staff that is friendlier to the environment both for getting to work and for work related movements between the Institution's various buildings. This budget makes it possible to honour the contract concluded with the city of Luxembourg for the use of the urban bus network by the Institution's staff.

3.2.4 CHAPTER 25 – MEETINGS AND CONFERENCES

The final appropriations in this Chapter, amounting to EUR 521 500, were committed to the extent of EUR 424 524, whereas the final appropriations in 2016, which were also EUR 521 500, had been committed to the extent of EUR 498 003. Accordingly, the rate of implementation of appropriations in 2017 is 81.40% as opposed to 95.5% in 2016.

It should be noted that the nature of the expenditure in this Chapter, intended for the most part for the Court's ceremonial events and official visits, seminars and study and information visits, where the Court does not always have the initiative or control over the scheduling of arrangements, is necessarily less predictable.

3.2.5 CHAPTER 27 – INFORMATION: ACQUISITION, ARCHIVING, PRODUCTION AND DISTRIBUTION

The final appropriations in this Chapter, amounting to EUR 2 643 000, were committed to the extent of EUR 2 485 069 in 2017, which results in a rate of implementation of 94.02% in 2017, as against 95.8% in 2016.

The appropriations in this chapter are divided between two budget articles:

- ▶ expenditure in Article 272 'Documentation, library and archiving expenditure', which amounted in 2017 to EUR 1 523 246 (implementation rate in 2017 of 98.27% as against 100% in 2016). The reduced budget implementation rate is due, to a great extent, to a reduced acquisition of paper resources and to lower costs in 2017 for subscriptions to view-data services as compared with the estimate made in early 2016 ;
- ▶ expenditure in Article 274 'Production and distribution of information' which amounted in 2017 to EUR 961 823, or an implementation rate of 88% as against 89.51% in 2016.

That under-implementation is due, almost entirely, to the lower costs incurred in 2017 in relation to the cost of Court publications in the Official Journal of the European Union.

Further, the appropriations in this article finance the cost of reporting the case-law of the Institution's courts. In that regard, the effect of the new electronic method of publishing the case-law, more economical than the traditional paper publications, accounts for the continuation of a reduced level of expenditure in 2017. Accordingly, a sum of EUR 0.15 million could be released in Line 2741 'General publications', which was used to increase other lines.

Last, the appropriations in Article 274 continued to cover also the cost of publishing the Court's Annual Report and information material (books, brochures, folders and other multimedia material). It must be noted that that expenditure had to be increased in the course of 2017 in relation to new projects that were not anticipated when the 2017 draft budget was drawn up, including a re-design of the Curia website with the assistance of the Publications Office and the production of a work gathering together the documents of the 2017 Meeting of Judges.

Last, Article 274 also covers other expenditure on information, including communications intended for visitors to the Institution and the organisation of the annual Open Day.

3.3 TITLE 3 – EXPENDITURE RESULTING FROM SPECIAL FUNCTIONS CARRIED OUT BY THE INSTITUTION

CHAPTER 37 – SPECIAL EXPENDITURE RELATING TO CERTAIN INSTITUTIONS AND BODIES

The final budget funding in Title 3 consists solely of the appropriations in Chapter 37 for Item 3710 ‘Court expenses’. For the financial year 2017, those appropriations amounted to EUR 59 000 and were committed to the extent of EUR 50 590, which represents a rate of implementation of 85.75% (11.9% in 2016).

That is expenditure, for which the Institution is liable, relating to legal aid, covering lawyers’ fees and other expenses. It is difficult to estimate such expenditure, which explains why the level of budget implementation varies greatly from one year to the next.

ANNEX 1
COMPARISON BY CHAPTER OF THE IMPLEMENTATION OF REVENUE IN 2017 AND 2016

(in euros)

Budget lines	HEADING	ESTABLISHED ENTITLEMENTS 2017	ESTABLISHED ENTITLEMENTS 2016	DIFFERENCE	DIFF.%
400	Proceeds from taxation on the salaries, wages and allowances of Members of the institution, officials and other servants	27.079.550,52	25.244.159,20	1.835.391,32	7,27%
404	Proceeds from the special levy on the salaries of Members of the institution, officials and other servants in active employment	4.780.851,24	4.474.812,11	306.039,13	6,84%
40	Miscellaneous taxes and deductions	31.860.401,76	29.718.971,31	2.141.430,45	7,21%
410	Staff contributions to the pension scheme	18.878.494,06	18.041.688,55	836.805,51	4,64%
411	Transfer or repayment of pension rights by staff	0,00	1.284.932,51	-1.284.932,51	-100,00%
412	Contributions to the pension scheme by officials and temporary staff on leave on personal grounds	30.653,34	6.583,79	24.069,55	365,59%
41	Contribution to the pension scheme	18.909.147,40	19.333.204,85	-424.057,45	-2,19%
TITLE 4		50.769.549,16	49.052.176,16	1.717.373,00	3,50%
500	Proceeds from the sale of movable property - Assigned revenue	139.396,15	125.406,32	13.989,83	11,16%
502	Proceeds from the sale of publications, printed works and films - Assigned revenue	0,00	42.875,00	-42.875,00	-100,00%
50	Proceeds from the sale of movable and immovable property	139.396,15	168.281,32	-28.885,17	-17,16%
520	Revenue from investments or loans granted, bank and other interest on the institution's accounts	0,00	13,16	-13,16	-100,00%
52	Revenue from investments or loans granted, bank and other interest	0,00	13,16	-13,16	-100,00%
550	Revenue from the proceeds of services or work carried out for other institutions or bodies - Assigned revenue	949,44	243,97	705,47	289,16%
55	Revenue from the proceeds of services supplied or work carried out	949,44	243,97	705,47	289,16%
570	Revenue from the repayment of sums paid though not due - Assigned revenue	101.507,21	27.293,47	74.213,74	271,91%
573	Other contributions and refunds connected with the administrative operation of the institution - Assigned revenue	608.915,68	566.849,64	42.066,04	7,42%
57	Other contributions and refunds connected with the administrative operation of the institution	710.422,89	594.143,11	116.279,78	19,57%
581	Revenue from insurance payments received - Assigned revenue	56.683,86	71.370,62	-14.686,76	-20,58%
58	Miscellaneous compensation	56.683,86	71.370,62	-14.686,76	-20,58%
TITLE 5		907.452,34	834.052,18	73.400,16	8,80%
900	Miscellaneous revenue	0,00	0,00	0,00	NA
90	Miscellaneous revenue	0,00	0,00	0,00	NA
TITLE 9		0,00	0,00	0,00	NA
GENERAL TOTAL		51.677.001,50	49.886.228,34	1.790.773,16	3,59%

ANNEX 2

REVENUE SITUATION IN 2017 - ESTABLISHED ENTITLEMENTS AND ENTITLEMENTS CARRIED OVER

Budget lines	Heading	Initial budget	Established entitlements 2017	Revenue recovered	Still to be recovered
4000	Proceeds from taxation on the salaries, wages and allowances of Members of the institution, officials and other servants	28.312.000,00	27.079.550,52	27.079.550,52	0,00
4040	Proceeds from the special levy on the salaries of Members of the institution, officials and other servants in active employment	6.172.000,00	4.780.851,24	4.780.851,24	0,00
	<i>total Chapter 40</i>	<i>34.484.000,00</i>	<i>31.860.401,76</i>	<i>31.860.401,76</i>	<i>0,00</i>
4100	Staff contributions to the pension scheme	19.111.000,00	18.878.494,06	18.878.494,06	0,00
4110	Transfer or repayment of pension rights by staff	0,00	0,00	0,00	0,00
412	Contributions to the pension scheme by officials and temporary staff on leave on personal grounds	0,00	30.653,34	30.653,34	0,00
	<i>total Chapter 41</i>	<i>19.111.000,00</i>	<i>18.909.147,40</i>	<i>18.909.147,40</i>	<i>0,00</i>
	Title 4	53.595.000,00	50.769.549,16	50.769.549,16	0,00
5000	Proceeds from the sale of vehicles - Assigned revenue	0,00	500,00	500,00	0,00
5001	Proceeds from the sale of other movable property - Assigned revenue	0,00	138.896,15	138.896,15	0,00
5020	Proceeds from the sale of publications, printed works and films - Assigned revenue	0,00	0,00	0,00	0,00
	<i>total Chapter 50</i>	<i>0,00</i>	<i>139.396,15</i>	<i>139.396,15</i>	<i>0,00</i>
5200	Revenue from investments or loans granted, bank and other interest on the institution's accounts	0,00	0,00	0,00	0,00
	<i>total Chapter 52</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
5500	Proceeds from the supply of services and works for other institutions or bodies - Assigned revenue	0,00	949,44	0,00	949,44
	<i>total Chapter 55</i>	<i>0,00</i>	<i>949,44</i>	<i>0,00</i>	<i>949,44</i>
5700	Revenue from the repayment of sums paid though not due Assigned revenue	0,00	101.507,21	99.672,11	1.835,10
5730	Other contributions and refunds connected with the administrative operation of the institution - Assigned revenue	0,00	608.915,68	563.470,15	45.445,53
	<i>total Chapter 57</i>	<i>0,00</i>	<i>710.422,89</i>	<i>663.142,26</i>	<i>47.280,63</i>
5810	Revenue from insurance payments received - Assigned revenue	0,00	56.683,86	56.683,86	0,00
	<i>total Chapter 58</i>	<i>0,00</i>	<i>56.683,86</i>	<i>56.683,86</i>	<i>0,00</i>
	Title 5	0,00	907.452,34	859.222,27	48.230,07
9000	Miscellaneous revenue	0,00	0,00	0,00	0,00
	<i>total Chapter 90</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
	Title 9	0,00	0,00	0,00	0,00
	Total	53.595.000,00	51.677.001,50	51.628.771,43	48.230,07

