



Directorate General of  
Personnel and Finance

Directorate for Budgetary  
and Financial Matters

April 2015

## **ANNUAL ACTIVITY REPORT FOR THE 2014 FINANCIAL YEAR**

**(Article 66(9) of the Financial Regulation)**

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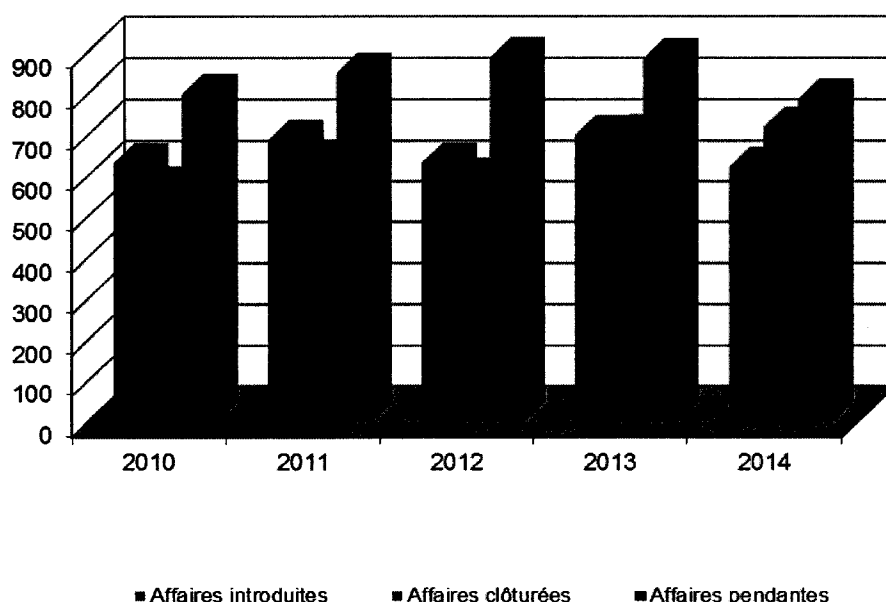
## I. INTRODUCTION

Article 66(9) of the Financial Regulation provides that the authorising officer by delegation is to ‘report to his/her institution on the performance of his/her duties in the form of an annual activity report’.

As regards **the judicial activity** of the Court of Justice, the General Court and the Civil Service Tribunal, the 2014 Annual Report of the Court on the CVRIA website ([http://curia.europa.eu/jcms/jcms/Jo2\\_7000](http://curia.europa.eu/jcms/jcms/Jo2_7000)), which provides detailed information and statistics on that activity, should be consulted.

In 2014 the rate at which the judicial activity of the Court has again increased is remarkable. A new record was achieved in 2014, with a total of 1 691 cases brought before the three courts, that is to say, the highest number since the judicial system of the European Union was created. On the other hand, as 1 685 cases were completed, the institution’s productivity was likewise the highest recorded in its history. This increased productivity also had its counterpart in the average duration of proceedings, which was reduced.

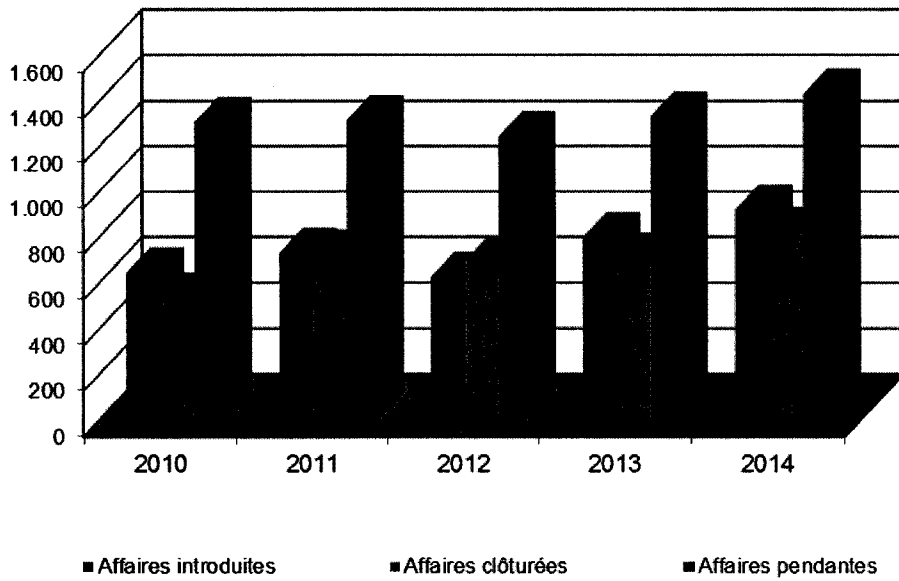
*General activity of the Court of Justice*  
New cases, completed cases, cases pending (2010-2014)<sup>1</sup>



	2010	2011	2012	2013	2014
New cases	631	688	632	699	622
Completed cases	574	638	595	701	719
Cases pending	799	849	886	884	787

<sup>1</sup> The figures given (gross figures) represent the total number of cases, not taking the joinder of cases on the ground of similarity into account (one case number = one case).

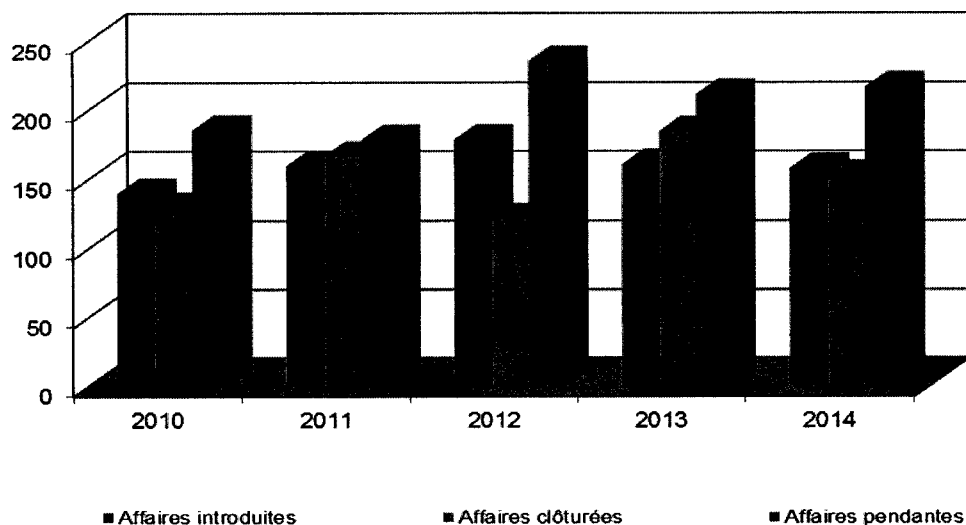
**General activity of the General Court —  
New cases, completed cases, cases pending (2010-2014) <sup>(1)</sup>**



	2010	2011	2012	2013	2014
New cases	636	722	617	790	912
Completed cases	527	714	688	702	814
Cases pending	1.300	1.308	1.237	1.325	1.423

(1) The figures given (gross figures) represent the total number of cases, not taking the joinder of cases on the ground of similarity into account (one case number = one case).

**General activity of the Civil Service Tribunal**  
**New cases, completed cases, cases pending (2010-2014) (1)**



	2010	2011	2012	2013	2014
New cases	139	159	178	160	157
Completed cases	129	166	121	184	152
Cases pending	185	178	235	211	216 <sup>(1)</sup>

The figures given (gross figures) represent the total number of cases, not taking the joinder of cases on the ground of similarity into account (one case number = one case).

<sup>(1)</sup> Including 99 stayed cases.

This good performance confers no protection, however, against the risk of the system becoming clogged up in the future. Whilst the courts' constant workload, and especially the increase in the number of the cases before the General Court, are undeniably proof of the system's success, they may also compromise its effectiveness, the more so when that general trend of an increase in the quantity of litigation should in all probability continue, taking into consideration in particular the changes made by the Treaty of Lisbon (which extended the jurisdiction<sup>1</sup> of the Court and the General Court) and the relatively recent accession of the Republic of Croatia.

For that reason, in order to cope with the ever increasing workload, at the request of the Council Presidency in the second half of 2014, the Court submitted to the Council a proposal to increase the size of the General Court, a proposal which not only restates the need for the number of judges in that court to be increased by 12,<sup>2</sup> but is also part of a longer-term perspective of structural change in the General Court and simplification of the judicial architecture of the European Union (integration of the Civil Service Tribunal – and its seven Judges – in the General Court in 2016 and a further increase by nine in the number of the latter's Judges in 2019). Further, as regards the Court of

<sup>1</sup> It should be noted in that regard that, as from 1 December 2014, the jurisdiction of the Court of Justice of the European Union was again extended. On that date, the Court acquired full jurisdiction with regard to all the Member States to give preliminary rulings on the validity and interpretation of acts of the Union adopted before the entry into force of the Treaty of Lisbon in the field of police cooperation and judicial cooperation in criminal matters [see Article 10 of the Protocol (No 36) on transitional provisions annexed to the FEU Treaty].

<sup>2</sup> In accordance with the Court's proposal previously submitted in March 2011 to the legislative authority.

Justice itself, the number of Advocates General was increased, a first Advocate General taking up his duties in October 2013 and two others arriving in October 2015, pursuant to a decision of the legislative authority.<sup>3</sup>

In such a context of increased judicial activity and in addition to the structural reforms mentioned above, 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 (recasting of the Rules of Procedure and decisive progress in the application of digital working to the flow of documents), 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 protection of the number of posts in the *cabinets* of the three courts, more directly associated with the judicial work, in preference to posts in horizontal services.

It is important to emphasise the magnitude of the productivity 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 2007-2014 period, to see the number of completed cases increase by 51% whereas the increase in the number of the institution's staff has been restricted to 5.8% over the same period, taking into account the enlargement to include Croatia (and to only 2.4% disregarding that enlargement).

Chapter II focuses on the **activity of the various services of the institution** (services supporting the judicial activity, language services and administrative services).

In so far as the services as a whole are concerned, it is useful to point out that the reports relating to them indicate that the rate of change in the number of their staff – particularly in the context of the third year of surrender of posts – does not match that of the workload. That fact is notably mentioned in the sections devoted, for each service, to the risks associated with the exercise of their activities, the crisis exercise organised in November 2014 ensuring that internal plans could be practically and usefully updated. The policy of dynamic recruitment and rigorous implementation within the institution enables it to achieve a rate of use of resources which is extremely high, notwithstanding the difficulties in attracting qualified staff and the disadvantages of location in Luxembourg as compared with Brussels. The associated difficulties in no way prevent staff from contributing to new activities, including the project for the definition of an environmental policy (EMAS).

Chapters III and IV provide an account, respectively, of the functioning of the internal control system and the response to observations made in connection with the annual report (and special reports, if applicable) of the the Court of Auditors and the discharge of the European Parliament.

Last, a first annex summarises the main changes in the use of appropriations and posts, and three other annexes provide the specific information required under the provisions of the Financial Regulation (report on negotiated procedures, report on compliance with and suspension of time-limits for making payments and report on the updated 2015-2020 buildings investment plan).

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<sup>3</sup> Council Decision of 25 June 2013 adopted in accordance with Declaration 38 of the Treaty of Lisbon.

## II. ANNUAL OVERVIEW OF ACTIVITIES SUPPORTING THE COURTS, LANGUAGE AND ADMINISTRATIVE, BY DEPARTMENT

### 1. JUDICIAL SECTOR

#### 1.1. REGISTRIES

##### 1.1.1 Activities commons to all three Registries

The **main activities** of the Registries are those which help to accomplish the three essential tasks assigned to the Registries, namely:

- (a) ensuring that proceedings run smoothly and case-files are kept in good order;
- (b) facilitating communication between representatives of the parties and the *cabinets* of the Members (Judges and, where appropriate, Advocates-General), and;
- (c) providing active assistance to Members and their staff.

**In particular**, the Registries of the three Courts are responsible for:

- keeping a record of the procedural documents of each Court and managing the case-files of cases before the Court concerned;
- receiving, communicating and storing all documents, and all notifications required when applying the Rules of Procedure;
- corresponding with the parties and with third parties in connection with cases pending;
- collecting registry charges and recovering sums owed to the cashier of the Court;
- managing publications of the Court; and;
- archiving case-files.

The representatives of the Registries of the Court of Justice, the General Court, and the Civil Service Tribunal ('CST') take part in the administrative meetings of the Chambers of the Court of Justice (Chamber conferences (General Court), Chamber meetings (CST)), take the minutes at those meetings, submit those minutes for approval and ensure that decisions taken at those meetings are implemented.

The Registrars of the Court of Justice, the General Court, and the CST arrange and take part in the General Meetings/Plenary conferences/Plenary meetings and draft the minutes.

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. Each week, the Court Registrar attends the General Meeting, although the other members of Registry staff do not.<sup>4</sup>

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<sup>4</sup> Except where the Deputy Registrar replaces the Registrar in the event that he is unable to attend.

The Registries of the three Courts also:

- ensure the presence of a session registrar during oral hearings and the delivery of Opinions and judgments, and the creation of minutes therefor;
- manage the translation of procedural documents into the language of deliberation and their distribution/notification to Members of the Court;
- manage and update the electronic procedural document storage system, either directly, using the *e-Curia* application, or by scanning all the other procedural documents;
- manage and update the procedural databases;
- manage the *e-Curia* application;
- generate court statistics; and;
- update and make available the documentation relating to General Meetings (Court of Justice)/Plenary Conferences (General Court)/ Plenary Meetings (CST), the Meeting of the Presidents of the Chambers (CST) and the ‘Rules of Procedure’ Committee (Court of Justice/General Court/CST).

Concerning the management of the *e-Curia* application, it is important to emphasise the **success** of its third year of operation. Launched in November 2011, the application, which is used by all three judicial bodies of the institution, allows procedural documents to be filed and notified electronically, and given the increased number of documents received and sent as part of the legal procedure and pleadings, constitutes a significant factor in improvement of the productivity of the registries.

In the course of 2014, the **percentage of procedural documents** filed with the three judicial bodies **increased** to an average of 67% (60% in 2013). The Civil Service Tribunal had the highest percentage in 2014 with 83% (77% in 2013), followed by the General Court with 67% (57% in 2013) and the Court of Justice with 63% (61% in 2013).

Similarly, the number of **user accounts** for the *e-Curia* application **increased** to 2230 at the end of 2014 (1547 at the end of 2013). The **number of Member States using the *e-Curia* application reached 25** in 2014 (18 at the end of 2013).

In addition, the Registries answer **numerous requests for information** regarding the courts received by letter, e-mail, fax or telephone. The various requests made using the electronic mailbox available on the CVRIA website are dealt with in particular 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 jurisdiction, to assess whether communications received include an application for legal aid. More generally, the Registries reply to questions from representatives of parties involved in legal proceedings, *cabinet* staff, department staff, and third parties.

The degree of **procedural management assistance** given varies according to the court involved. Assistance granted to Members and to legal secretaries 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. Significant involvement of the CST Registry is necessary when attempts are made to settle cases out of court.



## 1.1.2 Additional activities which are specific to individual Registries

### *Registry of the Court of Justice*

As regards IT, the Registry of the Court of Justice has taken an active part, with the Registry of the General Court, in a project for the **complete digitisation of correspondence between the Registry and the cabinets of the Members**. The Registry of the Court of Justice has also taken part in the **GenDoc project** (tool to assist 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 system of reference to the national courts and tribunals. The Registry of the Court of Justice has also contributed to the realisation of the digital Reports of case-law, and particularly to the development of new work flows required for the publication and correction of decisions of the Court.

In the area of **procedural texts**, the entry into force of the new Rules of Procedure of the Court of Justice in 2012 led to the development of a series of secondary acts to which the Registry was a significant contributor. The process of adopting those secondary acts continued in 2014. Further, the Registry took part in the examination of the various legislative proposals made by the institution, and monitored their negotiation.

Last, the Registry of the Court of Justice has contributed to the establishment of the system for the treatment of the Court's historical archives and the conclusion of an agreement on that matter with the European University Institute (EUI) in Florence. The Registry transferred its historical archives to the EUI in the course of 2014, establishing the modus operandi for subsequent transfers.

### *Registry of the General Court*

2014 was a year in which the **workload** of the General Court was **unprecedented**, a factor which obviously has implications for the activity of its Registry, and is illustrated by some statistics presented below under the heading 'Results of operations in relation to the objectives set'.

Next, 2014 was the year of **finalisation of the new proposed Rules of Procedure** of the General Court and its examination by the Member States and the Commission at meetings of the Council's 'Court of Justice of the European Union' group. Preparation for those meetings, including replying to many written questions from the national delegations and the Commission, represented a significant activity. The proposed amendments to the provisions drafted by the Registry were systematically examined by the 'Rules of Procedure' committee of the General Court, ratified by the Plenary Conference of the General Court and referred for the agreement of the Court of Justice in accordance with the fifth paragraph of Article 254 TFEU. The Registry therefore took a very active part in the implementation of this major project for the court.

The document in question is intended to replace the current Rules of Procedure which were adopted shortly after the creation of the General Court. This major project pursues **a number of objectives**: (i) **to adapt the Rules of Procedure to reflect the reality of litigation** currently brought before the General Court by making a clear distinction between the three types of action which it must hear, namely direct actions, actions in the field of intellectual property, and appeals against decisions of the Civil Service Tribunal; (ii) **to consolidate and continue its efforts to maintain its capacity for dealing with cases** within a reasonable period while complying with the requirements of fair process; (iii) **to ensure the consistency of procedural mechanisms** governing litigation brought before the Courts of the European Union by incorporating, so far as is necessary, the provisions of

the Rules of Procedure of the Court of Justice, which came into force on 1 November 2012; (iv) to provide solutions to procedural situations which are not regulated by the Rules of Procedure currently in force.

In that context, attention must be drawn to a **new provision relating to the treatment of information or material pertaining to the security of the Union or that of one or more of its Member States** or to the conduct of their international relations and to the proposed decision of the General Court determining the security rules to ensure the protection of that sensitive data. Those innovative procedural mechanisms were preceded by very extensive legal research and deliberation within the institution which facilitated an efficient exchange of views within the 'Court of Justice of the European Union' group and with experts sitting in the Security Committee of the Council.

Further, the Registry of the General Court contributed to the development of new provisions relating to the determination of the appointing authority of General Court and the exercise of its powers, in relation to the entry into force of the changes made to the Staff Regulations.

Last, in the **area of IT**, the initiatives of the Registry of General Court were designed to improve systems for the monitoring of procedures, to digitise correspondence with the *cabinets* of the Judges and to invest in projects for the future. As regards the first aspect, the Registry finalised the putting in place of a **system for the monitoring of procedure** in the interests of management of actions to be carried out in the process of dealing with a case, and the migration of judicial statistics dictated by a change in technology. As regards the second aspect, together with the Registry of the Court of Justice and the Directorate for Information Technology, the Registry of the General Court developed an application making it possible to **digitise correspondence with the cabinets of the Judges of the General Court** in the course of dealing with the files for pending cases. That application, deployed at the General Court in November 2014, was to the immediate satisfaction of all parties concerned. As regards the third aspect, priority was given to the work carried out by the Directorate for Information Technology designed to **modernise the 'Litige' procedural database**. The work relating to **ECM and GenDoc**, two projects encompassing the whole institution, was also subject to regular monitoring. As regards the digital Reports of case-law, that justified changes in working methods with regard to the chain of publication of General Court decisions.

### ***Registry of the Civil Service Tribunal***

2014 was marked above all by the end of the terms of office of two Judges on 1 October, one of those Judges being the President of the Tribunal, which engendered from the start of the year a programme of preparatory work in order to complete the cases in which the two Members concerned were sitting. Finally, in September, it turned out that the appointment procedure was definitively blocked within the Council; the two Members were therefore called upon to continue their work under the provision in the Statute of the Court of Justice which provides that any Judge should continue to sit until his successor has taken office. The process of dealing with cases resumed on that basis and two new Presidents of Chambers were elected with effect from 1 October 2014.

In terms of legislation, the year was marked by both the **entry into force of the reformed Staff Regulations** and Conditions of Employment of Other Servants of the European Union, on 1 January 2014, and the reformed Rules of Procedure of the Civil Service Tribunal, which entered into force on 1 October 2014.

Since the result of the previous reform of the Staff Regulations in 2004 was the lodging of an extremely high number of actions, with hundreds of applicants, the Registry took a number of

measures to cope with a possible renewed influx of mass litigation, while remaining vigilant of the sound administration of justice. Mass litigation did not however ensue, and only a relatively limited number of new cases (18 in 2014) were brought relating to the latest reform of the Staff Regulations. It was possible to deal with those cases without particular difficulty.

The preparation for **the entry into force of a new version of the Rules of Procedure**, with changes in the numbering of all articles in the document and the introduction of some new procedures, also considerably affected the Registry's activities. It first required a complete recasting of the Instructions to the Registrar, the Practice Directions to parties and the various check-lists. Further, the **consequent adaptation of all the Registry's working tools** proved to be essential.

Among those working tools are the style letters in the 'Prodoc' system, which make it possible to generate Registry documents in all the official languages. Each style was adapted to incorporate the procedural changes and the new numbering of articles. In cooperation with the Directorate for Information Technology, the Litige and Registry databases also had to be adapted. Since those two applications are shared by the three courts, particular care had to be taken as to the effect of those changes on the work of the other two Registries. Last, the Registry's team had to undergo a test period to make it possible to assess the global impact of those changes on working tools.

There was additional work in the recasting of the index of procedure, established in five languages, the preparation of a new collection of texts governing procedure, the recasting of a number of workflows such as the content of decision sheets sent to Judges or the collection of standard orders. The replacement of orders by decisions in some situations generated a new working method which required additional commitment from all the officials and agents.

