



COURT OF JUSTICE OF  
THE EUROPEAN UNION



# ANNUAL REPORT 2015 MANAGEMENT REPORT





# COURT OF JUSTICE OF THE EUROPEAN UNION

## MANAGEMENT REPORT

( ANNUAL ACTIVITY REPORT BY THE AUTHORISING OFFICER BY DELEGATION )



# COURT OF JUSTICE OF THE EUROPEAN UNION

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The Court of Justice on the Internet: <http://www.curia.europa.eu>

Completed on: April 2016

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Print ISBN 978-92-829-2247-7 ISSN 2467-3110 doi:10.2862/314365 QD-AR-16-001-EN-C  
PDF ISBN 978-92-829-2248-4 ISSN 2467-3137 doi:10.2862/132705 QD-AR-16-001-EN-N

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*Printed in Luxembourg*

IMPRIMÉ SUR PAPIER SANS CHLORE ÉLÉMENTAIRE (ECF)





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## I. INTRODUCTION

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 the judicial statistics show, the year 2015 was distinguished by the **exceptional pace of judicial activity** of the Institution. During the past year, a total of 1 711 cases were brought before the three courts that comprise the Institution. This is the highest number of new cases annually in the history of the Institution. It is the Court of Justice in particular which is concerned by that increase, since the threshold of 700 new cases was exceeded for the first time. Furthermore, with 1 755 cases completed in 2015, the **annual productivity of the Institution is at an unprecedented level**. Finally, the statistics **concerning the duration of proceedings are very positive**.

This trend is, undoubtedly, evidence of the trust placed in the Court by the national courts and litigants. In that context, the adoption, by the legislative authorities of the European Union, of the reform of its judicial architecture after a legislative process initiated in 2011, was one of the most important events of the year 2015. This reform will enable the Institution, by doubling the number of judges of the General Court in a three-stage process spread out until 2019, to continue to address the increase in litigation and to fulfil its role in the service of European litigants while complying with the objectives of quality and efficiency of justice.

This structural reform has been accompanied by the development of new Rules of Procedure for the General Court. Coming into force on 1 July 2015, it will strengthen the capacity of the latter to deal with cases within a reasonable period while complying with the requirements of quality and fair process. In addition to

the legislative decisions taken to deal with the increase in its judicial activity, **the Court has continued to explore all avenues open to it in order best to achieve its fundamental objectives of quality and expedition in dealing with cases**. The principal axes of reform cover all areas of activity: improving the regulatory framework of the courts and their working methods, strict control on the requirements of full multilingualism (obligatory in order to communicate with the parties in the language of the case and to ensure the dissemination of the case-law in all the Member States) and relative reduction in the weight of the horizontal services in order to preserve the working capacity of the cabinets and, where possible, that of the services more directly associated with the judicial work.

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 judicial bodies and all the supporting services which have made it possible, over the 2007-2015 period, to see the **number of completed cases increase by 57%** while the **increase in the number of support services staff has remained extremely restricted over the same period** (+ 4.4%, taking into account the enlargement to include Croatia and less than 1% disregarding that enlargement). Nevertheless, the growth in judicial activity and compliance with the interinstitutional agreement on budgetary discipline, cooperation in budgetary matters and sound financial management, requiring a 5% reduction of staff numbers in the 2013 to 2017 period, exert **great pressure on the support services**, the chosen approach being to protect the core work of the

Institution by strengthening the capacity of the courts to address developments in the actions brought. These developments deserve special mention at a time when the departments will be required to bear the challenges associated with increasing the number of judges of the General Court.

Finally, as regards buildings, and having completed in the course of 2013, on time and within the planned budget, the renovation works on the annex buildings (Erasmus, Thomas More and Annex C buildings) thereby allowing it to leave two previously rented buildings, the Court continues the project for the fifth extension to its buildings which will, by 2019, allow it to gather all its staff on a single site (when it leaves the last rented building) and thereby strengthen the efficiency of the services.

Finally, it is worth noting that the **structure of this report has been substantially modified** to take account, first, of the recommendations of the Internal Auditor and, secondly, the recent amendment of the Financial Regulation. With regard to the first point,

implementation of the administrative rationalisation and simplification recommendations have led, inter alia, to an improved relationship between the Court's annual report, concerning its judicial work (case-law and statistics), and the annual activity report of the authorising officer by delegation, and to the replacement of the information of each department, relating to the use of budget appropriations and human resources, with more harmonised information, drawn up by the Directorate General of Personnel and Finance. The contributions of the departments are more directly focused, therefore, on their main objectives and activities, and on their performance. The second point concerns the obligation, provided for in the third subparagraph of Article 66(9) of the Financial Regulation, to publish the annual activity report of the authorising officer by delegation on the Institution's website no later than 1 July of the year following the year in question, which will be easier to comply with under the new presentation that has been adopted.

Alfredo CALOT ESCOBAR

Registrar

## II. ANNUAL OVERVIEW OF ACTIVITIES

### 1. ACTIVITIES DIRECTLY RELATED TO JUDICIAL ACTIVITY

#### 1.1 COURT REGISTRIES

The activity of the registries is marked by their dual role (1.1.1), which is characteristic of their duties:



- ▶ an external role, in so far as the registries are the interlocutors of the parties throughout the court proceedings, other than during the hearing. As they constitute the 'gateway' of their respective courts, the registries are therefore in a situation that is 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.

They are therefore facing the same risks that could obstruct their activities.

This dual role, however, which is common to the three registries, requires them 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 (1.1.2).

##### 1.1.1 THE ACTIVITY OF COURT REGISTRIES HAVING REGARD TO THEIR EXTERNAL AND INTERNAL ROLES

###### 1.1.1.1 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**, which allows them to ensure that proceedings run smoothly and case files are kept in good order.

In that regard, the registries of the three courts also facilitate:

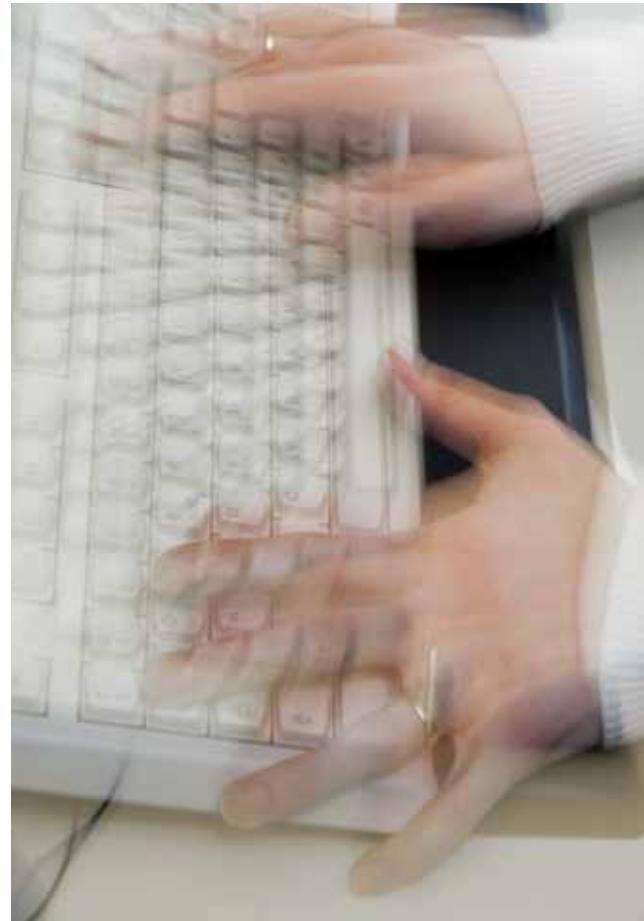
- ▶ communication between the parties and their representatives and correspondence with the parties and with third parties in connection with pending or closed cases;

- ▶ keeping a record of the procedural documents of each court and managing the case files of cases before the court concerned;
- ▶ the 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 the other procedural documents) and of the procedural databases;
- ▶ management of the translation of procedural documents into the language of deliberation and their distribution/notification to Members of the court;
- ▶ ensuring the presence of a session registrar during oral hearings and the delivery of Opinions and judgments, and the creation of minutes therefor;
- ▶ managing the court's publications;
- ▶ archiving case files;
- ▶ and the production of court statistics.

To carry out those various tasks, the registries have worked together to develop, with the Directorate for Information Technologies, **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.

This joint effort has made it possible to bring into service in November 2011 the e-Curia application (which allows procedural documents to be securely lodged and served by solely electronic means), whose success with the representatives of the parties is evidenced by the use indicators set out in Annex 1 to this report.

Finally, the opening of the registries to the outside world 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. The various requests made using the electronic mailbox available on the Curia website are dealt with by the Registry of the Court of Justice, while it is the time-consuming duty of the Registry of the General Court, in view of its competences, to assess whether communications received include an application for legal aid<sup>1</sup>. More generally, the registries reply to questions from representatives of parties involved in legal proceedings, cabinet staff, department staff and third parties.



<sup>1</sup> That obligation ceased as of 1 July 2015, the date when the new Rules of Procedure of the General Court and the Practice Rules for the Implementation of the Rules of Procedure of the General Court entered into force, in so far as applications submitted without the mandatory form are not taken into consideration.

### 1.1.1.2 INTERNAL ROLE OF THE COURT REGISTRIES

The court registries have the role of providing **active 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.

At the General Court this effort takes the form of active assistance having regard to the organisation of the court in nine formations and the appeal chamber.

Significant involvement of the Civil Service Tribunal ('CST') Registry is necessary when attempts are made to settle cases out of court.

That legal assistance role also 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 the formations of the court (called chamber conferences at the General Court and chamber meetings at the CST), take the minutes, submit those minutes for approval and ensure that decisions taken at those meetings are implemented.

The registrars of each court arrange and take part in the General Meetings (Court of Justice), Plenary Conferences (General Court) or Plenary Meetings (CST), update and make available the related documentation and draft the minutes. Furthermore, the Registry of the Court of Justice prepares the points of the agenda for the General Meeting which relate to legal proceedings, ensures that any decisions taken on those points are implemented and drafts the minutes relating to those points.

The registries are also responsible for updating and making available the documentation relating to the Conference of Presidents of the Chambers (General Court) or the Meeting of Presidents of the Chambers (CST) and to the committees responsible for reviewing reforms of the Rules of Procedure in the courts.



### 1.1.1.3 ANALYSIS OF THE RISKS COMMON TO ALL THREE 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:

#### **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 Court's continuity plan and to the establishment of an Internal Emergency Plan ('IEP') to deal with such crisis situations. Following a process of joint deliberation within each registry, it has been possible to introduce a number of specific measures to safeguard the continuity of operations.

#### **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 the number of new cases substantially increasing but also to Members leaving, represents a real risk to the registries' activity. To deal with such difficulties, great flexibility on the part of the staff is required and is accompanied by the implementation of specific organisational arrangements, which have already demonstrated their effectiveness.

#### **Mishaps arising in the procedural handling of cases**

The purpose of strictly monitoring files, producing checklists and setting operational priorities is to reduce the risk of an incident arising during the handling of cases. In that context, the close cooperation between the registries and the departments, in particular the Translation Directorate General and between the registries themselves, is at the core of the Institution's concerns to prevent the risks linked to communication and transmission of information.

## 1.1.2 ACTIVITIES SPECIFIC TO INDIVIDUAL REGISTRIES



Each registry is also required to perform tasks which are specific to them, connected in particular to the nature of the action brought before the court to which they belong.

The description of those tasks, presented below for each registry, is supplemented by detailed statistical indicators in Annex 1 to this report.

### 1.1.2.1 REGISTRY OF THE COURT OF JUSTICE

After a record surge of **new cases**, the threshold of 700 cases was exceeded in 2015. Accordingly, 713 new cases were registered during that year (as compared to only 622 in 2014, representing an increase of 14.6%). Those cases break down as follows:

- ▶ 436 references for a preliminary ruling (compared to 428 references in 2014 and 450 in 2013);
- ▶ 215 appeals, appeals in interlocutory proceedings or on intervention (compared to 111 in 2014 and 166 in 2013);
- ▶ 48 direct actions (compared to 74 in 2014 and 72 in 2013): 10 actions for annulment, 37 actions for a declaration and 1 action pursuant to an arbitration clause between two Member States;
- ▶ 3 requests for advice; and
- ▶ 11 special procedures (application for taxation of costs, legal aid, attachment order).

These statistics highlight the numerical importance of references for a preliminary ruling and appeals. However, it should be noted, first, that the number of references for a preliminary ruling is relatively stable and, secondly, that the increase in the number of appeals, which is related to the activity of the General Court, is to some extent offset by the constant decrease in the number of direct actions (which remained at around 200 cases per year between 1999 and 2008).

- ▶ For detailed figures on the activity of the Registry of the Court of Justice, reference is made to the statistical indicators set out in Section 2(a) of Annex 1 to this report.



The Registry of the Court works with the Research and Documentation Directorate to identify as early as possible the references for a preliminary ruling and appeals that may be closed by simple order rather than initiating full proceedings leading to a judgment. Further, in all new cases, the Registry prepares information sheets indicating related actions, which may, on the one hand, lead to the joinder or suspension of cases pending judgment in a pilot case and, on the other, assist the President and the First Advocate-General to delegate a case to a judge rapporteur or an attorney-general already in charge of a related case. Those measures contribute to saving resources, shortening procedural periods and ensuring consistency of the case-law.

As regards **IT**, the Registry of the Court of Justice has taken an active part in the work relating to version 3 of e-Curia, the new version intended to improve and extend the functionality of that application. The Registry of the Court of Justice has also taken part in the GenDoc project (tool to assist in the production of judgments), in the project for the modernisation of the 'Litige' procedural database and in the ECM (Enterprise Content Management) programme (management of the flow of documents) where it has made a particular contribution to the frame of reference for national courts and tribunals. The Registry of the Court of Justice has also contributed to the development of the digital Reports of case-law, and particularly to the development methods for the correction of decisions of the Court. Finally, the Registry of the Court participated in relaunching, within the Court of Justice, the 'Electronic transmission files' project to achieve complete digitalisation of correspondence between the Registry and the cabinets of the Members

In the area of **procedural texts**, the Registry has contributed to the development, in consultation with the General Court, of provisions relating to the handling of procedural documents and confidential information. In addition, the Registry has contributed to the preparation and presentation of proposals by the Court for amendments to the Statute of the Court of Justice of the European Union and concerning, *inter alia*, reform of the General Court.

Finally, in the field of the **historical archives**, after the transfer of its judicial archives to the European University Institute (EUI) in Florence in 2014, the Registry transferred its institutional archives to the EUI in the course of 2015.



### 1.1.2.2 REGISTRY OF THE GENERAL COURT

The Registry of the General Court accompanied that court, taking an active part in its quest for efficiency. While the number of cases brought before the General Court, although down compared to 2014, confirms the upward trend observed in recent years, the number of cases settled has been extraordinarily high. The number of cases brought (831) is the second highest since the creation of the court, after that for 2014 (912).

The year 2015 was, above all, a record year as regards the number of cases completed, which reached almost a thousand (987) which, for the second time since 2007, has allowed the number of cases pending (1 267) to be reduced.

The Registry also accompanied the court by working diligently in the service of a high-quality system of justice. 2015 was the year of the adoption, entry into force and application of new Rules of Procedure. The Rules of Procedure of 4 March 2015 and the Practice Rules for the Implementation of the Rules of Procedure of the General Court entered into force on 1 July 2015. The changeover to the new complete set of Rules of Procedure was prepared during the first half of the year, in close cooperation with the Translation Directorate General and the Directorate for Information Technologies.

In addition to the preparation and finalisation of the draft texts submitted for the approval of the decision-making bodies of the General Court, hundreds of model letters used by the Registry were adapted in all languages of a case, the IT systems were updated with the assistance of the Directorate of Information Technologies ('e-Curia', 'Prodoc', 'Litige', 'Registre', 'ASP' systems), the new legal aid form (*formulaire d'aide juridictionnelle*) has replaced the previous one (*formulaire d'aide judiciaire*), the 'Aide-mémoires' intended for the parties were rewritten, a new form for publication of the General Court's decisions was adopted, internal documents were reviewed and the new Rules of Procedure were published in the *Official Journal of the European Union* and/or put online on the website of the Court of Justice of the European Union.

The Registry of the General Court has made very significant efforts to ensure that the new Rules of Procedure enter into force harmoniously. There has been particular emphasis on communication and training. Coordinated actions were undertaken. Initially, several Members of the General Court made presentations to the staff of the Institution. In a second phase, training days were organised in the month of June 2015 for assistants in the Registry and the cabinets, prepared with the support of the Professional Training Unit. The success of that led to the organisation of a detailed



presentation of the new Rules of Procedure for legal secretaries of the General Court in the month of July 2015. The notes from all of the presentations were made available on the website of the Registry, which was enhanced by documents prepared by the Registry to facilitate the uptake of the new rules.

The particular attention given to the entry into force of the new Rules of Procedure has not in any way diminished the search for greater efficiency through improved working methods and IT tools. Thus, the development of systems for monitoring procedures and the digitalisation of the judicial process, in particular through paperless correspondence with cabinets of the judges, continued in 2015. After the first full year of using the 'Digital dispatch notes' application (that application was deployed in the General Court in November 2014), it can be stated that this application has enabled more fluid and swift correspondence with the cabinets of the judges of the General Court. In addition to contributing to reduce the average length of proceedings in cases, digitalisation also has the advantage of making it possible to quantify this correspondence. Use of the application makes it possible to have a measurement indicator of the assistance that the Registry provides to the cabinets of the judges when handling procedural documents. The Registry has thereby communicated 10 594 despatch notes to the judges, 36% of the notes requiring a decision on the basis of an outline of the situation, where appropriate including a proposal by the Registry, and 64% of the notes passing on information (this concerns the communication of a procedural document or transmission of any procedural information relating to the case). It goes without saying that this system dispenses with the enveloping and delivery of post to successive recipients using the services of messengers and allows the freed-up resources to be used for other needs.

Of the indicators measuring the volume of work, there are five that illustrate the workload of the Registry of the General Court in 2015:

► the Registry was represented at	303	chamber conferences;
► the Registry provided assistance in	376	cases heard;
► procedural documents were entered in the register;	46 433	
► pages of procedural documents were lodged by e-Curia (for 72% of the documents lodged in 2015);	466 875	
► the case files being processed, archived by the Registry, represented more than	+600	linear meters at the end of 2015.
► for detailed figures on the activity of the Registry of the General Court, reference is made to statistical indicators set out in Section 2(b) of Annex 1 to this report.		

From the last quarter of 2015, the focus was turned to 2016. The structural reform of the General Court resulting from the amendment to the Protocol on the Statute of the Court of Justice of the European Union<sup>2</sup> made it necessary to take many administrative and legal preparatory measures. The former were taken in consultation with the Registrar of the Court of Justice and the common services of the Institution. The latter, examined by the representatives of the three courts, made it possible to identify the procedural rules which the Court must adopt in order to handle, from 1 September 2016, the cases that will be transferred to it from the Civil Service Tribunal and actions brought under Article 270 TFEU.

2| That amendment results from Regulation (EU, Euratom) 2015/2422 of the European Parliament and of the Council of 16 December 2015 amending Protocol No 3 on the Statute of the Court of Justice of the European Union (OJ 2016 L 341, p. 14).

### 1.1.2.3 REGISTRY OF THE CIVIL SERVICE TRIBUNAL

2015 was the year in which the Court's reform plan providing for the integration of the Civil Service Tribunal into the General Court of the European Union was adopted.

Moreover, the term of office of one of the seven Members comprising the court expired in the course of the year.

In addition, the terms of office of two other Members expired in 2014. Three judges, therefore, continue their work under a provision of the Statute of the Court of Justice which provides that 'a Judge shall continue to hold office until his successor takes up his duties'.



The year in question was therefore a transition period, until the adoption of the reform referred to at the end of the year. In that context, the Registry has started the preparatory work for the transfer of cases pending to the General Court and for determining the fate of their working tools. Furthermore, a significant dispute consisting of 77 cases relating to the calculation of the pension rights of officials, in addition to its usual business, continued to structure the activity of the Registry. Statistical indicators of that activity are set out in Section 2(1) of Annex 1 to this report.

With regard to IT, the Registry of the CST has also taken part in the work on version 3 of e-Curia, in the GenDoc project, in the project for the modernisation of the 'Litige' procedural database and in the ECM programme. Finally, the Registry of the CST has contributed, with two other Registries, to the development of the digital Reports of case-law.



## 1.2 TRANSLATION DIRECTORATE GENERAL (DGT)

### 1.2.1 MISSION AND OBJECTIVES

The recurrent activity of the DGT, which is at the same time the task entrusted to it, is to ensure observance of the European Union's rules governing languages in legal proceedings – by translating the parties' pleadings into the courts' language of deliberation and translating into the language of the case all documents received or drafted in another official language – and to enable citizens of the European Union to gain access in their own language, as soon as may be and on equal terms, to the case-law.

The objectives set for the DGT are to ensure that:

- ▶ the deadlines with respect to translation necessary for judicial activity and the dissemination of case-law are complied with;
- ▶ the quantity of translations produced guarantees not only that the current workload will be dealt with but also that any backlog will be absorbed, and;
- ▶ the legal translations which are produced attain the 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 in relation to main objectives**

The increase in the number of pages of translation to be produced since 2003 is shown in the table below. All translations are made at the request of the registries, the cabinets or other 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 the Institution

Year	Pages to be translated <sup>3</sup>		Percentage variation in relation to previous year	
	EUR-15/25/27	EUR-28	EUR-15/25/27	EUR-28
2003	394 090		-2.3%	
2004	569 213		+44.4%	
2005	645 176		+13.3%	
2006	642 112		-0.5%	
2007	714 361		+11.3%	
2008	755 345		+5.7%	
2009	805 796		+6.7%	
2010	907 518		+12.6%	
2011	977 059		+7.7%	
2012	891 436		-8.8%	
2013	903 024	924.829 <sup>4</sup>	+1.3%	+3.7%
<b>2014</b>	<b>1.062.510</b>	<b>1.099.604<sup>5</sup></b>	+17.7%	+18.9%
<b>2015</b>	<b>1 074 808</b>	<b>1 114 838<sup>6</sup></b>	+1.2%	+1.4%

Through the combined effect of a stabilisation of incoming pages in 2015 compared to 2014 and the continued efforts to reduce translation, the workload increased by only 1.4% in 2015, to achieve a total of 1 114 838 pages, after a sharp rise in 2014 (+ 18.9%).

