



**Follow-up to the observations or recommendations
in the discharge resolution of the European Parliament of 27 April 2017 pertaining to 2015**

Foreword

As every year, a specific chapter (chapter V) is dedicated in the Annual Activity Report (AAR) of the Court to the follow up of observations expressed by the Court of Auditors and the Discharge Authority. The 2016 AAR was no exception (see extract of this chapter in Annex).

This document aims to give useful updated information and explain the new measures implemented in response to the following specific points/paragraphs of the 2015 discharge resolution.

4. Notes that the estimated revenue of the Court of Justice for the financial year 2015 was EUR 44 856 000; asks the Court of Justice to explain why the established entitlements in the financial year 2015 are EUR 49 510 442, which is 10, 4 % higher than estimated;

The difference of EUR 4.65 million is attributable for the most part (EUR 3.6 million) to the fact that no amount was initially budgeted in budget line 411 'Transfer or repayment of pension rights by staff', given the uncertainty concerning the amounts transferred annually by the pension funds. The amounts transferred prove to be highly variable from one year to the next. During 2015, the established entitlements in that respect were ultimately rather sizeable (EUR 2.74 million). Similarly, under Title 5 'Revenue accruing from the administrative operation of the Institution', no amount was budgeted given the difficulty of estimating that revenue beforehand and, nonetheless, the entitlements finally established under that budget title amounted to EUR 0.88 million.

6. Notes that the Court of Justice's budget is mostly administrative, with around 75 % being used for expenditure concerning persons working within the Court of Justice and the remaining amount relating to buildings, furniture, equipment and special functions carried out by it; stresses, however, that introducing performance-based budgeting should not apply only to the Court of Justice's budget as a whole but should include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and staffs' annual plans; in this respect, calls on the Court of Justice to introduce the principle of performance-based budgeting more widely in its daily operations;

The Court of Justice of the European Union ('the Court') is well aware of the need to apply performance criteria at all levels of the organisation. In order to strengthen the monitoring of the proper functioning of its departments, the latter are now required to establish specific, measurable, attainable, realistic and time-based (SMART) targets in their respective areas of activity on an annual basis and to set relevant indicators for drawing up the Institution's estimates.

8. Notes that the Court of Justice completed 616 cases in 2015, which represents a decrease compared to 2014 (719 cases were completed in 2014), and had 713 new cases brought before it (compared to 622 in 2014);

As stated in the Annual Report 2015 Judicial Activity, the statistics concerning the Court of Justice's activity in 2015 reveal, overall, sustained productivity and efficiency but, above all, an unremitting upward trend in the number of cases. The year 2015 was characterised by the highest recorded number of new cases brought in the Court of Justice's history on account, in particular, of the combined increase of the significant growth in the number of appeals (roughly double the number in 2014) and of the very high number of requests made to the Court of Justice for a preliminary ruling (436, that is to say, a figure second only to that in 2013); this was despite the number of direct actions being appreciably lower, confirming a strong downward trend that had been observed for a number of years. In addition, three requests for an Opinion were lodged in 2015.

The Court of Justice completed 616 cases, which amounts, admittedly, to an overall decrease compared with 2014, which is attributable in part to the lower number of cases that were brought in 2014 and, therefore, in a state enabling them to be decided in 2015. The number of cases pending at the end of 2015 corresponded exactly to the situation on 31 December 2013 and, within two cases, to that on 31 December 2012. So far as concerns the duration of proceedings, the statistics were very positive: the average time taken to deal with a case was 15.6 months (15.3 months for references for a preliminary ruling and 17.6 months for direct actions), that is, very close to the record figure in 2014 (as against 24.3 months in the period from 2011 to 2014). The average time taken to deal with appeals in 2015 was 14 months, which was the lowest average in recent years. These results are the fruit of the constant watch kept by the Court of Justice over its workload, which resulted in particular in the reforms in its working methods undertaken in recent years and the use of the various procedural instruments at its disposal to expedite the handling of cases (the urgent preliminary ruling procedure, the expedited procedure, priority treatment, the simplified procedure and the possibility of giving judgment without an Opinion of the Advocate General).

