

EUROPEAN PARLIAMENT

Working Documents

1983-1984

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DOCUMENT 1-898/83

Report

drawn up on behalf of the Committee on Budgets

on Section IV - COURT OF JUSTICE - of the draft
general budget of the European Communities for the
financial year 1984 (Doc. 1-800/83)

Rapporteur: Mr G. PFENNIG

PE 86.766/fin.

On 29 November 1982 the Committee on Budgets appointed Mr PFENNIG rapporteur on Section IV - Court of Justice - of the draft general budget of the European Communities for the financial year 1984.

At its meeting of 17 October 1983 the Committee on Budgets considered the attached draft amendments and adopted them.

At the same meeting it also adopted unanimously the following motion for a resolution (17 votes in favour).

The following were present at the time of the vote: Mr Lange, chairman; Mr Pfennig, rapporteur; Mr Adonnino, Mr Arndt, Mr Balfour, Mr Barbagli, Mr Chanterie (deputizing for Mr Konrad Schön), Lord Douro, Mr Gouthier, Mrs Hoff, Mr Kellett-Bowman, Mr Langes, Mrs Nebout, Mr Newton Dunn, Mr Kalliopi Nikolaou, Mr Price and Mr Simonnet.

The opinion of the Legal Affairs Committee is attached to this report.

The report was tabled on 19 October 1983

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The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement

MOTION FOR A RESOLUTION

on Section IV - Court of Justice - of the draft general budget of the European Communities for the financial year 1984

The European Parliament,

- having regard to Section IV - Court of Justice - of the draft general budget for the financial year 1984 established by the Council and the explanatory memorandum thereto (Doc. 1-800/83),
 - having regard to the report by the Committee on Budgets and the opinion of the Legal Affairs Committee (Doc. 1-898/83),
- A. whereas, to ensure strict budgetary discipline at both national and European level, the administrative expenditure of all the Community institutions must be reduced to an absolute minimum without affecting the performance of the tasks assigned to them under the Treaty,
- B. whereas, for the same reasons, an increase in the number of staff should be avoided in principle and should only be allowed in exceptional circumstances for specific specialist posts,
- C. having regard to the appropriations that have remained unutilized in the case of all the Community institutions in recent financial years,
1. Accepts and endorses the cuts applied by the Council to the preliminary draft budget of the Court of Justice, having considered the problem in detail and having discussed the matter with the competent services of the institution in question;
 2. Decides therefore to leave the total appropriations proposed by the Council unchanged at 31,333,251 ECU;

3. Decides, bearing in mind the 33 new posts originally requested by the Court and rejected by the Council, that the establishment plan of the Court of Justice should be increased by the minimum number of specialist appointments, i.e. 2 additional LA 7/6 posts for the translation department and 1 A 7/6 post for the Legal Information Service; points out, however, that this minimal increase must be accommodated within the present appropriations for staff costs;
4. Calls on the Court of Justice to incorporate in the remarks column the structure of the breakdown of certain budget lines introduced by means of a blanket amendment applicable to all the institutions and to inform the budgetary authority in time for the final reading of the corresponding breakdown of appropriations;
5. Calls on the Court of Justice to use the 'gross principle' when drawing up its future budgets, entering revenue which is available for re-use in the revenue section of the budget rather than offsetting it against expenditure;
6. Calls on the Court of Justice to make all the budget documents available to Parliament at the same time as they are forwarded to the Court of Justice, together with expenditure and staffing situation reports as at 31 August of each financial year, and points out that it will not in future accept the Court's budget in the absence thereof;
7. Takes the view that the Court of Justice is a Community institution whose importance within the Community is no less than that of Parliament and the Council and whose independence and operation must not be prejudiced by budgetary measures;
8. Amends slightly the draft budget and the establishment plan of the Court of Justice.

EXPLANATORY STATEMENT1. General considerations

The increase in the total appropriation allocated to the Court of Justice in the past few years is as follows:

from 1980 to 1981	17%
from 1981 to 1982	10.4%
from 1982 to 1983	3.6%

The planned increase from 1983 to 1984 (preliminary draft 15.8%)	7.9%
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It must be pointed out, however, that the shortfall in expenditure by comparison with estimates was 2.2 m ECU in 1980 and 1982 and almost 2.4 m ECU in 1981.