Moreover, productivity increased by a further 7%, partly through increased outsourcing to **control the workload**, but also through the implementation of new translation support tools and the provision of ever richer terminology, bearing in mind the increased productivity of the Croatian language unit, set up in July 2013 and which has now reached a mature rate of production. The pages sent out have reached the figure of 1 113 427. Thus, with comparable incoming work in 2014, the stock increased by 40% to reach 214 000 pages, while they remained stable in 2015. That stock has been carefully managed to avoid any impact on the duration of proceedings.

The savings measures phased in since 2004 had made it possible, in 2014, to reduce translation requirements by 417 000 pages. In 2015, those savings exceeded 482 000 pages:

- ▶ Selective publication: 389 168 pages (333 001 pages in 2014);
- ▶ Publication by extracts: 30 580 pages (19 206 pages in 2014);
- ▶ Summaries and omissis (requests for a preliminary ruling): 48 868 pages (46 695 pages in 2014);
- ▶ Elimination of tables in reports of case-law: 7 270 pages (11 500 pages in 2014);

3| Current work only. The part of the old case-law to be translated in-house is not therefore shown in figures for the 'enlargement' years, i.e. 2004, 2007 and 2013

4| Including 21 805 pages of translation to be produced for the Croatian Language Unit following Croatia's accession in July 2013.

5| Including 37 094 pages of translation to be produced for the Croatian Language Unit.

6| Including 40 030 pages of translation to be produced for the Croatian Language Unit..

- ▶ Elimination of Reports for the Hearing (Court of Justice): 6 300 pages (6 000 pages in 2014);
- ▶ Reducing the length of Opinions: the number of pages remained relatively stable in 2015<sup>7</sup>.

Without all of the savings measures taken since 2004, the number of pages of translation to be produced would have approached 1 600 000 pages in 2015.

As regards **quality**, the investment made in IT, terminology and internal quality assurance processes 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 increasing the level of quantitative production.

Finally, the commitment of the DGT 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, reducing the period between delivery of judgments and forwarding for publication in the European Court Reports, now digital, to only 6 months.

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

For each risk set out in the risk analysis prepared by the DGT, relevant actions have been taken or scheduled, including the complete updating of the continuity plans. The Directorate General has crisis plans that are detailed and updated annually which will help it to deal with risks connected with IT malfunctions and to any absences of its staff.

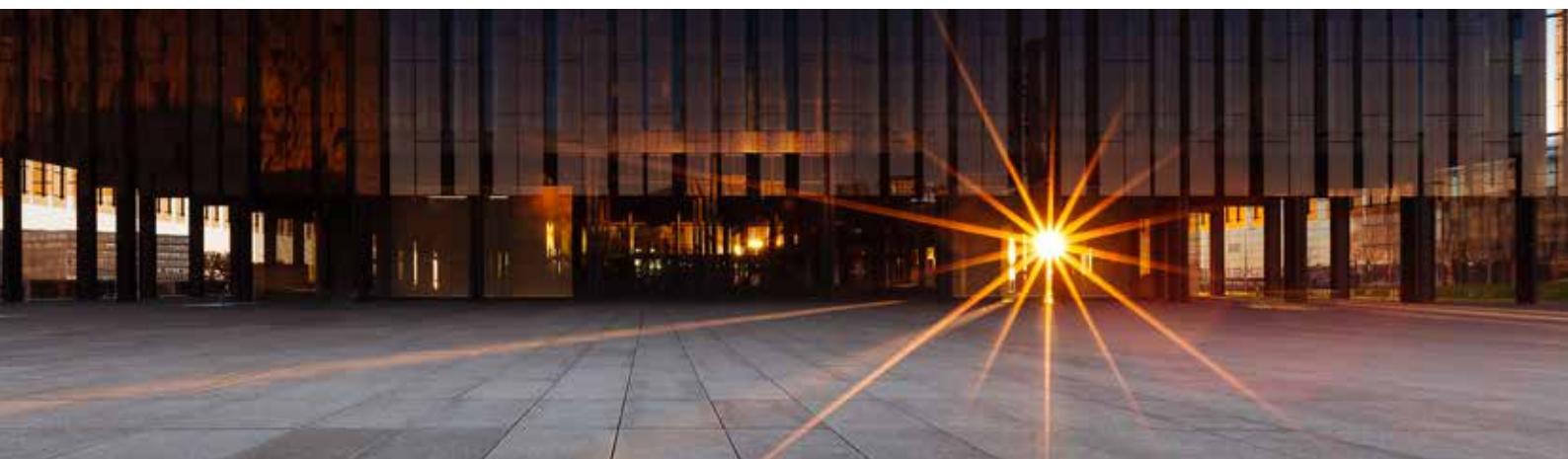
The risks specifically associated with the activities of the translation service essentially relate to control of the workload, maintaining quality and observance of time limits. A persistent failure to control the workload would imperil the handling of cases by the three courts, and the dissemination of the case-law in all the languages. Translation quality issues could affect the quality of judicial work in general, the proper understanding of case-law within the legal systems of the Member States, and the image of the Court. Failure to comply with deadlines would have



<sup>7</sup> The average length of Opinions was established in 2015 as 41.1 pages (37.3 pages in 2012, 38.3 in 2013 and 40.25 in 2014) for cases other than appeals.

the effect of delaying proceedings before the Courts of the European Union and the dissemination of case-law.

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 DGT, especially in the present budgetary situation. 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 DGT 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, which will continue for two more years, however, heavily affects the human potential and production capacity of the Directorate General, which necessitates, *inter alia*, an increased use of outsourcing.

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.

Concerning **complying with deadlines**, careful monitoring is carried out centrally and the results in 2015 remain satisfactory: the objective of making all language versions of judgments of the Court of Justice available on the day of delivery, and that of making Opinions available on the day of delivery of the judgment were largely met.

Information technology is a key factor tempering the risks associated with the control of the workload, maintaining quality and meeting deadlines. It is in this context that the DGT has started migrating in 2015 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 intends to add to this,

by 2017, the interinstitutional statistical translation assistance software MT@EC. Such tools enable qualitative gains, but also augur well for increased productivity, which is, however, uncertain and in any case difficult to assess.

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 DGT.

The audit and advice work of the Internal Auditor in the field of translation initiated in 2013 focused on many aspects of the functioning of the DGT. The recommendations made were aimed mainly at supporting the efforts of the services of the Directorate General in seeking opportunities for improvement and supporting those improvement measures that have been initiated.

The Directorate General has benefited from the work done and has integrated the results obtained in its own considerations on the prospects for development and improvement in due course, and in its plans for transformation, such as the new translation environment referred to above, the 'quality measure' and the project to optimise the contribution of freelance translation.

The DGT has introduced a large number of initiatives for improvement and recommendations made are now incorporated in its working arrangements. In view of the progress noted, that audit is approaching completion, without prejudice to any usual further investigation.

### 1.2.3 INTERINSTITUTIONAL COOPERATION

#### • **The Interinstitutional Committee for Translation and Interpretation (ICTI)**



The 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, one being devoted more specifically to translation (Executive Translation Committee or ETC), the other to interpretation.

The ICTI and in particular, with regard to translation, the ETC, provide a permanent framework for interinstitutional cooperation, for example in the areas of exchanging information and experience, technological supervision, joint activity and performance indicators, organisation of competitions, outsourcing or training. Its biennial presidency is entrusted since January 2015 to the Commission. It is within that framework 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 interinstitutional agreement for the use of the SDL Trados Studio translation environment has been prepared and concluded.

In 2015, based on the guidelines adopted by the ICTI, the ETC focused on strengthening cooperation between language communities and the exchange of best practice. It is in this context that, in September 2015, the first exchange day took place which brought together all the language communities.

- **The international level**

DG Trad is also active within IAMLADP<sup>8</sup>, 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 2015, IAMLADP discussed, *inter alia*, translation support tools, methods of performance measurement and prospects for sharing resources and training.

The DGT also takes part in the annual meeting of JIAMCATT<sup>9</sup>, a forum for sharing information on support tools for translation and interpreting.

- **Exchange of staff with the European Central Bank**

Following the proposal made at the beginning of 2015 by the European Central Bank (ECB) to host lawyer-linguists of the Court in Frankfurt, two lawyer-linguists, from the Lithuanian and Finnish units respectively, were seconded for a period of three months. The cooperation has been very positive for both parties, the ECB benefiting from the qualified reinforcement provided by the lawyer-linguists, while the latter were able to acquire and bring to the Court more experience in the field of banking and finance law. Cooperation with the ECB will continue in 2016.

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8| International Annual Meeting on Language Arrangements, Documentation and Publications

9| 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 to assist the judicial activity of the Court of Justice, the General Court and the Civil Service Tribunal by supplying high-quality interpretation at hearings and other meetings organised by the Institution. In that context, the main activities of the Directorate are as follows:

- ▶ 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 quality level of the interpreting provided during oral hearings while containing the related costs, in particular the impact of hiring standby interpreters (ACIs) on the Court's budget in the context of the needs of the courts.

It may be noted that the recruitment of CIAs is regulated by the Convention concluded by the IACI (International Association of Conference Interpreters), on the one hand, and the European Parliament, the Commission and the Court of Justice, on the other, and revised in 2008<sup>10</sup>.

### *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 three Courts of the Court of Justice was the subject of 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 coverage required varies from one hearing to the next: the simultaneous interpreting provided depends on the language(s) of the case, the official language of the

Governments of the Member States intervening, the language of the judges and the Advocate-General of the Chamber and, as far as possible, takes account of the main language of official visitors.

The number of hearings and other meetings at which interpreting was provided in 2015 was 628, including 234 hearings before the Court of Justice, 321 before the General Court and 10 before the Civil Service Tribunal, as well as 63 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 continues to be unpredictable.



### *Workload*

The workload of the interpreting department is closely linked to the growth of judicial activity and the number of hearings arising from that, in particular if they are scheduled simultaneously, and the growing number of language combinations to be covered during those sessions.

Faced with this trend, and in preparation for the expected increase, from 2016, in the number of Members of the General Court, the Interpretation Directorate strove to contain its expenditure in connection with the recruitment of ACIs by adopting efficiency measures and by implementing various streamlining measures which

10 | 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.

the Directorate proposed in 2012 to the Administrative Committee and to the Presidents of the Chambers. These measures have clearly borne fruit, such as the relative control of the number of hearings, and the reduction in the number of contract days provided by ACIs.

*Number of hearings or other meetings:*

With interpretation	2012	2013	2014	2015
Hearings	599	552	607	565
Other meetings	84	77	110	63
<b>Total sessions</b>	<b>683</b>	<b>629</b>	<b>717</b>	<b>628</b>

*Changes to the number of contract days provided by ACIs:*

2012	2013	2014	2015
<b>2 527</b>	<b>1 634</b>	<b>1 960</b>	<b>1 661</b>

### **Recruitment**

The quality of interpreting at the Court remains fundamental, and high quality interpreting is dependent on the availability of the Institution's permanent interpreters, 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 EPSO competitions and interinstitutional 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 – Heads of Unit and coordinators – continue to work in booths as conference interpreters, and no purely administrative posts have been created within the department.

In 2015, the Interpretation Directorate called upon 262 ACIs in order to meet its needs. Those interpreters provided a total of 1 661 ACI contract days, or an average of 43 contract days per week of judicial activity.

- Risks associated with the above operations and the efficient and effective 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 service must comply with the language rules prescribed by the basic texts governing the activity of the Court. The Institution is unable to control demand, as it is primarily dependent on the number of cases brought 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, in order to shorten procedural periods.

Since the language coverage required in the courtroom is likely to undergo last-minute alterations, the Institution is sometimes obliged to bear the costs of cancelled contracts. However, in order to deal with the financial risk arising from cancelling an ACI, the Interpretation Directorate of the Court of Justice has taken the necessary steps to allow ACI contracts to be taken on by the other institutions of the European Union.

### ***Supervisory 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*, interinstitutional cooperation.

In 2015 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 interpreting services are provided to the courts 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 2015, 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 restricted long-term employment of ACIs, while taking the necessary steps to ensure that ACI contracts can be taken on by other institutions of the European Union. In 2015, 34% of cancelled ACIs were thus able to be re-deployed thanks to interinstitutional cooperation, which helped limit costs.





### 1.3.3 INTERINSTITUTIONAL COOPERATION

Cooperation with the two other EU interpretation services (European Commission and European Parliament) continued within the ICTI (Interinstitutional Committee for Translation and Interpretation) and particularly with its Executive Committee for Interpreting. Interinstitutional activity represents a considerable saving in resources for the Court and was focused in 2015 in the following areas:

- ▶ Shared management of over 3 000 ACIs (digitalised system for exchanging interinstitutional 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 interinstitutional working group for the purposes of trying to improve conference interpreter selection procedures;
- ▶ Joint selection of freelance interpreters for all languages (interinstitutional 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 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 consists of the Library Directorate, which comprises two Units, and the Research and Documentation Directorate, which comprises three Units.

### 1.4.1 LIBRARY DIRECTORATE

#### 1.4.1.1. MISSION AND GOALS

The **mission** of the Library Directorate 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 **objectives pursued** by the Directorate, by sphere of activity, are summarised in the table below:

Paper publications	Purchase of publications in paper format, including subscriptions to periodicals or collections.
Electronic publications	Purchase of publications in electronic format and subscriptions to databases.
Catalogue	Recording the publications acquired in the digital catalogue.
Users	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.
Subscriptions	Managing the subscriptions of Members and departments of the Institution to journals and periodicals.

It should be stated that the **Library catalogue** contains approximately 450 000 bibliographic notices, more than 255 125 of them relating to EU law. In addition, 304 000 notices refer to academic legal articles, the fruit of the work involving systematic sifting of collections and periodicals to which the library is a subscriber, which contribute to the added value represented by this catalogue at world level.

The catalogue's hosting on the Internet now enables lawyers from all over the world to carry out very specific bibliographical research relating to the fields of law covered by the catalogue, especially EU law, the specialist field par excellence of the Library of the Court of Justice.

#### 1.4.1.2 RESULTS OF OPERATIONS AND CONTROL OF RISKS ASSOCIATED WITH THOSE OPERATIONS

- **Results of the operations by reference to the objectives set<sup>11</sup>**

Paper publications	Purchases of works in paper format	4 925
	Total number of electronic applications	2 700
	Applications concerning legal periodicals	>1 000
Electronic publications	<ul style="list-style-type: none"> <li>• In 2015, there were 39 420 consultations relating to 720 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).</li> <li>• The Library has access to the full text of 840 periodical titles (739 journals and 101 year books), the number of titles being 3.6% more than in the previous year</li> </ul>	
Catalogue	New references in the catalogue (monographs and articles resulting from the analysis of journals and collections)	23 743 (24 539)
	Permanent loans (works lent for an indefinite period to in-house readers at their request)	1 183 (1 471)
Users	Ordinary loans (works lent to in-house users for a fixed period of 15 or 30 days)	7 732 (7 090)
	External users (Library visits by legal students and researchers, university academic staff and lawyers)	1 583 (1 600)
Subscriptions	New subscriptions to periodicals and year books	28

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

The risk analysis exercise, carried out by the Institution for the sixth consecutive year, enabled the Directorate to determine the overall adequacy of **the documentation** concerning procedures followed within the department in order to deal with the most significant risks (beyond those linked to budget management for which procedure sheets were previously established in accordance with internal control standard No 10).

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, and so on) 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.

11 | Where relevant, the figures for 2014 are shown in brackets.

Likewise, **risks linked to the adaptation of the classification plan** (loss of data, malfunction of the interactive plan) are contained by the controls which have been put in place.

The **risks associated with the Library's current operations** (acquisition of books, periodicals and licences for electronic services) could be contained by means of the Court's internal control system and the optimum use of the Library's integrated management system (particularly in relation to the management and monitoring of the numbers of periodicals to which the Library subscribes, timely requests to the publishers of volumes not received, reminders sent to internal readers who have not returned borrowed books on time, etc.).

Moreover, as part of its unflagging efforts to preserve its stock, the Library maintained the strict application of its security measures, introduced in conjunction with the Directorate General for Infrastructures (securing, by attachment of magnetic strips, all books displayed in the reading room, electric locks allowing access by badge to reserve rooms, security gate at the way out of the Library). It must be added too that the Library asks members of the Institution's staff who have lost or damaged borrowed works to refund the cost of purchase of those works.

In addition, the Library has pursued its policy of cooperation with suppliers based in the countries where the works concerned (in particular, legal publications and dictionaries) are published, which allows it to make significant savings on the corresponding orders while receiving, without delay, the publications concerned.

#### 1.4.1.3 INTERINSTITUTIONAL COOPERATION

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 interinstitutional working group EUROLIB.

### 1.4.2 RESEARCH AND DOCUMENTATION DIRECTORATE (RDD)

#### 1.4.2.1 MISSION AND OBJECTIVES

The mission of the RDD is to assist the three EU judicial bodies 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 monitoring legal developments, particularly in national law, in areas connected with the activity of the Institution.



The objectives pursued by the Directorate, by sphere of activity, are summarised in the table below:

Assisting judicial activity	Preliminary examinations of requests for a preliminary ruling and, in certain areas, of appeals, <i>inter alia</i> , 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.
Analysing and disseminating case-law	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.
Monitoring legal developments	Monitoring documents relating to national case-law concerning EU law and notes of academic literature concerning decisions of the three judicial bodies.
	Drawing up newsletters with information on legal developments relating to EU law, including <i>Reflets et Actualités législatives et jurisprudentielles</i> .
Administration of databases	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 interinstitutional 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.

Externally, the RDD also represents the Court within the Joint Council on constitutional justice of the Venice Commission of the Council of Europe and participates, through contacts between documentation services, in the works of the Association of the Councils of States and Supreme Administrative Jurisdictions of the Member States.

#### 1.4.2.2 RESULTS OF OPERATIONS, CONTROL OF ASSOCIATED RISKS

- Results of the operations by reference to the objectives set<sup>12</sup>**

Assisting judicial activity	Pre examinations	434 (425)
	Initial review of appeals	68 (29)
	Research notes	5 (8)
Analysing and disseminating case-law	Summaries	1 299 (1 227)
	National decisions (Monitoring requests for a preliminary ruling)	121
	<ul style="list-style-type: none"> <li>The first edition of the <i>Case-law of the Court of Justice and General Court Bulletin</i> concerning general principles and fundamental rights, which consists of two volumes relating to approximately 1 790 decisions, appeared in 2015.</li> <li>The chapters concern the case-law of the Court of Justice (92 pages) and the General Court (80 pages) were written for the Court's Annual Report</li> </ul>	
Monitoring legal developments	National decisions (not including monitoring)	323
	Notes of academic literature	1 594 (2 502)
	<ul style="list-style-type: none"> <li>3 new issues of the bulletin <i>Reflets</i> were published;</li> <li>2 new issues of <i>Actualités législatives et jurisprudentielles de l'Union européenne</i>, one devoted to jurisdiction and admissibility in the context of a reference for a preliminary ruling, the other concerning the World Trade Organisation and EU law, appeared in the course of 2015.</li> </ul>	
Administration of databases	Direct actions registered	1 203 (1 045)
	Decisions of the EU judicial bodies, the metadata of which have been fed into the internal databases and EUR-Lex	1 535 (1 228)
	<ul style="list-style-type: none"> <li>The work relating to the modernisation of Minidoc continued in 2015 with two additional modules being brought into operation and the bringing into production of a new module for the treatment of multilingual summaries.</li> <li>The tool development permitting the automation of citations of case-law in the decisions subject to legal analysis was introduced, thereby allowing improvements in productivity. Work continues with a view to achieving the ultimate objective of full automation of this processing in the future for legal citations other than case-law</li> <li>In the context of the work relating to Minidoc III, in close cooperation with the DTI, new modules for pre examinations and national decisions have been developed in order to allow production to start in 2016.</li> </ul>	
	Minidoc II training (participants not including RDD)	61 (73)

- Risks associated with those operations and the effective and efficient functioning of the internal control system of the Research and Documentation Directorate**

Like the Library Directorate, the RDD identified the most significant risks and updates the procedures to be followed in order to deal with those risks, *inter alia* so as to be able to ensure that urgent preliminary ruling procedures are processed in good time, even **in a crisis situation**.

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

<sup>12</sup> Where relevant, the figures for 2014 are shown in brackets.

a continuing and substantial increase in judicial activity (between 2010 and 2015: references for a preliminary ruling + 17%, appeals before the Court + 112%, cases completed by the three courts + 38%) 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.

As is the case for the Institution as a whole, the RDD has no means of influencing the size of its workload, which is mainly dependent on the **volume of litigation**, which creates a significant risk with regard to **compliance with time limits and maintenance of the quality** of the products produced and disseminated by the RDD.

In order to limit the impact of those risks, 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 with a view to the best use of new technology. In that regard, although the intense involvement of the Directorate staff in various important IT projects represented a heavy workload in 2015, greater than that quantified in previous years, that investment in the development and modernisation of IT tools is the guarantee of future improvements in productivity which will make it possible better to cope with the workload arising from the projected increased volume of litigation.

Finally, the risk of the loss of skills due to a **high staff turnover rate** is contained by various initiatives undertaken, particularly at the level of training new colleagues and updating the manuals designed to guide staff in performing their duties.

#### 1.4.2.3 INTERINSTITUTIONAL COOPERATION

The Directorate provides assistance to the staff departments and judicial departments of the other institutions by placing the various results of its work, including case-law bulletins, at their disposal.

Moreover, in 2015, as in 2014, members of the Directorate staff were members of EPSO competition selection boards. In that regard, the RDD welcomes the fact that EPSO competitions have been organised, through

the efforts of the Human Resources Directorate, for the German, Bulgarian, Irish, Lithuanian, Hungarian and Slovak legal systems, the organisation of which has allowed close cooperation with leading colleagues in other departments and institutions. It should be noted, however, that the arrangements for the organisation, monitoring and evaluation of the tests represented a considerable burden for the staff of the RDD who were fully committed to ensuring the smooth running of those competitions.

On an interinstitutional level, the Directorate ensured that the Institution was represented in the following ways:

- ▶ 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 Interinstitutional 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 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 (seminars, study visits and information sessions). It also manages, in conjunction with the Directorate General for Infrastructures, **works of art** entrusted to the Court.

### 1.5.2 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 main objectives**

In general, the activities of the Directorate in 2015 have confirmed two trends that started in previous years, namely a qualitative change of activities in the direction of increasing support for the life of the Institution and a growing interest by law professionals in seminars and study visits, the programmes of 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 the preliminary ruling procedure. Accordingly, the Protocol and Visits Directorate continuously revises its working procedures, in order to adapt them at any given moment to the needs of organising different types of events and thus increasing its effectiveness and, consequently, the quality of its services.

In 2015, the results of the Protocol and Visits Directorate were as follows:

### Protocol Service

In 2015 the activity of the protocol service consisted of the organisation of 63 events, in all categories. The ceremonial events, in the strict sense, were as follows: 3 formal sittings, 23 official visits, 1 overseas visit by a delegation of the Court and 11 courtesy visits (that is 38 events compared to 31 in 2014).