13. Notes that 2015 was the year of adoption of the judicial architectural reform of the Court of Justice, which was accompanied by the development of new rules of procedure for the General Court; understands that, by virtue of the number of judges of the General Court being doubled in a three-stage process extending until 2019, that reform will enable the Court of Justice to continue to deal with the increase in the number of cases; looks forward to analysing the achievements of that reform in the Court of Justice's capacity to deal with cases within a reasonable period and in compliance with the requirements of a fair hearing;

For the record, the implementation of the three stages of the reform of the judicial architecture, which should be completed in 2019, is specifically organised by the legislature so that the Court reports on its assessment at regular intervals. It must be stressed that the first effects of the reform may be put into perspective only as from the year 2016, bearing in mind that the first judges took up their duties only as from March 2016.

– Consequently, 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 notes that ‘[a]s the Court of Justice of the European Union has already announced, it will, as a follow-up to the reform of the General Court, present yearly figures on its judicial activity and, if necessary, suggest appropriate measures’ (recital 13). The new presentation of the Institution’s annual report, implemented in 2016, will enable that regular updating of the statistics of both Courts and of the consequences of the reform. It is also provided that ‘at the second and third stages of the enlargement of the General Court, an assessment of the situation of the General Court will take place which, if necessary, could lead to certain adjustments, notably in terms of administrative expenditure of the Court.’

–Article 3(1) of that regulation requires the Court, by 26 December 2020, to draw up a report, using an external consultant, for the European Parliament, the Council and the Commission on the functioning of the General Court. It is provided that that report will focus, in particular, on the efficiency of the General Court, the necessity and effectiveness of the increase to 56 Judges, the use and effectiveness of resources and the further establishment of specialised chambers and/or other structural changes. Where appropriate, the Court is to make legislative requests to amend its Statute accordingly.

– Article 3(2) of Regulation 2015/2422 requires the Court to draw up a report, by 26 December 2017, for the European Parliament, the Council and the Commission on possible changes to the distribution of competence for preliminary rulings under Article 267 TFEU, and the report must be accompanied, where appropriate, by legislative requests.

15. Notes the upcoming recast of the Code of Conduct for Members where the conditions for carrying out external activities and the publication of their financial interests will be clarified; calls for a greater level of transparency on the external activities of each judge; requests that the Court of Justice provide information regarding other posts and paid external activities of the judges on its website and its annual activity reports;

By decisions of 13 and 14 December 2016, the General Meeting of the Court of Justice and the Plenum of the General Court adopted a new Code of Conduct for Members and former Members of the Court of Justice of the European Union which was published in *Official Journal* C 483 of 23 December 2016 and entered into force on 1 January 2017.

Article 8 of that code lays down the conditions in which the Members may be authorised to engage in external activities and states that the Members’ activities authorised by the Court or Tribunal of which they are a Member are to be published on the Institution’s website after the activity has taken place.

Consequently, it is envisaged that, as regards the year 2017, all the external activities of the Members of the Court of Justice and of the General Court will be published on the Curia website in January 2018.

16. Notes that out of the commitments of missions of EUR 295 500 only EUR 41 209 were used; points out that this under-investment could be avoided; requests the Court of Justice to improve its budgeting and accountability in regard to the mission budget and emphasises the need for the principle of missions to be cost-effective;

The total amount reimbursed for Members' missions carried out in 2015 was 155 264 EUR and not 41 209 EUR (this amount corresponds only to the amount paid until 31st December 2015).

It is important to emphasize that this expenditure is by its nature difficult to estimate in advance and that both the amount reimbursed per Member and the amount over-budgeted per Member remain relatively low.

In any case, the Court will examine the possibility of reducing the amount allocated to the corresponding budgetary item while preparing the estimates for the 2019 budget.

17. Considers that the Court of Justice should make available a general overview of the participants and the contents of its meetings with external parties other than the ones related to its judicial activity;

18. Asks the Court of Justice to provide the discharge authority with a list of meetings with lobbyists, professional associations and civil society by June 2017; asks the Court of Justice to present the minutes of those meetings by June 2017;

Response sent to the European Parliament in June.

