

P6_TA(2006)0160

2004 Discharge: Section IV - Court of Justice

1. European Parliament decision on the discharge for implementation of the European Union general budget for the financial year 2004, Section IV - Court of Justice (N6-0027/2005 - C6-0360/2005 - 2005/2093(DEC))

The European Parliament,

- having regard to the general budget of the European Union for the financial year 2004¹,
 - having regard to the final annual accounts of the European Communities for the financial year 2004, Volume III (N6-0027/2005 - C6-0360/2005),
 - having regard to the Court of Auditors' annual report for the financial year 2004, accompanied by the replies of the institutions audited²,
 - having regard to the statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors pursuant to Article 248 of the EC Treaty³,
 - having regard to the Council's recommendation of 14 March 2006 (5971/2006 - C6-0092/2006),
 - having regard to Articles 272(10), 275 and 276 of the EC Treaty,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁴, and in particular Articles 50, 86, 145, 146 and 147 thereof,
 - having regard to the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities⁵,
 - having regard to Rule 71 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A6-0112/2006),
1. Grants the Registrar of the Court of Justice discharge in respect of the implementation of the budget for the financial year 2004;

2. Sets out its comments in the resolution below;

¹ OJ L 53, 23.2.2004.

² OJ C 301, 30.11.2005, p. 1.

³ OJ C 301, 30.11.2005, p. 9.

⁴ OJ L 248, 16.9.2002, p. 1.

⁵ OJ L 356, 31.12.1977, p. 1.

3. Instructs its President to forward this decision and the resolution that forms an integral part of it to the Council, the Commission, the Court of Justice, the Court of Auditors, the European Economic and Social Committee, the Committee of the Regions, the European Ombudsman and the European Data Protection Supervisor and to have them published in the Official Journal of the European Union (L series).

2. European Parliament resolution with comments forming an integral part of the decision on the discharge for implementation of the European Union general budget for the financial year 2004, Section IV - Court of Justice (N6-0027/2005 - C6-0360/2005 - 2005/2093(DEC))

The European Parliament,

- having regard to the general budget of the European Union for the financial year 2004⁶,
 - having regard to the final annual accounts of the European Communities for the financial year 2004, Volume III (N6-0027/2005 - C6-0360/2005),
 - having regard to the Court of Auditors' annual report for the financial year 2004, accompanied by the replies of the institutions audited⁷,
 - having regard to the statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors pursuant to Article 248 of the EC Treaty⁸,
 - having regard to the Council's recommendation of 14 March 2006 (5971/2006 - C6-0092/2006),
 - having regard to Articles 272(10), 275 and 276 of the EC Treaty,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁹, and in particular Articles 50, 86, 145, 146 and 147 thereof,
 - having regard to the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities¹⁰,
 - having regard to Rule 71 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and to the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A6-0112/2006),
1. Notes that in 2004 the European Court of Justice (ECJ) administered a budget of EUR 235 041 565, with a utilisation rate of 94 %;
 2. Notes that as a consequence of enlargement the number of staff at the ECJ increased in 2004 by some 40 %¹¹;

⁶ OJ L 53, 23.2.2004.

⁷ OJ C 301, 30.11.2005, p. 1.

⁸ OJ C 301, 30.11.2005, p. 9.

⁹ OJ L 248, 16.9.2002, p. 1.

¹⁰ OJ L 356, 31.12.1977, p. 1.

¹¹ Source: annual activity report.

3. Notes with disapproval that in 2004 the ECJ again failed to implement several internal control standards;
4. Points to the finding set out by the Court of Auditors in paragraph 9.13 of its annual report that the ECJ's internal auditor exercises the function of head of the "verification unit", which performs ex-ante controls on the authorising officer's operations; agrees with the Court of Auditors that such involvement in the carrying out of financial operations is not compatible with the tasks of an independent internal auditor; criticises the fact that since his appointment in 2003 the internal auditor has not completed any of the audits in his work programme; urges the ECJ to enlist outside support to ensure timely completion of the outstanding audits in the work programme;
5. Regrets that the ECJ's annual activity report could not be taken into consideration in the preparation of the Court of Auditors' annual report as it had not been finalised before the Court of Auditors' audit was concluded; understands that this issue has been resolved with regard to the 2005 annual activity report;
6. Notes that the ECJ, unlike most of the institutions, does not attach to its annual activity report a declaration of assurance signed by its authorising officer by delegation; notes that the Registrar nonetheless drew up and signed a memorandum dated 21 June 2005 assuring the ECJ's President of the regularity of its 2004 accounts; asks the ECJ to draw up such a declaration in future years and hopes that this matter will be regulated in the current review of the Financial Regulation;
7. Congratulates the ECJ on the design, content and legibility of its annual activity report and, in particular, the analysis at the end of each chapter of the type and degree of risk attaching to the operations described therein; believes that the usefulness of annual activity reports could be increased if all institutions followed this example;
8. Welcomes the reduction in the average duration of cases before the ECJ from 25 months in 2003 to 20 months in 2004 against the background of a steadily rising number of cases brought; considers that 20 months per case is still too long; calls on the ECJ to reduce the duration of cases further;
9. Notes that no ex-post verification was carried out in 2004 because of the need for the ex-ante verification service to concentrate on setting up the new financial circuit;
10. Notes that the ECJ is currently managing a substantial project for the construction of new buildings comprising two towers and a "ring" with accommodation for staff to be needed following future enlargements, together with up to 40 judges and their cabinets, at an estimated cost of EUR 296 924 590 (at 2000 prices); asks the ECJ for a written description of the arrangements for checking invoices and auditing the project, as well as for an explanation as to which of the parties involved will bear the risk of possible cost overruns; calls on the ECJ to create appropriate control bodies that have permanent responsibility for this large project and for checking that deadlines are met, for monitoring costs and for making any adjustments required;
11. Points out that, according to a comparison of costs between the institutions in the matter of buildings drawn up by the Commission services in June 2005, the ECJ has the highest cost per occupant (EUR 250/m²), which is explained however by the shorter than average

repayment period chosen by the ECJ, namely 15 years;

12. Believes that, in the interests of transparency, wider publicity should be given to Regulation No 422/67/EEC, 5/67/Euratom of the Council of 25 July 1967 determining the emoluments of the President and members of the Commission and of the President, Judges, Advocates-General and Registrar of the Court of Justice and of the President, Members and Registrar of the European Union Civil Service Tribunal¹² laying down the emoluments of the ECJ's judges, possibly by publishing it on the ECJ's website;
13. Notes that the ECJ currently imposes no obligation on judges to declare financial interests, such as share holdings, directorships and consultancy contracts; points out that both Commissioners and Members of the European Parliament are required to declare such interests in a public register and that Members of the Court of Auditors deposit a declaration of their financial interests with the Court's President; recommends that, in the interests of transparency, even in the absence of a legal requirement at present, the ECJ should ask for binding rules of this kind to be drawn up;
14. Recalls, as regards official cars for use by the ECJ, that its resolution of 27 October 2005¹³ called on the ECJ to amend by 1 November 2005 its administrative decision of 31 March 2004 in such a way as to rule out the private use of official cars.

¹² OJ L 187, 8.8.1967, p. 1. Regulation as last amended by Regulation (EC, Euratom) No 202/2005 (OJ L 33, 5.2.2005, p. 1).

¹³ *Texts Adopted*, P6_TA(2005)0410.