The protocol team also organised 2 conferences and 4 seminars, including the Judges' Forum, which in 2015 was intended for national judges and magistrates of first instance and of appeal, and which brought together 159 participants from all Member States.

### Seminar service

In 2015, 115 seminar days were organised for 1 627 judges and magistrates. Four seminars were cancelled in a very advanced stage of preparation following security decisions taken by the Institution (see the section on risks).

The results of this sector of activity of the Directorate represent an increase of 15% compared to 2014, which confirms the growing interest of law professionals in such events.

### Visits service

In 2015, the visits team welcomed 597 groups, representing a total of 12 586 visitors, the organisation of such visits allowing the Court to reach out to a wide public and to provide better information to citizens about the judicial institution and EU case-law. The tragic events in Paris and the raised level of alert in the institutions, together with the exceptional security measures taken, explain the lower number of visits recorded in 2015 compared to 2014 (- 13.9%).

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

The particularly serious level of security alert imposed in all of the institutions following the events in Paris on 13 November disrupted the operation of the 'Seminars and visits' unit in a period which is usually one of the busiest in the year. This experience has led the Directorate to revise a number of its working procedures in order to better deal with such emergencies in the future. Thus, the Court's website now contains information intended to warn the public of the possibility that visits may be cancelled in exceptional situations.



### 1.5.3 INTERINSTITUTIONAL COOPERATION

In January 2015, the 'Seminars and visits' unit participated in an information day organised by the DGT of the European Parliament.

In September 2015, the colleagues of the same unit conducted a half-day of training at the Centre Européen in Schengen. The Centre receives around 10 000 visitors a year and is home to the 'Relais Europe direct', an information centre of the European Commission Representation in Luxembourg. The meeting allowed the teams to discuss the organisation of visits, the reception of multicultural groups and news regarding the Schengen area



## 1.6 COMMUNICATION DIRECTORATE

### 1.6.1 MISSIONS AND OBJECTIVES

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

- ▶ dissemination to the media (including social media) and to the public of information on the judicial activity of the Court of Justice, the General Court of the European Union and the Civil Service Tribunal (CST);
- ▶ 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 Internet and Intranet sites) and, more generally, internal communication activities;
- ▶ management of all requests for access to administrative documents of the Court and the management of the historical archives of the Institution and processing requests for access to historical archives (in cooperation with the European University Institute in Florence).

### 1.6.2 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 main objectives**

In the context of **external communication**, the directorate has drafted a total of 155 press releases representing 1 869 language versions, which were verified by colleagues of the Directorate. It also sent out several hundred newsletters to correspondents interested in the activities of the Institution.





The Directorate identified, in 2015, about 8 000 articles in the European and international press in connection with the Institution or decisions of the Institution. The Schrems case (C-362/14), one of the most publicised cases in recent years, was the subject of a special press review that incorporates 250 press reports.

The Press and Information Unit of the Directorate also answers questions from citizens who contact the Institution to obtain information on its activities and functioning. It follows from an estimate made over a period of 4 weeks that, in 2015, the Directorate handled about 21 000 telephone and electronic inquiries.

As in previous years, on 9 May 2015, the Directorate organised an Open Day as part of the Festival of Europe. That event made it possible to welcome almost 4 000 visitors, a record figure.

The Directorate can also be found on Twitter with two accounts (English and French) and a total of 24 000 followers. As webmaster, moreover, the Directorate manages the website. The website was the subject of 3 450 interventions during 2015 (that is, 150 interventions in the 23 official languages covered by the Institution).

Concerning **internal communication**, the Directorate manages the website of the Institution. In particular, 1 000 interventions were carried out in 2015 at the request of the departments.

The Directorate also edited and produced the Institution's 2014 annual report and updated the Institution's other

PR tools (e.g., leaflets, brochures, posters, maps, etc.). It has also prepared fifteen publications, guides and flyers. Furthermore, it has launched several electronic publications, such as an application to provide access, by smartphone and tablet, to the case-law, press releases and timetables, an update of the virtual tour of the Court as well as educational activities regarding the structure and functioning of the courts and their case-law.

Furthermore, the Directorate has introduced, from October 2015, a weekly newsletter intended primarily for staff. Ten issues were published between October and December 2015.

With regard to **access to documents and historical archives**, the Directorate handled, in 2015, 84 requests for access to documents and 8 requests for access to historical archives. During the year 2015, archival series dating from 1952 to 1979/1982 were selected for permanent preservation purposes and consigned in two shipments to Florence. On 9 December 2015, the opening ceremony of the historical archives of the Court was held at the European University Institute in Florence.

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

As regards **external communication**, the Directorate has provided updates on all media decisions of the Institution and has also responded to questions that have arisen, in particular by using press releases, tweets, documents in the form of questions and answers and interviews given by the President and the Vice-President of the Institution, and by Members of the Court of Justice and of the General Court.

In the area of **internal communication**, a new unit ('Publications and Electronic Media' Unit) was established on 1 February 2015, with an internal redeployment of staff. This new organisation has allowed clear and more structured tasks to be assigned or reallocated to each unit, synergies and economies of scale to be achieved and several projects to be launched.

The Directorate is also working on the redevelopment of the intranet site. The new intranet site allows designated contributors of each department to publish information independently on the intranet site. It also facilitates a harmonised and partially automated management of content and streamlined access to information contained in the old version of the site. Finally, it offers new features providing greater visibility of content and allowing easier access to the archives. All of that work has made it possible to launch the new version of the intranet site at the beginning of 2016.

In the area of **access to documents**, the Directorate has taken several measures to strengthen the procedures and processes regarding requests for access and to ensure better traceability and more targeted answers within the time limits and in accordance with the procedures prescribed. In particular, the Directorate has introduced tools to better centralise and manage contacts with internal and external interlocutors of the Institution and to ensure a continuous follow-up of requests at all times.

### 1.6.3 INTERINSTITUTIONAL COOPERATION

With regard to **external communication**, the Directorate has cooperated with the corresponding departments of other European Institutions – particularly the European Commission – on a regular basis. To increase the visibility and media impact of the cases, the Audiovisual Service of the Commission (EBS) has been regularly requested (that is, 54 times) to take images of the delivery of judgments or of readings of Opinions.

With regard to **internal communication**, the Directorate cooperates closely with the Publications Office, both in relation to traditional publications (brochures, leaflets, etc.) and electronic publications. In particular, the Publications Office provides the Directorate with modern technical services provided by selected subcontractors, using the expertise of the Office, in accordance with competitive tendering procedures.

The Directorate has also cooperated on several occasions in 2015 with the Communication Directorate of the European Commission in the context of the Interinstitutional Editorial Committee for the Internet (CEiii). It also participates in various interinstitutional committees, including the Management Committee of the Publications



Office, the CEiii (see above), the Interinstitutional Digital Publishing Committee (IDPC) as well as the editorial board of the official directory of the European Union.

In the context of the **management of historical archives**, the Directorate works closely and regularly with the European University Institute in Florence and the Historical Archives of the European Union (HAEU). The Directorate also participates in the Interinstitutional Archives Group (IIAG), of which the Institution is a member, and in the European Archives Group (EAG) within which the Institution has the status of observer.



## 2. OTHER ADMINISTRATIVE SUPPORT ACTIVITIES

### 2.1 DIRECTORATE GENERAL FOR INFRASTRUCTURE

#### 2.1.1 MISSION AND OBJECTIVES

The Directorate General for Infrastructure (DGI) consists of 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 the rules of 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 so that they can 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 2015 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 3<sup>rd</sup> tower project (DB);
- ▶ to ensure the preservation and maintenance of the built heritage of the Institution (DB);
- ▶ to guarantee the security of the premises of the Court and the safety of those occupying it (DB);
- ▶ to facilitate the exercise of the judicial activity by the reproduction of procedural documents, the service of court officers at hearings, provision of transcripts of hearings, 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 and equipment, gowns ...) and in the work environment and social relations (restaurant, cafeteria ...) (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, orders and Opinions online (DL);
- ▶ to bring the IT applications into line with the new Rules of Procedure of the General Court, to overhaul the IT systems around the ECM<sup>13</sup> and deploy new modules of Sysper II for the management of human resources (DIT).

## 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 of operations in relation to main objectives**

**DB:** The project to construct the fifth extension of the Palais (third tower) of the Court made good progress in 2015: finalisation of the detailed preliminary draft, which made it possible to obtain the final favourable opinion of the European Parliament<sup>14</sup>, adoption of the guarantee law by the Luxembourg Parliament and establishment of the first tender documents with a view to commencing construction in spring 2016.

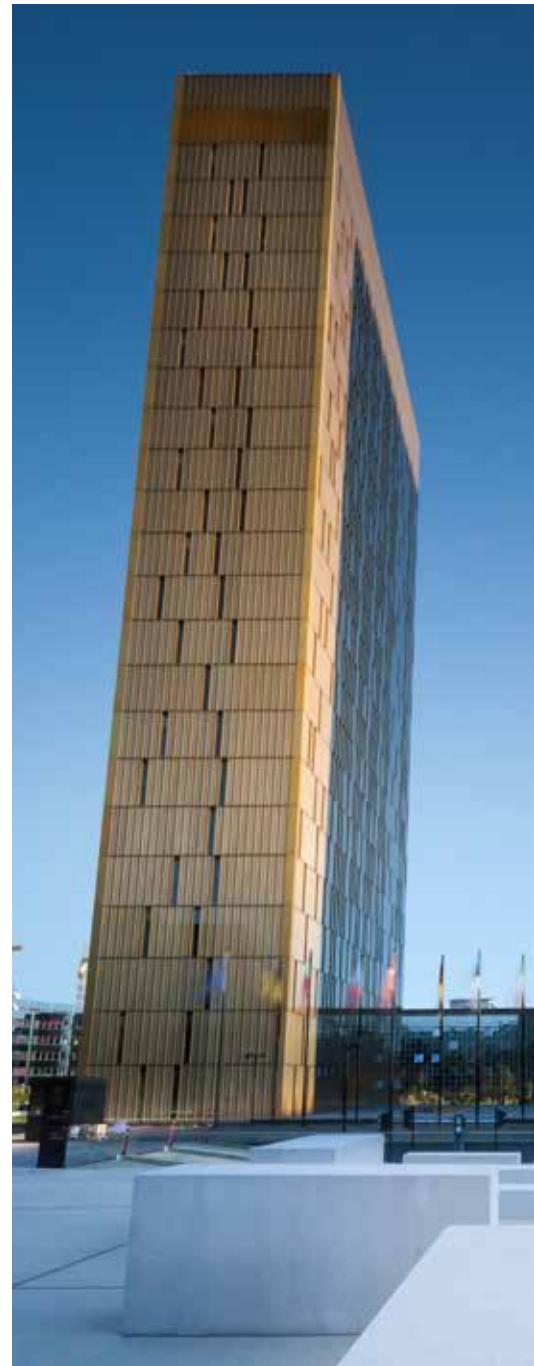
The fitting-out work in the premises intended to receive the new judges of the General Court, following the adoption of a legislative proposal to that effect, made good progress due in particular to the launch of a series of calls for tenders in 2015.

The Directorate continued the implementation of quality (ISO 9001 in caretaking) and environmental (EMAS) standards.

**DL:** The multi-functional and versatile pool, created at the end of 2014, became fully operational. The selection, the review of skills and appropriate training were completed for the start of the new judicial term in September and replacement and support missions were carried out from the last quarter, with success. The results suggest promising prospects for an expansion of staff and beneficiary services outside of the Directorate. That aspect will be studied during the next year.

The Directorate has continued its organisational and technical streamlining efforts. In line with previous years, its operating budget has been reduced by over 10% (budget reduction of 28% over five years) along with its staff (staff reduction of 10% over three years), while improving the quality of the service.

The programme to increase the production of the electronic case-law reports continued: the General Reports were enhanced with the case-law of 2014 and the Reports of Staff Cases with the case-law of 2013 and 2014, in accordance with the objectives that had been set. Compared to



13 | Enterprise Content Management, a content management application for documents of the Court

14 | This project was notified to the budgetary authority in June 2011 and obtained the support of the Council and the preliminary favourable opinion of the European Parliament's Committee on Budgets, with the final favourable opinion being given in April 2015.

paper case-law Reports, the production costs of the electronic case-law Reports were divided by six and the production time by two.

The introduction in September of an RSS feed to obtain judgments and Opinions from the day of their delivery, in the language versions available, was an opportunity to discontinue the physical sending of those documents to the external subscribers, which represents a saving in the order of EUR 100 000 per year.

**DTI:** Regarding the judicial information system, the DIT has implemented the IT adaptations necessary for the entry into force of the new Rules of Procedure of the General Court. It also progressed with the development of major projects, in particular the ECM, whose documentary base can be tested at the beginning of 2016 with a new search engine. The introduction, in 2016, of SDL, the new support system for the translation of judgments and court documents, was prepared. Finally, the DIT is pursuing technological improvements on old IT applications, in particular on the Litige application, which feeds the database of the registries.

With regard to administrative information systems, the policy pursued by the Court is the use, wherever possible, of IT applications in common with other institutions. The DIT in particular configured and deployed new modules of Sysper II, the application developed by the European Commission for the management of human resources.

Finally, the Court initiated the programme to renew the network equipment of the buildings of the fourth extension of the Court launched in 2008.

- **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, and the confidentiality of information systems. Internal control measures taken and established to contain that risk are described below, by directorate.

**DB:** The first Institution-wide crisis exercise, which took place at the end of 2014 (in the form of a simulation of an event that could impede the proper functioning of the activity of the Court) was an important source of learning and made it possible to identify, in 2015, areas for improvement in the field of continuity of operations.

For the first time, the Institution was at orange alert level following, in particular, the attacks in Paris in January and November 2015, requiring special security measures to ensure the safety of Members and staff in the context of a difficult security situation.

The new security contract began on 16 July 2015. For the first time, the contractual arrangements were supplemented by a lot for qualitative and quantitative monitoring of services.

The assignment of a lawyer, to strengthen the Directorate for Buildings in 2014, contributed to reinforcing the internal control system of the Directorate, particularly with regard to public procurement as well as sound financial management.



**DL:** The risk of food poisoning is managed by means of random checks on compliance with hygiene rules by an outside body.

**DTI:** the risk relating to the availability and confidentiality of the information systems is mitigated by the continuity plan, in particular the transfer from the Data Center to the backup site, the security policy, multi-year planning of activities and the ongoing projects to upgrade the information systems using new technologies to improve availability.

Furthermore, the Directorate General began to implement the audit recommendations on insurance, finalised in July 2015.

To implement the recommendations of the Internal Auditor in the reports prior to 2015, relating to subcontracting, the new IT framework contracts, signed by the Court in 2014 and 2015, systematically include agreements on service levels and quality assurance plans. A survey of Helpdesk users conducted in mid-2015 shows broad satisfaction with the service provided and notes real improvements with the arrival of the new service provider and the actions implemented by the DIT.

Finally, the 'Passport' approach introduced by the DIT facilitates the provision of equipment and the management of access rights for new arrivals based on their user profile.

### 2.1.3 INTERINSTITUTIONAL COOPERATION

**DB:** In 2015, two interinstitutional contracts, with which the Court was associated, were awarded: one for technical, architectural and financial assistance and consultancy, and the other for the supply of natural gas.

The Interinstitutional Security Group (ISG) has existed for its first year under the presidency of the Court. On its initiative, meetings between the security services of the European institutions and Grand Ducal Police are held monthly. This structure has in particular promoted harmonisation of the measures taken to face the strong increase in security threats.

The interinstitutional coordination group for the establishment of the institutions in Luxembourg (GICIL) has continued its work: presentation of best practice in terms of management of real estate projects at the Court before representatives of the EP administration, obtaining framework contract models from the EP administration for architectural maintenance, multilateral exchange of construction prices obtained (benchmarking), acquisition by the Court of model tender documents for the lease of the premises known as the 'DATA CENTER'.

The Council, consulted by the Court on the subject, provided valuable assistance in the ongoing creation of a service for processing classified information and the planning, within the Court, of secure premises for processing such information.

**DL:** It is a consolidated policy of the Directorate for Logistics to take maximum possible advantage of interinstitutional calls for tenders, in order to benefit from better prices on the market and to optimise the associated management costs. In that context, in 2015 the Directorate also continued to preside over interinstitutional meetings concerning its field of activity.

**DTI:** Interinstitutional cooperation on information systems has three aspects:

(1) 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). Significant deployments, in particular on Sysper II, were made in 2015;

(2) The Court uses interinstitutional 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 interinstitutional 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;

(3) Finally, the Court actively participates in bodies such as the Interinstitutional IT Committee (CII - *Comité interinstitutionnel de l'informatique*) and its sub-groups, to share problems and solutions at interinstitutional level, the Steering Committee of the CERT-EU (Computer Emergency Response Team for EU Institutions, bodies and agencies) 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 ACTIVITIES

The mission of the Human Resources and Personnel Administration Directorate consists of the design and implementation of policies related to staff management. The Directorate, 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 Directorate also provides clarification on the application of the Staff Regulations by providing the replies necessary to the various requests of the officials and servants of the Institution.

In 2015, it had a workforce of 61 officials and other staff. The ratio of staff in the Personnel department to staff in the Institution overall, which was 4.63% in 1992 and 3.25% in 2002, is currently 2.9%, whereas the number of officials and other staff (temporary and contract) employed by the Institution rose sharply over the same period and amounts to 2 122 persons (1 285 women and 837 men) on 31 December 2015. During the year, 2 123 candidate proposal files were sent by the departments to the various appointing authorities (AIPN).

#### **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 of the operations by reference to the objectives set**

In general, the year 2015 was marked by the progress of work relating to the setting up within the Court of the **Sysper II staff management application**, developed and managed by the European Commission.



This is a high performance IT application which enables optimum monitoring of the rate of occupation of posts, career development, statutory rights, absences, work arrangements, etc. The work has been carried forward actively and has led to the migration and consolidation of data relating to the staff of the Court in the '**Career module**', thereby making it possible to discontinue use of the old Centurio application. That operation required the strong mobilisation of the lead unit within the directorate responsible for carrying out cross-checks and quality checks, in close cooperation with the Directorate for Information Technologies for the settings necessary to the specific needs of the Court. Work on the **TIM (time management) module** of the Sysper II application continued throughout 2015 and major adaptations were carried out. The preparatory work for the migration of data to the '**Rights' module**' also began in that year with a significant investment in terms of data quality control and training of competent managers.

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

The activity of the units was significant, with a constant increase in their workload and in the number of cases and requests handled in almost all areas falling within their competence:

Activity	Year 2015	Year 2014
Recruitments	<b>307</b> (122 AD, 79 AST, 106 AC)	291 (120 AD, 83 AST, 88 AC)
Procedures for filling permanent posts	<b>103</b> - 77 vacancy notices - 26 transfer notices	95
Traineeships	<b>242</b> - 163 unpaid traineeships in cabinets - 79 paid traineeships stages in departments	252
Working conditions (Requests handled relating to part-time arrangements, parental and family leave, flexitime and teleworking)	<b>2 145</b>	1 819
Termination of service due to retirement	<b>44</b>	45
Family allowances	- <b>1.258</b> actual right files - <b>2 066</b> various child allowances files	- 1 489 - 1 835
Annual travel costs	<b>1 854</b> dossiers	1 994
Annual leave and special leave	<b>8 975</b> requests	
Accident reports	<b>118</b>	108
Accidents	<b>128</b> files closed	101
Medical examinations	<b>47</b>	53
Interventions of the medical service	<b>2 335</b>	1 897

*Results achieved in the field of professional training*

The 'Strategic training framework 2010-2014' had already made it possible to define priority areas of work with a view to implementing a professional training policy using an approach based on career and skill development. This framework was therefore used as a reference for establishing the 'Annual Training Plan: 2015 guidelines' and, in that context, the following training was organised:

Type of training	Year 2015		Year 2014	
	Participation	Training days	Participation	Training days
General training	<b>1 866</b>	<b>2 174</b>	2 506	3 251
Language training	<b>1 799</b>	<b>12 860</b>	1 664	12 931
Office and IT training	<b>1 634</b>	<b>1 157</b>	1 474	1 047

Several specific training courses were also organised at the request of various departments, such as the targeted training for lawyer-linguists and interpreters (level 9-12), conversation classes in English and French, legal language training sessions for legal secretaries or administrators. In addition, 160 training days were devoted to new staff of the administrative services and 12 trainee magistrates were able to participate in a round of presentation of the departments as part of their training at the Court. Finally, two e-learning type training courses were introduced, together with several video tutorials, to become familiar with new IT applications and office tools.

*Results achieved in the field of remuneration and missions*

During 2015, the volume of items processed and recorded in the pay system by the Remuneration and Missions Unit progressed by 6.2% (12 706 adjustments in 2015 compared to 11 960 in 2014). In budgetary terms, the unit administered EUR 260.3 million in 2015 as compared to EUR 248.6 million in 2014.

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

On the basis of the instructions for identifying and evaluating risks, proposed by the Directorate for Budgetary and Financial Matters and the Institution's Internal Auditor, the Human Resources and Personnel Administration Directorate examined, listed and disseminated an analysis of the risks likely to compromise achievement of its objectives. For each risk, the appropriate measures have been taken or are planned. So far as the greatest risks to the functioning of the Institution are concerned, the Directorate's continuity plan was drawn up in order to guarantee essential duties in the event of crisis (making payments by repeating for the next month those of the previous pay month in order to prevent the serious consequences that could follow from a break in the chain of payments; maintaining the medical and welfare officer services; recruitments and/or termination of service strictly necessary/essential to the functioning of the Institution at a time of crisis).

Several improvements were also continued during the year:

- ▶ the introduction of Sysper II makes it possible to avoid manual encoding and calculation errors, and to automate/simplify procedures. Training courses in this system as well as advanced training courses are held regularly for the attention of the managers concerned;
- ▶ in order to ensure better compliance with the regulatory framework (the Staff Regulations and the Financial Regulation), in-house training activities, the publication of internal decisions and the vade-mecum (information and management of knowledge) all help to optimise staff management while striving for a high quality level of its services, as does the Directorate for Budgetary and Financial Matters' financial training activity and support;



- ▶ possibilities for simplifying administrative procedures have been identified, and the versatility and flexibility (and even mobility) of staff have been promoted in relation to various tasks. There is a particular focus on sharing skills and knowledge;
- ▶ the possibility of outsourcing certain tasks (e.g., transferring out pension rights) was examined and planned in order to preserve the production capacity of the Directorate in a challenging environment of permanent increase in its workload and reduced allocated resources.