19. Notes with satisfaction the improvements made in the e-Curia application and the fact that all Member States used it in 2015; considers that alongside the dematerialisation of documents, data security should be improved;

In 2015 a vulnerability assessment was performed. The assessment was conducted to determine whether a remote attacker could exploit known vulnerabilities. This vulnerability assessment could not identify significant security issues. In the spirit of continuous security monitoring, the next software releases include as well such assessments.

22. Notes the high proportion of posts occupied (98 %) despite the high staff turnover rate in the Court of Justice and supports its active recruitment policy; calls on the Court of Justice to set up rules on revolving doors;

The Court's administration considers that the rules set out in the Staff Regulations limiting professional activity after service can be applied directly, without the need for implementing provisions. However, in view of the Parliament's request, the Court will prepare such implementing rules in 2018.

24. Welcomes the initiative of the Court of Justice to improve the gender balance in management posts and the fact that the gender balance in middle and senior management posts reached a level of 35 % to 65 % in 2015; believes, nevertheless, that there is further room for improvement in this area in the institution; notes, furthermore, that Parliament and the Council have stated that it is their objective to ensure an equal representation of women and men when appointing new judges to the General Court¹;

The Court shares the objective of continually improving gender balance in management posts and, following an in-depth study by a working group set up to study this question, is currently preparing to implement a series of wide-ranging, concrete measures designed to encourage more female administrators to apply for management posts.

These measures include: enhancing the attractiveness of management-level posts, offering training and support for potential candidates and recently appointed heads of service and making it easier to balance professional and private life.

25. Emphasises that geographical balance, namely the relationship between staff nationality and the size of Member States, must remain an important element of resources management, particularly with respect to the Member States that acceded to the Union in 2004 or thereafter;

26. Welcomes the fact that the Court of Justice has reached a more balanced composition of officials from the Member States which joined the Union before 2004 and from the Member States which acceded to it in 2004 or thereafter; is deeply concerned, however, at the considerable geographic imbalance in middle and senior management level, to the disadvantage of the Member States which acceded to the Union in 2004 or thereafter; calls on the Court of Justice to endeavour to correct that situation and to report to Parliament on the improvements achieved in that regard;

The Court recalls that, in accordance with Articles 7(1) and 27 of the Staff Regulations, appointments to posts must be made in the sole interest of the service without regard to nationality.

The Court is also sensitive to the need to ensure a broad geographical balance in managerial posts and will take account of this when assessing equally qualified candidates.

The Court can inform the Parliament that, at present, thirteen of its 57 heads of unit (22.8 %) and two of its twelve directors (16.66 %) are from Member States which joined the Union in or after 2004. Taking into account that the Member States which acceded to the Union in 2014 or thereafter represent 20.5% of the whole EU population and 29% of the Court's staff, it can be seen that a broad geographical balance is establishing itself at these levels.

¹ See Annex to Parliament's legislative resolution of 28 October 2015 – Joint statement by the European Parliament and the Council – Texts adopted, P8_TA(2015)0377.

27. Regrets the fact that the Court of Justice's internal whistleblowing rules were adopted only in the beginning of 2016; recommends that the Court of Justice disseminate those rules among its staff so that all employees are aware of them; asks the Court of Justice to provide, by June 2017, details of the whistleblower cases in 2015, if any, and of how they were handled and finalized;

Response sent to the European Parliament in June.

28. Urges the Court of Justice to enact the submission of declarations of interests, instead of declarations of the absence of conflicts of interests, as self-evaluation of conflicts of interests is, in itself, a conflict of interests; considers that the evaluation of a situation of conflicts of interests must be done by an independent party; asks the Court of Justice to report by June 2017 on the changes introduced and to indicate who is checking the situations of conflicts of interests; reiterates that transparency is a key element to the public trust; calls on the Court of Justice to establish clear rules regarding "revolving doors" and to put in place measures and dissuasive penalties, such as the reduction of pensions or the prohibition to work at least three years in similar bodies, to prevent "revolving doors";

Partial response sent to the European Parliament in June.