Budget lines	Heading	Carried over 2016 to 2017	Variations during 2017	Total carried over 2016 to 2017	Revenue from commitments carried over	Still to be recovered
4110	Transfer or repayment of pension rights by staff	0,00	0,00	0,00	0,00	0,00
	<i>total Chapter 41</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
	Title 4	0,00	0,00	0,00	0,00	0,00
5001	Proceeds from the sale of other movable property - Assigned revenue	0,00	0,00	0,00	0,00	0,00
5020	Proceeds from the sale of publications, printed works and films - Assigned revenue	3.127,50	-98,75	3.028,75	1.460,00	1.568,75
	<i>total Chapter 50</i>	<i>3.127,50</i>	<i>-98,75</i>	<i>3.028,75</i>	<i>1.460,00</i>	<i>1.568,75</i>
5200	Revenue from investments or loans granted, bank and other interest on the institution's accounts	0,00	0,00	0,00	0,00	0,00
	<i>total Chapter 52</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
5500	Proceeds from the supply of services and works for other institutions or bodies - Assigned revenue	243,97	0,00	243,97	243,97	0,00
	<i>total Chapter 55</i>	<i>243,97</i>	<i>0,00</i>	<i>243,97</i>	<i>243,97</i>	<i>0,00</i>
5700	Revenue from the repayment of sums paid though not due Assigned revenue	5.204,13	0,00	5.204,13	282,42	4.921,71
5730	Other contributions and refunds connected with the administrative operation of the institution - Assigned revenue	15.491,37	-155,40	15.335,97	5.416,42	9.919,55
	<i>total Chapter 57</i>	<i>20.695,50</i>	<i>-155,40</i>	<i>20.540,10</i>	<i>5.698,84</i>	<i>14.841,26</i>
5810	Revenue from insurance payments received - Assigned revenue	0,00	0,00	0,00	0,00	0,00
	<i>total Chapter 58</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
	Title 5	24.066,97	-254,15	23.812,82	7.402,81	16.410,01
	Total	24.066,97	-254,15	23.812,82	7.402,81	16.410,01

ANNEX 3

COMPARISON BY CHAPTER OF THE IMPLEMENTATION OF APPROPRIATIONS IN 2016 AND 2017

(in euros)

Chapters	HEADING	COMMITMENTS 2017	COMMITMENTS 2016	DIFFERENCE	DIFF. %
10	Members of the institution	31.453.258,20	30.329.098,12	1.124.160,08	3,71%
12	Officials and temporary staff	238.553.826,79	225.901.709,22	12.652.117,57	5,60%
14	Other staff and external services	22.355.827,78	20.649.295,78	1.706.532,00	8,26%
16	Other expenditure relating to persons working with the institution	5.804.139,89	5.989.075,59	-184.935,70	-3,09%
	TITLE 1	298.167.052,66	282.869.178,71	15.297.873,95	5,41%
20	Buildings and associated costs	69.901.602,41	64.742.188,16	5.159.414,25	7,97%
21	Data processing, equipment and movable property: purchase, hire and servicing	21.248.913,22	21.519.393,96	-270.480,74	-1,26%
23	Current administrative expenditure	1.817.834,44	1.157.473,20	660.361,24	57,05%
25	Meetings and conferences	424.523,86	498.003,91	-73.480,05	-14,75%
27	Information: Acquisition, archiving, production and distribution	2.485.068,84	2.477.929,47	7.139,37	0,29%
	TITLE 2	95.877.942,77	90.394.988,70	5.482.954,07	6,07%
37	Expenditure relating to certain institutions and bodies	50.589,62	7.000,00	43.589,62	622,71%
	TITLE 3	50.589,62	7.000,00	43.589,62	622,71%
	GENERAL TOTAL	394.095.585,05	373.271.167,41	20.824.417,64	5,58%

DETAILED IMPLEMENTATION OF APPROPRIATIONS IN 2017 (APPROPRIATIONS FOR THE FINANCIAL YEAR AND APPROPRIATIONS AUTOMATICALLY CARRIED OVER FROM THE PRECEDING YEAR)

Budget lines	Index 1 (appropriations in the financial year)							Index 4 (appropriations automatically carried over from preceding year)			
	Initial budget (1)	Transfers (2)	Final appropriations in the financial year (3) = (1) + (2)	Commitments (4)	Payments (5)	Commitments available (6) = (4) - (5)	Appropriations cancelled (7) = (3) - (4)	Appropriations automatically carried over Year n-1 (8)	Payments out of appropriations carried over (9)	Appropriations cancelled (10) = (8) - (9)	
1000 Remuneration and allowances	29.148.000,00	-820.000,00	28.328.000,00	28.200.574,96	28.200.574,96	0,00	127.425,04	0,00	0,00	0,00	
1002 Rights connected with entering the service, transfer, and leaving the service	422.000,00	0,00	422.000,00	422.000,00	42.002,20	379.997,80	0,00	409.422,26	0,00	409.422,26	
102 Temporary allowances	3.042.000,00	0,00	3.042.000,00	2.245.348,91	2.245.348,91	0,00	796.651,09	0,00	0,00	0,00	
103 Pensions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
104 Missions	342.000,00	0,00	342.000,00	342.000,00	92.344,74	249.655,26	0,00	276.757,69	112.450,53	164.307,16	
106 Training	539.500,00	0,00	539.500,00	243.334,33	137.082,86	106.251,47	296.165,67	126.568,33	34.733,64	91.834,69	
109 Provisional appropriation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
Chapter 10 Members of the institution	33.493.500,00	-820.000,00	32.673.500,00	31.453.258,20	30.717.353,67	755.904,53	1.220.241,80	812.748,28	147.184,17	665.564,11	
1200 Remuneration and other rights	246.665.000,00	-9.030.000,00	237.635.000,00	235.418.098,15	235.418.098,15	0,00	2.216.901,85	0,00	0,00	0,00	
1202 Paid overtime	685.000,00	0,00	685.000,00	658.515,09	658.515,09	0,00	26.484,91	0,00	0,00	0,00	
1204 Rights connected with entering the service, transfer and leaving the service	2.137.500,00	500.000,00	2.637.500,00	2.477.213,55	2.309.353,70	167.859,85	160.286,45	114.951,11	33.608,70	81.342,41	
122 Allowances on early termination of service	230.000,00	0,00	230.000,00	0,00	0,00	0,00	230.000,00	0,00	0,00	0,00	
129 Provisional appropriation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
Chapter 12 Officials and temporary staff	249.717.500,00	-8.530.000,00	241.187.500,00	238.553.826,79	238.385.966,94	167.859,85	2.633.673,21	114.951,11	33.608,70	81.342,41	
1400 Other agents	7.323.500,00	61.974,50	7.385.474,50	7.239.808,33	7.239.808,33	0,00	145.666,17	0,00	0,00	0,00	
1404 In-service training and staff exchange	808.000,00	0,00	808.000,00	808.000,00	668.319,27	139.680,73	0,00	22.527,26	121,29	22.405,97	
1405 Other external services	242.500,00	0,00	242.500,00	217.588,00	160.546,45	57.041,55	24.912,00	75.470,28	48.806,07	26.664,21	
1406 External services in the linguistic field	14.611.500,00	-511.974,50	14.099.525,50	14.090.431,45	10.784.591,83	3.305.839,62	9.094,05	4.000.170,06	3.463.570,00	536.600,06	
149 Provisional appropriation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
Chapter 14 Other staff and external services	22.985.500,00	-450.000,00	22.535.500,00	22.355.827,78	18.853.265,88	3.502.561,90	179.672,22	4.098.167,60	3.512.497,36	585.670,24	
1610 Miscellaneous expenditure for staff recruitment	197.000,00	0,00	197.000,00	140.591,42	72.240,18	68.351,24	56.408,58	34.671,40	10.198,87	24.472,53	
1612 Further training	1.689.500,00	0,00	1.689.500,00	1.457.644,07	579.000,04	878.644,03	231.855,93	937.405,40	801.251,16	136.154,24	
162 Missions	391.500,00	0,00	391.500,00	391.500,00	249.648,92	141.851,08	0,00	139.191,01	32.492,85	106.698,16	
1630 Social welfare	20.000,00	-6.774,56	13.225,44	13.000,00	9.637,20	3.362,80	225,44	5.250,00	0,00	5.250,00	
1632 Social contacts between members of staff and other welfare expenditure	264.500,00	6.774,56	271.274,56	264.126,63	258.082,56	6.044,07	7.117,93	9.462,30	7.002,86	2.459,44	
1650 Medical service	297.000,00	-85.000,00	212.000,00	172.334,34	97.196,74	75.137,60	39.665,66	36.396,50	18.776,24	17.620,26	
1652 Restaurants and canteens	88.000,00	0,00	88.000,00	87.443,43	39.262,76	48.180,67	586,57	41.279,42	40.044,57	1.234,85	
1654 Early childhood centre	3.085.000,00	50.000,00	3.135.000,00	3.135.000,00	2.717.200,28	417.799,72	0,00	656.906,44	477.182,60	179.723,84	
1655 PMO expenditure	86.500,00	0,00	86.500,00	86.500,00	0,00	0,00	0,00	0,00	0,00	0,00	
1656 Type-II European Schools	21.000,00	35.000,00	56.000,00	56.000,00	56.000,00	0,00	0,00	0,00	0,00	0,00	
Chapter 16 Other expenditure relating to persons working with the institution	6.140.000,00	0,00	6.140.000,00	5.804.139,89	4.078.268,68	1.725.871,21	335.860,11	1.860.562,47	1.386.949,15	473.613,32	
Title 1 Persons working with the institution	312.336.500,00	-9.800.000,00	302.536.500,00	298.167.052,66	292.034.855,17	6.132.197,49	4.369.447,34	6.886.429,46	5.080.239,38	1.806.190,08	