### 2.2.1.3 INTERINSTITUTIONAL COOPERATION

Interinstitutional cooperation is of major interest to the Institution in the context of its staff management. That cooperation takes the following 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 for finalising competition notices;
  - use of EPSO reserve lists to obtain an overall view of the profiles of the successful candidates and proactive recruitment processes;
  - 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:
  - human resources management through the abovementioned Sysper II interinstitutional IT application;
  - remuneration management using the NAP (New Payroll System) application.
- ▶ Intense interinstitutional consultation to ensure a harmonised application of the Staff Regulations or prior to the launch of a new procedure relating to staff management.
- ▶ Interinstitutional 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.
- ▶ Constructive dialogue with the other institutions for the organisation of language courses, seminars and interinstitutional conferences. The relevant unit of the Court chairs the group of Heads of the Professional Training Units of the various institutions in Luxembourg.

## 2.2.2 DIRECTORATE FOR BUDGETARY AND FINANCIAL MATTERS (DBFM)

### 2.2.2.1 MISSION AND MAIN ACTIVITIES

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 of Justice. 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 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 management system (SOSII-SAP):** the objective being to ensure its optimal operation.

### 2.2.2.2 RESULTS OF OPERATIONS IN RELATION TO THE OBJECTIVES SET, CONTAINMENT OF 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 2016 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 2014 budget year and those required for the due implementation of appropriations in that of 2015 (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**, that is dealt with in Chapter IV 'Functioning of the internal control system'.

As regards **Accounting and Financial Management**, the 2014 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, virtually stable management indicators can be observed (number of payments made, number of encoded invoices/credit notes, number of new suppliers/officials recorded in the legal entities file ...) in comparison with previous years.

As regards **assistance/advice relating to the development and use of the integrated management system (SOSII-SAP)**, 2015 saw the finalisation or continuation of ongoing projects, including in particular the registration and monitoring in SAP of purchase requests and of contract award procedures, as well as the receipt of electronic invoices.

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

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 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 the integrated management system. Regarding **general accounting**, the continual checking of accounts and specific cut-off procedures enabled the Director, as the accounting officer of the Institution, to certify, with reasonable assurance, that the accounts for the 2014 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 the **SOSII-SAP integrated management system**, are controlled by means of a permanent helpdesk, the central monitoring/supervisory role of the inter-institutional Steering Committee and the continuity plan currently in place.

#### 2.2.2.3 INTERINSTITUTIONAL 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 **very significant direct budgetary savings** possible (reduced development costs, shared technical infrastructure, common support and maintenance structure).



## 2.3 LEGAL ADVISOR ON ADMINISTRATIVE MATTERS

### 2.3.1 MISSION AND OBJECTIVES

The recurrent activities of the Legal Adviser are mainly the following:

- ▶ representing the Institution in proceedings in which it is 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 three 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;
- ▶ writing opinions and providing assistance to the departments of the Institution on legal issues in relation to the Institution's administrative activity and, specifically, in relation to public procurement, reviewing proposed documents for invitations to tender or contracts;
- ▶ 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.

Furthermore, until 30 January 2015, the Legal Adviser fulfilled the duties of Data Protection Officer within the meaning of Article 24 of Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ 2001 L 8, p. 1).

## Overview of various activities in 2015

### Court proceedings

On 1 January 2015, eight cases were pending against the Institution before the Courts of the European Union. In 2015, 11 new cases were brought. Of those 19 cases in total, 11 were still pending on 31 December 2015.

The cases pending in 2015 related to actions for damages brought against the Institution by natural or legal persons before the General Court in order to obtain compensation for losses allegedly resulting from a failure on the part of a court of the European Union to comply with the obligation to give a ruling within a reasonable period (10 cases), staff cases (6 cases), public procurement (2 cases) and related to the Joint Sickness Insurance Scheme (1 case). All those cases together have led the Legal Adviser to prepare 37 different procedural documents and to make representations before the courts of the European Union on 2 occasions. The Institution has been successful in all cases in which a judgment was delivered in 2015 (4 cases).

### Complaints

As regards dealing with complaints brought under Article 90(2) of the Staff Regulations of Officials of the European Union, 16 complaints were under investigation on 1 January 2015 and 9 complaints were brought in 2015. 15 explicit decisions were made in 2015 concerning 19 complaints and two complaints were withdrawn by the applicants. The Institution's committees empowered to rule on complaints held a total of eight meetings.

### Legal advice and assistance

In 2015, the department of the Legal Adviser received around 50 internal consultations, which related to various fields, such as public procurement, contracts and obligations, staff cases, access to documents, the system of protection for whistleblowers, security and the historical archives of the Court. The number of internal consultations was somewhat lower than in the previous two years. However, several internal consultations required a significant investment of human resources from the department of the Legal Adviser.

### Proceedings before the Ombudsman

In addition to a request for information relating to a proceeding which has been the subject of a European Ombudsman decision in 2013, five proceedings before the European Ombudsman in 2015 required the intervention of the Legal Adviser. In four cases, his action took the form of the transmission of information to the Ombudsman in response to the complaint and, in another case, the preparation, in close cooperation with the departments in question, of an email to the person concerned.

### 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 11 meetings of that Committee in 2015, and contributed to the preparation of 29 opinions issued by it during that year.

### 2.3.2 INTERINSTITUTIONAL COOPERATION

In 2015, the Legal Advisor contributed, as an observing member representing the Institution, to the work of the working group set up on the initiative of the Secretary-General of the European Schools, which is responsible for proposing measures designed to strengthen judicial protection in the European Schools system.

## 2.4 THE DATA PROTECTION OFFICER



### 2.4.1 MISSION AND OBJECTIVES

On 1 March 2015, the director of research and documentation was appointed as data protection officer of the Institution replacing his predecessor, appointed to another senior management position. The head of the Romanian language translation unit was appointed as deputy officer.

The deputy 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.

#### **Overview of the various activities in 2015**

In carrying out those functions, the data protection officer ensured maintenance of the register of notified data processing operations and examined the notifications of processing of personal data carried out by the departments of the Institution, requesting, where appropriate, clarifications and updates from those departments.

He cooperated with the departments of the Institution and/or the European Data Protection Supervisor (EDPS) in proceedings brought by the EDPS under Article 27 of Regulation 45/2001, and as part of the monitoring of the implementation of the recommendations made by the EDPS.

The Data Protection Officer has also been consulted on several occasions by the departments of the Institution on matters related to the protection of personal data.

#### **2.4.2 INTERINSTITUTIONAL COOPERATION**

The Data Protection Officer took part in two meetings, each lasting two days, of the network of Data Protection Officers of the institutions, organisations and bodies of the European Union and the EDPS.

In 2015, a working group on recasting Regulation No 45/2001 was established at the initiative of the EDPS. The Data Protection Officer of the Court, as a member of that group, followed up the work of the latter.

### III. USE OF HUMAN AND FINANCIAL RESOURCES

Under the new presentation of the annual activity report implemented on the recommendations of the Internal Auditor, two specific annexes now 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. IMPLEMENTATION OF APPROPRIATIONS

in millions of euros

Budget chapters	Loans		% of implementation	Appropriations		Commitments in appropriations	% of implementation
	final	2014		final	2015		
		2014			2015		
10 - Members of the Institution	34.4		98.8%	26.9	26.5	98.7%	
12 - Officials and temporary staff	212.7		99.4%	215.8	213.6	99.0%	
14 - Other staff and external service providers	17.0		98.8%	18.7	18.6	99.8%	
16 - Other expenditure related to persons connected with the Institution	5.4		98.1%	5.3	5.2	96.6%	
<b>Title 1 Sub-total</b>	<b>269.5</b>	<b>99.3%</b>		<b>266.7</b>	<b>263.9</b>		<b>99.0%</b>
20 - Buildings and associated costs	61.5		98.4%	65.6	65.3	99.4%	
21 - Data processing, equipment and moveable property	19.2		99.5%	20.4	20.3	99.8%	
23 - Current administrative expenditure	1.5		86.7%	1.7	1.6	96.0%	
25 - Meetings and conferences	0.6		83.3%	0.6	0.5	89.9%	
27-37 - Information: purchasing, archiving, production and distribution and expenditure relating to certain institutions and bodies	3.1		90.3%	2.1	2.1	98.5%	
<b>Titles 2 and 3 Sub-total</b>	<b>85.9</b>	<b>98.0%</b>		<b>90.4</b>	<b>89.8</b>		<b>99.3%</b>
<b>COURT OF JUSTICE TOTAL</b>	<b>355.4</b>	<b>98.9%</b>		<b>357.1</b>	<b>353.7</b>		<b>99.1%</b>

Source: Report on budgetary and financial management during 2015

This table serves to demonstrate the continuing high implementation rate of appropriations (99%). For information, the reduction of final appropriations in Chapter 10 (- EUR 7.5 million) is explained by the fact that the appropriations for pensions of former Members of the Institution are registered, since 2015, in the Commission section of the budget.

## 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:

<b>Area of activity</b>	<b>2015</b>	
	Number of posts	%
Judicial	748	37.4
		Cabinets, Registries, Research and Documentation, Library, Protocol, Communication and Publications
Languages	1 018	51.0
		Translation (938); Interpretation (80)
Administration	162	8.1
		Personnel, Budget and Financial Matters, Infrastructures, Legal Advisor – Data Protection Officer, Internal Audit, Staff Committee
IT	70	3.5
<b>Total</b>	<b>1 998</b>	<b>100</b>

This table demonstrates that the distribution of posts by activity is similar to that in previous years, with slightly more than 88% of posts devoted to judicial and language activities.

With regard to the **occupation rate of posts**, in 2015 this remained at a very high level (98%) due to sustained judicial activity (which requires recruitment to be carried out quickly and comprehensively for all posts which have fallen vacant) but also by the removal of 1% of the staff, which increases the workload of the remaining staff.



## 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, the efficient and effective functioning of the internal control system has been one of the priorities of the Court of Justice. 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 to 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 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:

- ▶ Applying accounting and financial management which has been developed interinstitutionally in close cooperation with the Council, the Court of Auditors and the European University Institute in Florence, thereby providing the Court of Justice 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**

In total, 21 786 transactions were processed by the Financial Assistance, Budget and Verification Unit in 2015 as opposed to 21 456 in 2014, that is, an **increase in the workload of *ex ante* verification of almost 1.5%** compared with 2014. It should be recalled that the workload had already increased by nearly 3% between 2013 and 2014 (20 873 transactions in 2013).

In 2015, the **average time for processing** transactions submitted for validation was **4.5 days**.

In the course of 2015, the relevant unit returned to the originating agents, for alteration or cancellation, a total of 536 accounting and budgetary documents, which is 3% 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 2015 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 2015, three ex-post controls were carried out:

- ▶ A follow up to the expenditure control linked to budget item 2022 'Cleaning and maintenance', which showed the good progress of the corrective measures aimed at closing the recommendations.
- ▶ An ex post control concerning the transposition of new provisions of the Staff Regulations by internal implementation rules. The control results have been very satisfactory. A single remaining provision, relating to the protection of 'whistleblowers', was transposed at the beginning of 2016.
- ▶ An ex post control relating to personal records which made it possible to identify areas for improvement of the internal control systems, which recommendations were accepted by the department concerned.

### **Assistance and advice on internal control and public procurement**

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

In that context, and to prepare for the entry into force of the amended versions of the Financial Regulation and its implementing rules, at the beginning of 2016, a significant exercise of adjusting documents/reference manuals was conducted during the last quarter 2015 and several information sessions were organised for the stakeholders concerned within the Institution.

Participation in the interinstitutional working groups in the matter has been effective and fruitful.

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.



### **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 2015 in the following areas:

- ▶ effectiveness of the management and control procedures of the SAP integrated system (joint audit with the internal auditors of the Council and the Court of Auditors);
- ▶ insurance contracts and risk coverage;
- ▶ development process, structure and content of the annual activity report of the authorising officer by delegation.



Furthermore, the internal auditors of the Court of Auditors and the Court together conducted a review of expenditure and the conditions of use of official cars. In addition, the Internal Auditor initiated a study to identify possible ways to enhance administrative synergies between the court registries.

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 2015 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 2015. Those results represent the best indicator of the effectiveness of the Institution's internal audit service and the readiness of the audited services to react with the objective of strengthening the internal control systems of the Institution.

- **Risks associated with the operations and the efficient and effective 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 2014 is a wholly objective indicator of the quality of the control systems in place.

As regards **internal control standards**, the self-assessment exercise that was completed at the beginning of 2015 made it possible to find that the assessment of the application of internal control standards within the Institution is very satisfactory.

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 stated in its recent **2014 Annual Report** that 'the audit did not identify any significant weakness in respect of the topics audited for the Court of Justice'.

The results of the 2014 controls thus confirm the previous absence of comments from the Court of Auditors since 2010.

Lastly, it should be stated that the Court of Auditors did not produce any special report in 2014 concerning the Court.

### **Observations made by the discharge authority**

At the date of drawing up this annual activity report, the procedure for obtaining discharge on the implementation of the 2014 budget has not yet formally come to an end. However, it is at a relatively advanced stage since the Reporter, Mr Anders Vistisen, submitted his draft report to the Parliamentary Committee on Budgetary Control on 24 February 2015. That report was then amended and voted on at the meeting of that Committee on 7 April 2016, and will be voted on at the Parliament's plenary session at the end of April 2016.

At this stage, the resolution voted on by the Committee on Budgetary Control concerns first the **conclusions of the work of the Court of Auditors** relating to 2014, and states that **no significant weaknesses had been identified** and that **management of its administrative expenditure was 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. These concern, in particular, the improved budget implementation rate (from 96.3% in 2013 to 99% in 2014) (paragraphs 3 and 4), improvements made to the e-Curia application (paragraph 16), the satisfactory operation of the translation service activities (paragraph 18), the measures adopted to comply with the principle of green public procurement (paragraph 24) and the presentation of the annual activity report (paragraph 25).

With regard to **other observations/recommendations relating to administrative or language activities**, the Court continues to consider them with the greatest attention. With regard to the invitation to go further in the use of new technologies to enhance savings in terms of linguist posts (paragraph 17), the Court is already very committed, as described in the relevant paragraphs of Chapter I, the interinstitutional approach being particularly important in this area in order to share the cost of new developments/applications. With regard to possible additional savings in the translation of non-judicial documents (paragraph 18), it should be noted that the system adopted is already that of limiting translation as far as possible, those documents already representing less than 3% of the number of pages translated and relating mostly to the requirements of properly informing all citizens (information communicated on the Curia site) or deputies of the European Parliament (in connection with the preparation and implementation of the Court budget and the annual discharge procedure). As regards the comment on the key interinstitutional indicators of activity and performance (paragraph 19), the Court now forms part of the interinstitutional working group which, *inter alia*, looks into translation costs and, as such, it is working on the presentation of its data in accordance with the harmonised method adopted by that group. Finally, concerning the number of women holding positions of responsibility at the Court (paragraph 21), it should be noted that the Court is working towards a better gender balance with regard to such positions, which is confirmed by data that are relatively more favourable than in other institutions. More recently, and in that spirit, a special working group, consisting of several women with various management responsibilities at the Court, has also been constituted to examine the impediments in this area and measures to remove them. With regard to the criticism made regarding the lack of information on pensions in response to a request from Parliament (paragraph 22), it should be noted that, first, the information requested had been sent by the Court in January 2016 after it was received from the Office for the Administration and Payment of Individual Elements (PMO) and, secondly, the Court does not manage the pensions of its former Members and of its retired staff, since that management is the responsibility of the PMO created for that purpose and which, therefore, alone has all relevant information.

Last, a number of observations concern the Court's principal task, namely the activity of its three judicial bodies (paragraphs 5, 6, 7, 8, 9, 10, 15 and 20), and the activity of its Members (paragraphs 12, 13, 14 and 23).

As regards the **activity of the three judicial bodies** (Court of Justice, General Court and Civil Service Tribunal), the Court notes with satisfaction the **positive comments commending the level of productivity achieved in 2014**. The very favourable data of the Court and the General Court well demonstrate the effectiveness of the measures taken, year on year, in order to meet the challenge of the increased volume of litigation. In relation to the CST, the drop in the number of completed cases has nothing to do with that court but is entirely due to the blockage at the level of the Member States regarding the failure to find an agreement on the appointment of new judges to replace those whose terms have expired. The Court is striving, year on year, to pursue possible avenues for improvement, and the statistics of judicial activity for the **2015 financial year**, which are detailed in the Court's Annual Report, also show that the **positive trend continued** both in terms of productivity and procedural periods, a tangible sign of the efforts made by the judicial bodies and all the support services concerned. The **overall statistics over a long period** (2007-2015) **clearly reflect the scale of the productivity improvements achieved** (increase of 57% with respect to the annual number of cases completed whereas the increase in the number of support services staff has been restricted to + 4.4% over the same period). In that context, the **legislative decision on strengthening the General Court and also including a simplification of the judicial architecture of the Union** (reduction of the number of judicial bodies from three to two), adopted at the end of 2015, will sustainably promote the handling of ever

more numerous cases before the Court. That legislative decision provides for analysis of the impact desired by the European Parliament in its discharge resolution.

As regards the paragraphs concerning the Members of the courts, an upcoming recast of the Code of Conduct for Members, which will be published in the Official Journal, should make it possible to respond to the comments made regarding the conditions for carrying out external activities and the publication of financial interests. Moreover, the internal rules concerning the management of the car fleet and the conditions for carrying out the activities of drivers are in the course of being reviewed in cooperation with the Court of Auditors.

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. It is in the same constructive spirit that the Court's services work closely with the team of auditors designated by the Court of Auditors to carry out the performance review that was included in the latter's 2016 work programme at the request of the European Parliament (paragraph 11).

**ANNEX 1****STATISTICAL INDICATORS OF THE ACTIVITY  
OF THE COURT REGISTRIES****1. INDICATORS OF USE OF THE E-CURIA  
APPLICATION**

<b>Indicators of use of the e-Curia application</b>	<b>2014</b>	<b>2015</b>
Percentage of procedural documents lodged by e-Curia		
▪ Court of Justice	63%	69%
▪ General Court	67%	72%
▪ Civil Service Tribunal	83%	86%
▪ Average for the three courts	67%	72%
Number of access accounts	2 230	2 914
Number of Member States using the application	25	26

## 2. STATISTICAL INDICATORS OF REGISTRY ACTIVITY

The main statistical indicators of judicial activity, statistics produced by the registries, are set out in the annual report entitled 'Judicial Activity', in liaison with each of the relevant courts.

The statistics set out herein are confined to a number of more technical activities, specific to each registry, and are intended to be complementary to those main indicators.

### A) REGISTRY OF THE COURT OF JUSTICE

Type of intervention	2014	2015
Number of documents entered in the register of the Registry	86 857	89 328
Number of hearings of oral submissions convened and organised	243	256
Number of sittings for the reading of Opinions convened and organised	211	239
Number of judgments, Opinions and orders closing the proceedings served on the parties	630	570
Number of minutes of the hearing (oral submissions, Opinions and judgments)	872	894
Number of communications to the OJ concerning cases brought	631	639
Number of communications to the OJ concerning cases closed	612	546

## B) REGISTRY OF THE GENERAL COURT

Type of intervention	2014	2015
Number of documents entered in the register of the Registry <sup>1</sup>	51 597	46 433
Number of applications initiating proceedings processed <sup>2</sup>	912	831
Rate of regularisation of the applications initiating proceedings <sup>3</sup>	39.8%	42.5%
Number of written pleadings (other than applications) processed	5 631	4 484
Number of applications to intervene processed	326	194
Number of requests for confidential treatment (of the data contained in the procedural documents) processed <sup>4</sup>	324	144
Draft orders prepared by the Registrar <sup>5</sup>  (manifest inadmissibility before service, suspension/resumption, joinder of cases, joinder of the objection of inadmissibility with the substance of the case, uncontested intervention, removal from the register, dismissal in intellectual property cases, reopening of the oral procedure and rectification)	575	521
Number of chamber conferences (with services of the Registry)	336	303
Number of cases pleaded (with services of the Registry)	390	376
Number of minutes of the hearing  (oral submissions, applications for interim measures, judgments and informal meetings)	744	873
Number of case files for cases closed	528	985
Number of communications to the OJ concerning cases brought	783	601
Number of communications to the OJ concerning cases closed	611	800

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1| This number is an indicator measuring the volume of work of the service, since each incoming or outgoing document is entered in the register. The number of procedural documents entered in the register must be assessed taking into account the nature of the proceedings in the court with jurisdiction. As the number of parties to proceedings is limited in direct actions (applicant, defendant and, where appropriate, intervenor(s)), service may only be effected on those parties. The number of documents entered in the register in 2015 confirms in fact the significant growth observed in the course of the last five years.

2| Any written pleadings lodged (including applications) must be entered in the register, added to the case file, where appropriate regularised, forwarded to the judges' cabinets with a transmission sheet, sometimes detailed, then possibly translated and finally notified to the parties.

3| Where an application initiating proceedings (or any other written pleading) does not comply with certain requirements, the Registry ensures that it is regularised, as provided in the Rules of Procedure.

4| The number of requests for confidentiality is without prejudice to the amount of data contained in one or more pleadings for which confidentiality is requested.

5| From the entry into force, on 1 July 2015, of the new Rules of Procedure of the General Court, certain decisions that were taken in the form of orders (suspension/resumption, joinder of cases, non-confidential intervention by a Member State or an institution) are taken in the form of a simple decision added to the case file.

### C) REGISTRY OF THE CIVIL SERVICE TRIBUNAL

Type of intervention	2014	2015
Number of documents entered in the register of the Registry	5 804	6 379
Number of hearings of oral submissions convened and organised	57	62
Number of judgments and orders closing the proceedings served on the parties	152	152
Number of minutes of the hearing (oral submissions and judgments)	134	134
Number of communications to the OJ concerning cases brought	145	134
Number of communications to the OJ concerning cases closed	126	125

## ANNEX 2

### 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 2015, eight contracts of an amount over EUR 60 000 were concluded by negotiated procedures, amounting in total to EUR 1 957 999.<sup>1</sup>

The proportion of negotiated procedures in relation to the number of contracts awarded comes to 12.9% (8.5 % in 2014). 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 relatively small (6.5%, as compared to 4.8% in 2014).

The increase, in comparison to 2014, which is more significant in number of procedures than in value, is explained by the need to carry out urgent works to enable implementation of the legislative decision, taken in 2015, to structurally reinforce the Court<sup>2</sup> (relocation of certain departments and fitting-out of offices intended to accommodate the new judges and their cabinets), on the one hand, as well as the urgency of implementing enhanced security measures, in response to the security events of 2015, on the other.