See response to question 22.

29. Notes the cooperation of the Court of Justice with the Commission and Parliament's interpretation services within the Interinstitutional Committee for Translation and Interpretation, particularly in the area of interpretation; expects that that cooperation will be extended to the translation area and supports it, where possible and without undermining the Court of Justice's responsibilities;

The Court is traditionally committed to efficient interinstitutional cooperation in the field of translation and interpretation. The Court has been active in the Interinstitutional Committee for Translation and Interpretation and its Executive Committee for Translation, which serves as a platform for cooperation on interinstitutional projects related to language services. Certain areas of these activities relate to cooperation in terminology, fostering quality management of translation memories, integration of mainstream outsourcing and developing communication solutions for interinstitutional workflows. The Court also participates in numerous fields of cooperation namely through various working groups set up by the Executive Committee for Translation (ECT), for example, the Computer Assisted Translation Environment, the Language Technology Watch, the User Group for Machine Translation, the Permanent Advisory Group on Finances and the Advisory network on outsourcing translations. The Court has participated in joint organization and financing of the interinstitutional tools and databases (interinstitutional terminological database "IATE", interinstitutional translation memory "Euramis", interinstitutional terminological metasearch tool "QUEST II", tool for search of the reference documentation "DocFinder", automatic translation service of the Commission "MT@EC"). The Court will participate also in development of the interinstitutional translation memory "Euramis Next Generation" in 2018. The Court's terminological collections of the Immigration and Family law (collection of the Criminal law will be completed soon

too) have been transferred into IATE interinstitutional database for the common benefit. To complement dissemination of this work, updated information on reference sites, such as the Eurterm interinstitutional portal, e-justice portal and the site of Jiamcatt has been regularly published. In 2017 the Court organizes the ECT Middle Management Event dedicated to terminology management as an investment in high-quality multilingualism. The Documentation section of the Terminological Projects and Coordination Unit of the Court also carried out a number of documentary researches in order to answer requests from other institutions in the framework of interinstitutional cooperation, in particular to avoid double translations. In addition, staff has been temporarily exchanged with other translation and/or legal services of other institutions in order to share knowledge. In particular several lawyer-linguists of the Court enlarged their professional skillset in the context of an interinstitutional staff exchange project in cooperation with the European Central Bank. The Court strives to pursue this policy of active participation in the field also in the future.

The cooperation of the Court with the other institutions in the field of externalisation concerns procedures and sound management. It is not possible however for the Court to participate in common procedures, as its procedures are directed only towards legal translation, involving selection criteria that require this specific competence.

Overall, the Court believes interinstitutional cooperation is intense and fruitful not only in the field of interpretation, but also in that of translation. It is an ongoing process and the Court is committed to continue and intensify interinstitutional cooperation as much as possible.

30. Calls on the Court of Justice to provide Parliament with the costs of translation according to the harmonised methodology agreed within the Interinstitutional Working Group on key interinstitutional activity and performance indicators;

After successful termination of the transitional phase as an observer of the KIAPI Working Group since its creation, the Court requested to become a full member of the Group in spring 2017. The Court, together with Group's members, participated in establishing its functional and methodological basis. The institutional design of the Court and legal provisions required complementary efforts and reflections to accommodate its integration into common structure. In particular, the translation service of the Court due to institution's specific judicial role and obligations imposed by the Rules of Procedure employs only lawyers-linguists (Article 42 of the Rules of Procedure of the Court of Justice foresees that it shall set up a language service staffed by experts with adequate legal training and a thorough knowledge of several official languages of the European Union), not translators as other institutions do. Lawyer linguists possess specific legal skills and expertise in national and comparative law, which enables them to carry out more than translation work – they contribute to the legal and terminological analysis of the case, summarise requests for preliminary rulings, perform legal research and collaborate with other colleagues and legal counsellors of the Members of the Court on the questions of EU and national law. This cooperation, deeply ingrained into institutional culture of the Court, contributes significantly to the overall quality of the Court's functions. Fruitful reflection with the group's Chair permitted taking into account this institutional reality.