Budget lines	Index 1 (appropriations in the financial year)							Index 4 (appropriations automatically carried over from preceding year)			
	Initial budget (1)	Transfers (2)	Final appropriations in the financial year (3) = (1) + (2)	Commitments (4)	Payments (5)	Commitments available (6) = (4) - (5)	Appropriations cancelled (7) = (3) - (4)	Appropriations automatically carried over Year n-1 (8)	Payments out of appropriations carried over (9)	Appropriations cancelled (10) = (8) - (9)	
2000 Rent	9 710 000,00	-681 500,98	9 028 499,02	9 027 527,19	9 027 526,83	0,36	891,83	0,00	0,00	0,00	
2001 Lease/purchase	32 133 000,00	7 436 590,98	39 569 590,98	39 569 496,66	39 156 714,61	412 782,05	94,32	361 047,05	297 639,51	63 407,54	
2003 Acquisition of immovable property	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
2005 Construction of buildings	0,00	2 430 000,00	2 430 000,00	3 296 097,79	448 307,71	2 847 790,08	28 902,21	1 560 352,14	1 494 630,37	65 721,77	
2007 Fitting-out of premises	1 100 000,00	185 000,00	1 285 000,00	1 282 846,62	836 117,24	446 729,38	2 153,38	466 751,68	396 753,70	69 997,98	
2008 Studies and technical assistance in connection with building projects	7 423 000,00	0,00	7 423 000,00	7 392 338,22	5 311 684,25	2 080 653,97	30 661,78	2 222 492,02	1 975 241,14	247 250,88	
2022 Cleaning and maintenance	2 485 000,00	-400 000,00	2 077 000,00	2 076 747,05	1 649 089,05	427 658,00	252,95	316 418,26	236 372,49	80 045,77	
2024 Consumption of energy	7 232 000,00	-308 000,00	6 924 000,00	6 895 419,49	6 163 588,35	733 831,14	36 580,51	863 369,72	712 755,58	150 614,14	
2026 Security and surveillance of buildings	99 000,00	3 000,00	102 000,00	101 979,86	100 453,41	1 526,45	20,14	1 000,00	1 000,00	0,00	
2028 Insurance	211 000,00	50 000,00	261 000,00	259 149,53	207 347,47	51 802,06	1 850,47	102 742,03	69 166,70	33 575,33	
2029 Other expenditure on buildings	61 288 000,00	8 715 000,00	70 003 000,00	69 901 602,41	62 900 828,92	7 000 773,49	101 397,59	5 894 172,90	5 182 559,49	711 613,41	
Chapter 20 Buildings and associated costs	6 604 000,00	131 000,00	6 735 000,00	6 734 641,23	5 588 994,37	1 145 646,86	358,77	2 634 542,58	2 626 339,60	8 202,98	
2100 Purchase, servicing and maintenance equipment and software	11 185 000,00	710 000,00	11 895 000,00	11 850 023,92	6 835 368,83	5 014 655,09	44 976,08	5 043 258,14	4 931 498,16	111 759,98	
2102 External services for operation, creation and servicing of software and systems	687 000,00	-405 000,00	282 000,00	281 727,23	208 414,25	73 312,98	272,77	76 467,50	62 162,16	14 305,34	
2103 Telecommunications	657 500,00	-85 000,00	572 500,00	498 771,09	264 824,58	233 946,51	73 728,91	268 645,03	265 468,39	3 176,64	
212 Furniture	225 500,00	170 000,00	395 500,00	344 456,97	68 528,62	275 928,35	50 543,03	361 223,59	285 162,80	76 060,79	
214 Technical equipment and installations	1 585 500,00	0,00	1 585 500,00	1 539 292,78	1 437 132,84	102 159,94	46 207,22	190 963,11	62 154,45	128 808,66	
216 Vehicles	20 944 000,00	521 000,00	21 465 000,00	21 248 913,22	14 403 263,49	6 845 649,73	216 086,78	8 575 099,95	8 232 785,56	342 314,39	
Chapter 21 Data processing, equipment and movable property; purchase, hire and servicing	690 000,00	20 000,00	710 000,00	477 195,82	379 802,22	97 393,60	212 804,18	266 933,27	253 701,88	13 251,39	
230 Stationery, office supplies and various consumables	20 000,00	0,00	20 000,00	6 000,00	4 342,75	1 657,25	14 000,00	5 513,80	1 528,00	3 985,80	
231 Financial charges	70 000,00	780 000,00	850 000,00	850 000,00	731 596,63	118 403,37	0,00	3 150,00	3 150,00	0,00	
232 Legal expenses and damages	157 000,00	0,00	157 000,00	121 000,00	92 208,06	28 791,94	36 000,00	23 615,50	17 532,35	6 083,15	
236 Postal charges	399 000,00	0,00	399 000,00	363 638,62	314 350,44	49 288,18	35 361,38	51 008,18	26 149,85	24 858,33	
238 Other administrative operating expenditure	1 336 000,00	780 000,00	2 116 000,00	1 817 834,44	1 522 300,10	295 534,34	298 165,56	350 240,75	302 062,08	48 178,67	
Chapter 23 Current administrative expenditure	1 47 000,00	0,00	147 000,00	139 957,64	91 929,51	48 028,13	7 042,36	10 035,17	8 649,18	1 385,99	
252 Entertainment and representation expenses	374 500,00	0,00	374 500,00	284 566,22	193 167,45	91 398,77	89 933,78	218 582,10	108 586,16	109 995,94	
254 Meetings, congresses and conferences	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
256 Expenditure on information and on participation in public events	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
257 Legal information service	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
Chapter 25 Meetings and conferences	521 500,00	0,00	521 500,00	424 523,86	285 096,96	139 426,90	96 976,14	228 617,27	117 235,34	111 381,93	
270 Limited consultations, studies and surveys	1 615 000,00	-65 000,00	1 550 000,00	1 523 245,53	1 180 075,92	343 169,61	26 754,47	251 367,05	221 915,06	29 451,99	
272 Documentation, library and archiving expenditure	450 000,00	0,00	450 000,00	331 433,57	331 433,57	0,00	118 566,43	0,00	0,00	0,00	
2740 Official Journal	156 500,00	-39 000,00	117 500,00	116 039,46	95 289,29	19 992,16	11 149,72	54 192,84	51 362,29	2 830,55	
2741 General publications	156 500,00	-39 000,00	117 500,00	116 039,46	95 289,29	19 992,16	11 149,72	54 192,84	51 362,29	2 830,55	
2742 Other information expenditure	2 859 000,00	-216 000,00	2 643 000,00	2 485 068,84	2 101 156,90	383 911,94	157 931,16	305 559,89	273 277,35	32 282,54	
Chapter 27 Information: acquisition, archiving, production and distribution	86 948 500,00	9 800 000,00	96 748 500,00	95 877 942,77	81 212 646,37	14 665 296,40	870 557,23	15 353 690,76	14 107 919,82	1 245 770,94	
Title 2 Buildings, furniture, equipment and miscellaneous operating expenditure	59 000,00	0,00	59 000,00	50 589,62	42 706,90	7 882,72	8 410,38	0,00	0,00	0,00	
3710 Court expenses	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
3711 Arbitration Committee provided for in Article 18 of the EAEC Treaty	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
Chapter 37 Expenditure relating to certain institutions and bodies	59 000,00	0,00	59 000,00	50 589,62	42 706,90	7 882,72	8 410,38	0,00	0,00	0,00	
Title 3 Expenditure resulting from special functions carried out by the institution	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
100 Provisional appropriations	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
101 Contingency reserve	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
Title 10 Other expenditure	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
TOTAL	399 344 000,00	0,00	399 344 000,00	394 095 585,05	373 290 208,44	20 805 376,61	5 248 414,95	22 240 120,22	19 188 159,20	3 051 961,02	

ANNEX 4b

IMPLEMENTATION OF COMMITMENT APPROPRIATIONS BY SERVICE

SERVICES	FINAL APPROPRIATIONS IN THE FINANCIAL YEAR	COMMITMENTS
Directorate-General Personnel and Finance		
Chapter 10	32.331.500,00	31.111.258,20
Chapter 12	241.187.500,00	238.553.826,79
Chapter 14	8.323.474,50	8.177.808,33
Chapter 16	5.950.400,00	5.615.096,46
Chapter 23	20.000,00	6.000,00
Chapter 25	12.000,00	12.000,00
Total	287.824.874,50	283.475.989,78
Directorate-General Infrastructure		
Chapter 14	112.500,00	87.588,00
Chapter 16	88.000,00	87.443,43
Chapter 20	70.003.000,00	69.901.602,41
Chapter 21	21.463.500,00	21.248.913,22
Chapter 23	1.234.500,00	958.906,64
Chapter 27	681.500,00	551.833,57
Total	93.583.000,00	92.836.287,27
Directorate-General Translation		
Chapter 14	11.267.113,50	11.258.019,45
Total	11.267.113,50	11.258.019,45
Interpretation Directorate		
Chapter 14	2.797.752,00	2.797.752,00
Total	2.797.752,00	2.797.752,00
Directorate-General Library, Research and Documentation		
Chapter 14	34.660,00	34.660,00
Chapter 27	1.257.000,00	1.232.793,49
Total	1.291.660,00	1.267.453,49
Protocol and Visits Directorate		
Chapter 21	1.500,00	0,00
Chapter 23	11.500,00	2.927,80
Chapter 25	509.500,00	412.523,86
Total	522.500,00	415.451,66
Communication Directorate		
Chapter 27	704.500,00	700.441,78
Total	704.500,00	700.441,78
Other services (Court Registries and Legal Adviser on Administrative Matters)		
Chapter 10	342.000,00	342.000,00
Chapter 16	101.600,00	101.600,00
Chapter 23	850.000,00	850.000,00
Chapter 37	59.000,00	50.589,62
Total	1.352.600,00	1.344.189,62
General Total	399.344.000,00	394.095.585,05