The negotiated procedures in question come under the remit of the Buildings Directorate (mainly heating, water consumption, moving, technical modifications to the buildings and security) and of the Directorate for Information Technologies (in the context of contracts for the operation and maintenance of multimedia installations).

The most common reasons given 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.

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1 | Interinstitutional procedures in which the Court is not the lead institution are not included in these figures.

2 | 12 additional judges at the beginning of 2016, and the integration of the seven judges of the Civil Service Tribunal into the General Court on 1 September 2016.

## ANNEX 3

## 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 paid<sup>3</sup>. 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 creditors<sup>4</sup>.

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 interinstitutional 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.

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3| 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.'

4| 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 2015 shows that there was no case of payment of mandatory default interest (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 still being about 30 days, as shown in the table below:

Year	Invoices		Average payment period (in days)
	Number	Amount (in EUR)	
2014	10 225	47 818 535	27.45
2015	10 787	49 304 826	30.32

The slight increase in the average payment period in 2015 compared to 2014 is due primarily to the average period for payment of external translators, which went from an average of 27.65 days in 2014 to 32.90 days in 2015, but which is still only half of the contractual period of 60 days applicable for those services given 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 of Justice 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 2009<sup>5</sup> in order to improve the financial situation of undertakings.

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

## ANNEXE 4

# REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT FOR THE FINANCIAL YEAR 2015

## 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 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, Chapter II of this Report gives an overview of budget implementation in 2015 and Chapter III 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'). Lastly, the annexes, by means of tables with figures, provide detailed information, in aggregate form and by service, concerning budget implementation in 2015.

**With regard to judicial activity sensu stricto, readers are invited to consult the Annual Report of the Court for 2015 on the Curia website ([http://curia.europa.eu/jcms/jcms/Jo2\\_7000](http://curia.europa.eu/jcms/jcms/Jo2_7000)), which contains a full analysis of the activity of the Court of Justice, the General Court and the Civil Service Tribunal and detailed statistics for each of those courts.**

As those statistics show, 2015 was marked by the **exceptional rate** of the institution's **judicial activity**. A total of 1 711 cases were brought in the past year before the three courts comprising the Institution. This is the highest annual number of cases brought in the Institution's history. It is the Court of Justice, in particular, that this increase concerns, for this was the first time that the symbolic threshold of 700 cases brought before it was passed. In addition, with 1 755 cases completed in 2015, the **Institution's annual productivity is at an unprecedented level**. Lastly, the **statistics concerning the duration of proceedings are very positive**.

The adoption by the EU legislature of the reform of the EU's judicial structure at the end of a legislative process started in 2011 was one of the most important events in the 2015 financial year. That reform will enable the Institution, by virtue of the number of judges of the General Court being doubled in a three-stage process

extending until 2019, to continue to deal with the increase in the number of cases and to fulfil its task in the interests of litigants while meeting the objectives of quality and efficiency of justice. That structural reform was accompanied by the drawing up of new Rules of Procedure for the General Court, which entered into force on 1 July 2015 and will strengthen the General Court's capacity to deal with cases within a reasonable period and in compliance with the requirements of a fair hearing.

Above and beyond the legislative decisions taken in order to cope with the increase in its judicial activity, **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 regulatory framework and working methods of the judicial bodies, strict management of the requirements of multilingualism in full (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 2007 to 2015, for the **number of cases closed to rise by 57%**, while the **increase in the number of the support services' staff was extremely limited over the same period** (+ 4.4% taking into account enlargement to include Croatia and less than 1% without that enlargement).

Nonetheless, the increase in judicial activity and compliance with the interinstitutional agreement on budgetary discipline, on cooperation in budgetary matters and on sound financial management requiring a 5% reduction in staff over the period 2013 to 2017, are exerting strong pressure on certain support services. Specific reinforcements of appropriations, detailed in the present report, have, therefore, proved necessary in order to avoid bottlenecks in the area of translation likely to delay the handling of cases or in order to enable the services in charge of infrastructure to deal with a more perilous security context.

Last, **as regards buildings**, after completing the renovation work on the annex buildings (Erasmus, Thomas More and Annex C buildings) during the financial year 2013, within the period and budget provided for, enabling it to vacate two buildings previously leased, the Court has, on the basis of the agreement of both branches of the budgetary authority<sup>6</sup>, carried on with the project for the fifth extension to its buildings, which will make it possible, as of 2019, to reunite all the Court's staff on one site (giving up the last building still rented) and so increase the efficiency of its services.

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6| Project notified to the budgetary authority in June 2011, which received the Council's approval and the favourable preliminary opinion of the Committee on budgets of the European Parliament, the final favourable opinion being given in April 2015 on the basis of additional information transmitted further to the completion of the detailed outline plan.

## 2 – OVERVIEW OF BUDGETARY IMPLEMENTATION IN 2015

### 2.1 – REVENUE

The estimated revenue of the Court of Justice for the financial year 2015 was EUR 44 856 000.

As shown in **Table 1** below, the established entitlements in the financial year 2015 come to EUR 49 510 442 and are 10.4% higher than estimated.

**Table 1 – Estimated revenue and established entitlements**

(in euros)

<b>TITLE</b>	<b>ESTIMATED REVENUE 2015</b>	<b>ESTABLISHED ENTITLEMENTS 2015</b>	<b>% OF TOTAL</b>
4 - Revenue accruing from persons working with the institutions and other Community bodies	44 856 000.00	48 631 582.42	98.22
5 - Revenue accruing from the administration of the Institution	0.00	878 859.46	1.78
9 - Miscellaneous revenue	0.00	0 00	0.00
<b>TOTAL</b>	<b>44 856 000.00</b>	<b>49 510 441.88</b>	<b>100.00</b>
%	100.00%	110.38%	

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 4 represents the greater part of the total revenue from entitlements carried over and collected in 2015 (84%).

**Table 2 – Revenue from entitlements carried over**

(in euros)

<b>TITLE</b>	<b>CARRIED OVER 2014 TO 2015</b>	<b>REVENUE FROM ENTITLEMENTS CARRIED OVER</b>	<b>% OF TOTAL</b>
4 - Revenue accruing from persons working with the institutions and other Community bodies	58 057.34	58 057.34	84.28
5 - Revenue accruing from the administration of the Institution	26 563.03	10 83.08	15.72
9 - Miscellaneous revenue	0.00	0.00	0.00
<b>TOTAL</b>	<b>84 620.37</b>	<b>68 889.42</b>	<b>100.00</b>
%	100.00%	81.41%	

## 2.2 – EXPENDITURE

### 2.2.1 – APPROPRIATIONS FOR THE FINANCIAL YEAR

The appropriations for expenditure entered in the Court's budget for the financial year 2015 came to EUR 357 062 000.

As shown in **Table 3** below, budget implementation for the financial year 2015 amounts to EUR 353 701 351 and represents a very high rate of use of final appropriations of 99%, identical to the rate in 2014.

As examined in more detail in Chapter III, both the 2015 budget implementation of Title 1 and Title 2 was very considerable (99% and 99.4% respectively as compared with 99.2% and 98.2% in 2014).

Generally, as in previous years, it may be observed that almost 75% of the budget implemented by the Court 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)

<b>TITLE</b>	<b>APPROPRIATIONS IN THE FINANCIAL YEAR 2015</b>	<b>COMMITMENTS IN THE FINANCIAL YEAR 2015</b>	<b>% OF TOTAL</b>
1 – Persons working with the Institution	266 662 500.00	263 902 758.34	74.61
2 – Buildings, furniture, equipment and miscellaneous operating expenditure	90 345 500.00	89 768 210.19	25.38
3 – Expenditure resulting from special functions carried out by the Institution	54 000.00	30 382.67	0.01
10 – Other expenditure	0,00	0.00	0.00
<b>TOTAL</b>	<b>357 062 000.00</b>	<b>353 701 351.20</b>	<b>100.00</b>
%	100.00%	99.06%	

**Annexes 3, 4a and 4b** provide detailed additional data with figures on the use of appropriations in the financial year 2015 (comparison with 2014 and 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 2014 to 2015, the total of which was EUR 16 749 174, a very large proportion was used, as had previously been the case in 2014 (88.4% in 2015 as compared with 85% in 2014).

**Table 4 – Use of appropriations carried over**

(in euros)

<b>TITLE</b>	<b>APPROPRIATIONS CARRIED OVER 2014 TO 2015</b>	<b>PAYMENTS OUT OF APPROPRIATIONS CARRIED OVER</b>	<b>CANCELLATIONS</b>
1 – Persons working with the Institution	4 156 035.78	3 132 854.93	1 023 180.85
2 – Buildings, furniture, equipment and miscellaneous operating expenditure	12 591 861.06	11 675 272.87	916 588.19
3 – Expenditure resulting from special functions carried out by the Institution	1 277.44	0.00	1 277.44
10 – Other expenditure	0.00	0.00	0.00
<b>TOTAL</b>	<b>16 749 174.28</b>	<b>14 808 127.80</b>	<b>1 941 046.48</b>
%	100.00%	88.41%	11.59%

**Annex 4a** provides additional detailed information with figures on the use of appropriations carried over from 2014 to 2015.

## 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 Court.

**Table 5** below shows details, by chapter, 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. It also shows that the appropriations of assigned revenue carried over from 2014 to 2015 were almost fully used (97.5%).

**Table 5 – Use of assigned revenue**

(in euros)

TITLE	ASSIGNED REVENUE CARRIED OVER 2014 TO 2015	ASSIGNED REVENUE 2015	PAYMENTS 2015	CANCELLATION OF ASSIGNED REVENUE FOR 2014 NOT ELIGIBLE FOR CARRYING OVER	ASSIGNED REVENUE CARRIED OVER 2015 TO 2016
1 – Persons working with the Institution	485 626.34	319 005.62	509 619.25	787.54	294 225.17
2 – Buildings, furniture, equipment and miscellaneous operating expenditure	822 406.50	494 095.58	797 434.07	29 663.66	489 404.35
3 – Expenditure resulting from special functions carried out by the Institution	9 539.58	20 553.50	6 444.60	3 094.98	20 553.50
10 – Other expenditure	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>1 317 572.42</b>	<b>833 654.70</b>	<b>1 313 497.92</b>	<b>33 546.18</b>	<b>804 183.02</b>

The appropriations of assigned revenue established during the financial year 2015 come to EUR 833 655, over 75% of which corresponds to revenue from:

- application of a service agreement with the Office of Publications (EUR 244 636);
- the sale of electricity produced by the panels of photovoltaic cells (EUR 133 945);
- the application of penalties linked to the implementation of an IT contract (EUR 130 000);
- reimbursement of costs in respect of the leasing of buildings and reimbursement of expenditure by staff such as telephone calls or public transport (EUR 87 942);
- reimbursement of legal costs (EUR 20 553);
- refunds from insurance companies (EUR 11 770).

**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 2015, as shown in Table 6, the Court made 18 budget transfers pursuant to Articles 25 and 27 of the Financial Regulation, representing a total of EUR 10.3 million, or 2.9% of final appropriations. The effects of the various transfers can be seen at item level in **Annex 4a**.

For the most part (EUR 7.4 million, or 72% of the total amount of the transfers made in 2015), those transfers of appropriations were the subject of notification to the budgetary authority in accordance with the provisions of Article 25(1), (2) and (3) and Article 27(3) and (4) of the Financial Regulation.

EUR 5.2 million of those transfers were a 'mopping-up' operation at the end of the financial year in order to reinforce two lines of appropriations in Title 2 (line 2000 'Rent' to the extent of EUR 4.7 million and line 2100 'Purchase, servicing and maintenance of equipment and software' to the extent of EUR 0.5 million). That operation enabled part of the rent and IT infrastructure expenditure entered in Title 2 of the 2016 budget to be paid, the objective being to create a similar level of flexibility in the 2016 budget in order to finance expenditure in Title 1 insufficiently budgeted for over that financial year (namely, appropriations of EUR 3.2 million for remuneration as a result of the difference between the application of a salary adjustment rate of + 2.4% as from 1 July 2015 and the + 1.2% adjustment proposed by the Commission when the 2016 budget was drawn up, and EUR 2 million of non-recurring expenditure linked to the arrival of 12 additional General Court judges, the appropriations for which had been entered in the 2015 budget although those judges will finally take up their duties in 2016).

As regards the remaining EUR 2.2 million of transfers, the reinforcements submitted over the year to the budgetary authority made it possible to cope with unforeseen needs under Title 1 (EUR 0.5 million in order to increase the appropriations for freelance translation) and Title 2 (EUR 1.7 million, essentially in order to carry out the moves of the various services of the Institution in order to welcome the 12 new General Court judges, ensure the replacement of machines in the reproduction workshop, replace the network and telecommunications equipment installed in the building complex inaugurated in 2008 and improve the IT tools used for dissemination of the case-law and the registration of post).

**Table 6 – Transfers of appropriations**

(in euros)

TYPE OF TRANSFER	NUMBER OF TRANSFERS IN 2015	TOTAL AMOUNT TRANSFERRED
Title to title	3	5 200 000.00
Chapter to chapter	5	2 208 000.00
Article to article	0	0.00
Item to item	10	2 922 417.72
<b>TOTAL</b>	<b>18</b>	<b>10 330 417.72</b>

## 3 – BUDGET IMPLEMENTATION IN 2015 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 2015 comes to EUR 266 662 500. This funding represents almost 75% of the Court's total budget. Those appropriations were committed to the extent of EUR 263 902 758, a very high rate of implementation of 99% (same rate as recorded in 2014).

**Table 7 – Use of appropriations in the financial year**

(in euros)

<b>TITLE 1</b>	<b>APPROPRIATIONS IN THE FINANCIAL YEAR 2015</b>	<b>COMMITMENTS IN THE FINANCIAL YEAR 2015</b>	<b>% OF IMPLEMENTATION</b>
10 – Members of the Institution	26 918 000.00	26 555 323.87	98.65
12 – Officials and temporary staff	215 748 000.00	213 572 072.16	98.99
14 – Other staff and external services	18 654 000.00	18 614 537.77	99.79
16 – Other expenditure relating to persons working with the Institution	5 342 500.00	5 160 824.54	96.60
<b>TOTAL</b>	<b>266 662 500.00</b>	<b>263 902 758.34</b>	<b>98.97</b>

#### 3.1.1 CHAPTER 10 – MEMBERS OF THE INSTITUTION

The final appropriations in this chapter, amounting to EUR 26 918 000, were committed to the extent of EUR 26 555 324, which results in a very high rate of implementation of 98.7%, identical to the 2014 rate.

It is to be pointed out that a budget surplus of approximately EUR 1.6 million has been made available in this chapter because the number of Members whose terms of office have not been renewed was considerably lower than that foreseen when the 2015 budget was being drawn up.

A portion of those budgetary surpluses (EUR 0.64 million) has been used to reinforce the appropriations of line 1406 'External services in the linguistic field' in Chapter 14, because of the increased use of freelance services compared with the initial estimates, and the appropriations of line 1654 'Early childhood centre' in Chapter 16, because of under-budgeting when the 2015 budget was prepared. Another portion of those surpluses (EUR 1 million) was used for the 'mopping-up' transfer already explained in point 2.2.4.

Last, it may usefully be recalled that the appropriations allocated to financing the pensions of the former Members of the three courts of the Institution have been entered in the Commission's budget since 1 January 2015, which explains why the total amount of appropriations in Chapter 10 is lower than that for 2014.

### 3.1.2 CHAPTER 12 – OFFICIALS AND TEMPORARY STAFF

The final appropriations in this chapter, amounting to EUR 215 748 000, were committed to the extent of EUR 213 572 072, which results in a very high rate of implementation of 99% as in 2014.

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). The surplus established at the end of the financial year is, therefore, in general quite tiny, having regard both to the total amount of those appropriations and to the difficulties of making budget estimates nearly 12 months ahead, using numerous forecasting parameters that are necessarily only estimates (rate of salary increases, tempo of recruitment or turnover, rate of standard abatement ...).

More specifically, a portion of the surpluses for 2015 is linked to the higher than estimated number of Members whose terms of office were renewed (see preceding point), which led to fewer staff in the cabinets being replaced (legal secretaries and assistants employed for temporary posts) and, therefore, to budget savings in terms of installation allowances (for staff entering the service) and resettlement allowances (for staff leaving).

A portion of the abovementioned surpluses made it possible to finance the arrears of salary paid to the Institution's staff (EUR 0.75 million) following the adjustment to salaries of 2.4% as from 1 July 2015 (as against 1.7% estimated when the 2015 budget was being drawn up).

In addition, as in Chapter 10, another portion of the surpluses (EUR 0.9 million) was used for the 'mopping-up' operation already explained in point 2.2.4.

It is important to emphasise that the proportion of posts occupied remains at the very high rate of 98% at the Court, the proportion of vacant posts being around 2% on average, a figure corresponding to normal turnover of staff. 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 an excellent indicator of the heavy workload borne by the services of the Court, having regard to the increase in judicial activity in recent years.

Last, 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, as shown by the considerable reduction of surpluses year after year.

### 3.1.3 CHAPTER 14 – OTHER STAFF AND EXTERNAL SERVICES

The final appropriations in this chapter, amounting to EUR 18 654 000, were committed to the extent of EUR 18 614 538, which represents a rate of implementation of almost 100% (compared with 99.25% in 2014).

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

A third of the appropriations in this chapter are allocated to item 1400 'Other staff', which was reinforced by EUR 225 000 in 2015. Although the number of contract agents financed was finally lower than that estimated when the 2015 budget was prepared (143 full-time equivalents (FTEs) used as against 158 FTEs estimated), the recruitment grade/step within the 4 possible groups (groups I, II, III and IV) was in the end sometimes higher than the level used at the time of the estimates, in particular because of the higher level of qualification of the staff to be replaced or the career advancement effect for the administrative-support staff. The rate of implementation of the final appropriations for this item remained very close to 100% as in 2014.

The approximately two thirds of remaining appropriations are allocated to Item 1406 'External services in the linguistic field', in order to cover the services of freelance interpreters and translators, and were almost all used.

Generally speaking, it is to be recalled that, in the areas of both translation and interpretation, the object of the resources management policy is the optimal use of internal resources (posts under the Staff Regulations), the recourse to external (freelance) personnel being, however, an adjustment variable essential in order to make up for the staff reductions suffered in a context of the increased volume of work.

Extension of the measures taken by the courts to reduce the number of pages to be translated or to limit the number of hearings produces, therefore, an immediate effect on the use of the appropriations intended for freelance translators and interpreters. In contrast, for a constant, or even reduced, number of staff covered by the Staff Regulations (as a result of reductions in staff already implemented between 2013 and 2015), any increase in workload leads to more intensive use of freelance appropriations in order to comply with the obligations of multilingualism for the purpose of communicating with the parties in the language of the case and of ensuring that the case-law is disseminated in every one of the Member States.

In that context, as far as interpretation is concerned, the measures taken to reduce the number of hearings with interpretation have borne fruit (the number of such hearings falling from 717 in 2014 to 628 in 2015, or - 12.41%) and led to a reduction in the use of freelance interpreters. The budget surplus thereby made available (almost EUR 300 000) enabled a contribution to be made to the abovementioned reinforcement of item 1400 and the 'mopping-up' transfer already mentioned.

As far as translation is concerned, the number of pages to be translated increased to just over 1.1 million in 2015 and would have been nearly 1.6 million 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 and publication by extracts of certain particularly long decisions. The number of pages to be translated increased by + 1.4% compared with the number in 2014, which, it must be recalled, had itself risen sharply by almost 20% compared with 2013. Accordingly, in the context of a reduction in posts, an increased use of freelance translators was necessary, which accounts for the increase in appropriations of EUR 0.5 million made and the maximum rate of implementation of appropriations established (100%).

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

The final appropriations in this chapter, amounting to EUR 5 342 500, were committed to the extent of EUR 5 160 825, which results in a rate of implementation of 96.6%, similar to 2014 (96.8%).

Two items in this chapter represent 79% of the final appropriations. These are item 1612 'Further training', where the rate of implementation came to 96% (compared to 97% in 2014), and Item 1654 'Early childhood centre,' where the rate of implementation was 100% in 2015, as in 2014.

It is to be noted that line 1654 'Early childhood centre' had to be reinforced (to the extent of EUR 142 000 from Chapter 10) because of, first, the under-budgeting of the share of the Court in the 2015 expenditure of the Early Childhood Centre (ECC) run by the European Commission and, secondly, a request by the Commission to the Court to contribute to the education costs of children attending a type-2 European school.

## 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 2015 comes to EUR 90 345 500. That total amount represents 25.3% of the Court's entire budget. Those appropriations were committed to the extent of EUR 89 768 210.19, which results in a very high rate of implementation of 99.4% in 2015 (compared with 98.2% in 2014).

**Table 8 – Use of appropriations in the financial year**

(in euros)

<b>TITLE 2</b>	<b>APPROPRIATIONS IN THE FINANCIAL YEAR 2015</b>	<b>COMMITMENTS IN THE FINANCIAL YEAR 2015</b>	<b>% OF IMPLEMENTATION</b>
20 – Buildings and associated costs	65 657 000.00	65 256 005.60	99.39
21 – Data processing, equipment and movable property: purchase, hire and servicing	20 377 500.00	20 336 396.64	99.80
23 – Current administrative expenditure	1 683 500.00	1 615 781.89	95.98
25 – Meetings and conferences	599 500.00	538 876.90	89.89
27 – Information: acquisition, archiving, production and distribution	2 028 000.00	2 021 149.16	99.66
<b>TOTAL</b>	<b>90 345 500.00</b>	<b>89 768 210.19</b>	<b>99.36</b>

### 3.2.1 CHAPTER 20 – BUILDINGS AND ASSOCIATED COSTS

The final appropriations in this chapter, amounting to EUR 65 657 000, were committed to the extent of EUR 65 256 006, which results in a very high rate of implementation of 99.4% (compared with 98.4% in 2014).

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

More generally, the Institution's buildings policy pursues two main objects:

- first, the Court intends to bring together all its services on a single site, so as to improve its operation to the maximum;
- secondly, after first 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.

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 75% (EUR 49 308 000) and 25% (EUR 16 349 000), respectively, of the total appropriations in this chapter.

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

Expenditure under item 2000 'Rent' amounted to EUR 13.7 million, including the expenditure financed by the appropriations obtained from the 'mopping-up' transfer at the end of the financial year (EUR 4.7 million), the aim of which was explained in point 2.2.4 above. The appropriations under that item are used solely for renting the T Building, which will have to be kept until the completion of the project for the fifth extension to the Court's buildings by 2019.