Finally, for information, the cost per translated page in 2015 and 2016 at the Court was as follows:

2015 (EUR)			2016 (EUR)		
Total cost of AD officials	85 828 395.54	61.38%	Total cost of AD officials	89 198 762.19	61.56%
Total cost of AST officials	15 198 528.66	10.87%	Total cost of AST officials	15 675 806.06	10.82%
Costs of staff not covered by the Staff Regulations	2 138 107.26	1.53%	Costs of Staff not covered by the Staff Regulations	2 124 223.07	1.47%
Freelance costs	9 519 195.00	6.81%	Freelance costs	10 968 669.00	7.57%
Non-staff costs	27 137 551.71	19.41%	Non-staff costs	26 929 725.48	18.59%
Total	139 821 778.17		Total	144 897 185.80	
Divided by 1 069 337 pages produced	EUR 130.76/page		Divided by 1 114 524 pages produced	EUR 130.01/page	

32. Supports the review of expenditure and of the conditions for use of official cars jointly conducted by the internal audit services of the Court of Justice and of the Court of Auditors; calls on the Court of Justice to consider, within the frame of that review, the possibility of reducing the number of official cars at the disposal of its members and staff; calls on the Court of Justice, moreover, to improve its checks against the use of official cars for private purposes;

On 25 April 2016, the Administrative Committee of the Court adopted a new regulatory framework, as a result of an examination carried out in conjunction with the Court of Auditors intended to explore ways of reducing the cost of using the vehicle fleet made available to those two institutions.

Based on the principles of making savings to and simplifying and improving management, the new regulation provides for:

- the increase in the duration for which vehicles may be leased, to 60 months, enabling an annual saving of EUR 215 000 as a result of a 15% reduction in the monthly rent;
- the broadening of the choice available to include 'green models';
- the reduction in the annual number of kilometres from 15 000 to 10 000 for the figure corresponding to the assessment of travel other than that covered by a mission order or linked to the performance of duties (approximately EUR 22 000 of savings per annum). It is to be noted that all costs are borne entirely by the user as from the first kilometre travelled for non-professional use and that the monitoring systems put in place enable those costs to be charged directly to the Members.

33. Welcomes the commitment of the Court of Justice to ambitious environmental targets; encourages the institution to apply the principles of green public procurement and calls for the establishment of rules and a sufficient budget for carbon offsetting;

Promoting the incorporation of environmental considerations in procurement procedures is one of the environmental-improvement objectives included in the Court's EMAS programme since 2016.²

In order to help the authorising departments attain that objective, the Court's centralised 'Contracts' cell has drafted and circulated a note concerning the incorporation of environmental considerations in the public contracts awarded by the EU institutions. That note clarifies the options open to the departments as regards incorporating environmental considerations in the context of their calls for tenders and refers to the Commission's GPP toolkit.

In addition, specific examples of applying environmental criteria in procurement procedures are made available on a dedicated webpage.

In order to make its procurement procedures and contracts 'greener', the Court has:

- set an objective, over the period 2016 to 2018, to reduce the number of calls for tenders incorporating 'Light green' clauses: not to exceed 55% by number and 50% by amount of the total calls for tenders having a significant environmental impact;³
- measured its performance: in 2016 the objective in question was exceeded. The setting of measurable objectives will thereby enable a benchmark to be obtained against which the departments may measure their progress;
- organised inter-institutional training 'green procurement' in 2016;
- taken part in an inter-institutional project called 'GPP Helpdesk'. This is a dedicated green-procurement support service, which became operational in May 2017 and provides assistance to help the staff responsible for public procurement procedures while implementing the environmental approach. It is intended to help incorporate environmental criteria at all stages of procurement procedures, so as to contribute to reducing the Court's environmental impact and to promote sustainable consumption.

That project is an example of effective inter-institutional cooperation because the knowledge and good practice in the field are shared between the Institutions.