ANNEX 5

USE OF ASSIGNED REVENUE IN 2017

	ASSIGNED REVENUE CARRIED OVER 2016 TO 2017	ASSIGNED REVENUE 2017	PAYMENTS	CANCELLATION OF ASSIGNED REVENUE FOR 2016 NOT ELIGIBLE FOR CARRYING OVER	ASSIGNED REVENUE CARRIED OVER ¹ 2017 TO 2018
10 - Members of the institution	570,66	2.311,26	1.712,88	570,66	598,38
12 - Officials and temporary staff	98.427,26	41.538,40	98.180,50	246,76	41.538,40
14 - Other staff and external services	256.131,61	317.071,76	255.977,77	153,84	317.071,76
16 - Other expenditure relating to persons working with the institution	13.664,82	1.624,36	713,16	4.298,82	10.277,20
Title 1 - Persons working with the institution	368.794,35	362.545,78	356.584,31	5.270,08	369.485,74
20 - Buildings and associated costs	202.263,72	205.305,42	262.934,61	5.544,50	139.090,03
21 - Data processing, equipment and movable property; purchase, hire and maintenance	150.392,48	249.962,09	115.047,84	5.860,97	279.445,76
23 - Current administrative expenditure	32.530,80	43.270,50	33.266,49	23,02	42.511,79
25 - Meetings and conferences	951,59	782,65	951,59	0,00	782,65
27 - Information: acquisition, archiving, production and distribution	41.946,53	323,91	40.000,00	1.946,53	323,91
Title 2 - Buildings, furniture, equipment and miscellaneous operating expenditure	428.085,12	499.644,57	452.200,53	13.375,02	462.154,14
37 - Expenditure relating to certain institutions and bodies	2.391,00	4.434,73	6.622,73	0,00	203,00
Title 3 - Expenditure resulting from special functions carried out by the institution	2.391,00	4.434,73	6.622,73	0,00	203,00
TOTAL	799.270,47	866.625,08	815.407,57	18.645,10	831.842,88

¹ Internal assigned revenue is carried over for one year only, in accordance with Article 14(b) of the Financial Regulation.

ANNEX 3

REPORT ON NEGOTIATED PROCEDURES

Article 53 of the rules of application of the Financial Regulation establishes the obligation, for each institution, to forward to the budgetary authority a report on negotiated procedures. Authorising officers by delegation are to record, for each financial year, contracts concluded by negotiated procedures.

During the financial year 2017, 6 contracts of an amount over EUR 60 000 were concluded by negotiated procedures, amounting in total to EUR 1 309 122¹.

The proportion of negotiated procedures in relation to the number of contracts awarded comes to 9.4 % (13.6 % in 2016). If the computations are done on the basis of the value of the contracts awarded (instead of the number of contracts), the proportion of negotiated procedures is even smaller (3.7%, as compared to 8.1 % in 2016).

This situation represents a significant improvement compared to that in 2016, the specific nature of which should be recalled given the significant investments related to strengthening the security of the Institution that were required in 2016.

The other negotiated procedures in question come under the remit of the Buildings Directorate (mainly heating and water consumption), the Directorate for Information Technologies (concerning contracts for the operation and maintenance of multimedia installations) and the Directorate of Logistics (for the purchase of X-ray tunnels for the reception pavilion).

The reasons most frequently invoked by the departments refer to Article 134(1)(b) of the implementing rules of the Financial Regulation and are based on the following:

- ▶ the existence of a single supplier that can meet the specific requirements of a given contract for technical reasons,
- ▶ the existence of a single supplier in a monopoly situation.

¹ Inter-institutional procedures in which the Court is not the lead institution are not included in these figures.

ANNEX 4

REPORT ON COMPLIANCE WITH AND SUSPENSION OF TIME-LIMITS FOR MAKING PAYMENTS TO CREDITORS OF THE INSTITUTION

Article 92(1) of the Financial Regulation establishes the payment periods for expenditure operations.

Article 111(4) of the rules of application of the Financial Regulation specifies the circumstances in which creditors paid late are entitled to receive default interest charged to the line from which the principal was paid¹. That article also lays down, in subparagraph 5, the obligation for each institution to submit to the budgetary authority a report on compliance with and suspension of the time-limits for paying its creditors².

The administration of the Court pays particular attention to compliance with those regulatory provisions regarding payment delays and ensures careful oversight and monitoring of this.

To that end, the SAP integrated financial and budgetary management system (developed on an inter-institutional basis by the Council, the Court of Auditors and the Court) has specific features that enable the following:

- ▶ real time visualisation by the authorising departments of the tracking of invoices and corresponding payments throughout the internal chain of verification and approval;
- ▶ the production of specific follow-up or warning reports that integrate the management of suspension of time-limits for payment and the automatic calculation of default interest to be paid on any invoices paid late.

1 Art. 111(4) of Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union: 'On expiry of the time limits laid down in Article 92(1) of the Financial Regulation, the creditor shall be entitled to interest in accordance with the following conditions: (a) the interest rates shall be those referred to in Article 83(2) of this Regulation; (b) the interest shall be payable for the period elapsing from the calendar day following expiry of the time limit for payment laid down in Article 92(1) of the Financial Regulation up to the day of payment. However, when the interest calculated in accordance with the first subparagraph is lower than or equal to EUR 200, it shall be paid to the creditor only upon a demand submitted within two months of receiving late payment.'

2 Art. 111(5) of Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union: 'Each institution shall submit to the European Parliament and Council a report on the compliance with the time limits and on the suspension of the time limits laid down in Article 92 of the Financial Regulation. The report of the Commission shall be annexed to the summary of the annual activity reports referred to in Article 66(9) of the Financial Regulation'.

The analysis of data for the financial year 2017 shows that there no case of payment of mandatory default interest (a case where the amount of default interest exceeds the threshold of EUR 200 defined in Article 111(4) of the rules for application of the Financial Regulation) was recorded in that year.

In general, the means described above together enable proper control of payment delays, the average being 31 days, as shown in the table below:

Year	Invoices		Average payment period (in days)
	Number	Amount (in EUR)	
2015	10 787	49 304 826	30.32
2016	11 245	55 745 198	33.73
2017	11 573	57 235 733	31.08

The average payment period in 2017 returned to its average value after having experienced a slight increase in 2016. The reduction in the payment period is due primarily to the reduction in the period for payment of external translators, which alone represent 60% of the volume of invoices paid, which went from an average of 38.64 days in 2015 to 34.14 in 2017, but which is still well below the contractual period of 60 days applicable for those services, taking into account the quality controls that are necessary.

The very reasonable average time for payment is also due to the fact that, in many cases, the departments of the Court make payment of invoices without waiting until the due date specified in the contract, which is very much to the advantage of suppliers since, under Article 92(1) of the Financial Regulation, many invoices had a contractual payment period of 60 or 90 days (technical services or actions which are particularly complex to evaluate and for which payment depends on the approval of a report or a certificate).

Thus, this result is perfectly in line with the efforts proposed by the European Commission in April 2009³ in order to improve the financial situation of undertakings.

³ Directive COM(2009) 126 final of the European Parliament and of the Council on combating late payment in commercial transactions

ANNEX 5

REPORT TO THE BUDGETARY AUTHORITY 'UPDATED PLAN OF INVESTMENT IN BUILDINGS 2017-2022'

ENVIRONMENTAL ACTION AND INTER-INSTITUTIONAL COOPERATION

INTRODUCTION

The Court of Justice of the European Union ('the Court' or 'the Institution') has drawn up this annual property report in accordance with the provisions of Article 203 of the Financial Regulation applicable to the general budget of the European Union, which provides that:

'Each institution shall provide the European Parliament and the Council, by 1 June each year, with a working document on its building policy, which shall incorporate the following information:

(a) for each building, the expenditure and surface area covered by the appropriations of the corresponding budget lines;

(b) the expected evolution of the global programming of surface area and locations for the coming years with a description of the building projects in planning phase which are already identified;

(c) the final terms and costs, as well as relevant information regarding project implementation of new building projects previously submitted to the European Parliament and the Council under the procedure established in paragraphs (4) and (5) and not included in the preceding year's working.

This report updates and complements, ¹for the period 2017-2022, the reports drawn up since April 2009 on the same subject.

The financial information provided concerns both the Court's buildings subject to a lease-purchase contract (also described below as a 'lease-sale contract') and those subject to a lease contract.

I. PRELIMINARY REMARKS

The Court of Justice considers that it is useful to set out, in section 1, the buildings policy pursued by the Institution, in section 2, a broad outline of the history of its buildings complex and, in section 3, the specific features of its requirements.

1. THE INSTITUTION'S BUILDINGS POLICY

The Institution's buildings policy has two main objectives:

- ▶ first, after an initial policy of renting premises, the Court's aim, since the final establishment of its seat in Luxembourg (decided at the Edinburgh European Council in 1992) is to become the owner of the buildings which it occupies, following the example of other institutions and in line with the recommendations of the Special Report of the Court of Auditors (No 2/2007) which highlights the budgetary savings of such a policy;
- ▶ secondly, the Court's aim is to have premises adapted to the specificity of its jurisdictional needs and to reunite all its departments on a single site, in order to optimise the performance of its tasks.

2. CHANGES IN THE COURT OF JUSTICE'S REAL PROPERTY SITUATION AND FUTURE OUTLOOK

The Court, established in Luxembourg since 1952, moved in 1972 to the court building ('Palais') constructed and simply leased to it by the Luxembourg authorities on the Kirchberg plateau.