Last, the 'CST Registry WIKI', which can be described as the Registry's electronic vade-mecum, had to be wholly redesigned by the Registry's team during the summer months under the technical supervision of the IT correspondent with a view to its adaptation to the new texts. Since it constitutes a basis of collaboration, permitting the rapid addition of information, general or very specific, throughout the working year, which makes it possible to enhance the knowledge of the Registry and cabinets and in addition to ensure better control of work procedures, the success of that redesign proved to be fundamental.

Further, there must be added to that internal work a publicity campaign addressed to the representatives of parties.

### 1.1.3 Results of operations, control of risks and use of allocated resources

✓ Main activity indicators

#### *Registry of the Court of Justice*

Type of action	2013	2014
Number of documents registered by the Registry	82 856	86 857
Number of oral hearings convened and organised	292	243
Numbers of sittings for reading of Opinions convened and organised	228	211
Number of judgments and orders bringing proceedings to a close notified to parties	634	630
Number of minutes (oral hearings, Opinions and judgments)	954	872
Number of notices to the OJ on new cases	700	631
Number of notices to the OJ on completed cases	601	612

## *Registry of the General Court*

The figures relating to the actions of the Registry can be set out as follows:

<b>Type of action</b>	<b>2013</b>	<b>2014</b>
Number of documents registered by the Registry <sup>5</sup>	45 653	51 597
Number of applications initiating proceedings processed <sup>6</sup>	790	912
Proportion of applications initiating proceedings to be put in order <sup>7</sup>	38.6 %	39.8 %
Number of pleadings (other than applications) processed	4 325	5 631
Number of applications for leave to intervene processed	244	326
Number of requests for confidential treatment (of data contained in procedural documents) processed <sup>8</sup>	125	324
Draft orders prepared by the Registry (manifest inadmissibility before service, stay or resumption of proceedings, joinder of cases, reservation of decision on objection of inadmissibility until final judgment, uncontested intervention, removal from the register, no adjudication in intellectual property cases, re-opening of oral procedure and rectification)	420	575
Number of Chamber Meetings (attended by the Registry)	273	336
Number of cases pleaded (attended by the Registry)	272	390
Number of minutes (oral hearings, interim measures, judgments and informal meetings)	646	744
Number of checked and bound files on completed cases	672	528
Number of notices to the OJ on new cases	582	783
Number of notices to the OJ on completed cases	574	611
Number of linear meters of new cases files	540	648

<sup>5</sup> This number is an indication of the extent of the department's volume of work, since every document – incoming or outgoing – is the subject of an entry in the register. The **number of pleadings registered must be assessed taking into account the nature of the procedures falling within the remit of the General Court**. Since the number of parties to a dispute is limited for **direct actions** (the applicant, the defendant, and, where appropriate, the intervener(s)), notifications are made only to those parties. The number of documents entered in the register in 2014 confirms the significant growth observed in the last five years (the number of documents registered was 39 353 in 2010).

<sup>6</sup> Any pleadings lodged (including applications) have to be registered, entered in the file, put in order if need be, communicated to the *cabinets* of the Judges with a, sometimes detailed, dispatch note, then translated if necessary, and finally served on the parties.

<sup>7</sup> Where applications initiating proceedings (or any other pleadings) do not comply with certain requirements, the Registry is to ensure that they are put in order, as laid down in the Rules of Procedure.

<sup>8</sup> The number of requests for confidential treatment bears no relation to the quantity of data contained in the one or more pleadings in respect of which confidential treatment is sought.

## ***Registry of the Civil Service Tribunal***

<b>Type of action</b>	<b>2013</b>	<b>2014</b>
Number of documents registered (ordinary register and 'amicable settlement' register)	5 652	5 804
Proportion of applications initiating proceedings to be put in order	24.5	39.5
Oral hearings	72	57
Informal meetings with the parties	8	13
Chamber meetings	73	76
Plenary meetings	19	15
Number of judgments and orders served on the parties	235	240
Number of minutes of hearings, sittings and informal meetings	172	138
Number of notices to the OJ on new and completed cases	260	271
Written answers to requests for information or other questions	83	64
Different languages of the case used	6	6
Percentage of cases brought in a language other than French in the course of the year	40.62	28.03
Different languages used in requests for information or other questions	17	14

### **✓ Risks associated with the above operations which are common to the three Registries**

The occurrence of certain risks could, depending on the circumstances, impede the proper functioning of the Registries or prevent them from completing the tasks assigned to them. Most of the risks identified are interdependent, being either horizontal risks which could affect all or the majority of the institutions' departments or risks which are specific to the Registries which must be dealt with, in whole or in part, by other departments.

The **main risks identified** include:

- Major crisis situations: such risks are those to which the institution as a whole is exposed (epidemic, fire, natural catastrophes or adverse weather conditions, and so on). The Registries contributed to the Court's continuity plan and to the establishment of an Internal Emergency Plan ('IEP') to deal with any 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.
- Substantially increased workload: any sudden growth in the workload, due to the number of new cases substantially increasing but also to the departure of Members, represents a real risk to the Registries' activity. It goes without saying that great flexibility on the part of the staff and specific organisation are required.

- IT malfunction or breakdown: all three Registries are now entirely dependent on IT applications operating as they should. Any malfunction therefore means that the work of the Registries is disrupted. Close cooperation with the Directorate for Information Technology is essential to the smooth operation and improvement of applications. The continuity plan for IT infrastructure drawn up by that Directorate is designed to ensure full continuity of service.
- 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 incidents arising during the handling of cases. In that context, close cooperation with all departments, in particular with the Translation Directorate General and between the Registries themselves, is a key part of all efforts to reduce the risks linked to the communication and transmission of information.

✓ **Use of available human resources**

***Registry of the Court of Justice***

The total number of budget posts in the Registry of the Court of Justice on 31 December 2014 was 52 and consisted of a Director General (the Deputy Registrar) in charge of the department, a Head of Unit charged with assisting the Deputy Registrar in the performance of his duties, 10 administrators and 40 assistants, to which can be added one assistant as compensation for part-time work in the service and two contract staff.

In order to ensure that case-files are properly managed, assistants are grouped into sections, each section covering one or more official languages, which are supervised by administrators in the corresponding languages. Those sections are assisted by an IT section and an archives and documentation section.

The administrators responsible for managing case-files are also called upon to take part in horizontal tasks. Alongside those administrators, another administrator specifically deals with monitoring the Registry's IT projects, the IT section and the archives and documentation section.

***Registry of the General Court***

On 31 December 2014, the Registry of the General Court had 55 budget posts: one Deputy Registrar post, 11 AD posts and 43 AST posts. It is to be noted that a Head of Unit post was obtained in the course of the year by means of internal re-assignment within the institution.

On 31 December 2014, case management activity was led by 28 AST-category staff, divided into five language sections and an 'intellectual property' section, supervised by eight administrators.

Horizontal task management activity was entrusted to 12 AST-category staff, supervised by two administrators, one of whom was acting as a coordinator. Three AST-category staff managed the secretarial requirements of the Registrar.

The Registry has also had the benefit of the occasional but regular assistance of officials and contract staff among the drivers of the Members of the General Court. The drivers carried out a significant part of the work of filing acknowledgements of receipt of procedural documents and closure of files.

It has to be emphasised that, in the 2006-2014 period, the increase in the number of budget posts allocated to the Registry (+ 17%) has to be coupled with the unparalleled increase in its workload, either in relation to the number of new cases (+ 111%) or to the number of documents registered (+ 113%).

### ***Registry of the Civil Service Tribunal***

On 31 December 2014 the Registry of the CST had 11 budget posts, two administrators and nine assistants.

Features of the year concerned, already difficult in many respects as stated above, were the increased mobility of staff and the constraint of the requirement to reduce staff imposed on all the institutions. Without the beneficial effects of the *E-curia* application, which makes it possible to make savings in a number of manual tasks, such a reduction of staff would not have been possible.

## **1.2 LIBRARY, RESEARCH AND DOCUMENTATION**

The Library, Research and Documentation Directorate General consists of two Directorates: the Library Directorate, which comprises two Units, and the Research and Documentation Directorate, which comprises three Units. A legal IT cell is directly attached to the office of the Director.

### **1.2.1 LIBRARY DIRECTORATE**

Against a background of budget restrictions, the Library Directorate focused its activity on the **development and enrichment of its catalogue**, the **streamlining and adaptation of its working methods**, and the **implementation of certain measures** intended to form part of the institution's **Internal Emergency Plan** and **designed to optimise the department's reaction in the event of incidents likely to affect the Directorate's staff, property or IT applications**.

In particular, the library continued to **develop and enrich its catalogue** through a large number of publications concerning all areas of European Union law (the structure of the institution and the protection of fundamental rights within the EU legal system, the policies of the European Union including economic governance and stability mechanisms introduced at EU level to address the sovereign debt crisis), international law, comparative law, and the national law of the Member States of the European Union (with particular attention to the enrichment of the catalogue in Croatian language publications) and a number of non-Member States.

In addition, throughout the year, in order to improve the use of its catalogue, the library made a number of **adaptations to its publications classification plan**. Those adaptations allowed the structure of that important tool to be improved, by increasing the consistency between certain parts of it.

In order to cope with the loss of one post, as part of the objective of reducing staff numbers, the department, following deliberation in 2013 on the **streamlining and adaptation of its working methods**, implemented a number of internal organisational measures (reorganisation of tasks allocated to staff members assigned to the section responsible for providing assistance to users, improved work flow between indexers and cataloguers, improved cooperation between members of staff assigned to purchases and those assigned to the periodicals section, etc.), which made it possible to **maintain the high quality level of service which it offers to its users**.



### 1.2.1.1 Main activities

The main activities of the Directorate 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.

**The Library catalogue** contains approximately 420 000 bibliographic notices, more than 240 000 of them relating to EU law. In addition, 284 000 notices refer to academic legal articles, the fruit of 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 is currently growing at the rate of more than 20 000 bibliographic notices per year (see the catalogue statistics for 2014 below in subsection 1.2.1.2 under ‘Results of operations in relation to the objectives set’).

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.

It must be added that following significant improvement in the catalogue software available on the Internet, achieved in 2014, users now have at their disposal a number of functionalities which permit **more targeted consultation** of the catalogue, and **easy refinement of the list of results** obtained at the end of each consultation.

### 1.2.1.2 Results of operations, control of associated risks and use of allocated resources

#### ✓ Results of the operations in relation to the objectives set

Results of operations meet the objectives set for the department. In 2014 the library **catalogue** was enriched by **24 539 new references** (monographs and articles resulting from the analysis of journals and collections), an **increase of 14%** compared with 2013.

In addition, the Library took out 38 new subscriptions to legal periodicals (including Croatian publications).

The number of permanent **loans** (works lent for an indefinite period to in-house users at their request) came to 1 471. In addition, 7 090 ordinary loans were made (works lent to in-house users for a fixed period of 15 or 30 days), or **10% more** than in 2013, which shows the importance of that form of service to users.

The many electronic resources made available to users through **the digital library** are especially appreciated (2 500 applications, of which 1 000 concern legal periodicals). During the reference period, there were 40 392 consultations relating to 1 862 digital library applications (not counting electronic journals and applications for which there are no statistical data because they can be consulted directly via the Internet). The Library has access to the full text of 811 periodical titles (721 journals and 90 year books), the **number of titles being 11% more** than in the previous year.

The number of **external users** visiting the Library (legal students and researchers, university academic staff, and lawyers) has remained at a very high level (approximately 1600 visitors). As has been stated in the past, that fact should be attributed not only to the richness of the Library catalogue and to the attractiveness to external researchers of the new reading room with its spacious accommodation and welcoming atmosphere, but also to the hosting of the catalogue on the Internet which then encourages interested researchers to come to consult on-site the publications they need for their work.

#### ✓ Risks associated with the above operations and the efficient and effective functioning of the Directorate's internal control system

The risk analysis exercise, carried out by the institution for the fifth 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).

It should be noted that, as part of the implementation of the institution's **internal emergency plan**, a **crisis exercise** was organised on 10 November 2014. That exercise, which involved all the services of the institution, enabled the Library Directorate to apply the procedures established in the internal emergency plan and to uncover some practical aspects, notably in terms of communication, which merit being further developed or supplemented so as to permit optimal management of the multiples constraints linked to the occurrence of a major incident.

The risks **associated with the hosting of the catalogue on the Internet** (various server or software malfunctions, risks to the Institution's addresses arising from attacks on the catalogue page, and so

on) were controlled thanks to cooperation with the Directorate for Information Technology, on the one hand, and the company that owns the software and server used, on the other.

Likewise, the **risks linked to the adaptation of the classification plan** (loss of data, malfunction of the interactive plan) were fully controlled thanks to the controls which had been put in place.

The **risks associated with the Library's day-to-day operations** (purchasing books, periodicals and licences for electronic services) were controlled thanks to the Court's internal control system and 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 for volumes not received, reminders sent to in-house users who have not returned borrowed books on time, and so on).

Moreover, as part of its continuing efforts to preserve its stock, the Library maintains strict application of its security measures, introduced in conjunction with the Directorate General for Infrastructure (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 Library exit).

For the remaining risks, the Library has maintained its policy of cooperating with suppliers established in the countries where the works in question are published (particularly legal publications and dictionaries), which enables it not only to make significant savings when ordering such publications but also to receive them sooner.

#### ✓ **Use of available resources**

The total number of **posts** assigned to the Directorate is 31 (of which 8 are in the AD function group and 23 in the AST function group).

With the single exception of one AD post (lawyer/librarian) for which the procedure designed to fill that post is under way, all other posts assigned to the department are occupied.

The **appropriations** provided for under Budget Article 272 'Documentation, library and archiving expenditure,' amounting to EUR 1 349 000, were almost entirely used. The continuing development of electronic tools is reflected in the expenditure incurred by way of payment for licences for the various digital library applications, which is constantly increasing (EUR 273 000 as compared with EUR 244 700 in 2013).

It must be pointed out that that expenditure constitutes a real investment for the proper functioning of the Institution's three judicial bodies and services.

#### **1.2.1.3 Inter-institutional cooperation**

The Court's Library took part in the cooperation between the libraries of the institutions and agencies of the European Union organised in connection with the EUROLIB inter-institutional working group.

## 1.2.2 RESEARCH AND DOCUMENTATION DIRECTORATE

The **Research and Documentation Directorate (DRD)** is responsible for assisting the three EU judicial bodies in the performance of their judicial duties, for analysing and indexing their case-law with a view to its dissemination and supplying internal and external research tools to the institution, and for monitoring legal developments, particularly in areas connected with the activity of the institution.

### 1.2.2.1 Main activities

#### ✓ **Assisting judicial activity**

- preliminary examinations of requests for a preliminary ruling designed, inter alia, to reveal potential issues relating to jurisdiction or admissibility of the request for a preliminary ruling as well as whether it is possible to deal with the requests using one of the specific procedures (urgency procedure, expedited procedure, or simplified procedure) provided for in the Rules of Procedure;
- preliminary examinations of appeals brought before the Court in certain areas, intended to operate as a sifting of appeals which may be capable of being dealt with by order and those not so capable, and to provide an initial analysis, within each appeal, of grounds of appeal appearing, prima facie, to be manifestly inadmissible, manifestly unfounded or manifestly well founded;
- drawing up research notes concerning comparative law, international law, national law or EU law.

#### ✓ **Analysing and disseminating the case-law of the three courts**

- drawing up a summary in respect of each decision which is published in the Case-law Reports or which is the subject of a bulletin therein;
- updating the Digest of case-law on the CVRIA website on a weekly basis and classification of the case-law according to refined classification which is also published on Eur-Lex ;
- 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.

#### ✓ **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 relevant to the activity of the Institution, including '*Reflets*' and '*Actualités législatives*'.

✓ **Legal data processing**

- updating the case-law (Section 6) and national case-law (Section 8) sections of the EUR-Lex inter-institutional database, managed by the Publications Office;
- managing and updating a number of internal databases relating to EU case-law (Minidoc application); this involves, inter alia, analysing new cases, monitoring proceedings, and managing multilingualism;
- steering the Minidoc application to a new IT environment (Minidoc III);
- helping to define and develop the Institution's IT documentation tools (internal and external portals, data pooling, new case-law research tool);
- updating the 'Fonds documentaire' with items produced by the Directorate (research notes, national decisions, scanned notes of academic writing, pre-examination sheets and appeal analysis sheets);
- training users from the *cabinets* and other departments of the institution to carry out research in the databases updated by the Directorate

The Directorate is also heavily involved in various **committees and working groups** helping to shape the future IT framework of the institution, such as:

- the steering committee of the **ECM** programme, chaired by its Director General, and the case-law research sub-group, chaired by its Director
- the working group preparing the publication of the **Digital Case-law Reports** and its various sub-groups
- the steering committee of the **GenDoc** project
- the **Historical archives working group**.

✓ **Other activities pertaining to presentation/training or outside relationships**

- the DRD took part on three occasions in the training programme addressed to staff of the *cabinets* (legal secretaries and assistants) in order to present the methodology applied to the relay activities of the Directorate, such as the production of pre-examination sheets and summaries, and the products derived from them (the Digest, thematic bulletins and other publications). The aim of that initiative was, leaving aside the didactic aspect of introducing the activities and products of the DRD to staff of the *cabinets*, was the identification of synergies and streamlining of interoperability paths between the departments concerned.
- the DRD's cooperation is occasionally offered to the Visits Unit for the welcome of groups of visitors, in the form of presentations on the research tools with regard to case-law and the documentary resources made accessible to the public by the Court.
- Eight internal discussion forums on legal subjects with a particular interest for administrators in the DRD took place in 2014 in order to ensure the ongoing briefing and training of colleagues in the DRD and to help them, first, to acquire or enhance a level of knowledge and productivity suited to the needs of the service and, second, to adapt rapidly to changes in its activities and products, particularly given the current budgetary constraints.
- Courses of language training and extension of drafting skills or skills relevant to the operation of office tools were also organised in cooperation with the Professional Training unit.
- Representing the Court within the Joint Council on constitutional justice of the Venice Commission of the Council of Europe;

- participating in the work of the Association of Councils of State and Supreme Administrative Courts of the Member States at the level of contacts between documentation departments;
- organisation of a working visit to the European Court of Human Rights in Strasbourg, and of a visit by that court to the Court of Justice in Luxembourg, in order to exchange experiences.

### **1.2.2.2 Result of operations, control of associated risks and use of allocated resources**

#### **✓ Results of operations in relation to the objectives set**

In terms of **assisting judicial activity**:

- **425 pre-examination sheets** for requests for a preliminary ruling were drawn up in 2014. 73 pre-examination sheets were drawn up using the methods adopted for managing the urgent preliminary ruling procedure and the expedited procedure. The efficient treatment of pre-examinations while complying with very short deadlines is accompanied by a more thorough and exhaustive examination of the requests for a preliminary ruling. Guides for the treatment of urgent preliminary ruling procedures and expedited procedures were drawn up.
- **29 appeals** in the area of trade mark law and that of public procurement were subject to analysis.
- **8 research notes** on national law, comparative law, international law, and EU law, in the context of cases pending before the three judicial bodies, were drawn up.

Concerning the analysis of the **case-law of the Courts of the European Union** with a view to its dissemination and the preparation of research tools, the following objectives were met:

- drawing up summaries for the decisions of the three courts, complying with the deadlines set for the publication of the digital Reports of case-law, despite a significant increase in the number of decisions to be summarised by around 11%, which represents 1 227 summaries made in 2014 (including 544 decisions of the Court of Justice, 551 of the General Court and 132 of the Civil Service Tribunal) as compared with 1 195 summaries in 2013 ;
- updating the systematic Digest of case-law on the CVRIA website with all those summaries on a weekly basis;

- preparation of the second edition of the Case-law of the Court of Justice and General Court Bulletin concerning the law relating to State aid (two volumes which relate to more than 900 decisions) and the Bulletin relating to case-law concerning the Common Foreign and Security Policy (CFSP);
- final honing of the bulletin in the area of ‘Fundamental Rights’. The thematic bulletin, in two volumes, pre-dating and post-dating the Treaty of Lisbon, will appear in early 2015;
- preparatory work for the finalisation of Bulletins in the areas of civil service cases, fines in competition law and litigation;
- adapting the structure and content of summaries to respond to requirements indicated by the three judicial bodies;
- preparing chapters on the case-law of the Court of Justice and the General Court for the Court’s Annual Report.

With regard to **national case-law relating to EU law**, the Directorate continued its policy, introduced in 2009, of selective recording and analysis. Consequently, the regular monitoring of national case-law covers national decisions which either form part of proceedings which have given rise to a reference for a preliminary ruling or seem to be of sufficient importance to be recorded in the ‘Reflets’ bulletin. A total of 717 national decisions were recorded for the year 2014. During the same period, 2 502 notes of academic literature commenting on the case-law of the Courts of the European Union were added to the database.

As part of **the monitoring of legal developments**, three new issues of the ‘**Reflets**’ bulletin were published, containing a collection of decisions from EU, national and international courts, as well as commentaries and succinct information on legal developments of interest to the European Union. The publication ‘Actualité législative de l’Union européenne’ was converted to ‘**Actualité législative et jurisprudentielle de l’Union européenne**’, in order better to meet the needs of the three judicial bodies and of the Court’s staff involved in the judicial activity, by presenting, in addition, an overview of the relevant judgments of the Court of Justice on the subject. The fifth edition relating to asylum law was widely disseminated.

As part of the **management of databases**, 1 045 direct actions were registered in the Cases database in 2014; and the internal databases and the EUR-Lex database were updated with metadata concerning the 1228 decisions of the EU judicial bodies.