Since green procurement is an area undergoing constant change, both from a technical point of view and in terms of legal requirements, that support service will enable new developments to be followed and, therefore, public procurement at the Court to be aligned with current best practice.

On 15 December 2016, in accordance with the schedule for the project 'Introduction of the EMAS System at the Court of Justice', Mrs Dieschbourg, the Luxembourgish Minister for the Environment,

² The environmental policy signed by the Registrar of the Court of Justice on 19 June 2015 seeks, *inter alia*, to encourage the incorporation of environmental criteria in public procurement procedures.

³ Calls for tenders for an amount over EUR 60 000 have been divided into 3 categories : 'Light green', 'Medium green' and 'Top green' depending on the incorporation of the relevant level of environmental-protection clause: a 'light green' call for tender includes a reference to the environmental aspects of the contract, but has no effect on the purchase process and will have no environmental impact when the contract is performed; a 'medium green' call for tender incorporates important environmental clauses with a view to reducing the contract's environmental impact; and a 'top green' call for tender corresponds to best environmental practice.

confirmed the Court's EMAS registration, thereby attesting to the Institution's high level of environmental performance.

The environmental action undertaken in the context of the EMAS programme has enabled the Court's carbon footprint to be reduced by 32% compared with the 2010 reference year and covers the principal environmental aspects, in particular:

- the improved management of technical installations (in particular air conditioning) and the purchase of green electricity;
- the establishment of a policy for a more efficient use of energy in accordance with the international standard ISO 50001. The aim of that standard is to provide guidance on implementing a system of energy management in order to make better use of energy, based on the setting of targets and objectives to be achieved;
- the establishment of an energy measurement plan. That measure, currently being implemented by the Institution, consists in the installation of additional electricity and heat meters strategically placed in order to ascertain in detail the buildings' consumption;
- the drawing up, at inter-institutional level, of a transport plan promoting the increased use of public transport;
- the purchase of paper awarded the Ecolabel and the detailed monitoring of the consumption of office paper.

The Court's administration has favoured that specific work on content as against offsetting CO₂ emissions. It will examine the possibility of requesting the necessary resources from the budgetary authority in order to be able to finance projects for the offsetting of carbon emissions.

36. Welcomes the Court of Justice's initiative to publish its annual activity report in a new format; calls on the Court of Justice to publish the Court of Auditors annual report, in particular the parts referring to the Court of Justice;

The Court takes note of the call to publish on its website the Court of Auditors annual report. The most appropriate way of ensuring that publication is currently being studied.

37. Calls on the Court of Justice to improve its communications policy towards the citizens of the Union;

The Court has expanded its activities aimed at bringing the Institution closer to citizens. Press releases are drafted in appropriate language, and structured so as to make the decisions of the Courts more accessible to the public. The Court also organises training seminars for journalists and develops communication products on its activity (new presentation of the summarised annual report now in the form of a year in review) or on specific themes relating to its case-law or to the presentation of the Institution. In addition, measures have been taken in order to attract a greater

number of citizens during the annual 'Open Day', which has enabled the number of visitors to be almost doubled in the space of four years (from approximately 2 000 visitors in 2013 to nearly 4 000 visitors in 2017).

As regards multimedia, the Communication Directorate has also developed an application for smartphones and tablets in order to remedy display problems which might have arisen when consulting the Court's website on such devices. In addition, the Court's website now hosts multimedia animations which enable citizens to be swiftly and easily informed about the Institution and to receive a reply to their most frequently asked questions (https://curia.europa.eu/jcms/jcms/Jo2_7005/en/). In the same vein, the Court has opened a Youtube channel (<https://www.youtube.com/channel/UCTfyrAlsJRZF1nGLLgnDiMA>) which contains, in addition to the multimedia animations, videos on events organised at the Court. Lastly, the Communication Directorate has strengthened its presence on Twitter where it now has almost 40 000 followers.