To meet its increased requirements, the Court was obliged, initially, to rent office space outside the Palais, which as from 1979 had become too small.

In order to bring all its staff together on the same site, annexes to the Palais (the Erasmus, Thomas More and 'C' buildings) were built between 1986 and 1993. In 1994, as part of the policy of purchase referred to above, the Court and the Luxembourg State entered into a lease/purchase contract relating to those annexes (on which, see Chapter III).

In 1998 the Palais, rented from the Luxembourg State, had to be vacated because of asbestos. The authorities of the Grand Duchy offered a replacement building, the T building. Since the latter, unlike the annexes, lacked court rooms, the Members of the Court and their cabinets were installed in the annexes and the translation service moved into the T building.

¹ The annexes with figures appended to the present report comply, in so far as possible, with the format adopted in the context of the discussions which took place within the specialised inter-institutional buildings group (the GICL for the institutions established in Luxembourg).

The Court, which had, from 1994, undertaken a review of its longer-term buildings policy, had in the meantime decided on a project for the renovation and extension of the Palais (the project of the architect D. Perrault). That project, the design of which is strong both architecturally and functionally, was based on the estimated requirements as foreseeable at the time. In July 2001 the Court signed a framework contract with the Luxembourg authorities for the realisation of that project (see Chapter II).

However, pending delivery of the new space and faced with the urgent need for buildings in connection with the 2004 accessions, the Court was obliged to take the decision to rent for the time being other buildings (the Tbis building for the translation service and the Geos building, several kilometres from the Palais, for administrative services).

In addition, after creation of the Civil Service Tribunal at the end of 2005, it was necessary to rent additional space in another building (Allegro), also several kilometres from the Palais.

The renovation of the Palais and the 4th extension of the Court's buildings (Chapter II) has been operational since 2008. Occupation of those buildings has made it possible to reunite the greater part of the Court's staff in the buildings complex of the Court of Justice.

The Erasmus, Thomas More and 'C' annexes underwent extensive renovation and compliance work, beginning in early 2011, and were brought back into service for the start of the new judicial term in September 2013 (see Chapter IV). That operation made it possible to give up some of the offices that were rented (the Allegro and Geos buildings).

However, as the total capacity of the main site continues to fall short of foreseeable needs, the Court was compelled to continue renting the T-Tbis buildings (see **Annex 2**).

In the context of defining its real estate needs, the Court of Justice has reassessed its buildings requirements in the medium term (2015-2023). To do so, the Court's starting point has been an approach based on the changes reasonably foreseeable given the information currently available (further accessions, changes in the structure of the Institution, general growth in the number of cases brought and outlook for the evolution of the staffing of services in the light of the budgetary situation).

Given that the consequence of the shortfall in office space mentioned above, allied to the assessment of foreseeable requirements in the medium term, is that the capacity of the main site needs to be increased by approximately 30 000 m² of office space, the budgetary authority was informed in July 2011, in accordance with Article 179 of the former Financial Regulation, of the proposed construction of a 5th extension of the Court's buildings (Chapter V).

In the context of that notification, the Council's Budget Committee agreed to the proposed 5th extension by refraining from issuing an opinion.

The European Parliament's Committee on Budgets transmitted a favourable preliminary opinion to the Court in July 2011 and a favourable final opinion on 1 April 2015, further to additional information sent to it on 12 March 2015 by the Court on the basis of the detailed pilot study. The agreement of the two arms of the budgetary authority thus enabled a vote on the required funding legislation by the Luxembourg legislature.

Since 2016, the construction of a 5th extension of the Court's buildings has been underway.

As an aid to understanding how the Court's buildings have changed, a plan indicating the periods of construction of the current buildings (and the future extension) is attached as **Annex 1**.

3. SPECIFIC FEATURES OF THE COURT'S BUILDINGS REQUIREMENTS

It must be pointed out that the Court's buildings requirements are not confined to office space. The Court has very particular requirements, because of the principle that court hearings must be open to the public.

It follows that significant space must be allocated to court rooms. Those must be of sufficient number to meet the requirements of all the chambers of the courts. The Court has a total of 11 court rooms.

As in any court building or 'Palais de justice', public areas, usually referred to in French as 'salles des pas perdus', must be provided at the entrances of those court rooms and areas must also be provided to facilitate access by the parties, their lawyers and the public. In 2017, the Court received an increased number of visitors (15 523 visitors compared with 14 500 visitors in 2016).

It may be added that the various parts of the complex are connected by means of a gallery, which thereby increases the common areas.

It follows that the information on the total space (see **Annex 3**) must be read in the light of those factors.

II. RENOVATION OF THE PALAIS AND 4TH EXTENSION OF THE COURT'S BUILDINGS

As stated in Chapter I, the construction of the new Palais is a major project which was made necessary by the enlargements of 2004 and 2007. The budgetary authority was notified of that project in accordance with Article 179(3) of the former Financial Regulation by two communications sent by the Court in July 2001 and November 2003.

It may usefully be pointed out that, given the scale of such a buildings project, the Court has been particularly attentive to the budgetary principles of economy and efficiency in the conduct of those construction transactions. That is moreover confirmed by the Special Report of the Court of Auditors (No 2/2007) concerning the expenditure of the Community institutions on buildings.

The Court of Auditors notes the good practices followed by the Court in that project (increased competition through open invitations to tender in order to limit the overall cost of the project as much as possible, involvement of the European Investment Bank in the financing arrangements on terms much more advantageous than financing from private or public banks).

Lastly, as was stated in the report drawn up on 22 September 2006 for the attention of the budgetary authority, every step has been taken by the Court to ensure the verification and monitoring of the cost of this project at all stages of its progress (engagement of a consulting firm for technical and financial assistance). Accordingly, as a result of those measures, the forecast final cost of the project remains within the budget (indexed) which was originally set.

The renovated and extended buildings were delivered, as scheduled, in the second half of 2008 and inaugurated on 4 December 2008. A gallery serving the common areas links the components of the complex to each other and to the former annex buildings of the Palais (Erasmus, Thomas More and 'C' buildings).

1. FUNDING PLAN

The framework contract entered into on 16 July 2001 by the Court and the Luxembourg State and the consequent specific lease-sale contract, signed on 13 June 2007, stipulate that the sale price includes the price of final construction (see section 1.3. below), the financing costs (including interim interest) and the costs incurred by the Luxembourg State in fulfilling its obligations as landlord during the period of lease-purchase.

The sale price is to be determined by an independent expert (the firm of auditors KPMG) appointed, after an invitation to tender, by mutual agreement of the Luxembourg State and the Court. Calculation of the final breakdown is to be based on a cost integration procedure to be determined by common agreement.

The project has been pre-financed by the Luxembourg State under the terms of the framework contract. The sum invested must be repaid by the Court under the terms of a lease-sale agreement which adds specification to that framework contract. Repayment is spread over a period extending to 2026. Provision is made for the option of making advance payments (see section 1.2. below). Responsibility for financing the project lies with the property company Justicia 2026, which concludes long term loans with the financial institutions offering the best terms (see section 1.1. below).

1.1. LOANS FOR THE FINANCING OF THE PROJECT – TAKING UP OF LOAN FUNDS

After the initial costs, principally for studies, which were pre-financed by the Luxembourg State, the property company has taken charge of paying invoices by using short term credit facilities granted by the Banque et Caisse d'Épargne de l'État luxembourgeois (BCEE) and the European Investment bank (EIB).

As the work has advanced, those short term credit facilities have been converted into long term loans. That operation is commonly referred to as the 'taking up of loan funds'. The interest rates and also the type of rate (fixed, adjustable, variable, capped variable, package of various formulas) are to be determined when the loans are taken up, following a study of predicted market trends made in liaison with the Commission's DG ECFIN. In fact, variations in the amount of the charge can be caused by the level of the fixed rates when the loan funds are taken up and, as the case may be, by the movement of interest rates as regards that proportion of the financing obtained at variable rates. The Court has paid particular attention to the operations conducted by the Justicia property company, given that the Court's budget will have to bear the cost of those operations through the lease-purchase agreement.

To date, loan funds amounting to EUR 309 397 648 have been taken up on seven occasions between 2008 and 2017. In that context, the Court's competent authorising officer sought the advice of the Institution's Budget and Financial Affairs Directorate, the banks concerned (EIB and BCEE) and DG ECFIN (European Commission), a neutral intermediary in relation to those two banks.

1.2. PREPAYMENTS

To date, the prepayments made with the agreement of the two arms of the budgetary authority since 2007, amounting in total to EUR 57.3 million, have made it possible to reduce significantly the budget impact of the lease-purchase payments to be made until 2026 (because of the savings on financing charges (estimated at more than EUR 20 million over the whole period)), the annual amount of which (EUR 23.6 million in 2018) would otherwise be 18 % higher.

1.3. COST OF FINAL CONSTRUCTION AND BALANCE OF FUNDS TO BE TAKEN UP

The cost of construction of the new buildings amounts to EUR 355.3 million (exclusive of VAT and pre-financing financial charges) and is in line with the budget forecast. That amount must be read subject to the financial impact of any legal proceedings.

At the end of 2017, the balance of funds to be taken up is less than EUR 6.5 million and predominantly corresponds to the sums of performance bonds held until the withdrawal of reservations.

2. RENOVATION EXPENSES AND MAJOR MAINTENANCE

The costs covered by this section fall into three categories: first, the improvement of equipment and installations; second, the maintenance and repair of technical installations; lastly, the maintenance and repair of what are called architectural features.

As of 2020, renovation needs will begin to grow, as is foreseeable for works of this nature after a period of 7 to 12 years since they were brought into service. Furthermore, optimisation intended to modify and improve certain equipment and installations in view of their use must be provided for, but the costs should not be unreasonable.