Last, the following projects were carried out in the area of **legal data processing**:

- the work relating to the modernisation of Minidoc continued and allowed it to be brought into operation following intensive testing carried out by the Directorate staff, the finalisation of the technical analysis of two additional modules and the bringing into production of a new module for the treatment of multilingual summaries;
- work to harmonise and synchronise the data and to establish links between the documents in Minidoc and Litige with a view to their transfer to Minidoc III was actively pursued throughout 2014;
- a new reference system for provisions of international law and codes, a bulletin applicable in all internal bases, was drawn up in order to ensure the uniformity, coherence and quality of data and thus to avoid incorrect or superfluous encoding;
- on the basis of extensive technical analysis, a tool permitting the automation of citations of case-law in the decisions subject to legal analysis was introduced. The technical development

and enrichment of this tool, with a greater quantity of data to be treated, will make it possible to streamline the activity of identifying and establishing Celex numbers, retaining as the ultimate objective full automation of this treatment in the future.

In addition to DRD in-house training, the Legal Data Processing cell also provided training to 73 individuals in Minidoc II bases and carried out 18 Minidoc training sessions over 27 half-days, an increase of 74% as compared with 2013.

✓ **Risks associated with the above operations and the efficient and effective functioning of the Research and Documentation Directorate's internal control system**

The DRD does not manage operational appropriations, which could expose it to financial risk. Like the Library Directorate, as part of the annual risk analysis exercise carried out by the institution, the Directorate identified the most significant risks and updated 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.

In general, the most significant risk for the DRD remains the risk of being unable to deal with **its workload**, the increase in which is due, on the one hand, to a continuing and substantial increase in judicial activity and, on the other, to the extension of the scope of its activities by means of 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 DRD has no means of influencing the size of its workload, which is mainly dependent on the **volume of litigation**, which continues to increase as mentioned above in Chapter II, and which constitutes a significant risk with regard to **compliance with time-limits and maintenance of the quality** of the products produced and disseminated by the DRD.

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 making optimal use of new technology.

Last, a specific risk for the DRD is the loss of skills due to a very high **staff turnover rate** (13 departures and many occasional absences due to prolonged sickness leave or parental leave), which necessitates the implementation of appropriate measures (training plan, robust management, updating of manuals for the guidance of staff in the exercise of their duties...). Further, although the intense involvement of the Directorate staff in various significant IT projects represented a heavy workload in 2014, 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 projected increased volume of litigation.



✓ **Use of available resources**

In 2014 the Directorate's staff numbered, in addition to three Heads of Unit, 65 officials and agents (the average number of staff present throughout the year) :

- **37 members of the AD function group** having the status of either officials, temporary staff or contract staff, of whom 34 were lawyer administrators and three were administrators responsible for administrative or IT files. Of the 34 lawyer administrators, six replace officials seconded to *cabinets* of Members of the Court of Justice or the General Court;
- **28 members of the AST function group** having the status of either officials, temporary staff or contract staff, all of whom were responsible for managing and updating databases, correction work, documentary research and administrative assistance.

In addition to staff subject to the Staff Regulations, the Directorate had the benefit in 2014 of the services of four lawyers with the status of seconded national experts.

Concerning recruitment policy, it should be pointed out that one of the main aims of the Directorate is to represent the legal systems of the 28 Member States of the European Union. In addition, the Directorate seeks, by means of an appropriate staff policy, both to contain the staff turnover rate and to limit its effect on its work.

A dynamic and proactive recruitment policy has allowed significant progress to be made in terms of the number of legal systems covered. However, difficulties remain for the following reasons:

- the inadequate number of budgetary posts, which makes it impossible to meet all requirements with staff subject to the Staff Regulations;
- the limited willingness and ability of national governments to send seconded national experts, which prevents the Directorate from taking full advantage of the budgetary possibilities which exist for that purpose;
- the limited secondment period for seconded national experts;
- the limited duration of temporary staff contracts;
- the departure of lawyer colleagues to a *cabinet* (secondment);
- the difficulty in recruiting qualified staff;
- the fact that Luxembourg is a less attractive place of recruitment than Brussels.

The following measures were taken within the Directorate to manage problems arising in connection with the difficulties listed above:

- **with respect to the AD function group**

Steps to obtain the secondment of national experts with the appropriate skills are systematically taken when there is an imminent departure of a lawyer representing one legal system.

The Directorate introduced a system of immediately recruiting an official or a temporary member of staff as soon as there is availability in the budget, in order to take effective advantage of all opportunities to increase the number of legal systems represented and to guarantee a judicious distribution of the various tasks to be carried out. To that end, a standing call for applications is published on the CVRIA website, in all official languages of the European Union, which makes it possible to build up a recruitment reserve and to accelerate procedures when a specific need arises.

Rigorous selection criteria are applied when recruiting officials or temporary staff in order to ensure that the required levels of quality and productivity are promptly reached by new colleagues.

Open EPSO competitions are organised regularly in order to be able to ensure the recruitment of colleagues who will have the status of officials, thereby ensuring that they will remain in the service and that their careers can develop.

- **With respect to the AST function group**

The duties conferred upon the assistants are subject to continual review in order to ensure optimum distribution of tasks, resulting in considerable improvements in productivity. Further, thanks to the improved performance of work tools, the DRD envisages, in the medium and long term, improved efficiency and effectiveness concerning the encoding work performed by staff in the AST function group. A final assessment of the savings made will be possible only after the finalisation of those projects but it has already been possible to surrender one post as part of the reduction of staff numbers in the 2013-2017 period.

**1.2.2.3 Inter-institutional cooperation**

By placing the various results of its work, including the bulletin of case-law concerning Civil Service cases and other case-law bulletins, at their disposal, the Directorate provides assistance to the departments of other institutions.

On an inter-institutional level, the Directorate ensured that the institution was represented in the following respects:

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

The Directorate also took part in specific working groups, concerning, inter alia:

- relations between the Court and the Publications Office;
- the modelling of data exported from the Court's internal databases to EUR-Lex (IMMC project);
- the implementation of the ECLI (European Case Law Identifier) project.

## 1.3 PROTOCOL AND INFORMATION DIRECTORATE

### 1.3.1 Main activities

The Protocol and Information Directorate is responsible for events of the institution and for the activities of representation, communication and information and in particular:

- the organisation of official receptions at the Court of distinguished visitors and the preparation of official Court visits abroad ;
- the organisation of formal sittings, ceremonies, receptions or official meetings in which Members of the Court take part;
- dissemination to the media of information on the judicial activity of the Court of Justice, the General Court and the Civil Service Tribunal.

### 1.3.2 Results of operations, control of risks and use of allocate resources

- ✓ **Activity indicators**

#### Protocol unit

The Protocol Unit is **responsible for arranging and running all events and activities involving aspects of official representation of the institution and its Members.**

In 2014, the overall number of representative events fell as compared with 2013. Thus, ceremonial activity consisted essentially in the organisation of three formal sittings, 18 official visits and five courtesy visits, which constitutes a total of 26 events compared with 39 in 2012. There must be added to those events the organisation of five official visits by delegations of the Court abroad (three in 2013).

Activity was particularly marked by the organisation of the visit to the Court of a delegation from the United States Supreme Court, a day of reflection as part of the commemoration of the XXV anniversary of the creation of the General Court and the formal sitting at which the members of the new Commission gave before the Court the solemn undertakings required by the Treaties.

As in previous years, the Unit also organised the 2014 Judges' Forum, which took place between 17 and 19 November 2014 and welcomed 153 participants.

The above factors reveal the consolidation of a trend forming in previous years, namely a qualitative change in the activities of representing the institution.

#### Visits Unit

The Visits Unit is responsible for **arranging and running all seminars, study visits and information visits** that have no ceremonial aspect.

In 2014 the Unit welcomed 634 groups of visitors, with a total of 14 027 participants. This represents an increase in the activities of the sector to their highest ever level.

In 2014, 73 groups representing a total of 1779 participants cancelled their visit, often at an advance stage of preparation. However, the proportion of visits which did not take place was 19% lower than in 2013, and it must be recalled that those cancellations have no financial impact.

In 2014, the percentage of seminars realised rose by 8% as compared with 2013. 100 days were organised by the seminar teams for 1 161 judges and magistrates. The seminars organised as part of European networks, in particular the European Judicial Training Network (EJTN), were hugely successful. To meet increased demand, the EJTN expressed its wish that in the future seminars should be offered to a greater number of participants and more regularly.

As regard the overall nature of visits, the proportion of members of the legal profession (national judges and magistrates, lawyers, university professors, in-house commercial lawyers, and so on), represents around 33% of groups, a slight fall as compared with 2013.

The visit of 'mixed' European groups now represents one visit in four whereas, in 2005, that ratio was one visit in ten. The proportion of groups from non-Member countries continues, as in 2013, to fall. However, those groups remain a significant percentage with almost 17% of the total.

For many years there has been between the Visits Unit and the Luxembourg National Tourism Office (LCTO) cooperation enabling the latter to offer guided visits to the institution's buildings. The visits are led by LCTO guides generally outside the institution's usual working hours and weekdays (evenings, weekends and during court vacations). In that context, 28 groups (a total of 758 visitors) had access to the Court in 2014.

In addition to many messages expressing thanks, the groups of visitors completed 346 evaluation sheets after their visit to the Court, which show that:

- 91% of visitors found the preparation for their visit to be very satisfactory;
- 87% of visitors said that they were very satisfied (11% satisfied) with the programme offered;
- 98% of visitors said that they were very satisfied with the welcome given to them;
- 87% of visitors said that they were very satisfied (12% satisfied) with the reception by the security staff.

Overall, that information provided by the visitors confirms an ongoing improvement of indicators in all the areas under consideration.

## **Press and Information Unit**

The Press and Information Unit is responsible for **arranging and running all communication and information events and activities** at the institution.

First, as part of relations with the media, the legal profession and the general public, the various language cells of the unit drafted a total of 184 press releases, a figure which represents an increase of 13% compared with 2013. They also sent out 463 newsletters, on a weekly or fortnightly basis, to correspondents interested in the activities of the institution, an increase of 4% compared with the previous year.

The Unit also arranged, for the audiovisual media, the broadcast of formal sittings, sittings for the delivery of judgments and the reading of the Opinions of Advocates-General on 73 occasions (as opposed to 66 in 2013).

As in previous years, on 10 May 2014, the Unit organised an Open Day as part of the Festival of Europe. That event allowed the Court to welcome a total of 3264 visitors (as against 2 083 in 2013).

Second, as the Unit responsible for internal and external electronic communications, the Unit managed the institution's website, including the weekly calendar of judicial activity.

The Unit can also be found on Twitter: it has two accounts and a total of 15 000 followers (6 028 in 2013).

Lastly, the Unit edited and produced the institution's 2013 Annual Report and updated the institution's other communication tools (e.g., leaflets, brochures).

In addition, a cell is responsible for **managing the Court's collection of works of art** and for ensuring the provision of information and publicity in relation to those works, and for organising, when necessary, restoration or expert advice and managing occasional artistic projects (such as exhibitions). The cell also provides secretarial services to the institution's Works of Art Committee.

The work of redisplaying works of art, commenced in 2013 following the completion of renovation works in the Erasmus, Thomas More and C Buildings, was completed. Two museums, from whom the Court has works on long-term loan (40 years and 25 years), wanted the loaned works to be returned to the national collections, and the loan to the Court of new works, by Austrian, Croatian, Spanish and French artists, have enriched the existing collection. Specific information material was prepared and installed near to those works to ensure that staff and visitors had sufficient information.

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

In addition to the annual updating of risks analysis, the Directorate took part in the 'crisis simulation' exercise organised at the Court on 10 November 2014, which made it possible to check procedures in place and the effectiveness of individuals in the Directorate's operational cell.

Further, the Directorate took part, via its appointed correspondent, in meetings organised by the institution's EMAS coordinator on environmental policy, thereby contributing to the dissemination of helpful information within the Directorate (best practice, basic actions, etc.) and making colleagues aware of those matters.

✓ **Use of available resources**

As regards staff resources, the occupation rate of posts granted to the Protocol and Information Directorate was 97.5% as at 31 December 2014, and the average occupation rate over the whole year was 98.8%. Four trainees (two in the Visits Unit and two in the Press and Information Unit) supplemented the Directorate's resources during their respective training periods.

As regards financial resources, the rate of implementation of the overall budget appropriations allocated to the Protocol and Information Directorate in the budget lines managed by it reached, in 2014, 96% (EUR 765 470 of the EUR 797 500 available), a rate which is very high if account is taken of the necessarily unforeseeable nature of some activities of the Directorate. As in previous years, the Directorate's use of its resources was governed by the principle of sound management of resources, and efforts were made throughout the year to respond at any given moment to the needs arising from the institution's representation, communication and information activities, while taking into account the economic and financial crisis. In that context, particular emphasis was laid on the use of synergies between the members of the various sectors covered by the Directorate.

### **1.3.3 Inter-institutional cooperation**

The Visits Unit welcomed, in January 2014, a delegation from the Protocol and Events Unit of the International Criminal Court which sought guidance on the organisation of visits and, in particular, IT management of visit requests and programmes. In September, on the occasion of a training day at the Bundestag in Berlin, the persons in charge of the sector examined the various types of visits offered by the Bundestag.

The Press and Information Unit cooperates with the corresponding departments of other European institutions – particularly the European Commission – on a regular basis. In order to increase the visibility and media impact of cases, frequent use is made of the Commission's audiovisual service (EBS) in order to capture images of the delivery of judgments or the reading of the Opinions of the Advocates-General.

## 2. LANGUAGE SECTOR

### 2.1 TRANSLATION DIRECTORATE GENERAL

#### 2.1.1 Main activities

The recurrent activity of the Translation Directorate General, which is also its main task, is to ensure compliance with the language rules of the European Union in judicial proceedings – through translation of the parties' pleadings into the language of deliberation of the judicial bodies and of all documents received or drafted in another official language into the language of the case – as well as to enable all EU citizens to gain access to case-law as a direct source of rights and obligations in their own language as soon as possible and under equal conditions.

#### 2.1.2 Results of operations, control of risks and use of allocated resources

##### ✓ *Results of operations in relation to the objectives set*

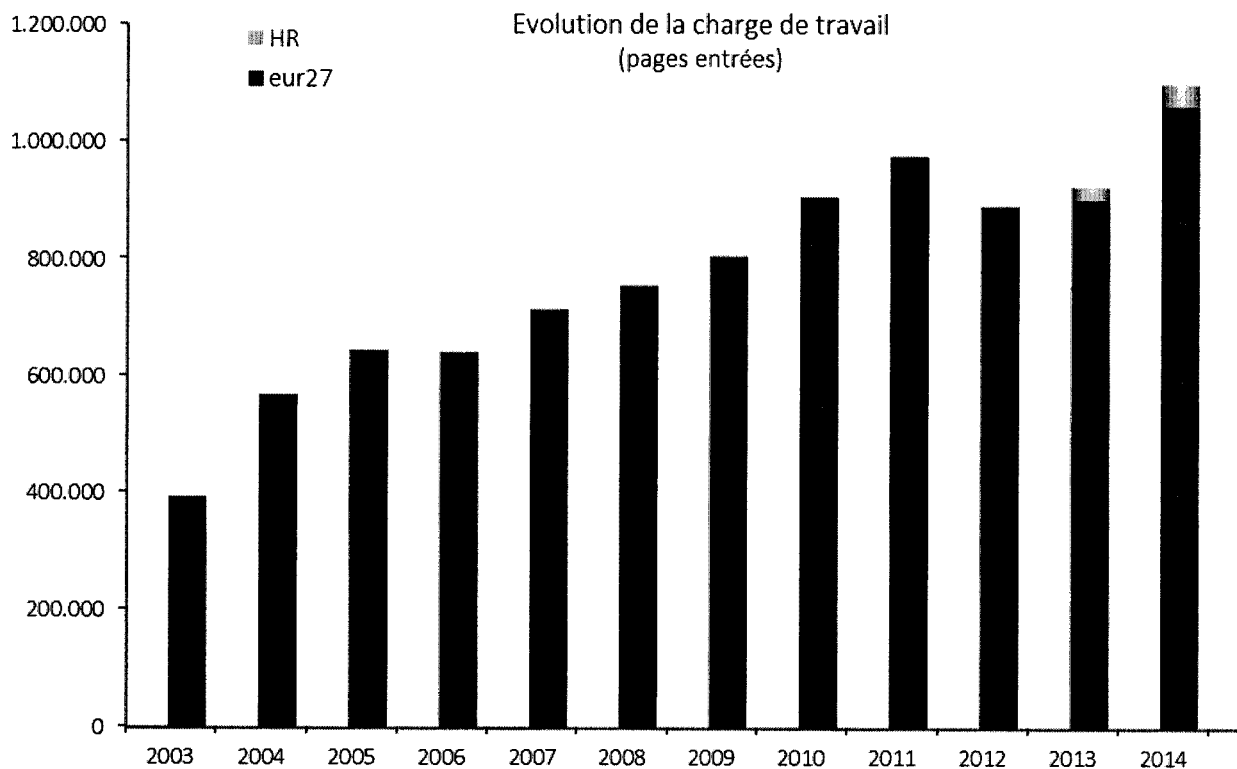
The **objectives** set for the Translation Directorate General are to ensure that:

- 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**.

In that context, the results of operations, that is to say, the activity of the Directorate General as defined in point 2.1.1, are satisfactory.

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 of translation <sup>9</sup>		Variation from the previous year in %	
	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 <sup>10</sup>		+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>11</sup>	+1.3%	+3.7%
	10 625 510	11 099 614	16.2%	18.9%



<sup>9</sup> 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..

<sup>10</sup> This figure represents the current workload. In addition, requests for translation into Bulgarian and Romanian, concerning Opinions delivered in 2006 in cases in which judgment had not been given, were recorded in January 2007. Those requests represented 8 966 pages which, added to the 714 361, give a total of 723 327 pages.

<sup>11</sup> Including 21 805 pages of translation to be produced for the Croatian Language Unit following Croatia's accession in July 2013..

<sup>12</sup> Including 37 094 pages of translation to be produced for the Croatian Language Unit.



The data in the table call for the following remarks:

- For the **period from 2003 to 2006**, the number of pages of translation to be produced for the EUR-15 languages stabilised at almost 400 000 pages. This was made possible by a significant drop, in 2003, in the volume of Opinions of the Advocates-General to be translated (entry into force of the Treaty of Nice) and by the adoption by the Court of various organisational measures which had a direct impact on the translation needs of the institution, namely: the introduction (in 2004 for the Court of Justice and 2005 for the General Court) of the selective publication of case-law; the reduction, in 2005, of the number of pages of translation for certain categories of documents drafted within the institution; and the amendment of the Rules of Procedure of the Court of Justice allowing summaries to be produced of orders for reference for a preliminary ruling the length of which exceed a predetermined threshold.
- **Between 2007 and 2010**, the workload continued to increase (2.6% in 2007,<sup>13</sup> 5.7% in 2008, 6.7% in 2009, 12.6% in 2010, which represents an accumulated increase of approximately 27%).
- **Between 2011 and 2013**, facing a structural increase in workload which in 2011 reached such a scale that, despite all efforts made to streamline and improve efficiency, resources were insufficient to meet the objectives, including that of reducing the length of proceedings, the judicial bodies adopted very severe measures in order to reduce their translation requirements. Those measures included the extension and intensification of selective publication; publication of extracts of decisions of the General Court; control of the length of Opinions of Advocates General; elimination of Reports for the Hearing in the Court; and an increase in the number of summaries of requests for a preliminary ruling. Those measures made it possible to contain an explosion in the number of incoming pages, and had an effect in late 2011 but above all from 2012. Accordingly the growth in incoming pages could be restricted to 7.7 % in 2011, the number of pages even falling, thanks to the measures adopted, by 8.8 % in 2012, before slightly resuming the upward trend in 2013 (+3.7%, mainly due to the enlargement of the European Union to include Croatia).

It is important to emphasise that, had the savings measures in 2011 not been adopted, the workload of the Translation Directorate General would have exceeded 1 400 000 pages in 2013, which would have represented a 54% increase compared with 2010. Instead, the workload remained under a million pages (924 829 pages).

- **In 2014**, the workload increased by 159 486 pages, that is +17.7%, or by 174 775 pages, that is 18.9%, if account is taken of pages to be translated into the Croatian language,<sup>14</sup> thereby clearly exceeding a million pages.

The increase was mitigated, first, by the continuing effects of the abovementioned saving measures, and, secondly, as a result of the effort and commitment of the translation service, whose productivity improved yet again.

The savings measures had made it possible, in 2013, to reduce translation requirements by 500 000 pages. In 2014, a further saving could be made, thanks to the movement to digital publication of the Reports of case-law. It is no longer necessary to translate the chronological and thematic tables of the old paper reports. Nonetheless, the overall level of savings achieved in 2014 has slightly fallen, to amount to a little less than 417 000 pages:

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<sup>13</sup> EUR-25 figures.

<sup>14</sup> In 2013 the pages to be translated to Croatian represent six months in the year, Croatia's accession taking place on 1 July.

- Elimination of tables in reports of case-law: 11 500 pages.
- Summaries and omissis (requests for a preliminary ruling): 46 695 pages (52 360 pages in 2013)
- Selective publication: 333 001 pages (446 205 pages in 2013);
- Publication of extracts : 19 206 pages (13 183 pages in 2013);
- Reducing the length of Opinions: the number of pages remained relatively stable in 2014;<sup>15</sup>
- Translation of Annexes : 558 pages (1 165 pages in 2013);
- Elimination of Reports for the Hearing (Court) : 6 000 pages ;

Without that additional effort and all the measures taken since 2004, the workload of the Translation Directorate General would have exceeded 1 500 000 pages.

Those measures remain essential to the achievement of the Translation Directorate General's objectives which, despite the severe budgetary restrictions, include both containing the length of proceedings and continuing to ensure the dissemination and publication of case-law within ever shorter time-limits.

One factor must however temper the importance of the number of incoming pages (1 099 604 pages). The acceleration in the issue of the Reports of case-law in electronic format has been accompanied by a significant acceleration in the production by the Directorate for Research and Documentation of summaries of decisions and information on unpublished decisions, which automatically entails an acceleration in the corresponding requests for translation. Without that acceleration, that volume would have been approximately 70 000 pages instead of 152 000. Given that the rate of production of summaries and information on unpublished decisions has become stable, it is foreseeable that the volume of summaries will fall by that difference to around 82 000 pages per annum in future years.