The Court and its communication service are continuing their efforts to bring citizens closer to the Institution. It is, therefore, envisaged in the short term that the Court's website will be updated in accordance with a more user-centred approach, so that users may access more swiftly and easily the information that they need. Similarly, thematic brochures explaining the case-law in the areas affecting citizens' daily lives will very soon appear. Six new multimedia animations are also in the course of being prepared in order to supplement the animations already present on the Court's website and Youtube channel. Lastly, the uploading of judgments and press releases is going to be modernised so that citizens have access to those documents as soon as judgment is delivered.

38. Considers the answer given by the Court of Justice to Parliament's question (Question 26⁴) on allowances to be incomplete; asks the Court of Justice for clarification and for a clear and detailed answer.

In accordance with Council Regulations N° 422/67/EEC, N° 5/67/EURATOM and N° 2016/300 of 29 February 2016 determining the emoluments of EU high-level public office holders, the President and the Members of the Court receive the following allowances (in addition to their basic salary):

- a residence allowance equal to 15 % of their basic salary;
- an entertainment allowance equal to a certain lump sum accordingly to their status;
- a special duty allowance equal to a certain lump sum for the Presiding Judges of the Chambers of the Court during their term of office.

⁴ 26. What kind of allowances (financial or other benefits) were provided on a permanent or on an ad hoc basis to the President of the Court, Judges of the Court, the members of the cabinets and the staff members in 2015 beyond the monthly payment?

The only allowances paid to Members, officials and agents were those specifically provided for in Council Regulation No 422/67/EEC, No 5/67/EURATOM determining the emoluments of the President and Members of the Commission, of the President, Judges, Advocates-General and Registrar of the Court of Justice, of the President, Members and Registrar of the General Court and of the President, Members and Registrar of the European Union Civil Service Tribunal, on the one hand, and the Staff Regulations of officials of the European Union and the Conditions of employment of other servants, on the other.

They are also entitled, on the same terms as the members of the staff (officials and agents), to the following:

- an installation allowance on taking up their duties (application mutatis mutandis of Article 5 of Annex VII to the Staff Regulations);
- a resettlement allowance on ceasing to hold office (application mutatis mutandis of Article 24(2) of the Conditions of Employment of Other Servants of the European Union);
- family allowances (application by analogy of Article 67 of the Staff Regulations and Articles 1 to 3 of Annex VII to those Regulations);
- reimbursement of travelling expenses incurred for themselves and for members of their family;
- reimbursement of the cost of removal of their personal effects and furniture, including insurance against ordinary risks (application of Article 9 of Annex VII to the Staff Regulations);
- the reimbursement of the mission expenses (travelling and hotel expenses, as well as a subsistence allowance), in case of a duty travel away from the provisional seat of the institution.

In addition to the various allowances provided for in the Staff Regulations and mentioned above, some staff, according to their duties, may receive:

- a lump sum for overtime hours worked in accordance with Article 3 of Annex VI of the Staff Regulations ;
- an allowance for standby duty (in accordance with Article 56b of the Staff Regulations) ;
- a fixed amount for the purchase of workwear applicable to certain categories of staff ;
- the reimbursement of spectacles which are medically prescribed for the specific purpose of working on computer screens (in accordance with conclusion 258/10 of the College of Heads of Administration) ;
- in order to encourage greater use of public transport by its staff and thus to reduce its carbon footprint, the Court offers a free travel card for certain bus lines in the city of Luxembourg and a fixed percentage (20%) contribution towards the costs of an annual subscription to the public transport service (M-Pass) for all kind of public transport and far distances within the country ;

ANNEX

Chapter V of the 2016 Annual Activity Report

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 **2015 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 2015 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 2016 concerning the Court.

Observations made by the discharge authority

The resolution voted on by the Committee on Budgetary Control on 27 April 2017 relating to the Court concerns, first, the **conclusions of the work of the Court of Auditors** relating to 2015, and states on the basis of those conclusions 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, a very high budget implementation rate (99% in 2015, identical to that of 2014) (paragraph 3), improvements made to the e-Curia application (paragraph 19), the very active recruitment policy of the Court leading to a very high rate of occupation of posts (98%) (paragraph 22), staff exchanges between the Court and the European Central Bank (paragraph 23), the satisfactory operation of the translation service activities (paragraph 31), the Court's commitment to high environmental objectives (paragraph 33), the opening of the historical archives in Florence (paragraph 35), and the Court's initiative to publish its annual report in a new format (paragraph 36).