For its part, final expenditure under item 2001 'Lease/purchase' came to EUR 32.4 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, brought into service at the end of 2008, on the one hand, and the renovated annex buildings, on the other). Savings of appropriations were made under that item on account of the fewer tranches of financing consolidated at the end of December 2014, and considerably lower interest rates than envisaged when the 2015 budget estimates — which were necessarily prudent — were drawn up at the beginning of 2014. It was, therefore, possible to use that item to reinforce the appropriations of Chapter 23 (Article 238 'Other administrative expenditure') so as to finance the removal expenditure of the various services of the Institution in order to welcome the first 12 new judges in the context of the reinforcement of the General Court.

As regards expenditure in Article 202 'Buildings-related costs', this amounts to EUR 16 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 2015 is 98%, compared with 94.2% in 2014.

First of all, as regards item 2022 'Cleaning and maintenance', there was a 7% fall in expenditure compared with 2014 (EUR 7 131 245 in 2015 compared with EUR 7 681 864 in 2014). That fall may be attributed essentially to the entry into force of a new cleaning contract since 1 June 2014, under which the costs of services is much more favourable. Next, item 2024 'Energy consumption' also shows a fall in appropriations of almost 13% (EUR 2 105 000 in 2015 compared with EUR 2 415 500 in 2014) due both to the advantageous contractual prices and favourable climatic conditions. The surplus of appropriations released under those two items made it possible to contribute EUR 1.29 million towards reinforcing the appropriations for the expenditure linked to security, mentioned below (EUR 0.6 million), and for the IT expenditure linked to the increased rate of replacing the network equipment (EUR 0.5 million), and, lastly, to the end-of-year 'mopping-up' transfer already mentioned (EUR 0.1 million).

Under Article 202, reference must also be made to the increase in appropriations in item 2026 'Security and surveillance' compared with 2014 (EUR 6 409 000 in 2015 compared with EUR 5 694 205 in 2014, or + 12%) attributable to the exceptional security measures taken in response to the terrorist events of the last year, which required a EUR 0.6 million reinforcement of appropriations in order to finance that expenditure not initially forecast when the budget was drawn up.

### **3.2.2 CHAPTER 21 – DATA PROCESSING, EQUIPMENT AND MOVABLE PROPERTY**

The final appropriations in this chapter, amounting to EUR 20 377 500, were committed to the extent of EUR 20 336 397, which represents a very high rate of implementation, as was already the case in 2014, of almost 100% of the appropriations.

The appropriations in Chapter 21 are for the most part (87%) intended for expenditure on IT (Article 210), the balance being allocated to the cost of 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 of Justice'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 mentioned above have been continued in order to increase the efficiency and productivity of the courts and support services.

In this connection, two transfers of appropriations have made it possible to reinforce the IT appropriations originally provided for in Article 210 (EUR 16 472 500) in order to cover certain additional investments during the year. A first transfer, of EUR 746 000 from Title 2 of the budget, was essentially used in order to speed up the replacement of network and telecommunications equipment installed in 2008 in the new Palais, and to improve two IT tools used to disseminate the case-law and to register post. A second transfer, of EUR 500 000, from Title 1 of the budget, made it possible to finance with 2015 appropriations certain IT infrastructure expenditure forecast in the 2016 budget in the context of the 'mopping-up' transfer explained in point 2.2.4.

As regards the three other budget articles in Chapter 21, their rate of implementation in 2015 varied as follows in relation to 2014: Article 212 'Furniture' 98.2% compared with 94.3%, Article 214 'Technical equipment and installations' 96.1% compared with 98.8% and Article 216 'Vehicles' 99.8% compared with 96.9%.

As far as Article 214 'Technical equipment and installations' is concerned, reference must be made to the considerable increase in the amount of expenditure in 2015 (EUR 565 288 in 2015 compared with EUR 249 415 in 2014), which explains the reinforcement of EUR 350 000 from line 2741 'General publications' of Chapter 27, in order to replace machines in the Institution's reproduction workshop.

### 3.2.3 CHAPTER 23 – CURRENT ADMINISTRATIVE EXPENDITURE

The final appropriations in this chapter, amounting to EUR 1 683 500, were committed to the extent of EUR 1 615 782, which results in a rate of implementation of 96% (compared with 91% in 2014).

It must first be stated that the expenditure on Article 238 'Other administrative expenditure' increased considerably in 2015 (EUR 802 751 in 2015 as against EUR 397 579 in 2014). That increase is attributable entirely to the exceptional expenditure on the moves of the various services of the Institution in order to prepare for the arrival of the first 12 new judges and their cabinet staff in the context of the reinforcement of the General Court; this operation was financed thanks to a reinforcement of appropriations of EUR 470 000 from Chapter 20.

Besides that particular point, it may usefully be noted that:

- expenditure in Article 230 'Stationery, office supplies and various consumables' amounted to EUR 638 618 in 2015 (a rate of implementation of almost 100%, as in 2014).
- expenditure in Article 236 'Postal charges' was EUR 154 000 (rate of implementation of 91.7%, as against 79.3% in 2014). The appreciable reduction in expenditure on this article (- 44.5% compared to 2014) is the result of ever increasing use of e-Curia (limiting greatly the need to send registered post).

Lastly, it should be mentioned that a portion of the appropriations of this chapter are also 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 (EUR 45 000 in 2015) makes it possible to honour the contract concluded with the Ville de Luxembourg for the use of the urban bus network by the staff of the Institution.

### 3.2.4 CHAPTER 25 – MEETINGS AND CONFERENCES

The final appropriations in this chapter, amounting to EUR 599 500, were committed to the extent of EUR 538 877 (rate of implementation of appropriations of 89.9% compared with 95% in 2014).

The reduction in the rate of implementation of appropriations is attributable to the nature of the expenditure in this chapter — which is necessarily less predictable — 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 calendar for the arrangements.

Ceremonial activity in 2015 included three formal sittings, including the sitting for the partial renewal of the Members of the Court of Justice and of the General Court, and the preparation and management of 23 official visits, a visit of a delegation of the Court abroad and two conferences.

As regards the Institution's policy of welcoming visitors, the organisation of seminars and meetings with judges of the Member States enabled the Court to pursue its aim of making national judges aware of how the Institution operates, of the preliminary ruling procedure and of the practice of EU law. In addition to the 'Annual Judges' Forum', addressed in 2015 to first-instance and appeal courts, which assembled 159 judges from all the Member States, 115 days of seminars also made it possible to assemble 1 627 participants.

Arranging study or information visits for a wider public (597 groups, a total of 12 586 participants in 2015) also enabled the Court to improve the communication to citizens of information concerning the judicial institution and the case-law of the European Union. The tragic events in Paris and the raising of the alert level within the institutions as well as the exceptional security measures which were taken account for the fall in the number of visits recorded in 2015 (- 14%).

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

The final appropriations in this chapter, amounting to EUR 2 028 000, were committed to the extent of EUR 2 021 149 in 2015, which results in a rate of implementation of 99.7% (as against 91.8% in 2014).

The appropriations in this chapter are allocated to two types of expenditure which contribute in full to the Court's judicial activity:

- expenditure in Article 272 'Documentation, library and archiving expenditure', which amounted in 2015 to EUR 1 384 899 (an implementation rate in 2015 of 100%, compared with 99.3% in 2014). Generally, it is important to bear in mind that that expenditure constitutes an investment essential to the proper working of the three courts and the departments of the Institution;
- expenditure in Article 274 'Production and distribution' amounted in 2015 to EUR 636 250, which represents a sharp fall in relation to 2014 (EUR 1 413 233). The appropriations in this article cover, essentially, the cost of the Court's publications in the Official Journal of the European Union and the cost of the case-law reports of the

three courts of the Institution. In addition to the fact that the management of this expenditure still enjoys close cooperation with the Publications Office of the European Union, the considerable reduction in expenditure is attributable both to the entry into force on 1 April 2014 of a more favourable contract for the publication of the Official Journal (thus allowing the cost of a much higher number of pages published to be offset) and to the effect of the new method of electronic publication of the case-law. The surplus appropriations which have been made available in this article have made possible the increases in appropriations in Chapter 21 already mentioned.

To a lesser extent, the appropriations for Article 274 cover also the cost of publishing the Court's Annual Report and information material (brochures, folders and other multimedia material) for the various kinds of visitor. It is to be stressed that the amount of that expenditure fell by 29.2% in 2015 compared with 2014, a year which had already seen a 4% fall in that expenditure compared with 2013.

### 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 2015, those appropriations amounted to EUR 54 000 and were committed to the extent of EUR 30 383, which gives a rate of implementation of 56.3% (32.8% in 2014).

That is expenditure, for which the Court 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.

### 3.4 TITLE 10 – OTHER EXPENDITURE

#### CHAPTER 10 – OTHER EXPENDITURE

On a proposal for an amendment by the European Parliament when the 2015 budget was drawn up, an amount of EUR 2 million had been put into reserve under this chapter, with a view to giving effect as swiftly as possible to the increase in the number of General Court judges, as proposed by the Court of Justice at the end of 2014, on the basis of the decision of the legislative authority to be taken in 2015.

However, that decision was not taken until the very end of 2015, which did not, therefore, allow that reinforcement of the General Court to be put into effect until 2016.

Although the Court's 2016 budget includes the administrative appropriations in a year of normal operation for such a reinforcement, the appropriations corresponding to the initial, non-recurring additional cost of that reinforcement were not entered in that budget, since it was envisaged that they would be incurred under the 2015 budget. As explained in point 2.2.4, a proposal was made to the budgetary authority, which accepted it, to release that EUR 2 million reserve to line 2000 'Rent' in Chapter 20, the aim being to pay part of the rent of the T Building payable in 2016 in order to generate a similar level of flexibility within the 2016 budget to finance the additional cost of implementing the reinforcement of the General Court.

ANNEX 1

## COMPARISON BY CHAPTER OF THE IMPLEMENTATION OF REVENUE IN 2014 AND 2015

(in euros)

Chapters/ Articles	HEADING	ESTABLISHED ENTITLEMENTS 2015	ESTABLISHED ENTITLEMENTS 2014	DIFFERENCE	DIFF.%
400	Proceeds from taxation on the salaries, wages and allowances of Members of the institution, officials and other servants	23.811.950,18	24.715.852,65	-903.902,47	-3,66%
404	Proceeds from the special levy on the salaries of Members of the institution, officials and other servants in active employment	4.153.357,17	4.043.655,17	109.702,00	2,71%
40	Miscellaneous taxes and deductions	27.965.307,35	28.759.507,82	-794.200,47	-2,76%
410	Staff contributions to the pension scheme	17.921.404,32	16.242.439,35	1.678.964,97	10,34%
411	Transfer or repayment of pension rights by staff	2.741.571,74	3.046.060,23	-304.488,49	-10,00%
412	Contributions to the pension scheme by officials and temporary staff on leave on personal grounds	3.299,01	0,00	3.299,01	NA
41	Contribution to the pension scheme	20.666.275,07	19.288.499,58	1.377.775,49	7,14%
<b>TITLE 4</b>		<b>48.631.582,42</b>	<b>48.048.007,40</b>	<b>583.575,02</b>	<b>1,21%</b>
500	Proceeds from the sale of movable property - Assigned revenue	133.945,55	130.150,09	3.795,46	2,92%
502	Proceeds from the sale of publications, printed works and films - Assigned revenue	3.875,00	118.765,35	-114.890,35	-96,74%
50	Proceeds from the sale of movable and immovable property	137.820,55	248.915,44	-111.094,89	-44,63%
520	Revenue from investments or loans granted, bank and other interest on the institution's accounts	2,94	2.787,92	-2.784,98	-99,89%
52	Revenue from investments or loans granted, bank and other interest	2,94	2.787,92	-2.784,98	-99,89%
550	Revenue from the proceeds of services supplied or work carried out for other institutions or bodies - Assigned revenue	0,00	0,00	0,00	NA
55	Revenue from the proceeds of services supplied or work carried out	0,00	0,00	0,00	NA
570	Revenue from the repayment of sums paid though not due - Assigned revenue	64.630,32	294.546,90	-229.916,58	-78,06%
573	Other contributions and refunds connected with the administrative operation of the institution - Assigned revenue	664.635,46	650.414,69	14.220,77	2,19%
57	Other contributions and refunds connected with the administrative operation of the institution	729.265,78	944.961,59	-215.695,81	-22,83%
581	Revenue from insurance payments received - Assigned revenue	11.770,19	282.748,11	-270.977,92	-95,84%
58	Miscellaneous compensation	11.770,19	282.748,11	-270.977,92	-95,84%
<b>TITLE 5</b>		<b>878.859,46</b>	<b>1.479.413,06</b>	<b>-600.553,60</b>	<b>-40,59%</b>
900	Miscellaneous revenue	0,00	230,66	-230,66	NA
90	Miscellaneous revenue	0,00	230,66	-230,66	NA
<b>TITLE 9</b>		<b>0,00</b>	<b>230,66</b>	<b>-230,66</b>	<b>NA</b>
<b>GENERAL TOTAL</b>		<b>49.510.441,88</b>	<b>49.527.651,12</b>	<b>-17.209,24</b>	<b>-0,03%</b>

## ANNEX 2

REVENUE SITUATION IN 2015 - ESTABLISHED ENTITLEMENTS AND ENTITLEMENTS CARRIED OVER

Budget lines	Heading	Initial budget	Established entitlements 2015	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	23.694.000,00	23.811.950,18	23.811.950,18	0,00
4040	Proceeds from the special levy on the salaries of Members of the institution, officials and other servants in active employment	4.513.000,00	4.153.357,17	4.153.357,17	0,00
	<i>total Chapter 40</i>	<i>28.207.000,00</i>	<i>27.965.307,35</i>	<i>27.965.307,35</i>	<i>0,00</i>
4100	Staff contributions to the pension scheme	16.649.000,00	17.921.404,32	17.921.404,32	0,00
4110	Transfer or repayment of pension rights by staff	0,00	2.741.571,74	2.734.204,35	7.367,39
412	Contributions to the pension scheme by officials and temporary staff on leave on personal grounds	0,00	3.299,01	3.299,01	0,00
	<i>total Chapter 41</i>	<i>16.649.000,00</i>	<i>20.666.275,07</i>	<i>20.658.907,68</i>	<i>7.367,39</i>
	<b>Title 4</b>	<b>44.856.000,00</b>	<b>48.631.582,42</b>	<b>48.624.215,03</b>	<b>7.367,39</b>
5001	Proceeds from the sale of other movable property - Assigned revenue	0,00	133.945,55	133.945,55	0,00
5020	Proceeds from the sale of publications, printed works and films - Assigned revenue	0,00	3.875,00	1.806,25	2.068,75
	<i>total Chapter 50</i>	<i>0,00</i>	<i>137.820,55</i>	<i>135.751,80</i>	<i>2.068,75</i>
5200	Revenue from investments or loans granted, bank and other interest on the institution's accounts	0,00	2,94	2,94	0,00
	<i>total Chapter 52</i>	<i>0,00</i>	<i>2,94</i>	<i>2,94</i>	<i>0,00</i>
5500	Proceeds from the supply of services and works for other institutions or bodies - Assigned revenue	0,00	0,00	0,00	0,00
	<i>total Chapter 55</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
5700	Revenue from the repayment of sums paid though not due - Assigned revenue	0,00	64.630,32	43.253,82	21.376,50
5730	Other contributions and refunds connected with the administrative operation of the institution - Assigned revenue	0,00	664.635,46	632.046,81	32.588,65
	<i>total Chapter 57</i>	<i>0,00</i>	<i>729.265,78</i>	<i>675.300,63</i>	<i>53.965,15</i>
5810	Revenue from insurance payments received - Assigned revenue	0,00	11.770,19	11.770,19	0,00
	<i>total Chapter 58</i>	<i>0,00</i>	<i>11.770,19</i>	<i>11.770,19</i>	<i>0,00</i>
	<b>Title 5</b>	<b>0,00</b>	<b>878.859,46</b>	<b>822.825,56</b>	<b>56.033,90</b>
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>
	<b>Title 9</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
	<b>Total</b>	<b>44.856.000,00</b>	<b>49.510.441,88</b>	<b>49.447.040,59</b>	<b>63.401,29</b>

Budget lines	Heading	Carried over 2014 to 2015	Variations during 2015	Total carried over 2014 to 2015	Revenue from commitments carried over	Still to be recovered
4110	Transfer or repayment of pension rights by staff	64.868,18	-6.810,84	58.057,34	58.057,34	0,00
	<i>total Chapter 41</i>	<i>64.868,18</i>	<i>-6.810,84</i>	<i>58.057,34</i>	<i>58.057,34</i>	<i>0,00</i>
	<b>Title 4</b>	<b>64.868,18</b>	<b>-6.810,84</b>	<b>58.057,34</b>	<b>58.057,34</b>	<b>0,00</b>
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	825,00	-153,75	671,25	671,25	0,00
	<i>total Chapter 50</i>	<i>825,00</i>	<i>-153,75</i>	<i>671,25</i>	<i>671,25</i>	<i>0,00</i>
5500	Proceeds from the supply of services and works for other institutions or bodies - Assigned revenue	0,00	0,00	0,00	0,00	0,00
	<i>total Chapter 55</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>	<i>0,00</i>
5700	Revenue from the repayment of sums paid though not due - Assigned revenue	6.934,47	0,00	6.934,47	2.012,76	4.921,71
5730	Other contributions and refunds connected with the administrative operation of the institution - Assigned revenue	18.957,31	0,00	18.957,31	8.148,07	10.809,24
	<i>total Chapter 57</i>	<i>25.891,78</i>	<i>0,00</i>	<i>25.891,78</i>	<i>10.160,83</i>	<i>15.730,95</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>
	<b>Title 5</b>	<b>26.716,78</b>	<b>-153,75</b>	<b>26.563,03</b>	<b>10.832,08</b>	<b>15.730,95</b>
	<b>Total</b>	<b>91.584,96</b>	<b>-6.964,59</b>	<b>84.620,37</b>	<b>68.889,42</b>	<b>15.730,95</b>

## COMPARISON BY CHAPTER OF THE IMPLEMENTATION OF APPROPRIATIONS IN 2014 AND 2015

(in euros)					
Chapters	HEADING	COMMITMENTS 2015	COMMITMENTS 2014	DIFFERENCE	DIFF.%
10 12 14 16	Members of the institution	26.555.323,87	33.960.931,78	-7.405.607,91	-21,81%
	Officials and temporary staff	213.572.072,16	211.373.200,09	2.198.872,07	1,04%
	Other staff and external services	18.614.537,77	16.850.474,12	1.764.063,65	10,47%
	Other expenditure relating to persons working with the institution	5.160.824,54	5.272.753,76	-111.929,22	-2,12%
	<b>TITLE 1</b>	<b>263.902.758,34</b>	<b>267.457.359,75</b>	<b>-3.554.601,41</b>	<b>-1,33%</b>
	Buildings and associated costs	65.256.005,60	60.492.157,98	4.763.847,62	7,88%
	Data processing, equipment and movable property: purchase, hire and servicing	20.336.396,64	19.068.130,23	1.268.266,41	6,65%
	Current administrative expenditure	1.615.781,89	1.353.939,97	261.841,92	19,34%
	Meetings and conferences	538.876,90	558.179,64	-20.302,74	-3,46%
	Information: Acquisition, archiving, production and distribution	2.021.149,16	2.753.356,33	-732.207,17	-26,59%
20 21 23 25 27	<b>TITLE 2</b>	<b>89.768.210,19</b>	<b>84.225.764,15</b>	<b>5.542.446,04</b>	<b>6,58%</b>
	Expenditure relating to certain institutions and bodies	30.382,67	17.059,64	13.323,03	78,10%
	<b>TITLE 3</b>	<b>30.382,67</b>	<b>17.059,64</b>	<b>13.323,03</b>	<b>78,10%</b>
<b>GENERAL TOTAL</b>		<b>353.701.351,20</b>	<b>351.700.183,54</b>	<b>2.001.167,66</b>	<b>0,57%</b>

## DETAILED IMPLEMENTATION OF APPROPRIATIONS IN 2015 (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 1002 Rights connected with entering the service, transfer, and leaving the service	23,916,500.00	-300,000.00	23,616,500.00	23,472,315.51	23,472,315.51	0.00	144,184.49	0.00	0.00	0.00
1021 Temporary allowances	1,449,000.00	700,000.00	749,000.00	681,123.80	457,338.00	223,893.80	67,768.20	86,546.23	0.00	86,546.23
1022 Temporary allowances	2,447,000.00	-642,000.00	1,805,000.00	1,784,141.93	1,784,141.93	0.00	20,858.07	0.00	0.00	0.00
1031 Pensions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1041 Maintenance	295,500.00	0.00	295,500.00	295,500.00	21,704,917	254,260,931	0.00	173,020.78	96,708.00	86,512.00
1061 Training	452,000.00	0.00	452,000.00	322,134.63	161,750.22	160,384.31	29,865.37	134,942.30	0,944.38	12,597.92
109 Provisional appropriations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Chapter 10 Members of the institution</b>	<b>28,560,000.00</b>	<b>-1,642,000.00</b>	<b>26,918,000.00</b>	<b>26,555,323.87</b>	<b>25,916,754.83</b>	<b>638,569.04</b>	<b>362,676.13</b>	<b>394,509.31</b>	<b>97,153.07</b>	<b>297,356.24</b>
1200 Remuneration and other rights	213,814,000.00	-620,000.00	213,194,000.00	211,062,366.20	211,062,366.20	0.00	2,131,433.80	0.00	0.00	0.00
1202 Paid orientation	656,000.00	0.00	656,000.00	612,518.76	612,518.76	0.00	45,481.24	0.00	0.00	0.00
1204 Rights connected with entering the service, transfer and leaving the service	2,448,000.00	-550,000.00	1,898,000.00	1,898,987.20	1,865,872.85	31,114.35	1,012.80	153,066.98	12,637.85	140,429.13
122 Allowances on early termination of services	230,000.00	-230,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
123 Personal depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Chapter 11 Officials and temporary staff</b>	<b>217,148,000.00</b>	<b>-1,400,000.00</b>	<b>215,748,000.00</b>	<b>213,572,072.16</b>	<b>213,540,957.81</b>	<b>31,114.35</b>	<b>2,175,927.84</b>	<b>153,006.98</b>	<b>12,637.85</b>	<b>140,324.13</b>
1400 Other agents	5,955,000.00	-223,700.00	5,630,000.00	6,180,199.70	6,167,199.70	0.00	12,800.30	0.00	0.00	0.00
1401 Other agents	688,000.00	-100,000.00	588,000.00	588,000.00	562,242.04	25,757.96	0.00	37,457.15	0.00	37,457.15
1404 Other external services	261,500.00	0.00	261,500.00	238,462.60	159,192.16	79,270.44	23,037.40	62,468.13	28,199.26	34,268.87
1406 External services in the linguistic field	11,449,500.00	175,000.00	11,234,500.00	11,620,375.47	9,001,531.78	2,619,335.69	3,624,531	2,343,122.77	2,154,702.33	188,205.51
149 Professional application	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Chapter 14 Other staff and external services</b>	<b>18,354,000.00</b>	<b>300,000.00</b>	<b>18,654,000.00</b>	<b>18,614,537.77</b>	<b>15,890,173.68</b>	<b>2,724,364.09</b>	<b>39,462.23</b>	<b>2,443,048.05</b>	<b>2,182,901.49</b>	<b>260,146.56</b>
1610 Miscellaneous expenditure for staff recruitment	207,000.00	0.00	207,000.00	160,349.36	107,820.73	52,428.63	46,750.64	43,328.31	6,890.41	36,537.00
1612 Further training	1,540,500.00	0.00	1,540,500.00	1,476,633.44	811,837.49	63,866.56	573,569.96	517,265.00	56,104.96	56,104.96
1621 Missions	349,000.00	0.00	349,000.00	348,738.11	257,165	91,573.06	261,89	42,056.33	22,921.46	19,341.87
1631 Social contacts	217,000.00	0.00	217,000.00	216,000.00	637,500.00	0.00	6,072,000	3,723,000	0.00	0.00
1632 Social contacts between members of staff and other welfare expenditure	271,000.00	0.00	271,000.00	268,709.53	243,122.54	25,586.99	2,290,47	2,741,86	718.86	718.86
1650 Medical service	182,000.00	0.00	182,000.00	128,534.67	86,021.65	12,611.02	53,365.33	55,616.08	20,703.30	15,445.80
1652 Restaurants and canteens	80,000.00	0.00	80,000.00	79,784.43	65,597.22	14,244.51	7,305.13	4,632.70	2,377.43	2,377.43
1654 Early childhood centre	2,550,000.00	142,000.00	2,692,000.00	2,387,680.87	304,319.13	0.00	455,533.77	266,253.75	189,290.02	189,290.02
<b>Chapter 16 Other expenditure relating to persons working with the institution</b>	<b>5,206,500.00</b>	<b>142,000.00</b>	<b>5,342,500.00</b>	<b>5,160,824.54</b>	<b>3,959,143.25</b>	<b>1,201,681.29</b>	<b>81,165,411.44</b>	<b>840,162.52</b>	<b>325,248.92</b>	<b>325,248.92</b>
<b>Title 1 Persons working with the institution</b>	<b>269,262,500.00</b>	<b>-2,600,000.00</b>	<b>266,662,500.00</b>	<b>263,902,758.34</b>	<b>259,307,029.57</b>	<b>4,595,728.77</b>	<b>2,759,741.66</b>	<b>4,156,035.78</b>	<b>3,132,854.93</b>	<b>1,023,180.85</b>