In the meantime, maintenance costs alone will have to be met. Accordingly, ongoing servicing and operation of technical installations, together with major works of maintenance are to be carried out under a servicing contract concluded with an external firm, consistent with a policy followed by all the institutions. That contract was concluded after a public procurement procedure undertaken jointly with the Luxembourg State, pursuant to Article 125c of the Implementing Rules of the former Financial Regulation. As regards major works of maintenance, that contract provides for the creation of a reserve fund into which is to be made an annual payment, EUR 850 000 in 2017.

Further, appropriations amounting to EUR 300 000 have been requested annually since 2011 to cover the maintenance and repair of what might be called architectural features (the outer surfaces, weather-tight fabric and roof, final outfitting, woodwork, etc.), on budget items 2007 and 2022.

Since 2016, several framework contracts have been concluded for both architectural maintenance and the installation of additional technical equipment.

An amount of EUR 660 000 is allocated to the architectural maintenance of the 4th extension buildings, but also the Erasmus, Thomas More and 'C' buildings. The Court's objective is, further, to obtain in the medium term an architectural maintenance contract for a fixed sum to cover all its buildings and an amount of EUR 570,000 is allocated for the installation of additional technical equipment for the whole of the Court's buildings complex.

III. ACQUISITION OF ANNEX BUILDINGS (ERASMUS, THOMAS MORE AND 'C')

As stated in Chapter I, the buildings annexed to the Palais (Erasmus, Thomas More and 'C' buildings) were constructed between 1986 and 1993, and the Court and the Luxembourg State entered into a lease/purchase contract relating to those annexes in 1994. That contract stipulates that the sale price is to include the price of construction, the expenses of financing and the expenses incurred by the State in fulfilling its obligations as landlord during the period of lease/purchase. The sale price is to be determined by an independent expert (the firm of auditors KPMG) appointed, after an invitation to tender, by mutual agreement of the Luxembourg State and the Court. The final breakdown is to be computed on the basis of a method for calculating present-day values to be determined by mutual agreement, on the basis of the rates of interest on the loan funds taken up for the financing of the project.

The report of the independent expert appointed under the lease-purchase contract indicates that the balance of the sale price of the annex buildings on 31 December 2017 was EUR 1.48 million.

On 25 March 2010, the Luxembourg State and the Court entered into an agreement supplementary to the lease-purchase contract. The purpose of that supplementary agreement was, first, to define the framework within which the parties in the project of renovating the annex buildings are to perform their respective obligations (see Chapter IV below) and, second, to agree how that renovation project and the lease-purchase contract are to be related. In that regard, the objective was to bring the date of expiry of the lease/purchase contract relating to the annex buildings into line with that relating to the new Palais mentioned in Chapter II above (no later than 31 December 2026) and to bring the entire buildings complex within a single legal framework.

Because of the alteration of the date of expiry of the lease/purchase contract relating to the annex buildings, the payments due under that contract have been rescheduled. The amount to be paid is EUR 150 000 per annum.

IV. RENOVATION AND UPGRADING OF ANNEX BUILDINGS (ERASMUS, THOMAS MORE AND 'C')

Taking into account the date of construction of the annex buildings (between 1986 and 1993) and the greater stringency of Luxembourg standards in relation to construction, safety and security since that date, work to renovate and to bring those buildings into compliance had become unavoidable. The budgetary authority was notified of this, in accordance with the provisions of Article 179 of the former Financial Regulation, by a communication sent by the Court on 8 June 2006.

This project consisted of several areas of work:

- ▶ bringing security installations (access control) and safety installations (fire, etc...) into compliance;
- ▶ modernisation of roofing (green roofing), facades and technical installations (energy savings, sustainable development, etc.);

- ▶ setting up 'Multimedia' facilities in the court rooms and conference rooms, as in the court rooms of the renovated original Palais;
- ▶ adaptation of partitioning for the installation of the General Court;
- ▶ appropriate general renovation (carpeting, painting, general fitting out).

All this work was completed in June 2013 in accordance with the planned budget and timetable and the renovated buildings were commissioned from July 2013.

As explained in Chapter III above, the arrangements for this operation (monitoring, financing, repayment etc.) are modelled on those chosen for renovation of the Palais and extension of the buildings (cf. Chapter II).

1. FUNDING PLAN

On the basis of the final cost of the renovation works (EUR 80.8 million including pre-financing interest) and the chosen financial arrangements (extending instalments to 2026) as indicated above, the annual lease-purchase payment amounts to EUR 5 million (2018).

The annual amount of that payment takes into account, first, prepayments made in agreement with the two arms of the budgetary authority since 2011 (EUR 24.3 million), which made it possible to reduce significantly the budget impact of the lease-purchase payments and, secondly, various operations to take up funds carried out since 2012 (EUR 56.8 million).

At the end of 2017, the balance of funds to be taken up is EUR 0.1 million and predominantly corresponds to the sums of performance bonds held until the withdrawal of reservations.

2. RENOVATION EXPENSES AND MAJOR MAINTENANCE

The project was concluded in 2013. It does not, therefore, seem justified to provide for renovation expenditure in terms of structure or final outfitting during the period 2017-22.

Major maintenance of technical installations, on the other hand, will be incorporated in the contract referred to in the second and third paragraphs of Chapter II.2 (up to an additional amount of approximately EUR 320 000 per annum).

V. CONSTRUCTION OF A FIFTH EXTENSION

As is apparent from Chapter I.2 above, the reuniting of all the Institution's departments on a single site makes it necessary to construct an additional extension, the capacity of which should contain approximately 30 000 m² of office space if it is to be possible to vacate the buildings still leased by 2019 and to meet the challenges of the growth of the Institution and enlargement in the future.

The project is part of a city planning study carried out by the national authorities for the development of the Kirchberg plateau, more specifically the area assigned to the European institutions.

The plan which is the result of that study offers the Court opportunities to extend its current buildings complex. In accordance with that plan, a reorganisation of the road network around the land occupied by the Court is envisaged; that reorganisation will make it possible to increase the land available to the Court free of charge, and to a construct a multi-storey building which will be adjacent to the two existing towers.

The building will be linked to the existing buildings by an extension of the gallery. The precise layout of that building is still the subject of an ongoing architectural study.

As stated above in Chapter I.2, both arms of the budgetary authority have issued favourable opinions with respect to this construction project, which is now underway with a view to being completed to the planned timetable.

In line with the good practices adopted for the implementation of the building projects described in II and IV, the delegation to the Luxembourg State of the role of developer has been chosen for the construction of the 5th extension of the Palais of the Court. To that end, the framework contract concerning the working arrangements between the State and the Court was signed on 21 February 2013.

The contracts required for project management (architect, engineers and experts) were finalised during the summer of 2013, and the detailed pilot study was completed on 31 January 2015. The construction work began during the second quarter of 2016.

1. FUNDING PLAN

The maximum budget for the realisation of the 5th extension amounts to EUR 147 464 000 (excluding VAT – construction cost index for the month of April 2017).

The annual payment will be calculated on the basis of the sale price at the time of taking delivery of the buildings, with final payment by 31 December 2036 at the latest.

At the end of 2017, advance payments amounting to EUR 16 255 500 were made and EUR 3 863 400 was consolidated.

VI. UPGRADING OF THE SECURITY SYSTEM FOR THE INSTITUTION'S BUILDINGS INFRASTRUCTURE

In the light of the change in the European Union's security situation, a project for upgrading the Institution's security system is currently being finalised and will be submitted to the budgetary authority in the course of 2018, in accordance with Article 203(5) of the Financial Regulation.

The works envisaged concern:

1. Reinforcement of the outer shell – perimeter protection, in the form of a 2.5 meter high enclosure;
2. Reinforcement of access points to the complex, to enable vehicles or people to be checked before entering the buildings;
3. Security and safety equipment and systems, such as video surveillance and intrusion detection systems;
4. Protection of the front of sensitive areas by installing reinforced glazing.

The budget for the project could be in the region of EUR 27.1 million. At this stage, the schedule foresees the beginning of the works in 2018 and the completion of the first phase at the end of 2019. The second phase of the work can begin only after the redevelopment of a street by local authorities, foreseeable in 2021.

VII. RENTED BUILDINGS

The Court's building policy is aimed at the installation of all its bodies and services on a single site. To that end, construction projects have been and will be completed (cf. Chapters II, IV and V).

However, pending the completion of the 5th extension referred to in Chapter V above, the Court is obliged to rent, temporarily, the following buildings:

Building ²	First occupied	Office space (m ²)	Contractual basis	Lease expiry year/date	Annual cost (2018)
T	1/1998	23 504	Merged lease agreement of 20/12/2012	2019	EUR 9 059 998
TBis	1/2004				

It should be pointed out that bringing into service the renovated Annex buildings in the second half of 2013 (cf. Chapter IV) resulted in a restructuring of the Court's building stock which contributes very directly to reducing the administrative costs of the Institution in a budgetary context that is still difficult. It was possible to vacate finally the Allegro and Geos buildings (late September 2013 and early February 2014, respectively), and the T and Tbis buildings alone were kept (the rents of which are very attractive compared to those prevailing on the Kirchberg plateau) pending the finalisation of the project for the 5th extension of the Court buildings which will finally make it possible to bring all the staff together on the same site.

VIII. PERFORMANCE INDICATORS

Management of the Court's building projects takes into account three key indicators: keeping within the cost of the project, compliance with the time-limits for completion of work and delivery of the buildings, and compliance with the programme, the detailed pilot study and the quality requirements laid down in advance.

At the outset, it will be noted that, in its special report No 2/2007, the Court of Auditors approved the combined use by the Court of internal and external expertise within the project covered in Chapter II above and described it as good practice to ensure the administrative, technical and financial control of building projects.

