

Press and Information

Court of Justice of the European Union PRESS RELEASE No 78/20

Luxembourg, 25 June 2020

Judgment in Case C-92/18 France v Parliament

The European Parliament was entitled to adopt the EU budget for 2018 in Brussels, at second reading

The European Parliament may exercise some of its budgetary powers in Brussels, instead of in Strasbourg, if that is called for by essential requirements relating to the proper functioning of the budgetary procedure

In October 2015, the Parliament adopted the calendar of its plenary part-sessions for 2017, which provided for, inter alia, ordinary plenary part-sessions to be held in Strasbourg (France) and for an additional plenary part-session to be held in Brussels (Belgium).

On 29 June 2017, the Commission published a draft annual EU budget for the financial year 2018. On 13 September 2017, the Council forwarded to the Parliament its position on that draft. On 31 October 2017, the budget conciliation procedure between the Parliament and the Council began. On 18 November 2017, that procedure led to an agreement on a joint text on the draft annual EU budget for the financial year 2018.

The Parliament included the debate and the vote on that joint text in the agenda for the additional plenary part-session of 29 and 30 November 2017, held in Brussels. By a legislative resolution of 30 November 2017, the Parliament approved that joint text. On the same day, the Council approved the joint text on the draft annual EU budget for the financial year 2018 and the President of the Parliament declared, in plenary sitting, that the annual EU budget for the financial year 2018 had been definitively adopted.

France brought an action for annulment before the Court of Justice against, inter alia, the decision of the President of the Parliament by which the latter declared that the EU budget for the financial year 2018 had been adopted. After that action had been brought, the Court dismissed¹ the action brought by France for the annulment of acts adopted by the Parliament in the context of the procedure for the adoption of the EU budget for the financial year 2017. Following the delivery of that judgment, France maintained its action concerning the EU budget for the financial year 2018.

France, supported by Luxembourg, criticises the Parliament on the ground that it infringed the Protocol concerning the seats of the institutions, under which, in its view, the Parliament is required to exercise the budgetary powers conferred on it by the Treaty on the Functioning of the European Union, in principle, in their entirety, during the ordinary plenary part-sessions held in Strasbourg.

Referring to the judgment delivered on 2 October 2018², the Court notes, in today's judgment, that that Protocol and the provisions of the Treaty governing the budgetary procedure have the same legal value. Hence, the obligations arising under the Protocol cannot prevail over those arising under the Treaty, and vice versa. The application of those obligations must be on a case-by-case basis and in a manner that reconciles those obligations and strikes a fair balance between them. Therefore, although the Parliament is obliged to exercise its budgetary powers in an ordinary plenary part-session held in Strasbourg, that obligation does not preclude the annual budget from being debated and voted on during an additional plenary part-session

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¹ Case C-73/17, France v Parliament see Press Release No. 142/18.

² See footnote 1.

held in Brussels, if that is called for by essential requirements relating to the proper conduct of the budgetary procedure.

It is for the Parliament to reconcile the obligations stemming from the Protocol and the requirements relating to the proper conduct of the budgetary procedure, and it has discretion for that purpose. The judicial review by the Court therefore concerns the question whether the Parliament made errors of assessment by opting to exercise some of its budgetary powers in the course of an additional plenary part-session.

In this regard, the Court refers to its judgment delivered on 2 October 2018 stating that, at the time when the calendar of ordinary plenary part-sessions was adopted, it was fundamentally uncertain whether there would be a conciliation procedure and equally uncertain when that procedure would begin and, in the event of an agreement on a joint text on the draft annual budget, when it would end. Taking the view that none of the arguments put forward in the context of the present proceedings was such as to justify a different assessment, the Court observes that the Parliament did not exceed the bounds of its discretion when it adopted, in October 2015, its calendar of plenary part-sessions for the year 2017.

In so far as France also criticised the Parliament on the ground that it had infringed the Protocol concerning the seats of the institutions by failing to adjust its calendar of ordinary plenary partsessions for 2017 following the adoption, in April 2017, of the pragmatic calendar for the budgetary procedure for the financial year 2018, the Court notes that, at that time, it was still uncertain whether and on what date the conciliation committee might actually reach a conciliation agreement. For that reason, the Court finds that the Parliament also did not make an error of assessment by maintaining the calendar of the ordinary plenary sessions for the year 2017 following the adoption of the pragmatic calendar in April of that year.

NOTE: An action for annulment seeks the annulment of acts of the institutions of the European Union that are contrary to European Union law. The Member States, the European institutions and individuals may, under certain conditions, bring an action for annulment before the Court of Justice or the General Court. If the action is well founded, the act is annulled. The institution concerned must fill any legal vacuum created by the annulment of the act.

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The <u>full text</u> of the judgment is published on the CURIA website on the day of delivery.

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