Index 1 (appropriations in the financial year)							Index 4 (appropriations automatically carried over from preceding year)			
Budget lines	Initial budget	Transfers	Final appropriations in the financial year	Commitments	Payments	Commitments available	Appropriations cancelled	Appropriations automatically carried over Year n-1	Payments out of appropriations carried over	Appropriations cancelled
(1)	(2)	(3) = (1) + (2)	(4)	(5)	(6) = (4) - (5)	(7) = (3) - (4)	(8) = (3) - (4)	(8)	(9)	(10) = (8) - (9)
2000 Rent	9,288,000,00	4,119,57,56	13,706,937,56	13,706,937,56	13,706,937,55	0,00	0,00	0,00	0,00	0,00
2000 Lease purchase	33,644,000,00	-118,582,28	32,454,417,72	32,454,417,72	32,454,417,72	0,00	0,00	0,00	320,457,40	24,383,28
2000 Acquisition of immovable property	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
2000 Construction of buildings	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
2000 Acquisition of out-of-pocket expenses	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
2008 Studies and technical assistance in connection with building projects	1,121,000,00	-158,000,00	963,000,00	962,599,41	525,252,90	437,306,51	440,59	649,475,35	563,328,57	86,146,78
2022 Cleaning and maintenance	5,996,000,00	-58,000,00	7,413,000,00	7,131,245,18	5,58,868,28	28,174,82	1,803,395,39	1,679,389,52	123,993,87	123,993,87
2023 Purchase of computer equipment and software	2,812,000,00	-20,000,00	2,105,000,00	2,079,386,67	1,151,821,77	338,015,30	25,163,31	306,145,51	241,536,19	64,607,04
2023 Purchase of stationery and office supplies	5,157,000,00	-20,000,00	5,039,000,00	5,039,000,00	5,039,000,00	0,00	0,00	0,00	0,00	0,00
2028 Insurance	100,000,00	-20,000,00	80,000,00	72,753,32	72,753,32	0,00	0,00	0,00	0,00	0,00
2029 Other expenditure on buildings	369,000,00	40,000,00	349,000,00	315,62,81	227,112,27	88,450,54	33,437,19	41,687,32	33,123,87	8,563,45
<b>Chapter 20 Buildings and associated costs</b>	<b>62,092,000,00</b>	<b>3,56,500,00</b>	<b>65,657,000,00</b>	<b>65,256,008,60</b>	<b>59,594,757,63</b>	<b>5,661,247,97</b>	<b>409,994,40</b>	<b>4,124,717,10</b>	<b>3,673,05,95</b>	<b>451,661,15</b>
2100 Purchase, servicing and maintenance equipment and software	5,437,000,00	1,080,000,00	6,517,000,00	6,514,487,85	3,476,679,18	3,037,808,67	2,512,15	2,047,465,51	2,006,571,95	40,893,36
2110 External services for operation, creation and servicing of software and systems	10,211,000,00	3,60,000,00	10,507,000,00	10,506,999,86	5,190,506,09	5,106,403,77	0,14	4,838,030,40	4,712,62,92	125,40,18
2115 Telecommunications	872,000,00	-20,000,00	904,500,00	904,500,00	855,895,50	128,485,55	20,95	12,67,52	15,448,59	15,448,59
2122 Furniture	722,000,00	0,00	722,000,00	709,732,48	308,956,02	400,276,46	12,67,52	30,108,21,12	297,941,67	3,134,15
2144 Technical equipment and installations	238,000,00	350,000,00	588,000,00	565,388,51	169,732,60	227,114,49	119,226,55	95,058,67	24,371,38	24,371,38
216 Vehicles	1,450,000,00	-10,000,00	1,349,000,00	1,346,008,89	1,250,733,06	95,265,83	5,991,11	52,341,27	14,853,06	27,491,21
<b>Chapter 21 Data processing, equipment and movable property, purchase, hire and servicing</b>	<b>18,892,500,00</b>	<b>1,495,000,00</b>	<b>20,377,500,00</b>	<b>20,336,396,64</b>	<b>1,138,425,76</b>	<b>8,947,970,048</b>	<b>41,103,36</b>	<b>7,56,508,431</b>	<b>7,289,236,08</b>	<b>276,74,23</b>
230 Stationery, office supplies and various consumables	640,000,00	0,00	640,000,00	638,618,22	521,059,26	117,558,96	1,381,78	76,135,22	74,637,76	1,50,16
231 Financial charges	50,000,00	31,000,00	81,000,00	13,000,00	12,887,75	4,801,16	4,72,23	3,811,52	3,365,57	15,13,5
232 Professional fees and management fees	394,000,00	-13,000,00	381,000,00	168,000,00	154,000,00	32,50,00	3,25,00	3,19,00,00	3,19,00,00	3,19,00,00
236 Postage charges	457,500,00	383,000,00	842,500,00	802,750,92	730,091,80	72,659,12	39,749,08	143,18,05	109,206,20	34,272,88
238 Other administrative operating expenditure	1,471,400,00	21,000,00	1,683,500,00	1,615,781,89	1,39,479,09	223,302,80	67,718,11	296,001,51	224,638,29	71,38,12
<b>Chapter 23 Current administrative expenditure</b>	<b>509,500,00</b>	<b>0,00</b>	<b>599,500,00</b>	<b>58,876,90</b>	<b>412,377,20</b>	<b>12,649,970</b>	<b>60,623,10</b>	<b>183,504,06</b>	<b>111,582,21</b>	<b>71,92,135</b>
239 Entertainment and representation expenses	129,000,00	0,00	129,000,00	125,109,36	101,645,43	33,36,93	3,36,93	3,36,93	3,36,93	1,16,12
254 Meetings, congresses and conferences	320,500,00	0,00	320,500,00	268,108,42	208,033,88	60,074,54	52,391,58	32,147,59	49,950,32	49,950,32
256 Expenditure on information and on participation in public events	150,000,00	0,00	150,000,00	145,59,12	102,697,89	43,06,23	4,240,88	19,505,72	10,696,11	8,809,61
277 Information service	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Chapter 25 Meetings and conferences</b>	<b>509,500,00</b>	<b>0,00</b>	<b>599,500,00</b>	<b>58,876,90</b>	<b>412,377,20</b>	<b>12,649,970</b>	<b>60,623,10</b>	<b>183,504,06</b>	<b>111,582,21</b>	<b>71,92,135</b>
278 Court expenses	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
279 Documentation, printing and publishing expenditure	175,500,00	0,00	175,500,00	174,892,16	174,892,16	25,180,52	1,00,88	28,447,72	21,346,26	15,19,8
2741 Arbitration Committee provided for in Article 18 of the EAEC Treaty	500,000,00	-77,000,00	325,000,00	320,000,00	320,000,00	5,00,00	5,00,00	18,00,00	18,00,00	18,00,00
2741 General publications	815,000,00	-49,000,00	318,000,00	316,50,00	316,250,00	0,00	175,00	175,196,86	163,520,08	11,676,78
<b>Chapter 27 Information: acquisition, archiving, production and distribution</b>	<b>2,700,000,00</b>	<b>-67,000,00</b>	<b>2,028,000,00</b>	<b>2,021,149,16</b>	<b>1,785,906,91</b>	<b>255,180,25</b>	<b>6,850,84</b>	<b>421,644,08</b>	<b>376,768,34</b>	<b>44,875,74</b>
<b>Chapter 2 Buildings, furniture, equipment and miscellaneous operating expenditure</b>	<b>85,745,500,00</b>	<b>4,600,000,00</b>	<b>90,345,500,00</b>	<b>89,768,210,19</b>	<b>74,574,008,59</b>	<b>15,194,201,60</b>	<b>57,728,81</b>	<b>12,591,641,06</b>	<b>11,675,27,287</b>	<b>91,6,58,19</b>
371 Court expenses	54,000,00	0,00	54,000,00	54,000,00	54,000,00	0,00	0,00	0,00	0,00	0,00
371 Arbitration Committee provided for in Article 18 of the EAEC Treaty	2,000,000,00	-2,000,000,00	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	54,000,00	0,00	54,000,00	30,382,67	9,855,39	20,527,28	23,617,33	1,277,44	0,00	1,277,44
<b>Chapter 3 Expenditure resulting from special functions carried out by the institution</b>	<b>54,000,00</b>	<b>0,00</b>	<b>54,000,00</b>	<b>30,382,67</b>	<b>9,855,39</b>	<b>20,527,28</b>	<b>23,617,33</b>	<b>1,277,44</b>	<b>0,00</b>	<b>1,277,44</b>
371 Court expenses	54,000,00	0,00	54,000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
371 Arbitration Committee provided for in Article 18 of the EAEC Treaty	2,000,000,00	-2,000,000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
371 General publications	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Chapter 37 Expenditure relating to certain institutions and bodies</b>	<b>54,000,00</b>	<b>0,00</b>	<b>54,000,00</b>	<b>30,382,67</b>	<b>9,855,39</b>	<b>20,527,28</b>	<b>23,617,33</b>	<b>1,277,44</b>	<b>0,00</b>	<b>1,277,44</b>
<b>Chapter 37 Expenditure resulting from special functions carried out by the institution</b>	<b>54,000,00</b>	<b>0,00</b>	<b>54,000,00</b>	<b>30,382,67</b>	<b>9,855,39</b>	<b>20,527,28</b>	<b>23,617,33</b>	<b>1,277,44</b>	<b>0,00</b>	<b>1,277,44</b>
371 Court expenses	54,000,00	0,00	54,000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
371 Arbitration Committee provided for in Article 18 of the EAEC Treaty	2,000,000,00	-2,000,000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
371 General publications	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Chapter 37 Expenditure relating to certain institutions and bodies</b>	<b>54,000,00</b>	<b>0,00</b>	<b>54,000,00</b>	<b>30,382,67</b>	<b>9,855,39</b>	<b>20,527,28</b>	<b>23,617,33</b>	<b>1,277,44</b>	<b>0,00</b>	<b>1,277,44</b>
<b>Total</b>	<b>357,062,400,00</b>	<b>0,00</b>	<b>357,062,400,00</b>	<b>353,701,351,20</b>	<b>333,890,893,55</b>	<b>19,810,457,65</b>	<b>3,360,648,80</b>	<b>14,808,127,80</b>	<b>1,941,046,48</b>	

ANNEX 4b

## IMPLEMENTATION OF COMMITMENT APPROPRIATIONS BY SERVICE

SERVICES	FINAL APPROPRIATIONS IN THE FINANCIAL YEAR	COMMITMENTS
<b>Directorate-General Personnel and Finance</b>		
Chapter 10	26.622.500,00	26.259.823,87
Chapter 12	215.748.000,00	213.572.072,16
Chapter 14	6.908.000,00	6.892.199,70
Chapter 16	5.159.128,30	4.977.668,41
Chapter 23	13.000,00	12.587,75
Chapter 25	9.000,00	8.500,00
<b>Total</b>	<b>254.459.628,30</b>	<b>251.722.851,89</b>
<b>Directorate-General Infrastructure</b>		
Chapter 14	121.500,00	101.462,60
Chapter 16	80.000,00	79.787,43
Chapter 20	65.657.000,00	65.256.005,60
Chapter 21	20.374.500,00	20.336.396,64
Chapter 23	1.639.000,00	1.589.412,95
Chapter 27	493.000,00	486.250,00
<b>Total</b>	<b>88.365.000,00</b>	<b>87.849.315,22</b>
<b>Directorate-General Translation</b>		
Chapter 14	9.744.500,00	9.740.875,47
<b>Total</b>	<b>9.744.500,00</b>	<b>9.740.875,47</b>
<b>Interpretation Directorate</b>		
Chapter 14	1.880.000,00	1.880.000,00
<b>Total</b>	<b>1.880.000,00</b>	<b>1.880.000,00</b>
<b>Directorate-General Library, Research and Documentation</b>		
Chapter 27	1.385.000,00	1.384.899,16
<b>Total</b>	<b>1.385.000,00</b>	<b>1.384.899,16</b>
<b>Protocol and Visits Directorate</b>		
Chapter 21	3.000,00	0,00
Chapter 23	11.500,00	5.956,19
Chapter 25	497.000,00	441.117,78
<b>Total</b>	<b>511.500,00</b>	<b>447.073,97</b>
<b>Communication Directorate</b>		
Chapter 25	93.500,00	89.259,12
Chapter 27	150.000,00	150.000,00
<b>Total</b>	<b>243.500,00</b>	<b>239.259,12</b>
<b>Other services (Court Registries and Legal Adviser on Administrative Matters)</b>		
Chapter 10	295.500,00	295.500,00
Chapter 16	103.371,70	103.368,70

ANNEX 5  
**USE OF ASSIGNED REVENUE IN 2015**

	ASSIGNED REVENUE CARRIED OVER 2014 TO 2015	ASSIGNED REVENUE 2015	PAYMENTS	CANCELLATION OF ASSIGNED REVENUE FOR 2014 NOT ELIGIBLE FOR CARRYING OVER <sup>1</sup> 2015 TO 2016
10 - Members of the institutions	1.212,86	0,00	476,55	736,31
12 - Officials and temporary staff	176.416,77	33.389,19	180.347,81	0,00
14 - Other staff and external services	302.927,94	274.450,55	319.975,57	51,23
16 - Other expenditure relating to persons working with the institution	5.058,77	11.165,88	8.819,32	0,00
Title 1 - Persons working with the institution	485.626,34	319.005,62	509.619,25	787,54
20 - Buildings and associated costs	191.721,75	162.404,94	177.787,30	18.625,68
21 - Data processing, equipment and movable property: purchase, hire and maintenance	204.008,94	291.557,41	204.008,94	0,00
23 - Current administrative expenditure	59.820,97	32.979,77	59.820,97	0,00
25 - Meetings and conferences	1.211,95	215,70	1.108,88	103,07
27 - Information: acquisition, archiving, production and distribution	365.642,89	6.937,76	354.707,98	10.934,91
Title 2 - Buildings, furniture, equipment and miscellaneous operating expenditure	822.406,50	494.095,58	797.434,07	29.663,66
37 - Expenditure relating to certain institutions and bodies	9.539,58	20.553,50	6.444,60	3.094,98
Title 3 - Expenditure resulting from special functions carried out by the institution	9.539,58	20.553,50	6.444,60	3.094,98
<b>TOTAL</b>	<b>1.317.572,42</b>	<b>833.654,70</b>	<b>1.313.497,92</b>	<b>33.546,18</b>
				804.183,02

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

## ANNEXE 5

## REPORT ON STAFF POLICY

## 1. INTRODUCTION

In accordance with Article 38(3)(b)(ii) of the Financial Regulation, this document outlines the Court's policy 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. STAFF NUMBERS

At the end of the financial year, **2 125 people**, that is, officials and members of the temporary and contract staff, were employed by the Court and the average age of staff was **44 years**.

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
<b>Officials</b>	<b>65%</b>
<b>Temporary staff</b>	<b>28%</b>
<b>Contract staff</b>	<b>7%</b>
<b>Total</b>	<b>100%</b>

## 3. RECRUITMENT AND OCCUPATION OF POSTS

### 3.1 PERMANENT STAFF

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 (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 the less attractive nature of Luxembourg as place of recruitment.

### 3.2 TEMPORARY CABINET STAFF

328 posts granted by the budgetary authority were filled by temporary staff engaged in the Cabinets of the Members of the Institution, pursuant to Article 2(c) of the Conditions of Employment of Other Servants of the European Communities ('CEOS'). 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 reserve 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 219, 21 of whom were engaged to replace officials on secondment. 45 members of the temporary staff under Article 2(a) of the CEOS were engaged to replace officials temporarily.

#### 3.3.2 MEMBERS OF THE CONTRACT STAFF ('CS')

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 contract staff, these staff are entrusted with manual or administrative support service tasks and have nearly all passed a general selection procedure organised by the Institution or by EPSO. At the end of the financial year, 81 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 the second category of contract staff, these staff are recruited to replace officials 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, 59 contract staff for auxiliary tasks were in service at the Court, representing approximately 3% of the Institution's staff.

## 4. EQUAL OPPORTUNITIES

At the end of the financial year, the Institution's staff were distributed as follows:

<b>DISTRIBUTION OF STAFF BY FUNCTION GROUP AND GENDER</b>		<b>% OF THE INSTITUTION'S STAFF</b>
<b>WOMEN</b>		
AD	625	
AST	619	61%
AC	43	
<b>TOTAL WOMEN</b>	<b>1287</b>	
<b>MEN</b>		
AD	553	
AST	188	
AC	97	39%
<b>OVERALL TOTAL</b>	<b>838</b>	
<b>GRAND TOTAL</b>	<b>2125</b>	<b>100%</b>

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 establishment plan, that 53% of the employees in the AD function group are women.

As regards management posts specifically, the difference in the rate of occupation of those posts by women (18% of senior management and 38% of middle management) and by men (82% of senior management and 62% of middle management) — as is apparent from the table annexed to this report illustrating the distribution of management posts by nationality and gender — is attributable, essentially, to the limited number and structure of the Court's administrative bodies, since the availability of management posts is less than in other larger institutions.

Both the structure of the Court's staff and the determined policy of equal opportunities which has just been referred to point, however, to a gradual improvement in those statistics. The Court's administration is about to launch a talent management programme aimed at encouraging women to apply for management posts.

## 5. CAREER MANAGEMENT

### 5.1 HORIZONTAL MOBILITY

The Court consistently encourages horizontal mobility within the Institution, by favouring the options of filling posts by transfer within the Institution or redeployment. 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.

### 5.2 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 326 officials in the 2015 promotion exercise in line with 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 2015. That procedure generates great interest among the employees in the AST function group and contributes to better talent management within the Court. Of a total of 20 people selected since 2005 to participate in such a programme, 14 have already been appointed administrator.

### 5.3 INTERINSTITUTIONAL 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 26 recruitment procedures open to the officials of other institutions, organised and completed during 2015, seven officials were transferred to the Court. 22 officials from the Court were transferred to other institutions.

### 5.4 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 other institutions, the Cabinets of the Members constitute the Institution's real operational units. It is in the Cabinets, and only in the Cabinets, that the Institution's 'production' is undertaken, namely the judgments, orders and Opinions. The services do not participate directly in this 'production'; they merely provide the means necessary either to produce (registries, research and documentation, administration,

French translation, interpretation) or disseminate (analysis of case-law, information, translation, publication in the European Court Reports) the Court's work.

That situation, in an institution like the Court, where the staff of the Cabinets account for more than a quarter of total staff, introduces an element of rigidity which limits the possibilities of redeployment.

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. The allocation of staff in Cabinets cannot be altered without infringing the rule on equal treatment between the Members or depriving those Members of the means necessary to perform their tasks.

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.

## 6. STREAMLINING OF ACTIVITIES

The Court, like all the other institutions, is faced with a harsh budgetary context which requires even greater efforts in the management of human resources and the difficult choices sometimes faced.

In 2015, the Court continued its efforts to reduce staff by the 5% required over the period 2013 to 2017, 20 posts having been cut in order to achieve the objective of returning 98 posts in 2017. It must be emphasised that the burden of the reductions in staff made has fallen exclusively on the support services, since the choice had to be made to preserve the Institution's core activity (the courts) in the context of a very large increase in cases. In that context, 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 to 2017, since the Court of Justice is completely unable to regulate the number of cases brought before its courts, that number having increased by 20% over the period 2013 to 2015.

Consequently, in order to preserve the judicial activity proper, the different support 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, streamline administrative processing/procedures as much as possible by the more extensive use of IT tools or achieve a better balance in terms of the outsourcing of activities and bringing them in-house.

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.

The magnitude of the efficiency gains in terms of posts created during the period 2007 to 2015 may indeed objectively be measured by comparing the rate of increase in the number of cases closed of 57% with the rate of increase in the number of the support services' staff which was extremely limited over that same period (+ 4.4% taking into account enlargement to include Croatia and less than 1% without that enlargement). It must also be emphasised that the relative proportion of the horizontal services (personnel, finance, information technology, logistics, buildings, etc.) fell from 16.5% of the total staff in 2007 to only 14.5% at the end of 2015, a rate which compares favourably with that of the other institutions.