On the other hand, with the resources available in 2014, 1 040 422 pages could be completed and sent out, that is a number of pages lower than the abovementioned number of entries, which cannot be reduced and is constantly increasing. The stocks for translation have therefore increased by 40% to attain more than 214 000 pages in 2014. As chosen for operational reasons, those stocks consisted of translations which were not essential to the handling of cases but which will in any event have to be made for the purposes of multilingual publication in the Reports of case-law.

As regards **quality**, investment 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.

Last, the commitment of the Translation Directorate General has made it possible to **comply with all the time-limits** required for the due progress of all proceedings in all languages; compliance with the objectives linked to the dissemination of the case-law to citizens has been maintained at a very high level for all published documents.

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

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<sup>15</sup> The average length of Opinions was established in 2014 as 40.25 pages (37.3 pages in 2012 and 38.3 in 2013) for cases other than appeals. Overall, the average length of Opinions rose from 40.8 pages in 2013 to 41.89 pages in 2014.

The Translation Directorate General has analysed and indexed the risks liable to jeopardise the realisation of its objectives. For each risk, the appropriate actions have been taken or planned. The Translation Directorate General has updated part of its continuity plans in order to mitigate the risks thus identified. It continues to work in close cooperation with the other departments of the institution, above all with the Security and Safety section of the Directorate for Buildings and the Directorate General for Infrastructure in order to continue that risk analysis and to refine its internal emergency plan. An updating of the Directorate General's continuity plan in the context of the internal emergency plan (IEP) was carried out in 2014 as part of the annual coordinated exercise of analysis and management of risks.

The Translation Directorate General fully participated in the crisis exercise organised for the whole institution on 10 November 2014. The objective of that exercise was to test the appropriateness of the Court's IEP and therefore the continuity plan of each department. Given the objective of the exercise, and in the light of lessons to be learned from it, the Translation Directorate General's continuity plan will be updated for early 2015, in order to make the management of risks even more efficient.

In essence, the risks associated with the activities of the translation service essentially concern controlling the workload, maintaining quality levels, and complying with deadlines. Any inability to control the workload could affect both the processing of cases brought before the three judicial bodies and the dissemination of case-law in all languages. 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 of Justice. Failure to comply with deadlines would have the effect of delaying proceedings before the Courts of the European Union and the dissemination of case-law.

As regards **controlling the workload**, the main risk is the possibility of an imbalance between the workload and the human and financial resources which the Translation Directorate General has at its disposal, especially in the context of the current budget. Thus, on the one hand, it must ensure that 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 through constant monitoring that the Translation Directorate General is thus able to adapt its budgetary requests to the indicators used, while constantly improving its working methods and intensifying its search for savings measures in order to keep such requests within reasonable limits.

A continued reduction in the number of staff combined with increase in the workload would inevitably lead to that risk becoming reality.

Concerning **quality**, the main risks, identified in the course of the 2013 financial year, are potential errors or inaccuracies in the translation of pleadings, into the language of deliberation or into any other language, and in the translation of documents originating from one of the judicial bodies (judgments, orders and Opinions). In addition, all the language units apply an internal control system of revising translations. In order to ensure optimum use of the available resources, not all texts are automatically revised. Whether revision 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. Further, the services provided by freelance translators are constantly monitored to determine the actual quality of the services provided. If a contractor fails to perform its obligations, the Court reserves the right to terminate the framework-contract at any moment. In certain cases, some framework-contracts had to be terminated in 2014 due to problems with the quality of service provided.

Concerning **complying with deadlines**, careful monitoring is carried out centrally and the results in 2014 remain highly satisfactory: nearly 100% of all language versions of judgments of the Court of Justice were made available on the day of delivery, and nearly 100% of all Opinions were made available on the day of delivery of the judgment.

As a general rule, all the services provided by the Translation Directorate General depend heavily on the proper **functioning of IT systems** and the availability of its staff. The operational Units of the Translation Directorate General have developed detailed crisis plans which will help them to deal with risks connected with IT malfunctions and risks connected with wide-scale absenteeism of its staff. The lists of persons called upon to perform duties essential to the functioning of the institution, members of operational cells and lists of risk groups are updated annually, as are the internal emergency plans.

In cooperation with the DTI, significant results were achieved in terms of bringing the IT systems into line with the applicable rules on the protection of personal data.

There is also a financial risk connected with **carrying out budgetary operations** under item 1406 (external provision of language services), but 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 Translation Directorate General.

✓ **Use of available resources**

Staff indicators

The (authorised and in post) staff situation for 2014 is shown in the table below:

	Authorised posts	Posts occupied (year average)	Posts occupied on 31/12/2014
AD	678	673	673
AST	251	251	251
TOTAL	929	924	924

The Directorate General continued to play its part in meeting the objective of reducing the number of posts (10 posts were removed from the establishment plan at the end of 2014). Moreover, two AD posts and one AST post were re-assigned in 2014 to other services in the institution. Finally, the Directorate General received one AST from another service with the post concerned, in order to contribute to managing flow of the digital Reports of case-law.

It should be borne in mind that, since 2004, each post which falls vacant is the subject of global deliberation and analysis by the Translation Directorate General so that it can be assigned to the area where it is most needed. Thus, posts are re-assigned in-house in order to strengthen units which are facing various temporary difficulties, induced by, for example, workload, efforts to reduce backlog, or targeted investment in training. In 2014 that effort was enhanced by the English language translation unit borrowing a post from the Interpretation Directorate.

The same approach is used in respect of appropriations which have been made available by part-time working, but which are not necessarily used by the units which generated them. Accordingly a new system for the management of part-time posts generated was introduced in cooperation with the Directorate for Human Resources and Personnel Administration in order better to manage and monitor the posts thus generated.

Budgetary indicators

Budgetary item 1406 covers freelance translation, freelance proof-reading, and inter-institutional cooperation in the field of languages.

*Freelance translators and revisers*

It should be noted that all freelance legal translation and revision contracts remain open (standing lots) throughout the four-year contract notice period in order to allow new operators to join at any time, a flexible system which optimises competition, transparency and observance of the principle of equal treatment.

The language units made use of that possibility in order to strengthen their free-lance lists, thereby improving their capacity to cope with the increased workload. On the conclusion of those procedures, the institution's Tender Evaluation Committee was able to approve all the reports submitted to it in the field of legal translation and revision, thereby permitting the conclusion of 17 new framework-contracts covering nine language units.

The procedure for the new public contract for legal translation into Croatian, published on 16 November 2013 and covering five language combinations, resulted, in October 2014, in the conclusion of 54 framework-contracts, thereby providing the Croatian language unit too with a freelance translation capacity.

Accordingly, the total number of framework-contracts is 1 070 at the end of 2014 and the number of language combinations covered increased from 156 in early 2014 to 162, thereby strengthening available free-lance capacities. Unfortunately it was impossible to find contractors for certain lots (28 of the 190 published in total), which confirms the continuing difficulty in finding certain rare language combinations on the market.

The appropriations initially allocated to freelance translation in 2014 (sub-item 1406.5) were EUR 7 300 000. Since those appropriations turned out to be insufficient, they were ultimately increased, by means of various internal transfers, to EUR 7 899 215, of which EUR 7 878 553 were used, achieving therefore a rate of implementation of 99.74%, and 107.93% if based on the initial appropriations.

The abovementioned increase in appropriations combined with such a rate of implementation is due to increased adequacy of free-lance capacity and, above all, to the substantial increase in the overall workload in 2014.

5 411 payments were made totaling EUR 7 535 246.89.

#### *Freelance proof-readers*

In 2014, the appropriations assigned to freelance proof-reading (sub-item 1406.4) came to EUR 380 000. However, only a small proportion of those appropriations were used to obtain freelance services, to meet the needs of the cell of readers of judgments of the Court of Justice for proof-reading in French, to be precise. The reason is that that task was transferred, in October 2013, from the cell of readers of judgments to the French language unit. Further, it was necessary to provide occasional support to the cell of readers of judgments, which retained responsibility for the proof-reading of all documents written in French (essentially the judgments, orders and some Opinions).

As in 2013, the bulk of those appropriations (EUR 365 000) were transferred to item 1400 with a view to the recruitment of auxiliary contract staff. That additional support to internal resources was essential for a number of reasons. First of all, the flexibility offered by in-house proof-reading human resources is greater than can be obtained on the freelance market. Next, recruited individuals may work on documents which are still confidential; they can thus be assigned to proof-reading or language verification without encountering any contractual obstacles; they interact directly with experienced proof-reading officials and other persons involved in the translation process. Also, it is difficult to organise public contracts in order to conclude proof-reading and/or language verification contracts, not so much because of the workload as because of the uncertainty as to the needs which might emerge on a day-to-day basis as a result of the digital publication of the Case-law Reports.

In 2014 the Translation Directorate General also recovered direct control of appropriations made available to it by the Publications Office for purposes of typographical correction and, in cooperation with the Directorate General for Personnel and Finance, converted them for the same reasons to appropriations for the recruitment of contract staff under budget item 1400.

### *Appropriations connected with activities involving inter-institutional cooperation*

The appropriations initially assigned to activities relating to inter-institutional cooperation in the field of languages – the IATE, EURAMIS, QUEST II, DocFinder and MT@EC projects (sub-item 1406.0) – were EUR 150 500. A further amount of EUR 65 520 was added to cover consultation services in connection with the SDL Studio project.

In 2014 the Court of Justice committed a sum of EUR 66 286.66 to the IATE (Inter-Agency Terminology for Europe) project, of which sum EUR 47 856.33 was paid in the course of that year.

In 2014 a total amount of EUR 75 130.93 was committed to the EURAMIS project and a sum of EUR 33 595.13 was paid.

For QUEST II, EUR 5 462.54 were committed in 2014. A sum of EUR 1.777 was paid in that year.

EUR 4 897.52 were committed to DocFinder in 2014. EUR 1 777.01 were paid in that year.

For MT@EC (Machine translation), EUR 39 635.02 were committed in 2014. A sum of EUR 29 597.25 was paid in that year.

### **2.1.3 Inter-institutional cooperation**

#### **✓ Within the ICTI**

The Inter-institutional Committee for Translation and Interpretation ('ICTI') is the inter-institutional body which coordinates joint projects of the language services of the various EU institutions and permits the exchange of expertise and best practice. It has two parts, one being devoted to more specifically to translation (the Executive Translation Committee, ETC, and the Consultative Translation Committee, CTC), the other devoted to interpretation.

The CITI provides a permanent framework for inter-institutional cooperation, for example in the areas of exchanging information and experience, a terminological supervision of joint activity and performance indicators, organisation of competitions, outsourcing or training. It is also within that framework that the inter-institutional tools used on a daily basis, such as DocFinder, Euramis, IATE, Quest or MT@EC (statistical translation assistance tool) are jointly organised, designed, maintained and funded.

For its part, the Court remains an important player in those various bodies and in the working groups or networks which emerge from them. The Court also remains the lead institution for the regular updating of all the language versions of the inter-institutional brochure which provides a joint presentation of the various language services of the institutions.

In 2014, the ETC devoted its efforts in particular to means of coping with the budgetary restrictions and staff restrictions by exchanging experiences but also by intensifying cooperation in areas where a return in terms of quality and/or productivity could be expected. That applies for example in the area of terminology or improved translation memories. Work has also related to communication, the development of joint profiles for EPSO competitions, and the integration of inter-institutional tools in the new SDL Studio Trados environment.

Further, inter-institutional exchanges of staff have been carried out with the aim of reciprocal training and support. As a result, a lawyer linguist of the Court's Bulgarian translation unit and a translator from the European Parliament's English language translation unit were able to benefit from a *stage* in the other institution. The return was very positive for the translation services of both institutions.

### ✓ **The international level**

At the international level, DG Trad is also active within the IAMLADP,<sup>16</sup> a forum which brings together the language services of a number of international organisations, including the UN, the EU institutions, OECD and OSCE.

At its annual meeting in June 2014, IAMLADP focused in particular on the subject of continuing learning and transfer of skills.

DG Trad also takes part in the annual meeting of JIAMCATT,<sup>17</sup> a forum devoted to sharing information on IT tools for translation and interpreting.

## **2.2 INTERPRETATION DIRECTORATE**

### **2.2.1 Main activities**

The task of the Interpretation Directorate of the Court of Justice of the European Union is to assist the Court of Justice, the General Court and the Civil Service Tribunal with their judicial activities by providing high quality interpreting at oral hearings and other meetings organised by the Institution.

Its recurrent activities include, inter alia:

- assigning the necessary number of qualified conference interpreters by supplementing the staff subject to the Staff Regulations through the use of accredited external interpreters (auxiliary conference interpreters, or 'ACIs') depending on the schedule of hearings and the language rules recommended.
- planning each interpreter's timetable and arranging access to the case-files and other documentation in order to make it possible for interpreters who are assigned to hearings to prepare adequately for those hearings; and
- managing the sub-items in budgetary item 1406 designed to reimburse the Commission for the salaries and management fees of ACIs paid by that institution on behalf of the Court of Justice.

### **2.2.2 Results of operations, control of risks and use of allocated resources**

#### ✓ **Results of operations in relation to objectives set**

The 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 (Auxiliary Conference Interpreters (ACIs)) on item 1406 of the budget of the Court of Justice, the hiring of ACIs being governed by the Agreement concluded between 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, as revised in 2008.<sup>18</sup>

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<sup>16</sup> International Annual Meeting on Language Arrangements, Documentation and Publications.

<sup>17</sup> Joint Inter-Agency Meeting on Computer-Assisted Translation and Terminology.

<sup>18</sup> Amendment to the Agreement of 1 September 2008 on working conditions and financial terms for Auxiliary Conference Interpreters (ACIs) recruited by the institutions of the European Union, 01.09.2008.



The activity of the Interpretation Directorate continues to be marked by **increased multilingualism** since the addition of the Croatian language, the number of potential language combinations to be covered reaching 552. The use of the official languages during the oral stage of proceedings before the three Courts of the CJEU is 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 intervening Member States, 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 2014 was 717, including 238 hearings before the Court, 347 before the General Court and 22 before the Civil Service Tribunal, as well as 110 meetings and other events. French and English continued to be the languages most in demand. It should be noted that the number of hearings and the number of languages to be covered by the attendance of interpreters continues to be unpredictable.

The **quality of interpreting** at the Court of Justice 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 interpreters continues by means of EPSO competitions and inter-institutional selection tests in Brussels for the accreditation of auxiliary conference interpreters (ACIs) for all official languages.

- *Assignment of interpreters to hearings in 2014 – distribution by language*

EU-15 Languages											EU-13 Languages										Others		
DA	DE	EL	EN	ES	FI	FR	IT	NL	PT	SV	BG	CS	ET	HR	HU	LT	LV	MT	PL	RO	SK	SL	SQ-ZH
151	560	188	922	285	177	1345	268	209	103	174	151	91	195	142	128	157	159	23	272	176	188	186	41-6
Total = 4 382											Total = 1 868										Total = 47		
Out of 6 297 assignments, 1 868 –30 % – for the new EU-13 official languages																							

- *Changes in the assignment of staff over the three courts:*

%	2007	2008	2009	2010	2011	2012	2013	2014
<b>Court</b>	73.5	64.5	70.7	74.0	63.6	66.1	70.1	<b>63.5</b>
<b>General Court</b>	25.4	33.9	27.9	23.6	35.4	32.4	28.3	<b>35.3</b>
<b>CST</b>	1.1	1.6	1.4	2.4	1.0	1.5	1.6	<b>1.3</b>

In general, the workload of the interpreting department is increasing as a result of the number of hearings scheduled simultaneously and the growing number of language combinations to be covered during those sessions. As shown by the table below, the **number of hearings and other meeting has never been higher** (+14% compared with 2013):

<b>With interpreting</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Hearings	369	517	454	520	532	599	552	607
Other meetings	54	30	37	102	96	84	77	110
<b>Total sessions</b>	<b>423</b>	<b>547</b>	<b>491</b>	<b>622</b>	<b>628</b>	<b>683</b>	<b>629</b>	<b>717</b>

However, in preparation for the expected increase in the number of hearings which might be scheduled simultaneously following the opening of five new courtrooms, 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 the directorate proposed in 2012 to the judicial bodies.

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

<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>2 376</b>	<b>2 821</b>	<b>2 393</b>	<b>2 332</b>	<b>2 497</b>	<b>2 527</b>	<b>1 634</b>	<b>1 960</b>

#### ✓ **Risks associated with those operations**

In the event of the department being unable to provide the required interpreting, both in terms of quality and quantity, there would be a risk of jeopardising the proper functioning of judicial activity. That risk is of critical importance to the institution.

#### *Constraints*

The service is obliged to comply with the language rules prescribed by the basic texts governing the activity of the Court of Justice of the European Union. The institution is unable to control demand, as it is primarily dependent on the number of new 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. For certain languages there are a limited number of accredited interpreters who are often sought after simultaneously by all the institutions of the European Union. Consequently, coverage of the needs of the Court of Justice may be in jeopardy if ACIs are not hired far enough in advance, generally as soon as the date of the hearing is scheduled, and sometimes on longer notice.

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.

### *Control measures introduced*

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

In 2014 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 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 intensive language learning. In 2014, having passed a language addition test following intensive study, no less than 14% of the permanent interpreters of the Court of Justice added a further working language to their existing language combination.

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 2014, redeployment of almost one third of cancelled ACIs were thus possible thanks to inter-institutional cooperation.

### ✓ **Use of available resources**

#### *Staff*

Bearing in mind the specialised service required at the Court of Justice, the Interpretation Directorate strove to fill vacant posts, especially in the most requested booths, by recruiting the best conference interpreters in order to reduce the need to resort to ACIs. However, the number of staff subject to the Staff Regulations is kept strictly to the operational minimum.

#### *Conference interpreters*

In 2014, the number of authorised interpreters subject to the Staff Regulations was 77. Pending the publication of EPSO reserve lists, a system was introduced for recruiting temporary staff from among the accredited interpreters of the European Union. No new post was applied for by the Directorate, with the exception of three Croatian posts: any additional needs had to be met using ACIs. The need to hire ACIs continues however to be dependent on the restrictions imposed on the recruitment of permanent interpreters. Within the exercise of reducing staff to be achieved by all the European Union institutions, it is however essential to retain a sufficient number of posts subject to the Staff Regulations in order to ensure basic coverage of the languages of each case and in order to supervise freelance interpreters (ACIs).

In order to guarantee high-quality interpreting of hearings and other meetings in 2014, the Interpretation Directorate called upon 256 ACIs in order to meet its needs, above all to cover the language combinations specifically requested at hearings. Those interpreters provided a total of 1 960 contract days (9% of which were paid cancellations), or an average of 53 contract days per week of judicial activity. In terms of assignment to sessions, ACIs covered 20 % of the workload in the booths.

The majority of ACIs hired are used in the French (421) and English (303) booths, as the department strives as far as possible to provide for interpreting directly into French, the Judges' language of deliberation, but it is sometimes necessary to make additional provision for an English booth to act as a relay. A special effort has been made to strengthen those two booths, which has allowed the ratio of ACI assignments to permanent staff to be stabilised in respect of those 'pivot' languages.

### *Administration*

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 administrative posts have been created within the department.

The four support posts assigned to interpreting have all been filled, but are insufficient in view of the organisational constraints of the department. In 2014, the department had only two AST officials – including one directorate secretary (who also ensures that records of payments made to ACIs are monitored) and one assistant to help the recruitment and planning manager – as well as two temporary assistants to prepare case-files for external interpreters and to distribute those case-files in the courtroom.

### *Budget*

The budget implementation in 2014 of appropriations entered in Item 1406 intended to fund the services of stand-by interpreters (ACI) was EUR 2 182 000 (97.35% of the initial budget).

## **2.2.3 Inter-institutional cooperation**

Cooperation with the two other EU interpreting departments (the European Commission and the European Parliament) continued within the framework of the ICTI (Inter-institutional Committee for Translation and Interpretation), and particularly the ECI (Executive Committee for interpreting). Inter-institutional activity represents a considerable saving in resources for the Court of Justice and was focused in 2014 in the following areas:

- shared management of over 3 000 ACIs (computerised system for exchanging inter-institutional ACI recruitment data, single payments office, shared quality control).
- potential for mutual taking on of cancelled ACI contracts.
- structural exchanges of interpreters between the institutions.
- mutual availability, so far as possible, of interpreters subject to the Staff Regulations and freelance interpreters where there are language shortages.
- evaluation of demand and available resources.
- participation in selection boards for open competitions organised by the European Personnel Selection Office (EPSO) and the inter-institutional working group for the purposes of trying to improve conference interpreter selection procedures.
- joint selection of freelance interpreters for all languages (inter-institutional ACI accreditation tests).
- confirmed sharing and recruitment of Croatian interpreters as temporary staff.
- 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.

- participation in fairs and exhibitions for the purposes of promoting language professions.
- shared use of new online PR resources in order to inform young people about conference interpreting as a career; and.
- introducing a technological observatory to monitor developments in the field of interpreting, including in the field of videoconferencing.

### **3. ADMINISTRATIVE SECTOR**

#### **3.1 LEGAL ADVISOR ON ADMINISTRATIVE MATTERS**

##### **a/ Main activities of the Legal Advisor on Administrative Matters**

The main recurrent activities of the Legal Advisor are as follows:

- ensuring that the institution is represented in proceedings in which it is involved as a party before the Courts of the European Union, which includes preparing 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;
- drafting advice and ensuring assistance for the departments of the institution concerning legal issues relating to the administrative activity of the institution, which includes, in the field of public contracts, revising drafts of documentation relating to tendering procedures 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;
- participating, as a member, in the work of the Tenders Evaluation Committee – replaced from 1 September 2014 by 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.