With regard to **other observations/recommendations relating to administrative or language activities**, the Court continues to consider them with the greatest attention. As regards the invitation to set specific, measurable, achievable, relevant and timed targets (SMART), the Court's departments are already setting their targets on that basis, those targets

serving as the basis for their budgetary requests and their action plans. As regards the introduction of the principle of performance-based budgeting, the Institution carefully monitors developments in that area and the feasibility of applying it to a purely administrative budget such as its own (paragraph 6). The Court also gives the utmost importance to the European Parliament's invitation to improve computer security in parallel with the digitalisation of documents (paragraph 19).

As regards the desire for increased Inter-institutional cooperation in the area of translation (paragraph 29), it is important to stress that, given the crucial nature of translation activities, this is a priority for the Court. In this context, the institutions work together to develop and maintain IT tools (Quest II, Euramis, IATE, DocFinder, MT@EC), the organisation of competitions, the annual CET 2016 event, and the activities of the Computer Assisted Translation Environment (CATE) group, to name but a few areas of collaboration (see more fully paragraph 1.2.3 above). As regards the comment on the key inter-institutional indicators of activity and performance (paragraph 30), the Court now forms part of the inter-institutional 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. This work is expected to result, in the coming months, in the Court's use of this harmonised Inter-institutional method.

Concerning the number of women holding positions of responsibility at the Court (paragraph 24), 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, commended in the discharge resolution. In that spirit, a special working group, consisting of women with various management responsibilities at the Court, has also been constituted to examine the impediments in this area and measures to remove them. Lastly, paragraphs 25 and 26 highlight the European Parliament's concern about the lack of geographical balance in positions of responsibility and call on the Court to work to correct this imbalance, particularly with regard to countries which have joined the European Union since 2004.

Finally, a number of observations concern the Court's principal task, namely the activity of its judicial bodies (paragraphs 7, 8, 9, 10, 11, 12 and 13), and the activity of its Members (paragraphs 15 and 32).

As regards the **activity of the 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 2015**. The very favourable data well demonstrate the effectiveness of the measures taken, year on year, in order to meet the challenge of the increased volume of litigation. The **overall statistics over a long period (2007-2016) clearly reflect the scale of the productivity improvements achieved** (increase of + 46% with respect to the annual number of cases completed whereas the increase in the number of support services staff has been restricted to + 3.5% 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. The Court also notes that the European Parliament considers that an impact assessment should be carried out in respect of the years of activity of the Civil Service Tribunal.

As regards the paragraphs concerning the Members of the courts, the Court has recently recast the Code of Conduct for Members and former Members (OJ 2016/C 48 3/01), which

entered into force on 1 January 2017, which responds to Parliament's observations regarding the conditions for carrying out external activities and the publication of financial interests. Furthermore, the Court will publish those external activities of the Members, in accordance with the provisions of the Code of Conduct (paragraph 15). Likewise, the European Parliament notes the revision of the internal rules concerning the management of the car fleet in co-operation with the Court of Auditors, and also invites the Court to examine the possibility of reducing the number of vehicles and increasing controls on its private use (paragraph 32). This latter aspect was specifically addressed in the revision of the rules and led to a reduction in the annual lump-sum corresponding to the assessment of travel for the performance of the Members' duties.

Other points raised, such as information relating to meetings other than those relating to judicial activity (paragraphs 17 and 18), those relating to the rules on 'revolving doors' (paragraphs 22 and 28) and those relating to declarations of absence of conflicts of interest (paragraph 28) will be examined with the utmost attention by our Institution.

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, commended in paragraph 20 of the discharge resolution, that the Court worked closely with the team of auditors designated by the Court of Auditors to execute the performance review of the Institution, carried out in 2016 at the request of the European Parliament. The final report of the Court of Auditors is expected to be published in 2017.