Taking into account the results obtained in relation to the above three indicators, that practice will be continued in connection with the project covered in Chapter V.

1. COST

As regards the cost, the Court's objective is to respect the budget, subject to any increase imposed by law.

In the context of the projects referred to in Chapters II and IV, this objective has been achieved. Although the final accounts of the project are not entirely completed, we have reasonable assurances on which to conclude that the budgetary framework is respected.

² This table does not include a computer room with a surface area of 72 m² rented since May 2016 from a private contractor to host the Court's data centre.

2. TIME-LIMITS

The buildings covered in Chapter II (renovation of the Palais and extension of the Court's buildings) were inaugurated on 4 December 2008 in accordance with the planned timetable. On that date, the complex was operational, with only minor works of finishing and works to address reservations still to be completed.

As regards the project covered in Chapter IV (renovation of annex buildings and bringing them into compliance), robust monitoring of the work ensured that the planned schedule was observed, namely, the bringing into service of the renovated buildings and moving into those buildings for the start of the new judicial term in September 2013.

3. QUALITY

Very stringent acceptance procedures, followed by a phase of lifting the reservations formulated during those procedures, have been put in place in such a way that the requirements of the tendering specifications are scrupulously respected. Some reservations remain and are subject to technical or judicial appraisals.

As regards the project for the 5th extension of the Palais (3rd tower), in addition to the monitoring procedures established for the earlier projects, the application of the BREEAM³ standard provided for will require compliance with very demanding qualitative criteria (see the following chapter).

IX. ENVIRONMENTAL ACTION

1. ECOLOGICAL DESIGN AND CONSTRUCTION

The buildings policy of the Court is informed by the need to respect environmental standards.

In the project for construction of the new buildings covered in Chapter II, the general architecture and the predominantly glass facades make it possible to take optimal advantage of natural light and savings on lighting.

Photovoltaic cells were installed in areas of roofing measuring 2 888 m², representing an electricity production capacity of 367 242 kWh in 2017.

The thermal insulation of the new buildings makes possible a reduction in the energy required for heating of 19 % by comparison with the threshold required by the Luxembourg legislation and of 3% as regards cooling.

The sequential operation in particular of ventilation and air conditioning systems, the systemic recovery of heat in the buildings complex and the existence of a computerised system for control of lighting also permit energy savings to be made.

The Court's buildings are connected to the urban cogeneration heating network. Since 2017, most of the heat is produced from biomass and more specifically from wood pellets in order to minimize the CO² emissions of that energy source.

³ The BRE Environmental Assessment Method (BREEAM) is the oldest and most widely used environmental assessment method in the world for buildings and was established by the British organisation, the Building Research Establishment (BRE).

As regards water, consumption in sanitary installations is monitored using a system of magnetic valves which ensure the flow of only a restricted quantity of water. In addition, the faucets are equipped with hydroeconomical aerators to reduce the flow without loss of comfort. A large number of toilet areas are supplied exclusively with cold water, thereby creating significant energy savings.

A reservoir of water for fire extinction has been placed at the waste water discharge. An analysis of the fire extinction water is carried out before any pumping to the public network. Hydrocarbon separators and grease separators make it possible to treat the water in the car parks, respectively those coming from the restaurant area that are potentially loaded with dietary fats.

As part of the project for renovation of the Erasmus, Thomas More and 'C' buildings, measures such as the use of non-halogenic cables, the replacement of technical apparatus of low energy production, improved thermal insulation of the buildings and green roofing have been implemented.

Regarding the 5th extension project, the Court has set very high environmental targets. The building has been designed to meet energy certification class 'AAA', corresponding to the performance of a passive building (heating requirements and primary energy consumption/CO₂ emissions reduced by 55% and 45% as compared to reference standards). In addition, the new building will also be classified as 'excellent' under the BREAAAM environmental certification standard.

Consequently, the necessary rationalisation of the energy demand and the use of renewable energy will require the implementation of advanced technology, such as, in particular:

- ▶ Extremely effective insulation of the building surfaces;
- ▶ Maximising natural lighting (while allowing modulation of solar heat gains by means of solar protection);
- ▶ Triple glazing;
- ▶ Increasing the thermal comfort of users by taking advantage of the inertia of the building structure;
- ▶ Highly efficient recovery of heat/humidity by means of air treatment units;
- ▶ Recovery of heat generated in the Data Centre;
- ▶ Prioritised cold production by free cooling and use of high efficiency cooling equipment;
- ▶ Solar panels;
- ▶ Recovery of rainwater.

With regard to management of its waste, the Court is implementing a plan for selective treatment in partnership with the Ministry of the Environment and an approved body, the 'SuperDrecksKëscht'. In 2004, the Court was the first European union institution to obtain the SuperdrecksKëscht® fir Betriber label for its exemplary management of waste.

In addition, as part of its real estate projects, all the waste management on site has been the subject of a specific treatment plan set by the organization 'SuperdrecksKëscht fir Betriber'.

In 2012, the Court decided to participate in the organic waste sorting and bio-methanisation system set up in Luxembourg to produce biogas that can be reinjected into the gas network to supply domestic boilers.

2. ENVIRONMENTAL MANAGEMENT

As regards the introduction of an Eco-Management and Audit Scheme ('EMAS') policy, the official recruited in 2012 (using the post granted by the budgetary authority) is engaged in this important project on a full-time basis.

On 15 December 2016, the Luxembourg Minister for the Environment, Mrs Dieschbourg, confirmed the registration of our institution. The Court is henceforth part of the organisations which, in Luxembourg, are authorised to use the EMAS logo with their own registration number. Using this system, our institution aims to improve its environmental performance permanently by reconciling the three objectives 'ecology, economy, efficiency'.

As a complementary system, the Court established, for the year 2010, a first diagnosis of the greenhouse gas emissions generated by its activities. The exercise was then renewed for the years 2011, 2012, 2015 and 2016.

Since 2010, all the actions included in the EMAS program have contributed to the reduction of the carbon footprint by 32% despite the growth of staff and activities. That decrease is explained by the following factors and projects:

- ▶ The implementation of a green energy contract with the energy supplier in January 2011;
- ▶ Improving the reliability of survey data on commuting by interviewing a larger sample of people (as of 2011);
- ▶ The decrease in work-related travel and visitors since 2010;
- ▶ A better estimate of the data relating to the quantities of waste generated;
- ▶ The establishment of an energy saving policy within the CJEU.

As another additional element, an energy management system according to the ISO 50 001 standard has been put in place thereby allowing a better use of energy.

X. INTER-INSTITUTIONAL COOPERATION

In general, there is very active inter-institutional cooperation between all the institutions established in Luxembourg, and the Court benefits from this in several areas as shown by the actions set out below.

As part of the formulation of an emergency plan defining the forms of action by the Luxembourg national authorities to assist the European institutions, agreements have been concluded with the EIB, the purpose of which is to permit, on a reciprocal basis, the use by the staff of one institution which is affected by a disastrous event of the premises of other institutions.

The working group on buildings coordination in Luxembourg (GICIL) continues to inspire the exchange of best practice and information, and to promote the harmonisation of activities among the institutions established in Luxembourg.

At its instigation, interinstitutional cooperation with regard to a number of contracts has been introduced (gas supply, electricity supply, training of fire evacuation teams, technical assistance services in relation to buildings etc.), enabling economies of scale to be made in particular.

The Court has also participated in inter-institutional calls for tenders (institutions based in Luxembourg) in order to conclude contracts relating to, first, technical assistance services in the buildings field, and, second, services to assist compliance monitoring.

To share best practices in the area of reducing CO² emissions and to create financial synergies, the environmental advisor is part of several interinstitutional environmental committees, namely:

- ▶ ECONET: an interinstitutional committee made up of EMAS coordinators from various European institutions in Luxembourg;
- ▶ GIME (Interinstitutional Environmental Management Coordination Group): an interinstitutional committee composed of EMAS coordinators from several European institutions, whose seats are not only in Luxembourg;
- ▶ Interinstitutional working group 'Green Public Procurement': a GIME working group in the green purchasing sector.

Last, on the initiative of the Court, an interinstitutional 'Security' (GIS) group was introduced in 2014, in order to harmonise approaches, to exchange 'best practices' and to cooperate in the event of a specific threat. The Court chairs the group.

XI. BUDGET IMPLEMENTATION AND PROVISION

The following table shows, first, the 2017 budget implementation as carried out, including the transfers of appropriations made and, secondly, the 2018 budget as approved by the budgetary authority, as well as the budget request for the year 2019 under negotiation, and finally, the first budget forecasts for the year 2020, by budget items.