In addition, having been assigned the duties of Data Protection Officer, the Legal Advisor is also responsible for ensuring the internal application of the provisions of Regulation No 45/2001, ensuring that the Data Controllers and the persons concerned are informed of their rights and obligations under that regulation, cooperating with the European Data Protection Supervisor ('EDPS'), maintaining a register of all data processing carried out by the Data Controllers, and notifying the EDPS of any processing operations likely to present specific risks for the purposes of Article 27 of that regulation.

##### **b/ Results of activities and management indicators**

- Volume of activity

The most striking features of 2014 for the Legal Advisor were, first, the appearance of a new kind of litigation involving the institution as a defendant, that of actions for damages brought by individuals before the General Court in order to obtain compensation for losses alleged 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 (four actions of this kind were brought in 2014) and, second, a unusually high number (50) of complaints under Article 90 of the Staff Regulations. That figure is

due to a large extent to challenges being made, first, to the lawfulness of provisions introduced into the Staff Regulations and into the Conditions of Employment of Other Servants by Regulation No 1023/2013 or by Regulation No 422/2014 and Regulation No 423/2014, and, second, to decisions taken by the authorities of the Joint Sickness Insurance Scheme.

In particular, in the area of court proceedings, four cases were pending on 1 January 2014 and five new cases were brought in the course of the year before the Courts of the European Union against the institution. Those cases concern Civil Service matters, the status of former Members, awards of public contracts and non-contractual liability. In addition to monitoring those cases, the Legal Advisor was called upon to intervene, through written pleadings or comments, in seven of them.

As regards dealing with complaints brought under Article 90(2) of the Staff Regulations of Officials of the European Union, 50 new complaints were made in 2014 and were added to the four complaints pending as of 1 January 2014. An explicit decision was given in respect of 35 complaints, two complaints being withdrawn by the persons concerned following the adoption of a new decision by the authority in question, and one complaint being referred to the appointing authority of another institution. Accordingly, 16 complaints were still under investigation as at 31 December 2014. The institution's three Committees who have the power to rule on complaints held a total of six meetings.

In 2014 the number of internal consultations was 81, which is markedly lower than the record figure of 135 in the previous year, but which remains well above the 50 or so per annum recorded between 2010 and 2012. Consultations covered various areas, such as the award of public contracts, contracts and obligations, access to documents, intellectual property, the European Civil Service, EU institutional law and the privileges and immunities of the European Union, the status of Members of the institution, and non-contractual liability. In particular, five legal opinions were drafted.

As a member of the Tenders Evaluation Committee which has authority where the contract has a value exceeding EUR 60 000, or after 1 September 2014 as a member of the Public Procurement Consultative Committee which replaced the former – which met 13 times in 2013 – the Legal Advisor examined 14 files relating to public contracts.

In 2013 four proceedings before the European Ombudsman required the Legal Advisor to act. In two cases, that action took the form of preparation, in close cooperation with the department concerned, of comments to be made by the institution in response to the complaint.

Lastly, in his capacity as Data Protection Officer, the Legal Advisor informed the departments of the need to notify three identified data processing operations and assisted the Data Controllers in drafting notifications of six personal data processing operations in 2013 and asked them for updating or made observations on four notifications. He sent to the EDPS one notification under Article 27 of Regulation No 45/2001. He also worked alongside the Data Controllers and/or the EDPS in nine proceedings brought by the EDPS under that provision and as part of a follow-up relating to recommendations formulated by the EDPS in respect of ten notified data processing operations, following a request for an opinion under Article 46(d) of Regulation No 45/2001 and an inspection made by the EDPS in July 2013 of a number of EU institutions or bodies in Luxembourg. The Legal Advisor was consulted on seven occasions by departments of the institution or by persons concerned on the application of certain provisions of Regulation No 45/2001, relating inter alia to the right of access, right of rectification, transfers of data and processing on behalf of controllers, under Article 23 of Regulation No 45/2001.

- Risks associated with the operations

In carrying out tasks relating to litigation, the Legal Advisor must ensure the provision of high quality services within the prescribed time-limits, which, having been fixed by the Registries of the Courts of the European Union or, in the case of complaints, by the Staff Regulations, must be complied with. In addition, a helpful reply to the increasingly numerous requests for advice and assistance submitted by the departments of the institution, sometimes regarding complex issues, must often be given at short notice.

Any drop in the quality of services provided or failure to comply with the deadlines set would harm the institution's interests, inter alia by increasing the risk of its incurring adverse judicial decisions or the censure of other authorities responsible for scrutinising its administrative activity (such as the European Ombudsman or the European Court of Auditors).

The department's much-reduced staff structure exacerbates those risks in so far as it limits the options for one member of staff to replace another in the event of absence due to leave or illness.

- Use of available resources

For the purpose of completing all its tasks, on 1 January 2014 the department included, in addition to the post of Legal Advisor, two other permanent AD posts and two permanent AST posts, which were occupied throughout the year.

The service also had the assistance of a trainee over two periods of five months in the course of the year, and, in the second half of the year, the assistance on a part-time basis of an AD function group agent assigned to another department of the institution.

**c/ Inter-institutional cooperation**

In 2014 the Legal Advisor's department ensured that the institution was represented in the inter-institutional working group responsible for analysing the impact on the activity of the institutions of any cooperation with the Group of States against Corruption (GRECO). That working group met once in 2014.

In addition, the Legal Advisor participated, as an observing member representing the institution, in three meetings of the working group set up in 2013 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.

Last, in his capacity as Data Protection Officer, the Legal Advisor took part (personally or represented by a member of the department) 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.

## 3.2 DIRECTORATE GENERAL FOR INFRASTRUCTURE

### 3.2.1 Mission and objectives

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

- ✓ the **Directorate for Buildings (DB)**, the task of which is to make available to the institution the buildings it needs in order to perform its duties in the best possible conditions. Its objectives are to:
  - ensure that everything is in working order and that the value of the buildings is maintained through the management and maintenance of the buildings and the fitting-out of premises;
  - protect people and property by ensuring fire safety and security;
  - ensure respect for the environment, notably by the application of the EMAS<sup>19</sup> standard, in the exercise of all the institution's activities.
- ✓ 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. Its objectives are 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.;
  - 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 ...);
  - participate in actions to assist the dissemination of the activity of the institution by ensuring publication of the Reports of case-law and putting on line judgments, opinions of the court, orders and Opinions.
- ✓ the **Directorate for Information Technology (DTI)**, the main task of which is to make available to the institution Information Technology (IT) systems and services which are efficient and effective. Its objectives are to:
  - guarantee satisfactorily to meet the needs of the user departments for IT systems, ensuring the continuity of IT services required for the due progress of the institution's activities, through activities of operating existing IT systems;
  - implement a value-based IT strategy, by developing new services and new applications responding to users' needs, in particular through activities associated with IT projects.

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<sup>19</sup> Eco- Management and Audit Scheme



### 3.2.2 Results of operations, control of risks and use of allocated resources

#### ✓ Results of operations in relation to main objectives

In 2014 the activity of the DGI was marked by a major effort to achieve streamlining and improvements in efficiency and effectiveness, across all areas of operation.

In terms of court procedures, while the length of hearings increased (+11% in hours), a new **IT tool for the marking of recordings of hearings**, with advanced search functions usable in the recording itself, adapted to the needs of the users (judges and legal secretaries) made it possible to reduce the quantity of pages retranscribed by 32%. Another tool, also developed in 2014, now permits the **transmission of documents by the Registries of the three judicial bodies to the Judges and their cabinets** (around 1 000 pages per month) in electronic format, instead of by dissemination of paper, with a substantial saving in resources. The digital publication of the Reports of case-law generated savings of around 83% per page compared with the current cost of production of the publication of the Reports in paper format.

2014 marked an important stage in the **project for the 5th extension of the building of the Court of Justice**: the production of the summary preliminary draft. Learning from the experiences of the preceding major construction and renovation projects, this project is subject to rigorous control, thanks to, inter alia, the excellent collaboration with the authorities of the host State and the assistance and advice of a specialist team, which guarantees the highest level of professionalism in monitoring every stage of the project.

In the interests of the institution as a whole, the DGI contributed to the **optimisation of information management**, notably by the development, within the institution, of the Sysper application in successive phases since February 2014, which makes possible not only more efficient and user-friendly management of information concerning staff, but also economies of scale due to its inter-institutional character.

Making **wifi available for general use** in all buildings means that meetings can be more efficiently organised.

In 2014, the DGI also focused its efforts on maximising efficiency in the management and use of the Court's buildings (inter alia, by the **development of the EMAS project** designed to improve environmental performance) and in the management of its contracts (for example, by **new performance-based contracts** or by **inter-institutional procurement procedures** which led to substantial savings). The copying of documents also fell by 22% in 2014.

The main achievements for each Directorate are set out below:

#### - Directorate for Buildings

- As regards construction projects, the 5th extension project (CJ9; 3rd tower) continued to evolve as planned. The management of residual work and the withdrawal of qualifications continued for the CJ4 project (renovation and 4th extension of the *Palais* of the Court) and the CJ8 project (upgrading of the A, B and 'C' annex buildings).

- In the area of Facility management, a new performance-based contract for cleaning gives an assurance of quality of services, and a new gas supply contract awarded in June made it possible to lower the unit price by 28%. An application for an updated operating permit was made to the national authorities.
- The Safety and Security department was responsible for the processing of classified information, under the new Rules of Procedure of the General Court. In 2014 it oversaw the institution's first crisis exercise. The risk analysis carried out under its supervision permits the establishment of the Emergency Plan and the Service Continuity Plan.

#### - Directorate for Logistics

- A multi-functional and versatile pool was created within the Directorate in 2014, making possible efficiency improvements.
- As regards the management of administrative documents, for 2014, 22 704 documents were processed (+9.6%).
- As regards publications, 1 752 fascicles, all language versions included, were published (as opposed to 769 printed in 2013: +127.8%) ; in 2014 the objectives of publishing the General Reports of case-law for 2012 and 2013 and the Civil Service Reports of case-law for 2010, 2011 and 2012 were achieved.
- The court officers provided support for 634 hearings in total, with an overall duration of 1 005 hours, as compared to 584 in 2013 with a duration of 904 hours (+8.6 % in number and + 11.2 % in duration).
- Thanks to the *e-Curia* project, the total number of documents sent by registered post over the whole of 2014 continued to fall (by 25.7% compared with 2013 and by 61.3% compared with 2011).

#### - Directorate for Information Technology (DTI)

- As regards operation (maintenance of existing systems), the DTI continued to ensure a rate of availability of the *data centre* and the *telecom centre* approaching 100% during both working hours and outside those hours and continued the introduction of the General Information Systems Security Policy (PGSSI) to the inclusion of the new Wi-Fi installations, teleworking and BYOD (*Bring Your Own Device*). The DTI also continued to provide support to approximately 2 500 individual work posts and to provide the Helpdesk (an average of 2 250 calls received per month) ;
- In 2014 the DTI continued the development of new projects, including the digital Reports of case-law (bringing into production the reference systems for the multilingual decisions of the Court, the General Court and the CST and pages on the CVRIA website); Minidoc III (bringing into production modules designed to manage notes on academic literature and reviews as well as multilingual summaries); ASP (aid to monitoring of procedure); Registry transmission files; SYSPER II (bringing into production the modules for time and career management); GenDoc (tool to assist production of judgments); Schedule of direct actions; Litige Modernisation; *e-Curia* Version 3 ; Tool of management of interpreting ; Marking of recordings of hearings, mentioned above ; ECM.

### ✓ **Risks associated with operations**

The risks of endangering the physical safety of people are reduced by the security measures, including systematic control on access, and fire safety measures (permanent presence of support staff for the various fire safety installations; audit of technical fire safety equipment and measures taken to remedy any deficiencies, and increased regularity of evacuation exercises) and by unannounced checks on compliance with hygiene rules by an external body to control risks of food poisoning.

Risks of loss or damage to property are reduced by a range of insurance policies, by updated inventories and by regular preventive servicing of technical installations consistent with best practice.

Environmental risks are substantially reduced by the continuing improvement achieved in all areas of the Court's activity due to EMAS. The whole activity of facility management has also been the subject of an environmental impact assessment.

The risk of non-continuity is mitigated by a Specific Response Plan approved by the Luxembourg government and by an Internal Emergency Plan which defines the crisis cell, the operational cells in the judicial bodies and the services, and brings together the procedures to be implemented in order to manage crises and continue activity.

In the area of IT, the risks associated with the availability of IT systems and maintaining their security are managed on a daily basis as part of the operation of IT systems (such as redundancy and back-up procedures provided in crisis situations) and the management of IT projects.

Further, the DGI ensures that recommendations of internal and external audit reports and ex post controls are acted upon in full.

### ✓ **Use of resources allocated**

#### - **In terms of posts**

In 2014 the Directorate for Buildings had 10 administrator posts, 19 assistant posts and 12 contract staff posts (Article 2a), that is 41 posts. Those staff are reinforced by resources from external undertakings through outsourcing: 4 persons for technical assistance in the CJ9 project; 130 for technical maintenance and cleaning and 120 for caretaking and fire prevention.

As regards the Directorate for Logistics, in 2014 it had 103 posts in total, 8 administrator posts, 56 assistant posts and 35 contract staff posts (Article 2a and 2c). Two posts were surrendered in 2014, bringing the total number of posts surrendered since 2013 to five as part of the staff reduction exercise.

As regards the Directorate for Information Technology, in 2014 it had 71 posts subject to the Staff Regulations (29 administrator posts and 42 assistant posts) and continued its policy of upgrading posts made necessary by the outsourcing policy adopted. Improvements in the management of staff made possible a higher rate of occupation of vacant posts within the DTI, including two Head of Unit posts filled in the course of 2014.

#### - **In terms of appropriations**

The Directorate for Buildings continued to manage in 2014 the greater part of the infrastructure appropriations of the Court of Justice. In that regard, it had a budget of EUR 61 527 000 (after

transfers), with a rate of implementation of 98.4%. There should be noted the reduced consumption of appropriations in Article 202 ‘Other expenditure on buildings’ which is due, first, to a return to normality more quickly than anticipated following the bringing into service of the renovated Annex Buildings in the second half of 2013 and, second, much lower consumption of energy in 2014 due to better contractual terms but also more clement weather conditions.

The Directorate for Logistics had a total amount of appropriations (after transfers) of EUR 5 332 000, of which EUR 4 884 130.09 (92%) were committed. It should be noted that, while quality of service was maintained, the appropriations for which the Directorate for Logistics was responsible were reduced by more than 30% between 2012 and 2014, which reveals the impact of savings measures introduced.

Last, the appropriations granted to the Directorate for Information Technology were EUR 16 920 500 (after transfers) which were committed almost entirely (99.64%).

### **3.2.1 Inter-institutional cooperation**

As regards the Directorate for Buildings, inter-institutional cooperation continues to be a crucial driver of savings, notably by the standardisation of approaches and the exchange of ‘Best practices’ within six inter-institutional working groups. Among the five inter-institutional contracts put out for tender and/or awarded in 2014, a call for tenders for ‘electricity supply’ has made possible substantial savings after 2014.

As regards the Directorate for Logistics, in 2014 the Court chaired a number of inter-institutional meetings with the aim of optimising working methods and took part in four inter-institutional calls for tenders. In the area of publications, the Court cooperated with the Publications Office to introduce new procedures for the production of the digital Reports of case-law.

The Directorate for Information Technology continues to take an active part in the Inter-institutional IT Committee and its sub-groups allowing the sharing of problems and solutions at an inter-institutional level. The Court continues to have the benefit of a number of inter-institutional applications (NAP, SYSPER II, SYSLOG formation, SOSII-SAP ...) and of server hosting in the Data Center of the European Commission. The Court is now a member of the steering committee of CERT-EU (Computer Emergency Response Team for EU institutions, bodies and agencies) and of the FORMATS group of the Publications Office which seeks to assess and make recommendations with regard to standard document formats and structures for the institutions.

### **3.3 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 and verification (organised within two separate Directorates).

#### **3.3.1 HUMAN RESOURCES AND PERSONNEL ADMINISTRATION DIRECTORATE**

The Human Resources and Personnel Administration Directorate comprises four units (the Human Resources Unit, the Staff Regulations Rights, Social and Medical Matters and Working Conditions Unit, the Professional Training Unit and the Remuneration and Missions Unit), the activities of which are set out in more detail below.

The number of officials and other staff (temporary and contract) employed by the institution on 31 December 2014 was 2141. In 2014 the number of candidate proposal files sent to the various appointing authorities (AIPN) was 2169.

In 2014 **the Directorate's staff** consisted of 61 officials and temporary staff. The ratio of 'staff in the personnel department to staff in the institution', which was 4.63% in 1992 and 3.25% in 2002, is currently 2.9%.

On the basis of the questionnaire with respect to 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 objectives. For each risk, the relevant actions were taken or scheduled (the Directorate's risk analysis being updated in February 2015).

Concerning the most significant risks to the functioning of the institution, the Directorate's continuity plan was drawn up in order to ensure that essential tasks would be carried out in the event of a crisis (making payments by repeating the previous month's pay for the following month in order to prevent the serious consequences for institution staff that could arise from breaking the succession of payments; continuing to pay pensions as well as continuing the activities of the medical department and the welfare officer; recruitment and/or termination of duties only where strictly necessary/essential for the functioning of the institution in the event of a crisis). An operational cell of the Directorate was established in order to ensure that essential tasks are carried out in the event of a crisis. Its operation was successfully tested in the crisis exercise in November 2014.

As regards in general the risks inherent in the activities of the Human Resources and Personnel Administration Directorate, the overall risk has been reduced, controlled or managed (the tables of risk analysis for each of the four units of the Directorate being updated in February 2015).

##### **3.3.1.1 Human Resources Unit**

###### ***Result of operations in relation to objectives set***

The number of recruitments fell as compared with 2013, which was an exceptional year because of the accession of Croatia: 197 officials and temporary staff and 87 contract staff and auxiliary contract staff in 2014, as compared with 295 officials and temporary staff and 99 contract staff and auxiliary contract staff in 2013. The number of procedures to fill permanent posts also fell: 95

vacancy notices were published (as compared with 130 in 2013). The number of trainees increased slightly: there were 252 trainees – 67 paid and 185 unpaid – in 2014 (compared with 217 trainees in 2013).

### **3.3.1.2 Staff Regulations Rights, Social and Medical Matters and Working Conditions Unit**

#### ***Result of operations in relation to objectives set***

The Unit's activity covers the areas listed under Title II of the Staff Regulations (Rights and Obligations), Section 6 of Chapter 2 (Parental and Family Leave), Chapter 4 (Termination of Service) of Title III, Title IV (Working Conditions), Chapters 2 (Social Security) and 3 (Pensions and Invalidity Allowance) of Title V, Annexes 2, 4a, 5, 7, 8, 9, and 13 and the relevant provisions of the Conditions of Employment of other Servants (CEOS) and socio-medical aspects.

The Unit's workload, as in previous years, continued to increase in 2014. A number of members of the unit represent the institution in various inter-institutional committees, which represent many working days (64) absent from their offices.

The beginning of 2014 was marked by the installation of the TIM module of Sysper 2 (an inter-institutional human resources management platform), which completely transformed the management of rights to leave (annual and special) and the various work patterns (part-time work, parental leave ...). The new application requires the active participation of users. To that end, the unit organised many information sessions and made use throughout the year of the IT helpdesk for staff in order to respond to a great number of questions and to resolve all kinds of problems.

The number of files concerning members of staff who benefited from measures designed to reconcile family life and professional life at any time during the year continued to increase as compared with 2013 (part-time work, parental/family leave, teleworking and flexible working hours).

Termination of service for reasons other than retirement gave rise to a number of files which break down as follows: transitional allowance 14, pension (fixing) 55, reversion 18, departure allowance 75, career record 29, transfers out 69, transfers in 30, Article 42 of the Conditions of Employment of Other Servants 27, supply-post validation 1, corresponding pensions 280. As regards pensions, 44 new files were added in 2014. In the context of family allowances, 1489 files (actual right) and 1835 files (various child allowances) were managed.

During 2014, the leave rights of 2 141 persons were managed. As regards special leave, most types of leave were stable. Annual travel expenses represented 1994 files in 2014.

In 2014, the number of accident reports recorded was 108, 101 accident files were closed, and 53 medical examinations were carried out.

The medical service continued to have a substantial workload in 2014. A significant number of interventions (364) were sought from the institution's only welfare officer: an increase as compared with 2013 (289).

### **3.3.1.3 Professional Training Unit**

#### ***Result of operations in relation to objectives set***

The 'Annual training plan: 2014 guidelines' was drawn up as part of the '2010-2014 Strategic Training Framework' which establishes a reference framework and main work priorities for the provision of professional training at the Court using an approach based on career and skill development.

Overall, the objectives and priorities defined for 2014 were achieved.

In 2014, 17 229 training days were organised for 5 644 participants.

- As regards general training, 2 506 participants obtained 3 251 days of training.
- As regards language training, 1 664 participants obtained 12 931 days of training.
- As regards office and IT training, 1 474 persons obtained 1 047 days of training.

**Language training** represents 75% of the training days organised by the Professional Training Unit, 29.5% in number of participants.

The re-orientation of the provision of language training to meet professional needs continued in 2014.

There was a continued effort to introduce specific training at the request of various departments, including specific training for lawyer linguists, interpreters (levels 9 to 12), EN and FR conversation courses, legal language training for legal secretaries or research and documentation administrators among others

Those courses adapted to the needs of the departments now cover 34% of the people taking part in language training.

Participation in standard language courses fell in comparison with the previous year as regards the number of participants (1 018 persons in 2014 as against 1 119 persons in 2013) as does the number of days provided (8 088 days in 2014 as against 8 952 days in 2013).

That decrease is the result of the reorientation of language training options, but is also the result of better regulation of language training starts by staff and their line managers.