An example which deserves to be mentioned at this stage is the creation of a multifunctional pool of staff within one of the Court's directorates in order to meet the changes in the professions and the needs of the Institution in its areas of activity. The aim of that project is to optimise the use of human resources and take advantage of their versatility, beneficial both to the Institution and for the motivation of the staff concerned. In the present case, it is not a question of filling vacant posts, but of reorganising a certain number of posts within the directorate for reasons related to the streamlining of activities. The resources allocated to that pool are intended to be used horizontally so as to carry out the tasks relating to the three units of the directorate in question as needed.

## 7. 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 increase in the percentages in the table above shows the success of such a step.

During 2015, and occasionally or for longer periods throughout the year, the Court's staff have benefited from the following measures intended to promote work-life balance:

Type of measure	2015
	Number
Part-time working	368
Structural part-time working	55
Parental leave	354
Family leave	14
Flexible working hours	924
Teleworking	212

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.

## 8. 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 a direct, actual effect on the implementation of the 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.

## 9. TRAINING

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

An induction programme enables newcomers to become acquainted with the various administrative 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 has made it possible to put in place training better adapted to the Court's needs.

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 establishment in the near future of a new skills management policy should make it possible to improve and enrich the options for personal development and further training.

Court of Justice of the European Union

Annex 1

**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	16	Total
F	AD					50	18	105	66	119	96	36	74	41	19	1		625
	AST	50	25	136	99	75	67	58	28	23	9	1						571
	AST/SC			41	6		1											48
<b>F Total</b>		<b>50</b>	<b>66</b>	<b>142</b>	<b>99</b>	<b>126</b>	<b>85</b>	<b>163</b>	<b>94</b>	<b>142</b>	<b>105</b>	<b>37</b>	<b>74</b>	<b>41</b>	<b>19</b>	<b>1</b>		<b>1244</b>
M	AD					27	11	84	57	63	56	50	92	50	52	8	3	553
	AST	7	7	42	34	46	12	11	8	7		2						176
	AST/SC			11	1													12
<b>M Total</b>		<b>7</b>	<b>18</b>	<b>43</b>	<b>34</b>	<b>73</b>	<b>23</b>	<b>95</b>	<b>65</b>	<b>70</b>	<b>56</b>	<b>52</b>	<b>92</b>	<b>50</b>	<b>52</b>	<b>8</b>	<b>3</b>	<b>741</b>
<b>Total</b>		<b>57</b>	<b>84</b>	<b>185</b>	<b>133</b>	<b>199</b>	<b>108</b>	<b>258</b>	<b>159</b>	<b>212</b>	<b>161</b>	<b>89</b>	<b>166</b>	<b>91</b>	<b>71</b>	<b>9</b>	<b>3</b>	<b>1985</b>

DISTRIBUTION OF STAFF IN SERVICE BY NATIONALITY AND FUNCTION GROUP (temporary/permanent posts and contract staff)										
Nationality	AD	AST	AST/SC	FGI	FGII	FGIII	FGIV	TOTAL		
Germany	67	13	45	4	3	2	1	122	18	
Austria	99	69	4	9	2	1	1	185	50	
Belgium	32	14	3						4	
Bulgaria	2	2							45	
Cyprus	30	12	2	1					52	
Croatia	36	12							117	
Denmark	70	43	1						46	
Spain	31	13	2						52	
Estonia	32	18							447	
Finland	173	206	21	35	5	4	3			
France	48	33	1	3					88	
Greece	39	17	2						61	
Hungary	14	9	1						25	
Ireland	76	47	1	13	4	2	2		143	
Italy	31	11	2						46	
Latvia	35	16							34	
Lithuania	10	18							35	
Luxembourg	24	8	3						53	
Malta	20	7	1						30	
Netherlands	44	23	2						73	
Poland	37	33	1						79	
Portugal	33	15	1						51	
Czech Republic	34	18	2						54	
Romania	46	14	1						64	
United Kingdom	32	12	4						50	
Slovakia	33	14	1						48	
Slovenia	35	13							51	
Sweden	2								2	
Others										
<b>TOTAL</b>	<b>1178</b>	<b>747</b>	<b>60</b>	<b>81</b>	<b>17</b>	<b>30</b>	<b>12</b>	<b>2125</b>		

COUNTRY	MEN			WOMEN			TOTAL	GRAND TOTAL
	DGs/Directors	Heads of Unit	TOTAL	DGs/Directors	Heads of Unit	TOTAL		
Germany	2	1	3	1	1	2	5	5
Austria	0	0	0	0	0	0	0	0
Belgium	2	4	6	0	0	0	6	6
Bulgaria	0	1	1	0	0	0	1	1
Cyprus	0	0	0	0	0	0	0	0
Croatia	0	0	0	0	0	0	0	0
Denmark	1	1	2	1	1	2	2	2
Spain	3	1	4	0	1	1	1	1
Estonia	0	1	1	0	0	0	1	1
Finland	2	5	7	4	3	3	10	10
France	2	2	4	0	0	0	4	4
Greece	2	0	2	0	0	0	2	2
Hungary	0	1	1	0	1	1	1	1
Ireland	1	0	1	1	1	1	2	2
Italy	3	1	4	1	1	2	6	6
Latvia	0	0	0	0	0	0	0	0
Lithuania	0	0	0	0	0	0	0	0
Luxembourg	0	1	1	0	0	0	1	1
Malta	0	0	0	0	0	0	0	0
Netherlands	0	3	3	1	1	2	3	3
Poland	0	0	0	3	1	4	4	4
Portugal	0	0	0	0	0	0	0	0
Czech Republic	0	1	1	0	0	0	1	1
Romania	0	0	0	1	0	1	1	1
United Kingdom	2	1	3	1	1	2	5	5
Slovakia	0	0	0	0	0	0	0	0
Sweden	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>14</b>	<b>33</b>	<b>47</b>	<b>14</b>	<b>33</b>	<b>47</b>	<b>21</b>	<b>25</b>

\*Acting Head of Unit

## ANNEXE 6

# REPORT TO THE BUDGETARY AUTHORITY UPDATED PLAN OF INVESTMENT IN BUILDINGS 2016 TO 2021

## ACTIONS RELATING TO ENVIRONMENT AND INTERINSTITUTIONAL 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 documents.*

This report updates and complements, for the period 2016 to 2021, the report drawn up in March 2015 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 Institution's buildings policy, 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, the Court's aim is to reunite all its departments on a single site, in order to optimise the performance of its tasks;
- second, 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

### 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') specially constructed for it on the Kirchberg plateau by the Luxembourg Government and leased by the latter to the Court.

To meet its increased requirements, the Court of Justice 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.

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 Perrault). That project, whose design 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 the administrative services).

In addition, after the 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 construction project relating to the new extensions (Chapter II) was completed in 2008. Occupation of those extensions 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, the total capacity of the main site continues to fall short of foreseeable needs. The Court is therefore compelled to continue to rent the T/Tbis buildings as shown in **Annex 3**.

Further, the Court of Justice has reassessed its buildings' requirements in the medium term (2015 to 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 therefore in services) and taking into account the efforts required concerning reduction of staff.

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 m<sup>2</sup> of office space. Consequently, the budgetary authority was informed in July 2011, in accordance with Article 179 of the Financial Regulation No 1605/2002, of the proposed construction of a 5<sup>th</sup> extension of the Court's buildings (Chapter V).

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

The European Parliament's Committee on Budgets had 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.

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 three courts (Court of Justice, General Court and Civil Service Tribunal). With the renovated and extended complex which was completed in 2013, 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 2015, the Court received more than 12 500 visitors, a fall in numbers as compared with 2014 (14 000 visitors) due to the security difficulties at the end of 2015.

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

It follows that the information on the total space (see **Annex 2**) must be read in the light of those factors.

## II. RENOVATION OF THE PALAIS AND 4<sup>th</sup> EXTENSION OF THE COURT'S BUILDINGS

As stated in Chapter I, the construction of the new Palais was a major project made necessary by the enlargements of 2004 and 2007. The budgetary authority was notified of that project in accordance with the relevant provisions of the Financial Regulation by two communications sent by the Court of Justice 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 of Justice 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).

Last, 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 of Justice to ensure the verification and monitoring of the costs 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 had originally been 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 (the Erasmus, Thomas More and 'C' buildings).

### 1. FINANCING PLAN

The framework contract entered into on 16 July 2001 by the Court of Justice 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 of Justice. 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 could 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 2026 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 308 074 000 have been taken up on six occasions between 2008 and 2015. In this context, the Court's competent authorising officer sought the advice of the Institution's Budget and Financial Affairs Directorate and the banks concerned (EIB and BCEE).

## **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 almost EUR 20 million over the whole period), the annual amount of which (EUR 24.7 million in 2016) would otherwise be 20% 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, first, to the impact, estimated but not yet determined at this time, of application of the Luxembourg legislation on public contracts which provides that contractors who suffer losses because of significant and unforeseeable rises in costs are entitled to request an increase in prices (Article 103 of the Grand-Ducal Regulation of 3 August 2009 implementing the law of 25 June 2009 on public contracts, and amending the threshold laid down in Article 106(10) of the amended municipal law of 13 December 1988) and, secondly, the financial impact of any legal proceedings.

At the end of 2015, the balance of funds to be taken up is under EUR 8 million and predominantly corresponds, first, to the sums of performance bonds held until the withdrawal of reservations and, secondly, to the increases in prices mentioned in the preceding paragraph, the amounts of which must be agreed by the parties.

### **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, current 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, as is the 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 of about EUR 500 000 throughout the duration of the contract.

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.).

As from 2017, EUR 450 000 will be allocated to the architectural maintenance of the 4<sup>th</sup> 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.

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

As stated in Chapter I, the buildings annexed to the Palais (the 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 draft 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 2015 was EUR 1.78 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), façades 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 ...) are modelled on those chosen for renovation of the Palais and extension of the buildings (cf. Chapter II).

## 1. FINANCING PLAN

On the basis of the final cost of the renovation works (EUR 80.5 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.

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 54.7 million).

At the end of 2015, the balance of funds to be taken up is less than EUR 2 million and predominantly corresponds to the sums of performance bonds held until the withdrawal of reservations.

## 2. RENOVATION EXPENSES AND MAJOR MAINTENANCE

As from 2017, the architectural maintenance of the Erasmus, Thomas More and 'C' buildings will be incorporated in that of the 4<sup>th</sup> extension buildings (see-above).

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 will be possible only at the cost of constructing an additional extension, the capacity of which should contain at least 30 000 m<sup>2</sup> 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 completion of this new building will thus make it possible to achieve substantial savings over the usual lifespan of such a building in accordance with the abovementioned recommendation of the Court of Auditors in relation to buildings policy.

The project is part of a town 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 of Justice free of charge, and to 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.

As stated above in Section 1.2, 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 5<sup>th</sup> 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 will begin during the second quarter of 2016.

## VI. RENTED BUILDINGS

The building policy of the Court 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 5<sup>th</sup> extension referred to in Chapter V above, the Court is obliged to rent, temporarily, the following buildings:

<b>Building<sup>1</sup></b>	<b>First occupied</b>	<b>Office space</b>	<b>Contractual basis</b>	<b>Lease expiry year/date</b>	<b>Annual cost (2016)</b>
		(in m <sup>2</sup> )			
T	1/1998				
TBis	1/2004	23 504	Merged lease agreement of 20/12/2012	2019	EUR 9 146 341

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 5<sup>th</sup> extension of the Court buildings which will finally make it possible to bring all the staff together on the same site.

1| This table does not include an area of 65 m<sup>2</sup> rented from the Commission (for an annual rent of EUR 17 000) in the Euroforum building to host the backup 'data centre' of the Court of Justice.

## VII. 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 stay within the budget, subject to any increase imposed by law.

In relation to the project referred to in Chapters II and IV, the data currently available allows the conclusion that that objective will generally be achieved. Although the final accounts of the project are not entirely completed, we have reasonable assurances on which to conclude that the budgetary framework will be respected.

### 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 were followed to ensure that the requirements of the tendering specifications were scrupulously respected. A process of withdrawing reservations presented during those procedures in respect of the buildings covered by Chapters II and IV is currently underway. As regards the construction of the 5<sup>th</sup> extension of the Palais (3<sup>rd</sup> tower), in addition to the monitoring procedures put in place for previous projects, the application of the expected BREEAM<sup>2</sup>) standard will involve compliance with very demanding qualitative criteria (see the following chapter).

2) BRE Environmental Assessment Method (BREEAM) is the oldest and, worldwide, most used method for the evaluation of the environmental performance of buildings, established by the UK body 'Building Research Establishment (BRE)'.

## VIII. ENVIRONMENTAL ACTION

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 façades make it possible to take optimal advantage of natural light and savings on lighting.

Photovoltaic cells were installed in areas of roofing measuring 2 750 m<sup>2</sup>, representing an electricity production capacity of 206 450 kWh per annum.

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 systematic 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.

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. 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.

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 5<sup>th</sup> 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/CO<sub>2</sub> emissions reduced by 55% and 45% as compared to reference standards). In addition, the new building will also be classified as 'excellent' under the BREAAM 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 addition, in the context of its building projects, the overall management of building site waste was the subject of a specific waste treatment plan established by the body 'Superdreckskëscht fir Betriber' (joint initiative of the Luxembourg Ministry of the Environment and the Chamber of Trade) in order to obtain the 'label vert' issued by that body.

As regards the introduction of an 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.

In an initial phase, an external company specialising in the environmental certification sector was commissioned to conduct a scoping study, defining the roadmap of the EMAS project at the Court. The main objectives of that study were to produce an environmental 'inventory' and to determine the steps necessary to obtain the desired EMAS registration. The final report was published in 2013.

Currently, the progress of the project is in line with the time limits initially laid down according to the timetable. To date, the following stages have been achieved:

- ▶ A two-tiered structure to ensure the long-term continuation of the project has been established;
- ▶ The environmental policy of the Institution setting out the general principles and objectives with respect to the environment has been formally signed by the Registrar of the Court of Justice and it has been made available to the general public;
- ▶ A detailed environmental analysis making possible an identification and evaluation of the Court's environmental impact has been carried out and, since, the changes in each impact can be monitored in sufficient detail;
- ▶ For a number of years the Court has had an environmental programme describing the objectives and actions designed to improve the Institution's environmental performance. For example, the projects within that programme have made it possible to reduce the cost of waste treatment by 48% between 2011 and 2015, to reduce CO<sub>2</sub> emissions, to reduce energy consumption in a number of areas and to ensure legal compliance;
- ▶ In order to control the processes that have a significant environmental impact, an environmental manual and specific procedures have been drawn up;
- ▶ After the creation of the environmental management system, that system was subject to an initial systematic evaluation by means of internal environmental audits.

Given the excellent progress of the project to date, there is reason to believe that EMAS registration can be obtained in 2016.

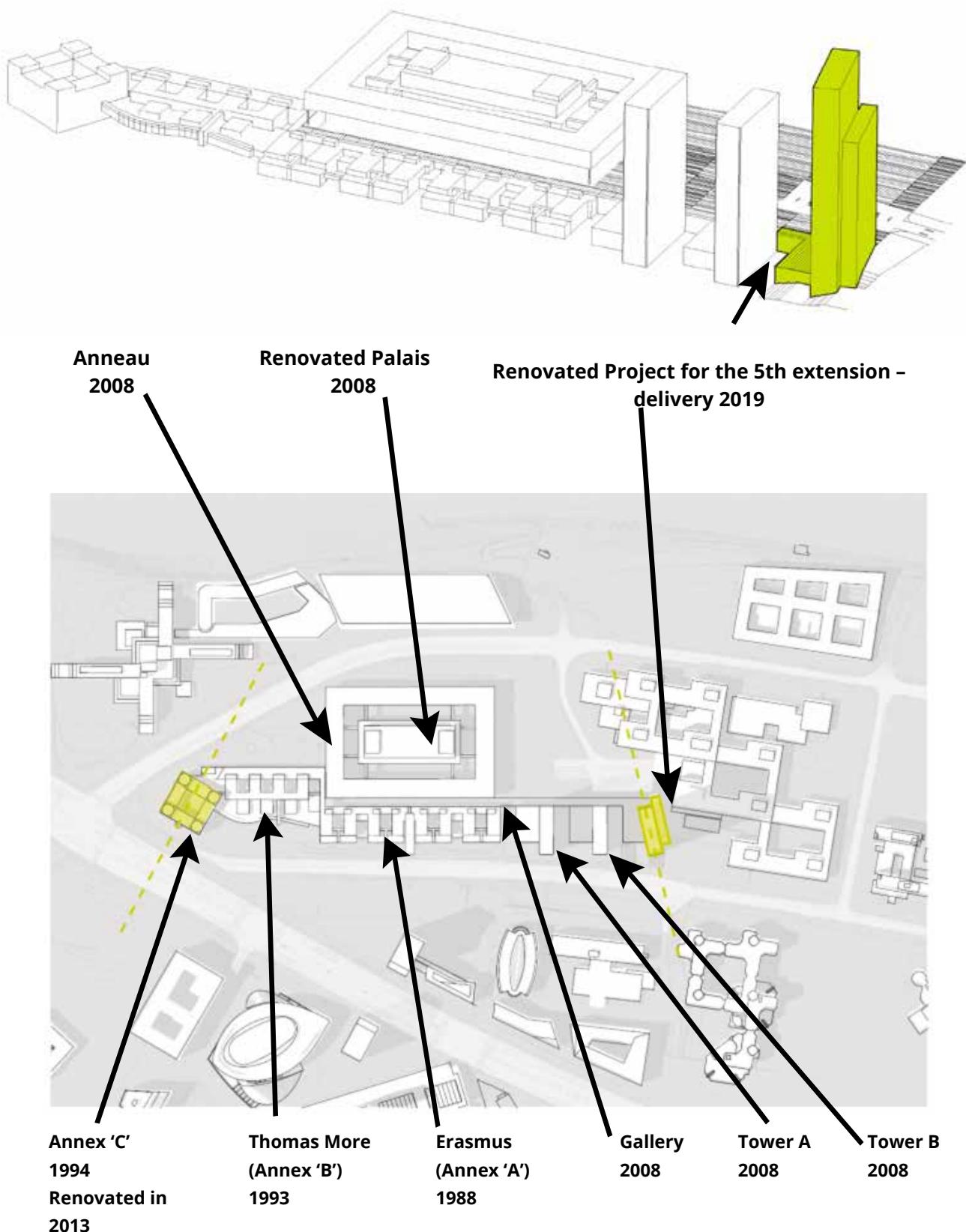
## IX. INTERINSTITUTIONAL COOPERATION

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.).

Last, on the initiative of the Court, an interinstitutional 'Security' group has been introduced, in order to harmonise approaches, to exchange 'best practices' and to cooperate in the event of a specific threat. That group met for the first time at the end of 2014, and the Court chairs the group. In 2015 there were an increasing number of working meetings.

**ANNEXE 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 2016	CONTRACT TYPE	BUDGET 2016 (EUR)	DRAFT BUDGET 2017 (EUR)
2000	Rent					
	<b>OFFICE SPACE</b>	T-Tbis	23.504 <b>23.504</b>	Lease	6.855.725 <b>6.855.725</b>	7.069.083 <b>7.069.083</b>
	<b>Sub-total office space</b>					
	<b>NON-OFFICE' SPACE</b>	T-Tbis New Data Centre	9.113 100 <b>9.213</b>	Lease Lease	2.745.488 174.787 <b>2.920.275</b>	2.629.124 61.793 <b>2.690.917</b>
<b>TOTAL LINE 2000</b>			<b>32.717</b>		<b>9.776.000</b>	<b>9.760.000</b>
2001	Lease-purchase					
	<b>OFFICE SPACE</b>	Renovated 'Annexes' ABC New Palais complex 5th extension - in construction (p.m. : 30.400)	23.164 49.551 <b>72.715</b>	Lease-purchase Lease-purchase Lease-purchase	2.093.943 11.007.439 <b>13.106.382</b>	2.016.345 10.579.927 611.416 <b>13.207.688</b>
	<b>Sub-total office space</b>					
	<b>NON-OFFICE' SPACE</b>	Renovated 'Annexes' ABC New Palais complex 5th extension - in construction (p.m. : 12.046)	26.126 33.444 <b>59.570</b>	Lease-purchase Lease-purchase Lease-purchase	3.876.847 15.406.771 0 <b>19.283.618</b>	3.724.283 14.808.396 392.633 <b>18.925.312</b>
<b>TOTAL LINE 2001</b>			<b>132.285</b>		<b>32.390.000</b>	<b>32.133.000</b>

**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 8/11/2009 and 18/1/2010:

- The OFFICE SPACE includes the space allocated to offices, corridors, lifts, toilets, archives, meeting/training rooms, cafeterias/restaurants, etc. A33
- 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.

## MULTI-ANNUAL PLANNING (office spaces)

	2016	2017	2018	2019	2020	2021
<b>Long term lease with option to purchase</b> Renovated 'Annex' buildings ABC Buildings complex of the new Palais 5th extension project	<b>72.715</b> 23.164 49.551	<b>72.715</b> 23.164 49.551	<b>72.715</b> 23.164 49.551	<b>72.715</b> 23.164 49.551	<b>103.115</b> 23.164 49.551 30.400	<b>103.115</b> 23.164 49.551 30.400
<b>Leasing</b> T and Tbis buildings	<b>23.504</b> 23.504	<b>23.504</b> 23.504	<b>25.454</b> 25.454	<b>25.454</b> 25.454	<b>0</b> 0	<b>0</b> 0
<b>TOTAL AVAILABLE (A)</b>	<b>96.219</b>	<b>96.219</b>	<b>98.169</b>	<b>98.169</b>	<b>103.115</b>	<b>103.115</b>
<b>Vacating at end of lease (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-25.454</b>	<b>0</b>	<b>0</b>
T and Tbis buildings - lease termination				-25.454		
<b>Ready for occupation/projects (C)</b>	<b>0</b>	<b>1.950</b>	<b>0</b>	<b>30.400</b>	<b>0</b>	<b>0</b>
Leasing additional space T and Tbis 5th extension project (detailed pilot study)		1.950		30.400		
<b>Available end of year (=A+B+C)</b>	<b>96.219</b>	<b>98.169</b>	<b>98.169</b>	<b>103.115</b>	<b>103.115</b>	<b>103.115</b>

## ANNEX 7

## 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 2015 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 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  
Greffier

Done at Luxembourg, on 29 April 2016





# COURT OF JUSTICE OF THE EUROPEAN UNION

COMMUNICATION DIRECTORATE  
PUBLICATIONS  
AND ELECTRONIC MEDIA UNIT