BUDGET 2017-2020 - Buildings and Security Directorate

26/02/18

Item	CI-Description	BUDGET 2020 (EUR)	BUDGET 2019 (*) (EUR)	BUDGET 2018 (**) (EUR)	BUDGET 2017 (commitments made on 31/12) (EUR)	Credit transfers executed in 2017 (EUR)	Change 2019/2018
20	Buildings and associated costs						
2000	Rent	110 000.00	7 034 000.00	9 762 000.00	9 027 527.19	- 681 590.98	-27.95%
2001	Lease/purchase	38 880 000.00	35 542 000.00	33 838 389.00	39 569 496.66	7 436 590.98	5.03%
20070	Fitting-out of premises	1 500 000.00	1 822 000.00	1 112 000.00	3 296 047.80	2 430 000.00	63.85%
2008	Studies and technical assistance in connection with building projects	1 556 448.00	1 508 000.00	1 496 000.00	1 282 846.62	185 000.00	0.80%
2022	Cleaning and maintenance	8 886 918.00	9 040 000.00	7 896 000.00	7 393 970.39	0.00 €	14.49%
2024	Energy consumption	2 873 845.00	2 822 000.00	2 518 000.00	2 076 747.05	-408 000.00	12.07%
2026	Building security and surveillance	7 834 542.00	7 522 000.00	7 520 000.00	6 895 419.49	-300 000.00	0.03%
2028	Insurance	142 535.00	135 000.00	137 000.00	101 979.86	3 000.00	-1.46%
2029	Other expenditure relating to buildings	239 934.00	251 000.00	213 000.00	259 149.53	50 000.00	17.84%
	TOTAL CHAPTER 20	62 024 222.00	65 676 000.00	64 492 389.00	69 903 184.59	8 715 000.00	1.84%
					61 188 184.59		
23	Stationery, office supplies and miscellaneous consumables						
23800	Miscellaneous insurances	20 000.00	20 000.00	20 000.00	13 971.81	0.00 €	0.00%
23803	Departmental removals and associated handling	40 000.00	900 000.00	40 000.00	39 890.00	0.00	2150.00%
	BD TOTALS	62 084 222.00	66 596 000.00	64 552 389.00	66 596 000.00	8 715 000.00	3.17%
					61 242 046.40		

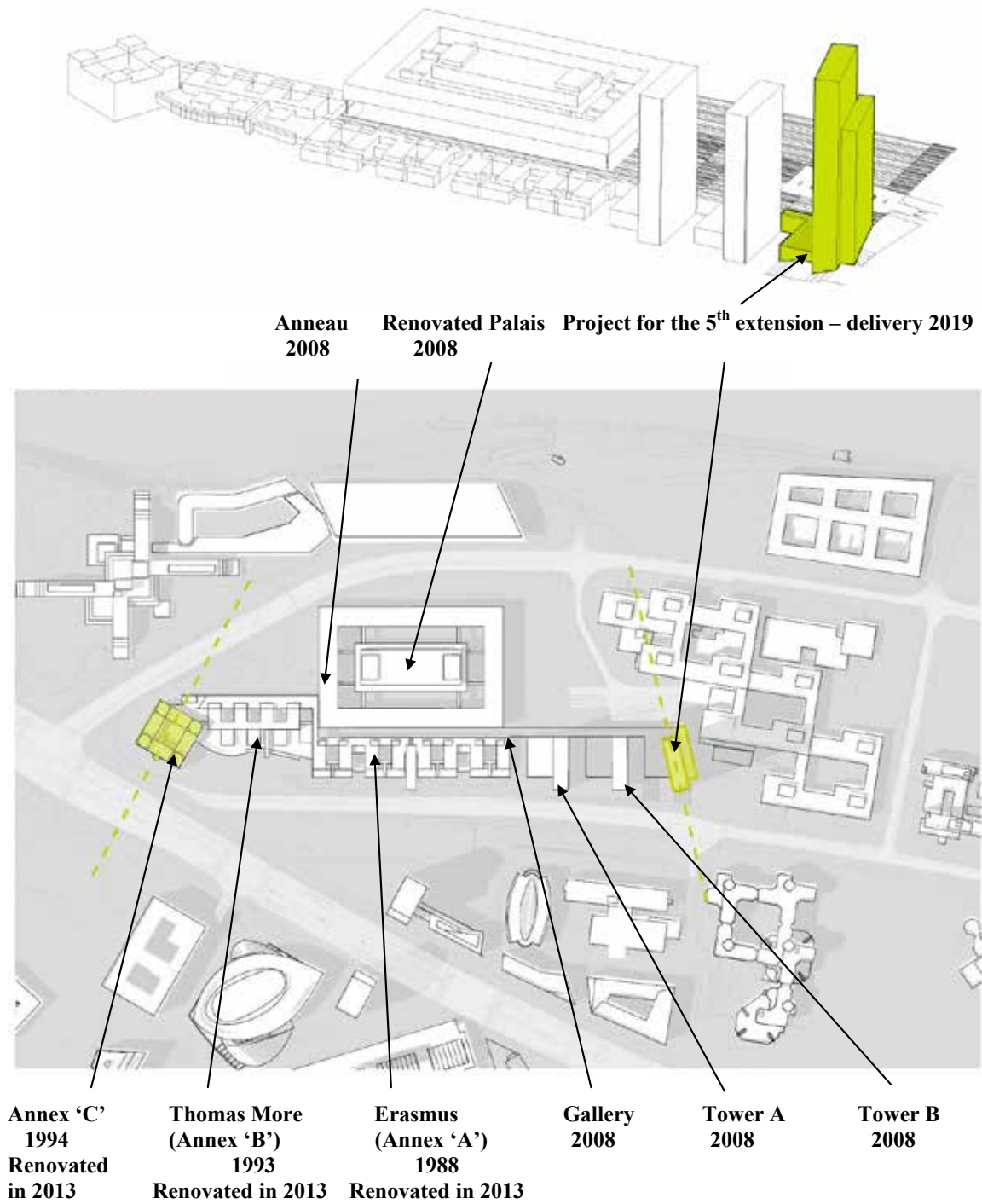
(*) Estimates for 2019

(**) Budget approved by the budgetary authority

COURT OF JUSTICE

ANNEX 1

**Plan of the buildings complex of the Court of Justice of the European Union
(main site incorporating the buildings subject to a lease-purchase contract)**



BUDGETARY LINE		BUILDING	SURFACE AREA ABOVE-GROUND 2018 (in m ²)	CONTRACT TYPE	BUDGET 2018 (EUR)	DRAFT BUDGET 2019 (EUR)
2000	Rent					
	<i>OFFICE SPACE</i>	T-Tbis	23.504	Lease	€ 7.018.696	€ 5.094.452
	<i>Sub-total office space</i>		23.504		€ 7.018.696	€ 5.094.452
	<i>'NON-OFFICE' SPACE</i>	T-Tbis	9.113	Lease	€ 2.653.152	€ 1.831.113
		New Data Centre	100	Lease	€ 90.151	€ 108.435
	<i>Sub-total 'non-office' space</i>		9.213		€ 2.743.304	€ 1.939.548
TOTAL LINE 2000			32.717		€ 9.762.000	€ 7.034.000
2001	Lease-purchase					
	<i>OFFICE SPACE</i>	Renovated 'Annexes' ABC	23.164	Lease-purchase	€ 2.157.994	€ 2.157.720
		New Palais complex	49.551	Lease-purchase	€ 10.213.198	€ 10.018.224
		5th extension - under construction	(p.m. : 30.400)	Lease-purchase	€ 1.678.011	€ 2.703.497
	<i>Sub-total office space</i>		72.715		€ 14.049.203	€ 14.879.441
	<i>NON-OFFICE' SPACE</i>	Renovated 'Annexes' ABC	26.126	Lease-purchase	€ 3.985.919	€ 3.985.411
		New Palais complex	33.444	Lease-purchase	€ 14.295.099	€ 14.022.197
		5th extension - under construction	(p.m. : 12.046)	Lease-purchase	€ 664.910	€ 1.071.261
		Security updating project (CJ10)	n/a	Lease-purchase	€ 843.258	€ 1.583.691
	<i>Sub-total 'non-office' space</i>		59.570		€ 19.789.186	€ 20.662.559
TOTAL LINE 2001			132.285		€ 33.838.389	€ 35.542.000

Remarks

- (1) The spaces are calculated in accordance with the common methodology approved at the meetings of the Committee on budgetary and financial questions (CPQBF) of 7/1/2009 and 18/1/2010:
- The OFFICE space includes the space allocated to offices, corridors, lifts, toilets, archives, meeting/training rooms, cafeterias/restaurants, etc.
 - The 'NON-OFFICE' space includes specific spaces such as court rooms, conference rooms, central archives, data centres, etc.
- For information and in accordance with the methodology adopted, the 'non-office' space does not include underground and parking space although the annual budgetary cost indicated also takes the cost of that space into account.

Court of Justice of the European Union

Annexe 3

SENIOR AND MIDDLE MANAGEMENT - 31.12.2017						
Gender	Nationality	Director-General	Director	Head of Unit	Deputy Head of Unit	Total
F	Germany		1	1		2
	Croatia			1		1
	Denmark			2		2
	Spain		3	1		4
	Estonia			1		1
	Finland		1			1
	France			3	1	3
	Hungary			2		2
	Italy			2		2
	Latvia			1		1
	Lithuania			1		1
	Romania		1	1		2
	United Kingdom		1	1		2
	Slovenia			1		1
	Sweden			1		1
F Total			7	19	1	27
M	Germany	1	1	2		4
	Belgium	1	3	5	1	9
	Bulgaria			1		1
	Denmark			2		2
	Spain			3		3
	Estonia		1	1		2
	Finland			1		1
	France	1		4		5
	Greece		2	2		4

ANNEX 6

DECLARATION OF ASSURANCE BY THE AUTHORISING OFFICER BY DELEGATION

I, the undersigned, Alfredo Calot Escobar, Registrar of the Court of Justice, in my capacity as authorising officer by delegation,

Hereby declare that the information contained in the Activity Report for the financial year 2017 reflects reliably, completely and correctly the activities of the departments of the Institution,

State that I have a reasonable assurance that the resources assigned to the activities described in this report have been used for the purposes intended in accordance with the principle of sound financial management and that the control procedures put in place provide satisfactory guarantees concerning the legality and regularity of the underlying transactions. This reasonable assurance is based on my own judgement and on the information at my disposal concerning the functioning of the internal control system, such as the results of the ex-ante and ex-post verifications, the observations of the internal auditor, and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration,

Confirm that I am not aware of anything not reported which could harm the interests of the Institution.



Alfredo CALOT ESCOBAR
Registrar

Done at Luxembourg, on 4 May 2017



COURT OF JUSTICE
OF THE EUROPEAN UNION

JUNE 2018

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