Standard inter-institutional training made up 61% of training days in 2014, whereas language training sessions adapted to the specific needs of the departments (lawyer linguists, interpreters, conversation classes, level 9 to 12 classes, and so on) represented 33% and training abroad represented 6%.

Training on language courses abroad fell slightly in comparison with 2013: 90 participants in 2014 and 107 in 2013.

In order to ensure the quality of standard and specific language courses, the Professional Training Unit has worked to develop and harmonise the syllabi for standard and specific courses in connection with the Common European Framework of Reference (CEFR). Pilot courses in blended learning in English were developed with very positive results.

In 2014 the Professional Training Unit pursued actions and projects which concentrated on the development of competences linked to professions, as defined in the 2010-2014 Strategic Training Framework and the 2014 Guidelines.

To that end, 3 251 days of **general training** were organised, compared with 3 195 in 2013, for a total of 2 506 persons as opposed to 1 935 in 2013.

The Court has 17 generic careers reference systems (available on the professional training website) and training adapted to the needs of the Court.

In the area of management, in addition to the training offered by the European School of Administration, the unit continued to offer four training sessions specific to the Court to Heads of Unit, administrators and/or assistants responsible for team management.

The programme of specific training (personal efficiency, time management, stress management, conflict management, preparation for the annual interview and training to become a part-time trainer) continued in 2014 for AST staff.

In-depth work was done in terms of providing help and support to other departments so that those departments can formalise their own annual training plans or specific needs relating to the approach to skills. In that regard, the Professional Training Unit successfully organised a training day in November 2014 which had the aim of introducing the new training programme offered in 2015.

Concerning security within the institution, in partnership with the Buildings and Security Unit, training was continued in 2014 in the area of fire prevention for the staff concerned (basic training and refreshing skills for ECI (équipers chefs d'intervention: response team leaders), EPI (équipers de premiere intervention: first response team members and AI (antenne d'immeuble: building coordinator), i.e., 52 persons, for a total of 55 days.

The Professional Training Unit continued to programme training for new colleagues in the administrative services of the Court. For 2014, 205 persons participated for a total of 132 days.

Further, as mentioned in the 2013 activity report, the unit launched a programme of training for new staff in *cabinets*. One of the objectives of that training is the standardisation of working procedures according to the judicial body concerned, but also improved cooperation with the administrative services through appreciation of the work and operation of those services. That programme represented 118 training days for a total of 447 persons.

In the area of law, in 2014 the organisation of legal training events, including at inter-institutional level, can be seen to have continued.

The workload in the area of **office and IT training** remained high; 688 persons participated in 1047 training days.

The Professional Training Unit also continued its constructive dialogue with the other institutions when organising inter-institutional language courses and inter-institutional conferences and seminars. It chairs the group of Heads of the Professional Training Units of the various institutions in Luxembourg.

### ***Risks associated with the operations***

As part of the continual aim to make budgetary savings while still offering a wide range of relevant training opportunities, several areas of the unit's activity have been reinforced. The close collaboration between the managers and heads of department of the institutions enables the unit to ensure that the courses offered are comprehensive and provide a sufficiently wide range of options. Regular communications are made to remind staff of the need for regular attendance and the potential consequences of absenteeism.

Monitoring the implementation of budgetary appropriations has again been reinforced. The unit was involved in the pilot project for computerising application forms, which has provided a better overview of the process and the necessary checks to be made. The Strategic Training Framework enables the scheduling of more long-term training activity and acts as a frame for the annual guidelines. Versatility within the unit continues to be developed in order to compensate for any absences and to ensure the pooling of skills and knowledge.

The framework contracts concluded after the most recent tendering procedure provide access to a series of contracting parties for nearly all forms of training.

The provision of the Curia Web Training application to all departments in 2013 enabled the wide-spread use of digital working for training requests, resulting in greater transparency and better visibility of the request's progress through the approval system, as well as greater access to data for those requesting training and heads of department, and more reliable information which is distributed faster. The application now provides more easily extracted and more reliable data so that the statistics requested (number of training hours, number of officials affected by the obligation to prove their capacity to work in a third language, and so on) can be properly established.



### **3.3.1.4 Remuneration and missions**

#### ***Result of operations in relation to objectives set***

In the course of 2014, the workload of the Remuneration and Missions Unit remained almost the same as in 2013, thereby maintaining the same volume of items processed and recorded in the pay system. The Remuneration and Missions Unit thus recorded and processed 11 960 adjustments in 2014.

The budget administered by the unit for staff remuneration and missions came to EUR 248 600 000 in 2014, as opposed to EUR 236 million in 2013.

#### ***Risks associated with the operations***

The unit's objectives remain to ensure the proper payment of salaries, to manage and forecast the budget allocated to remuneration and missions, to answer officials' questions concerning their remuneration, and to ensure fair payment for missions. A system of automatically double-checking payments is in operation for all activities carried out by the unit. A network of versatile skills across the staff of the unit allows for continuous monitoring of that double-checking system, taking into account any possible absences within the unit.

An operating manual of the procedures to be applied within the unit to codify the knowledge and skills of the managerial staff is being produced. It will be used to ensure the continuity of processes when departing or transferring officials, or officials absent due to a long period of illness, are replaced. Hibou, an application designed to meet the needs of the Unit, allows for a better monitoring of its day-to-day tasks. That tool is maintained entirely autonomously, ensuring complete independence from the IT departments in that area.

A gradual introduction of Sysper 2 makes it possible to avoid errors in manual processing and calculation. For a transitional period, increased checking and the development of methods for testing the operation of Sysper 2 and the interface Sysper 2 – NAP, together with increased cooperation with other units in Directorate, and with the Directorate for Budgetary and Financial Matters have been introduced and will continue to be developed.

A plan is in place to ensure the continuity of remuneration in the event of a crisis.

### **3.3.2 DIRECTORATE FOR BUDGETARY AND FINANCIAL MATTERS (DBAF)**

#### **3.3.2.1 Mission and main activities**

In general, the Directorate seeks to make a major contribution to ensuring that the institution's system of finance and internal control is robust and that relevant and transparent budgetary information is disseminated both within and outside the Court of Justice.

## **Financial Assistance, Budget and Verification Unit**

The unit is responsible for three main tasks:

- 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 by means of assistance given to managers and by means of regular dissemination of relevant information to authorising officers.
- Assistance and advice regarding internal control and public procurement: the main objective is to contribute to improved efficiency of the internal control system within the institution, notably through a role of assisting with respect to all questions concerning regulation, most particularly in the area of public procurement and risk analysis.
- Ex ante and ex post verifications: to ensure, in accordance with Article 66 of the Financial Regulation, 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.

### **✓ Accounting Section**

The two main tasks of the Accounting Section are the following:

- 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<sup>20</sup> 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 the optimal operation of the integrated management system and to provide assistance of quality to users in order to resolve rapidly any technical or operational issue and to enable them to make best use of all the potential of the management system.

### **3.3.2.1 Results of operations, control of risks and use of allocated resources**

#### **✓ *Result of operations in relation to objectives set***

As regards the activity of drawing up and monitoring the budget, the process of drawing up the 2015 budget achieved full compliance with the internal timetable and with due regard to the deadlines set by the Commission and the two arms of the budgetary authority. In that context, close contact was

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<sup>20</sup> Those tasks include implementing payments, collecting revenue and recovering debts. The preparation and presentation of the institution's annual accounts with due regard to the defined accounting rules and standards, and treasury management are also included.

maintained with all parties to the budgetary procedure in order to provide, at every stage of that procedure, the clearest and most relevant information. Further, both the reports relating to the closure of the 2013 budget year and those required for the due implementation of appropriations in that of 2014 (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 appropriations by means of assistance given to managers and by means of regular dissemination of relevant information to authorising officers.

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 2013 financial statements of the institution were sent to the accounting officer of the Commission, the budgetary authority and the Court of Auditors within the time-limits required and certified without reservation. In terms of volume of operations, there can be identified virtual stability in the number of payments made (around 33 000 for staff and 12 000 for suppliers) and in the number of invoices / credit notes processed (around 12 000). However, the number of new suppliers/officials entered in the file of legal entities (767) fell substantially compared with 2013, the year when the framework contracts of freelance translators of DG Translation were renewed.

As regards Assistance/advice relating to the development and use of the integrated management system (SOSII-SAP), close inter-institutional collaboration between the partners (Council, Court of Auditors, Court of Justice and now also the European University Institute in Florence) has continued with the ongoing desire to improve/develop the system to achieve optimal use by the services which use it and satisfaction of any new needs they might have. In that context, 2014 saw the finalisation or continuation of the following projects:

- **COMA** (CONtrat Management), of which phases I (purchase requests) and II (public procurement procedures) were completed and should enter into production during 2015.
- **e-invoicing** (secure reception and processing of electronic invoices from suppliers on the basis of the 'e-PRIOR' platform developed by the Commission). After a pilot phase launched in February 2014, that functionality is now fully active and the authorising services are encouraged to promote it among their suppliers with a view to having the benefit of the advantages it confers (secure processing of invoices, accelerating the payment process, automatic sending of information messages to suppliers...).
- **Digitisation of budgetary commitments**, brought into production in October 2014 on the occasion of the provision of advance appropriations for 2015, which offers many advantages (harmonisation of validation procedures, reduction in periods for processing, permanent and rapid access to budget documents ...).

It must be stated that those projects also correspond to the objectives EMAS (Eco Management and Audit Scheme) policy by contributing to the reduction in the consumption of paper.

Last, the Directorate continued its training programme ('coaching' of new authorising officers, training of new financial managers...), notably in order to use the full potential of the SOSII system and to facilitate use of the available reporting tools.

✓ **Risks associated with the operations and functioning of internal control;**

Overall, the risks inherent in the activities of the DBAF were properly controlled thanks to the organisation and procedures in place and to the skills and *esprit de corps* of its 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 DBAF and the authorising departments throughout the financial year (reporting).

As regards the risks associated with the operations de 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'.

Regarding financial management, the control of the risks relating to making payments is essentially based on the organisation in place (separating functions, maintaining a centralised file of legal entities, cash-flow forecasting, and regular reporting on monitoring payment deadlines) and on the controls incorporated in the integrated management system (e.g., secure electronic routing system for validating transactions, checks throughout the order/contract-delivery-invoice-payment chain). 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 2013 financial year are a true and fair view of the institution's financial situation, and the Court of Auditors has made no observations.

As regards the specific risks connected with the functioning of the SOSII-SAP integrated management system, which is the essential means of processing all financial/budgetary transactions, those are well controlled, in particular by means of a permanent helpdesk, the central monitoring/supervisory role of the inter-institutional steering committee and the continuity plan currently in place.

✓ **Use of available resources**

At the end of the 2014 financial year, the staff of the DBAF numbered 22 persons (8 AD and 14 AST spread between the 'Financial Assistance, Budget and Verification Unit' and the Accounting Section).

That **configuration of staff is reduced to the minimum** when one considers the whole range of activities covered, the number of operations to be processed in the electronic chain of validation/payment which implies unfailing continuity/quality, compliance with very tight time-limits and the strict application of the principle of separation of tasks which is essential in the area of finance but which is also necessarily a severe constraint during certain periods of the year.

Accordingly, it is important to emphasise that full achievement of the Directorate's objectives is entirely reliant on **the commitment, the expertise and the *esprit de corps* of the teams in place.**

Last, it must be recalled that the introduction of the SAP system for financial and budgetary management was a powerful driver in **upgrading the human resources** of the Directorate, but also made it possible to streamline its structure and carry out a **redeployment and reduction of staff** thus making a considerable contribution to the effort demanded of all the services of the Court of Justice.

### 3.3.2.2 Inter-institutional cooperation

The development, installation and operation of the SAP integrated system for financial and budgetary management constitute an example of very efficient inter-institutional cooperation. That project, led jointly by the Council, the Court of Auditors, the Court of Justice and now the European University Institute in Florence, makes possible **very substantial direct budget savings** (reduction of development costs, shared technical infrastructure, support structure and joint maintenance ...). In the same spirit, the **fruits of that SAP experience have been shared with the European Parliament**, where the introduction of that system is now underway.

In addition to the direct financial gains in terms of financial and human resources, without which such a project could hardly have been achieved within an institution of our size, that project also deserves credit for **fruitful and continuing exchanges of best practice among the partners** in the areas of the budget, financial management and internal control.

## IV. FUNCTIONING OF THE INTERNAL CONTROL SYSTEM

### ✓ Overall assessment of the costs and benefits of controls

As stated in Article 66(9) of the Financial Regulation, the annual activity report must include an overall assessment of the costs and benefits of any internal controls introduced. On that subject, it is important to point out that, in recent years, the efficient and effective functioning/reinforcement of the internal control system has been one of the priorities of the Court of Justice. That reinforced 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 (secure electronic routing system for validating transactions, checks throughout the contract-delivery-invoice-payment chain, and so on), the proper functioning of which is ensured by the DBAF using a whole series of measures as indicated above.
- **Assistance and advice** provided by the DBAF 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 and help it to identify the actions to be carried out in order better to control the risks identified.
- The existence of a **centralised verification department**, integrated in the DBAF, which carries out *ex ante* controls on all financial transactions at the Court which allows the

Directorate to control any risk of errors and irregularities and to maintain a consistent and homogeneous approach in its application of the Financial Regulation. A code of professional standards for verification agents has been approved by the Court.

- The performance of **ex post controls** by the DBAF, 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 assessment of the costs and benefits of that internal control environment is very positive, as a result – inter alia – of:**

- applying accounting and financial management which has been developed inter-institutionally in close cooperation with the Council and the Court of Auditors,<sup>21</sup> thereby providing the Court of Justice with access to an effective management tool at the lowest possible cost.
  - a centralised unit taking responsibility for *ex ante* verifications, resulting in a saving of human resources devoted to control tasks and the maximum effectiveness of controls thanks to a consistent and homogeneous approach to verification.
  - rapid and appropriate action taken in response to the advice and recommendations of the internal auditor or to observations of the Court of Auditors, which contribute to the constant improvement in the structure of internal control in the institution.
- ✓ **Results of activities and management indicators relating to activities of verification, assistance and advice on internal control and internal audit**

#### Ex ante verification

A total of 18 193 accounting and budgetary documents were the subject of a control in the accounting and financial management application by the 'Financial Assistance, Budget and Verification' Unit in 2014 as compared with 17 629 in 2013 (+3.2%).

In addition, 3 196 files relating to establishing and amending Staff Regulation rights having a financial impact were checked in 2014, which is practically the same figure as in 2013 (3 223).

Moreover, 67 files relating, inter alia, to pre-referrals of various stages in contract award procedures (validating tendering documents, award files, and so on) and other files having a financial impact were checked in 2014 as opposed to 21 files checked in 2013, which is a threefold increase.

In total, 21 456 documents/files were therefore processed by the unit in 2014 as opposed to 20 873 in 2013, an **increase in the workload of ex ante verification of almost 3%** compared with 2013.

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<sup>21</sup> The European University Institute in Florence has since become the fourth partner in that project.

It should be noted that although that workload cannot be forecast or distributed evenly throughout the financial year, the Unit staff continue to ensure that high quality services are provided while processing files submitted to the Unit for verification as quickly as possible. Accordingly, as in 2013, the **average time for processing** transactions submitted for validation in 2014 remained **very low (3 days)**.

During 2014, the Financial Assistance, Budget and Verification Unit returned a total of 492 budgetary and accounting documents, or 2.7% of the documents submitted for verification, to the initiating agents for amendment or annulment. As regards files relating to establishing or amending Staff Regulation rights having a financial impact, only 1% of files, on which questions had been raised, were returned to the responsible department for amendment or annulment.

The authorising officers receive quarterly reports from the unit, concerning those documents which have been validated during the period under consideration and any anomalies detected, a practice which enables them to remedy as quickly as possible some possibly more recurrent matters.

As in previous financial years, many non-formal bilateral contacts, between the unit staff and the various persons intervening in the process of establishing the documents submitted to the unit, were made in order to improve the quality and reliability of procedures. It should also be pointed out that the number of requests for advice and assistance on the part of the authorising departments concerning the application of the Financial Regulation, especially requests connected with procurement procedures, is constantly increasing.

In addition, no substantive disagreement was recorded between the authorising officer by delegation and the Financial Assistance, Budget and Verification Unit during the 2014 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, contributes to the ability of the authorising officer by delegation to report his assurance.

The *ex post* control program for 2014, which was validated by the authorising officer by delegation, provided for the completion of the following *ex post* control tasks:

- *Ex post* controls of expenditure connected with maintaining the infrastructure equipment and IT applications;
- controls of a randomly selected sample of payments made to suppliers in 2013;
- follow up to *ex post* control of expenditure linked to budget item 2022 'cleaning and maintenance' of 21 December 2012;
- analysis of the transposition of new provisions of the Staff Regulation and Conditions of Employment of other agents, which entered into force at the beginning of 2014, by means of appropriate general implementing provisions.

As regards the first point of the work programme, the report on the *ex post* control of expenditure connected with maintaining the infrastructure equipment and IT applications identified areas for improvement in the internal control systems which were accepted by the audited department.

The report on the ex post controls of a randomly selected sample of payments made other than to staff in 2014 was ended in December 2014. In the sample of 50 verified payments, none of the anomalies/errors detected had any financial impact.

The follow up to ex post control of expenditure linked to budget item 2022 'cleaning and maintenance', and the analysis of the transposition of new provisions of the Staff Regulation, which entered into force at the beginning of 2014, by means of appropriate general implementing provisions, will be completed in the course of 2015.

#### 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, the Directorate updated the internal financial rules of the institution (coming into force in September 2014), which made it possible, in particular, to review and extend the role and responsibilities of the institution's former 'Tender Evaluation Committee' converting it to the 'Public Procurement Consultative Committee' (CCMP). As regards internal control and risk analysis, an exercise involving self-assessment of the internal control standards was carried out and, in addition to the annual updating of the integrated exercise of the continuity plan, risk analysis and the annual activities report, the Directorate was closely associated, in November 2014, with a crisis exercise, piloted by the Directorate for Buildings, in order to test the appropriateness of the Court's Internal Emergency Plan.

#### 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 2014 in the following areas:

- analysis of changes in the functioning of the IT services and proposed measures of improvement,
- organisation of logistical support at hearings,
- organisational procedures and arrangements of the activities of the Press and Information Unit.

The annual internal audit report shows that satisfactory action was taken in response to the recommendations made, both with respect to the audits completed in 2014 and the audits of previous years. The objective of regular monitoring of action taken on audit recommendations is to assess whether actions taken by the audited departments is appropriate, effective and timely and to identify and record improvements made. That monitoring showed that the majority of audits carried out before 2014 can be considered to be closed and that a number of actions have already been implemented by the departments or are underway in order to respond appropriately to the audits completed in 2014. 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 internal control systems of the institution.



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

Last, as regards assistance and advice on internal control and public procurement, the risks of irregularities, in particular in the area of public procurement, were better controlled thanks to the measures set out above. In that regard, the absence of observations from the Court of Auditors in its Annual Reports between 2010 and 2013 (the year when the Court of Justice was moreover the subject of a more in-depth control) is a wholly objective indicator. However, the complexity of the regulations in force, the diversity of situations and the necessarily limited resources of the services constitute inherent risk-exposure factors which require constant vigilance from all the actors involved.

As regards internal control standards, analysis of the results of the self-assessment exercise carried out recently in close collaboration with all the services made it possible to draw up a table showing the overall functioning of internal control standards at the level of the institution. In general, it was found that the assessment of the application of internal control standards within the institution is very satisfactory and marks an improvement compared with the precedent year, for which the plan of action had been finalised in 2011.

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

In general, the verification procedures, quarterly reporting to the authorising officers responsible and frequent bilateral contacts with the managers greatly encourage the implementation of remedial measures capable of avoiding some potentially recurrent weaknesses.

#### IV. COMMENTS MADE IN THE CONTEXT OF PREVIOUS DISCHARGES OR IN REPORTS FROM 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, states that the authorising officer by delegation is to include remarks in his annual activity report concerning the follow-up to comments made by the Court of Auditors and/or the discharge authority.

##### Comments made by the Court of Auditors

It is important to note that the Court of Auditors stated in its recent **2013 Annual Report** that 'no serious weaknesses were detected in the 15 recruitment procedures and 15 procurement procedures examined at the Court of Justice as part of the assessment of control systems.

That conclusion of the Court of Auditors is the more satisfying given that the controls carried out at the Court of Justice in 2013 related to a much larger sample as part of the current approach of rotational audit.<sup>22</sup> The results of the 2013 controls thus confirm the previous absence of comments from the Court of Auditors since 2010.

Last, it must be added that the Court of Auditors issued in 2014 a **Special Report No 14/2014** '*How do the EU institutions and bodies calculate, reduce and offset their greenhouse gas emissions?*' which examined whether EU institutions and bodies had policies designed to reduce the impact of their administrative operations on the environment and whether those policies had been effectively implemented. As regards more specifically the Court of Justice, that report showed the great importance which the Court attaches to the protection of the environment and its firm commitment in that area, particularly by means of the implementation of the **EMAS project**, as recommended by the Court of Auditors to the institutions and agencies. That commitment has already produced appreciable results as attested by the marked reduction in greenhouse gas emissions. At the same time, the Court's administrative authority also expects to improve its carbon balance by promoting, as actively as possible, the use of **environmental criteria in all public procurement procedures**. Last, in the interests of harmonisation of environmental approaches and policies, the Court's administrative authority expects to continue taking part in **work and exchanges of experience organised at an inter-institutional level**, notably on the initiative of the Commission.

##### 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 2013 budget has not yet come to an end. However, it is at a relatively advanced stage since the Reporter, Mr Ryszard Czarnecki, submitted his draft report to the Parliamentary Committee on Budgetary Control on 24 February 2015. That report was amended by and then voted on at the meeting of that committee on 23 March 2015, and will be voted on at the Parliament's plenary session in April 2015.

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<sup>22</sup> In accordance with the rotational audit approach adopted by the Court of Auditors since 2012, it undertakes each year a control of the systems of two institutions or bodies, a sample of operations being selected with respect to each system in each institution or body.

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 2013, and states that **no significant weaknesses had been identified** and that **management of its administrative expenditure was free from material error** (points 1 and 2).

The resolution sets out **a number of facts and records satisfaction** concerning the functioning of the Court's services. As regards the fall in the budget implementation rate (from 98.6% in 2012 to 96.3% in 2013), that is entirely due to the Council decision not to accept the adjustment of salaries proposed by the Commission, thereby confronting all the institutions with the impossibility of using the appropriations provided for that purpose in their 2013 budget (points 3 to 5). Progress in the area of moving from paper to electronic document flow (*e-Curia* and the digital Reports of case-law) and communication by web streaming are welcomed and encouraged (points 16, 17, 18 and 19), and it must also be observed that, in accordance with the recommendation on participation in *e-Curia*, the participation of Member States further increased in 2014, to 25, from 18 in 2013. As regards the continued efforts to reduce its carbon footprint (point 33), the conclusions of the Court of Auditors Special Report No 4/14 mentioned above show that progress has been achieved and that all avenues for improvement are being explored.

As regards other **comments concerning administration**, it must be noted that, in the area of recruitment, the Court does strive to ensure a better balance in terms of geographical origin (and gender) at the level of Director General and Director posts, as has already been achieved at the level of Heads of Unit, though the small number of such posts and the need to give preference to merit must be taken into consideration in the assessment made (point 29). Further, the Court takes note of the recommendations made on the rules for the private use of vehicles and the management of the car fleet, which, as is mentioned, are not different from the rules of other institutions (points 31 and 32). Accordingly, the Court would be very interested in an envisaged examination of those matters in an inter-institutional context and in the light of the structural reform of the General Court, of which adoption is underway. As regards the increase in the number of negotiated procedures in 2013 (point 35), that was an ad hoc increase, as explained in the specific annex attached to this report, as is shown by the figures for 2014 to which reference is made. As regards the matter of rules concerning internal whistleblowing, raised recently by the European Ombudsman (point 39), the rules specific to the Court of Justice of the European Union will be adopted in the near future. As regards the recommendation that the Court's annual activity report should include the results and consequences of closed OLAF cases, where the Court or any its staff were involved (point 36), the Court is not entitled, under the legislation, to disclose information on OLAF investigations.

Last, a number of observations concern very logically the Court's principal task, namely the activity of its three judicial bodies (points 6, 7 and 8) and the functioning of its language services which are very closely linked to the judicial process (points 21 to 24).

More generally, 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 on certain statistics** (particularly those relating to increased productivity or the reduction in the length of proceedings) which well demonstrate the **effectiveness of the measures taken by the judicial bodies** in order to meet the challenge of the increased volume of litigation. The recommendations encourage the Court to pursue further avenues of improvement, which the Court indeed strives to do year on year. The statistics of judicial activity for **2014**, summarised in Chapter II of this report and presented in more detail in the Court's Annual report, further show that the **positive trend has been maintained** both in terms of productivity and procedural time-limits, a tangible sign of the efforts made by the judicial bodies and all the support services concerned. The **overall statistics over a long period (2007-2014) clearly reflect the scale of the productivity improvements achieved** (+51% with respect to the number of cases completed) against a background of a continuing increase in litigation (+34% with respect to the number of new cases); those figures

must be compared with the increase in the number of staff over the same period, namely + 5.8% (and only 2.4 %, if the new staff linked to the accession of Croatia are excluded).

More particularly, the Court fully shares the concerns expressed in the resolution concerning the **General Court** whose **situation** continues to be **still difficult**. Against a background of the increase in the volume of litigation brought before that court (912 new cases in 2014), the very substantial improvements in productivity which have been achieved (814 cases completed in 2014 as compared with 397 completed in 2007) remain insufficient to contain the increase in the number of pending cases (1423, or + 7.4% compared with 2013). For that reason, the Court had deeply appreciated the **support given by the Parliament** to the proposal for the structural strengthening of that court submitted to the legislative authority in 2011. Further, on the invitation of the Council Presidency, that proposal was renewed and enhanced in October 2014, with yet more force given that a number of actions were lodged in 2014 seeking compensation for alleged damage caused, according to the applicants, by the excessive length of proceedings before the General Court. On that latter point, it must be stated that it is not possible, as requested by the resolution (point 28), to set objective criteria with regard to excessive delay because, under settled case-law, whether the length of any particular proceedings is excessive can be assessed only with regard to the specific circumstances of each case (in particular, its importance for the parties concerned, its complexity and the conduct of the parties or the competent authorities ...). Moreover, it is important to emphasise that the new proposal for the reform of the General Court is also inspired by a concern to simplify the judicial architecture of the European Union, that concern being at one with the concern to achieve the streamlining recommended to the institution, inter alia as regards the functioning of the Registries. As regards that new judicial architecture and more generally the improved functioning of the judicial bodies, it must be observed that, first, the Commission fully supports the proposed simplification and, second, the Court has very regularly had occasion to compare its *modus operandi* with other courts, both national and international thanks to visits, seminars or fora which are very regularly organised and which are a valuable source for the exchange of best practices with due regard to the specific features of current national or international legislation.

As regards the **observations/recommendations relating to the language services** (points 21 to 24), they are shared by the Court, for whom **the objective of achieving language efficiency improvements** has, for a long time, against the background of the dual constraint constituted by its language arrangements<sup>23</sup> and the substantial increase in the volume of litigation, been a **major priority**, first to avoid any bottleneck which may be directly detrimental to the treatment of cases by the judicial bodies and, second, to control the increase in the number of staff in the translation and interpreting services.

For that reason, as regards translation, many **procedural savings measures**<sup>24</sup> **have been taken by the judicial bodies** in recent years, **notably in the area of selectivity of documents to be translated**, without which the volume of pages to be translated in 2014, which exceed for the first time 1 000 000 pages, would have been more than 1.5 million. The result is a **significant saving in the number of lawyer linguist posts** (around 280 posts) the creation of which would otherwise have been indispensable if the flow of dealing with cases was not to be impeded. Accordingly, that approach already fully corresponds to the recommendation made with regard to selectivity of translations (point 23), subject however to the qualification that that **selectivity should not affect the principle of equal treatment of Member States with regard to the case-law**.

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<sup>23</sup> The language arrangements of the Court of Justice have no equivalent in any other court in the world, since any one of the official languages of the European Union may be the language of the case. Respect for full multilingualism is mandatory in order to be able to communicate with the parties in the language of the case and to ensure the dissemination of the case-law in all Member States.

<sup>24</sup> Selective publication of decisions of the Court and General Court, summaries of requests for a preliminary ruling, reduction in the average length of Opinions.

At the same time, and again as regards translation, the **development of ever more effective IT tools** is of fundamental importance. For that reason, the translation service is **closely associated with inter-institutional research** carried out in this area (in particular, more recently, the IT assisted translation system MT@EC) which should further increase productivity in the future. Last, the translation service also takes part in the inter-institutional working group concerning indicators of performance and costs in this area. All those areas of progress well correspond to the recommendation to make use of inter-institutional **best practice** and to develop a unified methodology for presentation of translation costs for all the institutions with the aim of simplifying the analysis and comparison of costs (point 24).

In the same direction, and as regards the needs for **interpreting**, the **procedural and organisational** measures taken by the judicial bodies against a background of very considerable judicial activity have made it possible **substantially to restrict the increase in the number of hearings**.

Further, it must be recalled that an important factor in the fabric of efficiency improvements achieved by the Court's language services is the adoption of an **optimal ratio of use of internal resources / outsourcing in order to avoid any surplus staff numbers**. Accordingly, the extension of the measures taken by the judicial bodies to reduce the volume of pages of translation or limit the number of hearings has a direct effect on the use of appropriations intended for freelance translators and interpreters. Thus, the under-implementation of appropriations of EUR 2.2 million, identified in 2013 and noted in the discharge resolution (point 21), is not a malfunction in the management of appropriations but rather a sign of the effectiveness of the procedural and organisational measures taken, which make possible immediate savings in terms of appropriations by means of a reduction in freelance services.

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** (as is confirmed by the detail of its annual activity report, which is welcomed in point 38 of the resolution) and **determined constantly to improve the efficiency of the management** of all its activities.



## Overview of use of budget appropriations and the establishment plan

### 1. Implementation of appropriations

In general, it must be recalled that the **2014 report on budgetary and financial management**, published separately each year, provides a complete analysis of how all types and lines of appropriations were managed by the Court of Justice in 2014. Accordingly, only a synthesis of their implementation is presented below.

Budget Chapters	in millions of euros				
	2013 Final appropri- ation	2013 % implementation	2014 Final appropri- ation	2014 Committed appropri- ation	2014 % implementation
10 - Members of the institution	33.4	96.5 %	34.4	34	98.8 %
12 - Officials and temporary staff	208.4	96.4 %	212.7	211.4	99.4 %
14 – Other staff and external services	19.5	83.2 %	17	16.8	98.8 %
16 – Other expenditure relating to persons working with the institution	5.8	93.5 %	5.4	5.3	98.1 %
<b>Sub-total (lines 10-16)</b>	<b>267.1</b>	<b>95.4 %</b>	<b>269.5</b>	<b>267.5</b>	<b>99.3 %</b>
20 – Buildings and associated costs	62.3	99.4 %	61.5	60.5	98.4 %
21 – Data processing, equipment and movable property	19.1	99.4 %	19.2	19.1	99.5 %
23 – Current administrative expenditure	2.7	97.2 %	1.5	1.3	86.7 %
25 – Meetings and conferences	0.7	82.0 %	0.6	0.5	83.3 %
27-37 - Information : acquisition, archiving, production and distribution and Expenditure relating to certain institutions and bodies	3.0	99.2 %	3.1	2.8	90.3 %
<b>Sub-total (lines 20-37)</b>	<b>87.8</b>	<b>99.2 %</b>	<b>85.9</b>	<b>84.2</b>	<b>98 %</b>
100 –Provisional appropriation	0	0 %	0	0	0 %
<b>TOTAL COURT OF JUSTICE</b>	<b>354.9</b>	<b>96.3 %</b>	<b>355.4</b>	<b>351.7</b>	<b>98.9 %</b>

Source : 2014 report on budgetary and financial management

Accordingly, overall, the rate of implementation of appropriations identified in 2014 was very high (98.9%) and was greater than that in 2013 (96.3%). Since the implementation of appropriations in

Title 2 is still very high, the improvement recorded as compared with 2013 is due essentially to an improved implementation of appropriations in Title 1, which is attributable, as was the case for all the European institutions, to the adjustment of remuneration and pensions borne in 2014 following the agreement finally reached by the Parliament, the Council and the Commission (adjustment of +0.8%, retroactive to 1 July 2012). In brief, it should be recalled that the rate of implementation of appropriations in Title 1 for the 2013 financial year was in contrast abnormally low (again as was true of all the institutions) because of the differences between the rates of adjustment of remuneration finally decided and the higher possibilities proposed by the Commission when the 2013 budget was drawn up.

## 2. Use of posts in the establishment plan

The assignment of posts in the establishment plan is shown in the table below:

Sector of activity	2014	2014	
	Number of posts	%	
Judicial	728	36.6	<i>Cabinets, Registries, Research and Documentation, Library, Protocol and Information, Publications</i>
Language	1 024	51.4	Translation (942) ; Interpretation (82)
Administration	168	8.4	Personnel, Budgetary and Financial Matters, Infrastructure, Legal Adviser – Data Protection Officer, Internal audit, Staff Committee
IT	71	3.6	IT
<b>Total</b>	<b>1 991</b>	<b>100</b>	

The establishment plan for 2014 differs from that of 2013 in the following respects:

- the **creation of nine temporary legal secretary posts at the General Court**, a provisional strengthening of that court pending a decision by the legislative authority on the required increase in the number of Judges proposed by the Court of Justice because of the very substantial increase in the litigation brought before the General Court;
- the **reduction of staff numbers** achieved as part of the objective of a 5% reduction for the 2013-2017 period, which led to the elimination of 20 permanent posts in 2014.

It is apparent that the changes did not alter the distribution of posts by activity which remains approximately that of previous years, with almost 88% of posts allocated to the judicial and language activities.

As regards changes in the **rate of occupation of posts**, the table below shows that that rate remains very high throughout the year, due to the pressure of very substantial growth in the judicial activity (which dictated that recruitment to all posts which become vacant should be optimal and rapid) but also the elimination of 1% of the staff, which adds to the workload borne by the staff in the services.

January	February	March	April	May	June
3%	3%	2%	2%	2%	2%
July	August	September	October	November	December
2%	2%	2%	2%	2%	2%

As regards changes in **arrivals and departures of staff by function group**, the table below shows the turnover rates identified in the course of 2014. The fall in the overall turnover rate recorded in 2014 (10% as opposed to 15% in 2013) is essentially due to the completion of all recruitment linked to enlargement to include Croatia.

	AD	AST	TOTAL
Arrivals	119	76	195
Departures	126	84	210
Authorised staff numbers	1198	793	1991
Turnover in 2013 **	15%	14%	15%
Turnover in 2014 **	10%	10%	10%
**By reference to number of arrivals			

Last, the Tables 1, 2, 3 and 4 which follow show various **statistical data** relating to the Court's staff, in response to the request from the discharge authority.



**Table 1 – Distribution by function group /grades and gender**

<b>Distribution by function group</b>	<b>Men</b>	<b>Women</b>
<b>AD Function Group (officials and temporary agents)</b>		
AD 16	4	
AD 15	7	1
AD 14	53	19
AD 13	54	48
AD 12	82	91
AD 11	69	39
AD 10	45	61
AD 9	68	130
AD 8	50	68
AD 7	89	111
AD 6	8	18
AD 5	22	46
<b>Sub total</b>	<b>551</b>	<b>632</b>
<b>AST Function Group (officials and temporary agents)</b>		
AST 11		
AST 10	2	12
AST 9	6	20
AST 8	6	31
AST 7	12	68
AST 6	15	58
AST 5	45	80
AST 4	24	71
AST 3	47	157
AST 2	16	31
AST 1	11	67
<b>Sub total</b>	<b>184</b>	<b>595</b>
<b>AST/SC Function Group</b>		
AST/SC 2	6	36
AST/SC 3	1	
AST/SC 5		1
<b>Sub total</b>	<b>7</b>	<b>37</b>
<b>Contract agents</b>		
IV	7	1
III	15	13
II	12	10
I	74	3
<b>Sub total</b>	<b>108</b>	<b>27</b>
<b>Total</b>	<b>850</b>	<b>1291</b>

Also employed by the Court on 31 December 2014 were four seconded national experts (four women) of Austrian, Bulgarian, Italian and Polish nationality. Two seconded national experts of Estonian nationality were employed by the Court from 1 January 2014 until 31 July and 31 August 2014 respectively.

**Table 2 – Miscellaneous information**

	Men	Women	Total
<b>Flexible working hours</b>	302	543	845
<b>Part-time working</b>	19	307	326
<b>Parental leave</b>	51	255	306
<b>Teleworking</b>	50	128	178

**Table 3 – Classification by function group and nationality as at 31/12/2014**

Nationality	AD FG	AST FG	I FG	II FG	III FG	IV FG	Total
<b>Germany</b>	74	51	3		2	1	<b>131</b>
<b>Austria</b>	12	5					<b>17</b>
<b>Belgium</b>	99	76	9	2	2		<b>188</b>
<b>Bulgaria</b>	32	14			2		<b>48</b>
<b>Cyprus</b>	2	3					<b>5</b>
<b>Croatia</b>	28	12			2	2	<b>44</b>
<b>Denmark</b>	36	13	1		1		<b>51</b>
<b>Spain</b>	68	48			1		<b>117</b>
<b>Estonia</b>	31	15		1		1	<b>48</b>
<b>Finland</b>	36	18			1		<b>55</b>
<b>France</b>	170	230	35	6	3	2	<b>446</b>
<b>Greece</b>	47	35	1	2	1		<b>86</b>
<b>Hungary</b>	40	18			1		<b>59</b>
<b>Ireland</b>	15	9			1		<b>25</b>
<b>Italy</b>	72	55	12	4	2	2	<b>147</b>
<b>Latvia</b>	32	14					<b>46</b>
<b>Lithuania</b>	34	16					<b>50</b>
<b>Luxembourg</b>	9	20	5	1			<b>35</b>
<b>Malta</b>	24	12					<b>36</b>
<b>Moldovan Republic</b>	1						<b>1</b>
<b>Netherlands</b>	19	8	1		2		<b>30</b>
<b>Poland</b>	45	25	2		1		<b>73</b>
<b>Portugal</b>	37	35	5	1	1		<b>79</b>
<b>Czech Republic</b>	35	17	1				<b>53</b>
<b>Romania</b>	36	18		3			<b>57</b>
<b>United Kingdom</b>	44	17	1	1	2		<b>65</b>
<b>Slovakia</b>	35	14			1		<b>50</b>
<b>Slovenia</b>	34	13			1		<b>48</b>
<b>Sweden</b>	36	12	1	1	1		<b>51</b>
<b>Total</b>	<b>1183</b>	<b>823</b>	<b>77</b>	<b>22</b>	<b>28</b>	<b>8</b>	<b>2141</b>

**Table 4 – Distribution by nationality and gender of management**

As at 1 March 2015

COUNTRY	Men			Women			Total
	Directors and Directors General	Heads of unit	Total	Directors and Directors General	Heads of unit	Total	
Germany	2	1	3	1	1	2	5
Austria	-	-	-	-	-	-	-
Belgium	2	4	6	-	1	1	7
Bulgaria	-	1	1	-	-	-	1
Cyprus	-	-	-	-	-	-	-
Croatia	-	-	-	-	1	1	1
Denmark	-	1	1	-	2	2	3
Spain	1	3	4	1	1	2	6
Estonia	1	-	1	-	1*	1	2
Finland	-	1	1	-	1	1	2
France	2	5	7	-	3	3	10
Greece	2	1	3	-	-	-	3
Hungary	-	-	-	-	2	2	2
Ireland	1	-	1	-	1	1	2
Italy	1	3	4	-	2	2	6
Latvia	-	-	-	-	1	1	1
Lithuania	-	-	-	-	1	1	1
Luxembourg	-	-	-	-	-	-	-
Malta	-	1	1	-	-	-	1
Netherlands	-	2	2	-	-	-	2
Poland	-	1	1	-	-	-	1
Portugal	-	3	3	-	-	-	3
Czech Republic	-	2	2	-	-	-	2
Romania	-	-	-	-	1	1	1
United Kingdom	1	2	3	1	1	2	5
	-	1	1	-	-	-	1
Slovakia	-	-	-	-	1	1	1
Slovenia	-	-	-	-	1	1	1
Sweden	-	-	-	-	1	1	1
<b>TOTAL</b>	<b>13</b>	<b>32</b>	<b>45</b>	<b>3</b>	<b>22</b>	<b>25</b>	<b>70</b>

\* Acting Head of Unit



## **REPORT ON NEGOTIATED PROCEDURES**

Article 53 of the Rules of Application of the Financial Regulation establishes the obligation for each institution to send the budgetary authority a report on its negotiated procedures. The authorising officers by delegation must record, for each financial year, the contracts concluded through those negotiated procedures.

During the 2014 financial year, 4 contracts with a value exceeding EUR 60 000 were concluded using negotiated procedures, with a total value of EUR 1 276 352.<sup>25</sup>

That situation represents a significant improvement as compared with the situation in 2013, which must be recalled was exceptional because of the major work of renovating the Annex Buildings, which was finished in June 2013.<sup>26</sup>

Thus, the proportion of contracts awarded using negotiated procedures in relation to the number of contracts awarded was 8.5% (20.8% in 2013). If calculated on the basis of the volume of contracts awarded (instead of the number of contracts), the proportion of contracts awarded using negotiated procedures is 4.8% (9.7% in 2013).

The negotiated procedures concerned were used by the Buildings Directorate (mainly heating and water consumption) and the units of the Directorate for Information Technology (in contracts for the operation and maintenance of technical installations).

The grounds relied on by the departments make reference to Article 134(1)(b) of the Rules of application of the Financial Regulation and are based on:

- the fact that, for technical reasons, there is only one supplier capable of meeting the specific requirements of a given contract,
- the fact that there is only one supplier, who has a monopoly.

The substantial reduction in the number of negotiated procedures in 2014 is also due to the fact that, during 2014, the Court was able to take part in inter-institutional calls for tenders.

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<sup>25</sup> Those figures do not include inter-institutional procedures in which the Court of Justice was not the lead institution.

<sup>26</sup> Some of that work required recourse to negotiated procedures for, inter alia, technical reasons.



## ANNEX

### **REPORT ON COMPLIANCE WITH AND SUSPENSION OF TIME LIMITS FOR PAYING THE INSTITUTION'S CREDITORS**

Article 92(1) of the Financial Regulation determines the time-limits for payment in expenditure operations.

Article 111(4) of the Rules of Application of the Financial Regulation specifies the conditions under which creditors who are paid late are entitled to receive default interest charged to the line from which the principal was paid.<sup>27</sup> Article 111(5) establishes the obligation for each institution to submit to the budgetary authority a report on its compliance with the time limits for paying its creditors and on any suspension of those time limits.<sup>28</sup>

The administrative authority of the Court is particularly attentive to the need for proper compliance with those provisions concerning time limits for payment and makes sure that such time limits are carefully monitored and acted on.

To that end, the SAP integrated financial and budgetary management system (developed on an inter-institutional basis by the Council, the Court of Auditors and the Court of Justice) has specific functionalities which allow for:

- the real-time visualisation by the authorising departments of the progress of invoices and the corresponding payments at all stages of the internal verification and approval process; and;
- the production of specific monitoring or warning reports, which include managing any suspension of time limits for payment and automatically calculating the default interest payable on any invoices paid out of time.

The analysis of the data for the 2014 financial year shows that no payment of mandatory default interest (payable in the event of the default interest exceeding the EUR 200 threshold laid down by Article 111(4) of the Rules of Application of the Financial Regulation) was recorded for that financial year.

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<sup>27</sup> Article 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'

<sup>28</sup> Article 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'

As a general rule, all the measures detailed above allow time limits for payment to be properly managed, with the average time taken to pay remaining under 30 days over the past four financial years, as shown in the table below:

Financial year	Invoiced		Average time taken to pay (in days)
	Number	Amount (in €)	
2011	11 328	46 425 526	29.99
2012	10 187	48 098 286	27.90
2013	10 054	53 254 368	27.57
2014	10 225	47 818 535	27.45

It should be mentioned that the very reasonable level of the average time taken to pay is also due to the fact that, in many cases, the departments of the Court of Justice pay their invoices without waiting until the deadline stated in the contract, which is entirely for the suppliers' benefit since, under Article 92(1) of the Financial Regulation, a great number of invoices would be covered under contract by either the 90-day or 60-day time limit (as they relate to technical services or actions which are particularly complex to evaluate or which depend on the approval of a report or a certificate).

This positive result is fully in keeping with efforts proposed by the European Commission in April 2009<sup>29</sup> in order to improve the financial situation of businesses.

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<sup>29</sup> Proposal COM(2009) 126 final for a Directive of the European Parliament and of the Council on combating late payment in commercial transactions



**REPORT TO THE BUDGETARY AUTHORITY  
UPDATED PLAN OF INVESTMENT IN BUILDINGS 2015-2020**

**ACTIONS RELATING TO ENVIRONMENT  
AND INTER-INSTITUTIONAL COOPERATION**

**INTRODUCTION**

The Court of Justice ('The Court') has drawn up this annual property report in accordance with the provisions of Article 203 of the new Financial Regulation in force since 1 January 2013, 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,<sup>1</sup> for the period 2015-2020, the reports drawn up from April 2009 onwards 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.

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<sup>1</sup> The annexes to this report, with statistical data, comply, as far as possible, with the format adopted in the discussions that took place within the specialised inter-institutional group in the buildings field (the GICIL for institutions based in Luxembourg).

## **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) has been operational since 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 will continue to fall short of foreseeable needs. The Court will therefore be 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 (as of 2015-2023). To do so, the Court's starting point has been an approach based on the changes reasonably foreseeable given the information currently available (further accessions, changes in the structure of the institution, general growth in the number of cases brought and 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 25 000 m<sup>2</sup> office space. Consequently, the budgetary authority was informed in July 2011, in accordance with Article 179 of the former Financial Regulation, of the proposed construction of a 5th extension of the Court's buildings (Chapter V).

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

The European Parliament's Committee on Budgets had transmitted the following favourable preliminary opinion to the Court in July 2011:

*'The Committee on Budgets issues preliminarily a favourable opinion on the building project of the European Court of Justice while insisting [on] being notified again once the results of the architectural study are available and detailed costs plans have been drawn up as well as the key contractual terms are known.'*

The progress of this project has since allowed the Court to provide the European Parliament's Committee on Budgets, on 12 March 2015, with the additional information requested in the abovementioned opinion.

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 2014, the Court received more than 14 000 visitors (as compared to 13 000 in 2013).

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 is a major project made necessary by the enlargements of 2004 and 2007. The budgetary authority was notified of that project in accordance with Article 179(3) of the former Financial Regulation by two communications sent by the Court 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).

Lastly, as was stated in the report drawn up on 22 September 2006 for the attention of the budgetary authority, every step has been taken by the Court of Justice to ensure the verification and monitoring of the cost of this project at all stages of its progress (engagement of a consulting firm for technical and financial assistance). Accordingly, as a result of those measures, the forecast final cost of the project remains within the budget (indexed) which 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 (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, 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 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 five occasions between 2008 and 2014. In this context, the Court's competent authorising officer sought the advice of the institution's Budget and Accounting Directorate, the banks concerned (EIB and BCEE) and the DG ECFIN (European Commission), a neutral intermediary in relation to those two banks.

## 1.2. Prepayments

To date, the prepayments made with the agreement of the two arms of the budgetary authority since 2007, amounting in total to EUR 57.3 million, have made it possible to reduce significantly the budget impact of the lease-purchase payments to be made until 2026 (because of the savings on financing charges estimated at almost EUR 20 million over the whole period), the annual amount of which (EUR 25.4 million in 2015) 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 2014, 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.)

### **III. ACQUISITION OF ANNEX BUILDINGS (Erasmus, Thomas More and ‘C’)**

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

The report of the independent expert appointed under the lease-purchase contract indicates that the balance of the sale price of the annex buildings on 31 December 2014 was EUR 1.9 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 and is to be incorporated in the amount of the annual payment that is to be determined, taking account of writing down the cost of the renovation work.

It may be added that the role of property developer for the building project which relates to the Annex buildings and their renovation was entrusted by the Luxembourg State to the firm Justicia 2026, which is also the property developer of the new Palais. After intense negotiations, the Court of Justice achieved a reduction in the management expenses from EUR 150 000 per annum to EUR 77 500 per annum during the renovation phase (EUR 65 000 basic charge and EUR 12 500 for the preparation and holding of the documentation on which the determination of the sale price by the independent expert is to be based) and to EUR 15 000 per annum thereafter.

### **IV. RENOVATION AND UPGRADING OF ANNEX BUILDINGS (Erasmus, Thomas More and ‘C’)**

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

This project consisted of several areas of work:

- bringing security installations (access control) and safety installations (fire, etc.) into compliance;
- modernisation of roofing (green roofing), facades and technical installations (energy savings, sustainable development, etc.);
- setting up 'Multimedia' facilities in the court rooms and conference rooms, as in the court rooms of the renovated original Palais;
- adaptation of partitioning for the installation of the General Court;
- appropriate general renovation (carpeting, painting, general fitting out).

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

As explained in Chapter III above, the arrangements for this operation (monitoring, financing, repayment ...) 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 80.4 million exclusive of VAT and pre-financing financial charges) and the chosen financial arrangements (extending instalments to 2026) as indicated above, the annual lease-purchase payment amounts to EUR 5.2 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 22.9 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 48 million).

At the end of 2014, the balance of funds to be taken up is less than EUR 10 million and predominantly corresponds to the sums of performance bonds held until the withdrawal of reservations.

## **2. Renovation expenses and major maintenance**

The project was finished in the course of 2013. There seems therefore no reason to anticipate renovation expenses in respect of structural or fitting out works in the period 2015-2020.

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. PROSPECTIVE 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 25 000 m<sup>2</sup> office space if it is to be possible to vacate the buildings still leased by 2019 and to meet the challenges of the growth of the institution and enlargement in the future.

The project is part of a 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. The detail of the development of that building is still the subject of an architectural study.

In accordance with Article 179 of the (former) Financial Regulation, the budgetary authority was informed in July 2011 and received all the relevant information on the envisaged operation, and in particular its budget costs, its justification in the light of the principle of good financial management and its impact on the future financial outlook. Both arms of the budgetary authority have issued a favourable opinion,<sup>2</sup> thereby enabling the Court to pursue the studies required for the commencement of this project.

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

The contracts required for the project management (architect, engineers and experts) were finalised during the summer of 2013. In accordance with the agreed timetable, the preliminary studies were delivered at the end of 2013, the summary preliminary draft was completed during the summer of 2014 and the detailed preliminary draft was recently completed on 31 January 2015.

It is on this basis that the Court was able to provide the European Parliament with the additional information requested in its preliminary favourable opinion of July 2011 (see above) in order to obtain its final approval. It should be remembered that the completion of this new building will make it possible to leave the last building still leased by the Court and will therefore allow substantial savings to be made during the normal useful life of such a building, in line with the recommendation already made by the Court of Auditors regarding buildings policy.

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<sup>(2)</sup> Favourable opinion of the Council Budget Committee at its meeting of 13 July 2011; Favourable opinion of the European Parliament Budgets Committee at its meeting of 13 July 2011 (stating that specific additional information should be sent to it once the architectural study and detailed preliminary draft project are completed).

## 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 5th extension referred to in Chapter V above, the Court is obliged to rent, temporarily, the following buildings:

Building <sup>3</sup>	First occupied	Office space (in m <sup>2</sup> )	Contractual basis	Lease expiry year/date	Annual cost (2015)
T	1/1998	23 504	Merged lease agreement of 20/12/2012	2019	EUR 8 961 840
TBis	1/2004				

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

In addition, pursuant to the IT infrastructure security programme, it is planned to transfer the Court's backup data centre to a professional hosting provider, as several institutions have already done in order to ensure the optimal safety guarantees required for this vital infrastructure (in particular high availability in accordance with the TIER IV standard). The annual rental cost is estimated at EUR 171 000 euros, plus EUR 155 000 in respect of specific fitting out in the year of bringing into service.

## 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 preliminary draft project 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.

<sup>3</sup> This table does not include an area of 65 m<sup>2</sup> rented from the Commission (for an annual rent of EUR 17 in 2014) in the Euroforum building to host the backup 'data centre' of the Court of Justice. As stated in Chapter IV, those premises will be vacated once the transfer of the 'data centre' to a professional hosting provider is operational.



## **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 Chapter II, although the final accounts of the various items of work have not yet all been fully closed, it can be confirmed from the analysis of the figures that the pursued objective will be achieved, given the reserve margin that is still available in relation to the initial budget.

In relation to the renovation project (cf. Chapter IV), the indications (not final) received from the Luxembourg authorities are reassuring as regards ultimate compliance with the budget.

## **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 under way.

With regard to the project for the 5th extension of the Palais (3rd tower), in addition to the control procedures put in place for the previous projects, the application of the BREEAM<sup>(4)</sup> standard as laid down will ensure compliance with very demanding quality criteria (see following chapter)

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<sup>(4)</sup> BRE Environmental Assessment Method (BREEAM) is the oldest and the most used method of assessing the environmental performance of buildings in the world and was established by the British organisation 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 5th extension project, the Court has set very high environmental targets. The building was 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 BREAM 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.

At the same time, a survey was undertaken in order to determine the institution's carbon footprint, in particular that of its buildings, and to develop the main forms of action to reduce it. This allowed a work plan to be drawn up to implement specific proposals to reduce carbon emissions, which proposals were included in the 2014 EMAS programme. In January 2014, the key items in the 2010 carbon balance of the Court were updated for 2011 and 2012. It is noted with satisfaction that the emissions of the Court for the items 'Energy', 'Travel', 'Refrigerants' and 'Waste' have decreased overall since 2010 due, in particular, to the introduction of a green energy contract with the electricity supplier, improvements made in terms of insulation, optimisation of energy programming in some buildings and a more refined estimate of the emissions relating to commuting and to refrigerant leaks.

More recently, the environmental policy of the Court has been formally validated and the environmental analysis has been completed, two elements that are essential to obtaining EMAS registration, expected by 2016.

## **IX. INTER-INSTITUTIONAL COOPERATION**

In general, there is strong inter-institutional cooperation among all the institutions established in Luxembourg and the Court benefits therefrom in several fields, as shown by the following initiatives.

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

Further, economies of scale have been possible because of the issue of a joint call for tenders in connection with the fire protection campaign, implemented on the joint initiative of the Court of Justice, the European Parliament, the EIB, the Commission (OIL) and the European Publications Office. The inter-institutional contract for staff training in the field of fire protection was also continued.

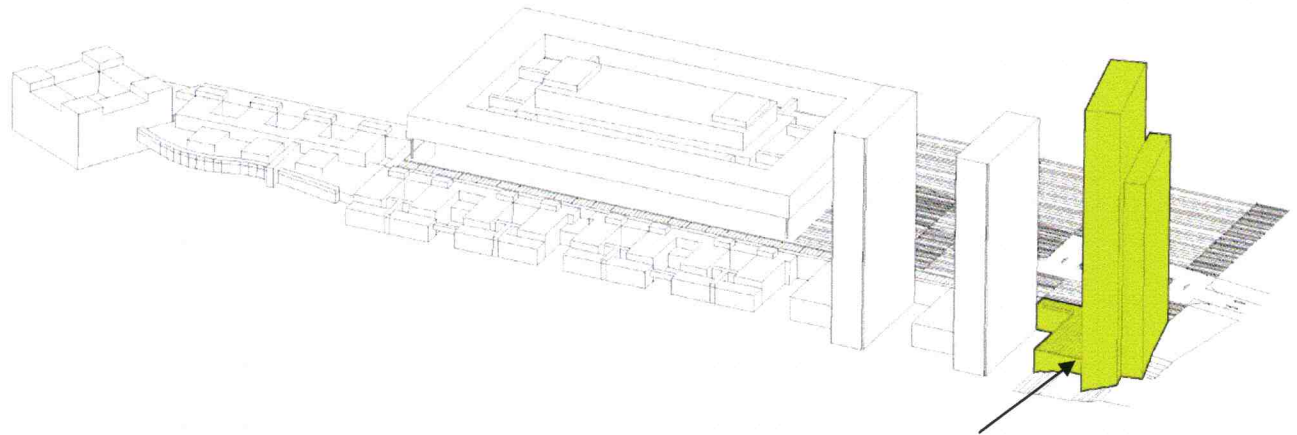
In the framework of the working group on buildings coordination in Luxembourg (GICIL), the European Parliament, the Commission, the EIB, the European Publications Office, the Court of Auditors and the Court issued an inter-institutional call for tenders for the supply of 100% green electricity, the Commission (OIL) taking the lead role. The contract became effective on 1 January 2011 and has made possible a very significant reduction in tariffs compared with the preceding year.

Encouraged by the favourable result of the inter-institutional call for tenders for the supply of electricity, an inter-institutional call for tenders was launched for the supply of natural gas, resulting in a new contract which came into effect from 1 October 2014.

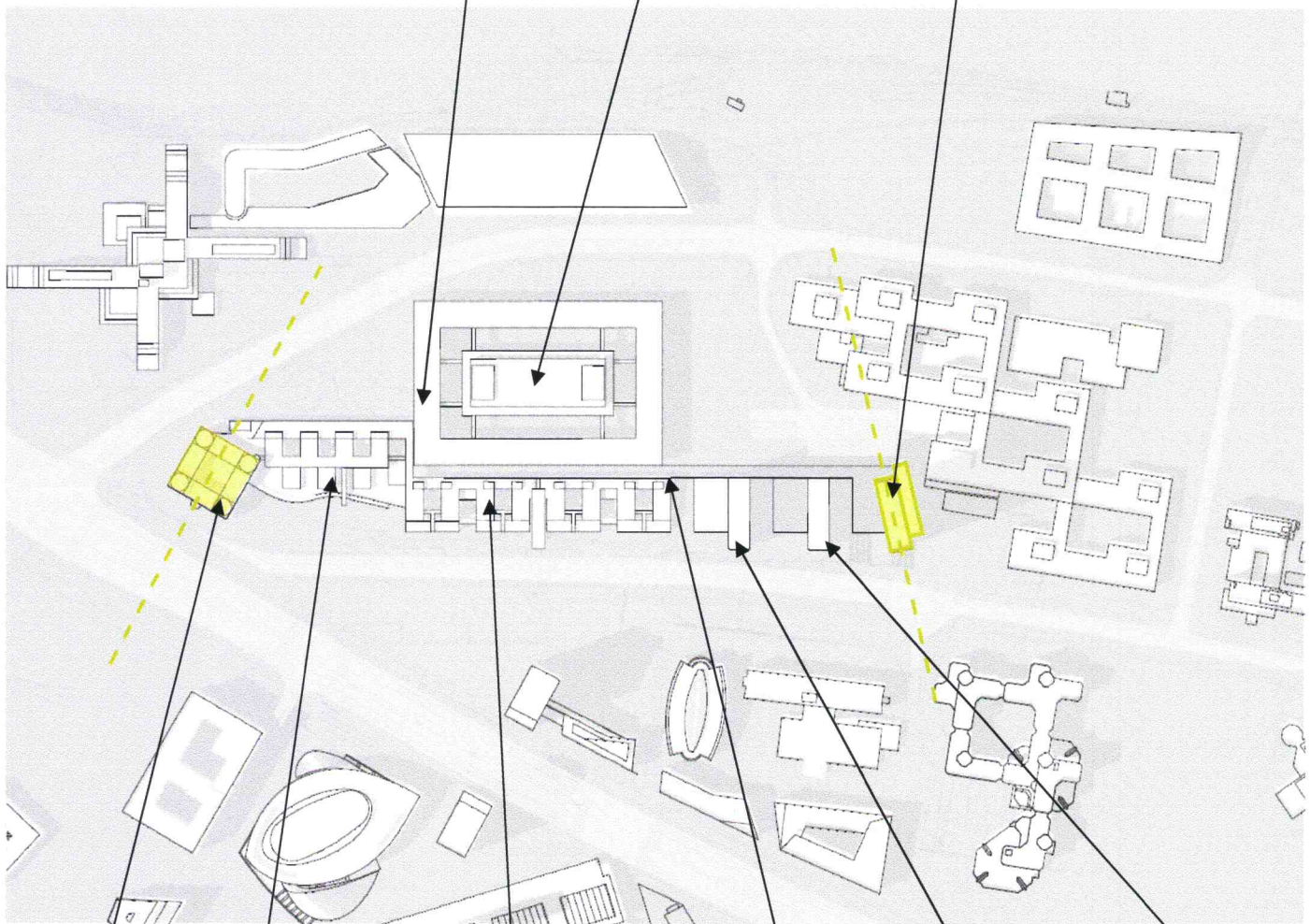
The Court of Justice has also participated in inter-institutional calls for tenders (institutions based in Luxembourg) in order to conclude contracts relating to, first, technical assistance services in connection with buildings, second, the production of a manual defining the technical specifications of a standard building for the European institutions in Luxembourg, and third, provision of assistance for compliance monitoring.

Lastly, at the initiative of the Court, an inter-institutional 'Security' group has been set up, 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 is presided over by the Court.

**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)**



**Anneau Renovated Palais Project for the 5th extension – delivery 2019**  
 2008                      2008



**Annex 'C'**  
 1994  
 Renovated  
 in 2013

**Thomas More  
 (Annex 'B')**  
 1993  
 Renovated in 2013

**Erasmus  
 (Annex 'A')**  
 1988  
 Renovated in 2013

**Gallery**  
 2008

**Tower A**  
 2008

**Tower B**  
 2008

## SPACE AND APPROPRIATIONS BY BUDGETARY LINE AND BUILDING

ANNEX 2

BUDGETARY LINE		BUILDING	SURFACE AREA ABOVE-GROUND 2015	CONTRACT TYPE	BUDGET 2015 (EUR)	DRAFT BUDGET 2016 (EUR)
2000	Rent					
	<i>OFFICE SPACE</i>	T-Tbis	23.504	Lease	6.395.637	6.998.387
	<i>Sub-total office space</i>		<b>23.504</b>		<b>6.395.637</b>	<b>6.998.387</b>
	<i>'NON-OFFICE' SPACE</i>	T-Tbis	9.113	Lease	2.566.203	2.602.826
		New Data Centre	60	Lease	326.160 (1)	174.787
	<i>Sub-total 'non-office' space</i>		<b>9.173</b>		<b>2.892.363</b>	<b>2.777.613</b>
<b>TOTAL LINE 2000</b>			<b>32.677</b>		<b>9.288.000</b>	<b>9.776.000</b>
2001	Lease-purchase					
	<i>OFFICE SPACE</i>	Renovated 'Annexes' ABC	23.164	Lease-purchase	2.102.854	2.098.943
		New Palais complex	49.551	Lease-purchase	11.525.371	11.007.439
	<i>Sub-total office space</i>		<b>72.715</b>		<b>13.628.225</b>	<b>13.106.382</b>
	<i>'NON-OFFICE' SPACE</i>	Renovated 'Annexes' ABC	26.126	Lease-purchase	3.884.070	3.876.847
		New Palais complex	33.444	Lease-purchase	16.131.705	15.406.771
	<i>Sub-total 'non-office' space</i>		<b>59.570</b>		<b>20.015.775</b>	<b>19.283.618</b>
<b>TOTAL LINE 2001</b>			<b>132.285</b>		<b>33.644.000</b>	<b>32.390.000</b>

(1) Including EUR 155.000 for specific fitting out in the year of commissioning this new Data Centre

**Remarks**

The spaces are calculated in accordance with the **common methodology approved** at the meetings of the Committee on budgetary and financial questions (CPQBF) of 7/11/2009 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.

## ANNEX 3

## MULTI-ANNUAL PLANNING (office spaces)

	2015	2016	2017	2018	2019	2020
<b>Long term lease with option to purchase</b>	<b>72.715</b>	<b>72.715</b>	<b>72.715</b>	<b>72.715</b>	<b>72.715</b>	<b>102.755</b>
Renovated 'Annex' buildings ABC	23.164	23.164	23.164	23.164	23.164	23.164
Buildings complex of the new Palais	49.551	49.551	49.551	49.551	49.551	49.551
5th extension project						30.040
<b>Leasing</b>	<b>23.504</b>	<b>23.504</b>	<b>25.454</b>	<b>25.454</b>	<b>25.454</b>	<b>0</b>
T and Tbis buildings	23.504	23.504	25.454	25.454	25.454	0
<b>TOTAL AVAILABLE (A)</b>	<b>96.219</b>	<b>96.219</b>	<b>98.169</b>	<b>98.169</b>	<b>98.169</b>	<b>102.755</b>
<b>Vacating at end of lease (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-25.454</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>0</b>	<b>30.040</b>	<b>0</b>
Leasing additional space T and Tbis 5th extension project		1.950			30.040	
<b>Available end of year (=A+B+C)</b>	<b>96.219</b>	<b>98.169</b>	<b>98.169</b>	<b>98.169</b>	<b>102.755</b>	<b>102.755</b>