Expressed as percentages, the excess appropriations were:

in 1980	11.3%
in 1981	10.4%
in 1982	8.6%.

2. Reductions in appropriations decided by the Council

In its preliminary draft budget, the Court of Justice proposed total appropriations of 33,621,130 ECU, which represented an increase of 15.8% over the previous financial year.

Following detailed discussions with the Court of Justice during the preparation of the draft budget, the Council reduced this figure to 31,333,251 ECU, which represents an increase over the previous financial year of only 7.9%.

We must acknowledge the fact that over the years the Council has established effective criteria in the form of a system for examining the justification for appropriations allocated to the individual institutions and particularly salaries, which are the largest single item. It appears, however, that this system is not yet sophisticated enough to let all the 'air bubbles' out of these budgets. The Council has therefore seen fit to apply an across-the-board reduction of 3.5% to Chapter 11 and of 8.5% to Chapter 12 - over and above the cuts made following consideration of individual items - in the light of experience of the utilization of appropriations in the period 1979-1982, particularly in the case of Chapters 11 and 12. The experience gained during that period does seem to justify these additional cuts.

3. Results of the rapporteur's investigations

Your rapporteur has held detailed discussions with the appropriate departments within the Court of Justice on the Council's cuts as well as on possible additional cuts. He reached the conclusion that appropriations should not be further reduced although this may result in a relatively high rate of increase in certain items, even after the cuts imposed by the Council, in relation to expenditure in 1982. On the other hand, your rapporteur decided not to reverse the across-the-board reductions applied by the Council, even though he feels that they are too general in nature and therefore often unjustified. In this respect he endorses the position adopted by last year's rapporteur.

As regards the contingency reserve, your rapporteur takes the view that this reserve should be abolished in all the institutions' budgets (as has already been done in Parliament's). The corresponding appropriations, earmarked for Chapter 12, should be entered in Chapter 100.

4. Establishment plan

Having spoken with the competent services in the Court of Justice, the rapporteur has also adopted a cautious approach to requests for additional staff, particularly as there are quite a number of vacant posts on the Court's establishment plan at the moment. In view of the difficulties with translation, which have meant that the Court of Justice has not been able to complete its work as quickly as it could and should, your rapporteur feels that

two additional LA posts are justified, provided, as agreed, that there will be no additional financial burden on the budget as a result. The third post put forward is for a specialist for the Legal Information Service, a sector whose efficiency is of vital importance for the Court's work. Here again, it has been agreed that no additional appropriations will be entered for 1984 in respect of the new post.

5. Coordination of the procedure for the examination of the budgets of the various institutions and standardization of the remarks

The Committee on Budgets noted with regret that the Council gave very few explanations or justifications in its draft, as these would have enabled the other arm of the budgetary authority to follow the Council's deliberations more easily. It therefore expects that in future all documents relating to the detailed discussions between the Council and the Court of Justice on the preparation of the draft budget will automatically be made available to it and that full explanations and justifications will be given for the appropriations entered under each budget heading.

In addition, the rapporteur's examination of the budgets of the various institutions has brought to light several examples of a sound breakdown of individual items which should be incorporated in the remarks by all the institutions. A global draft amendment has been tabled to this effect.

In the case of items where estimates of revenue available for re-use are included in the remarks, the rapporteur takes the view that such revenue should not be offset outside the budget and re-used. He feels that the 'gross principle' should be applied as in Parliament's budget, i.e. that revenue which is available for re-use should be entered in the revenue section rather than offset against expenditure.

6. Conclusions

Briefly, the proposals of the Committee on Budgets are as follows:

- the total appropriations entered in the draft budget by the Council should be left unchanged;

- three posts (2 LA 7/6 and 1 A 7/6) should be added to the establishment plan on the understanding that this measure will not increase the total appropriation entered in the draft budget as established by the Council;
- the amounts allocated to individual items should be broken down in the remarks in the same way for all institutions to ensure greater transparency of their budgets;
- the contingency reserve (Chapter 101) should be abolished and the appropriations entered in Chapter 100 - provisional appropriations.

Decisions of the Committee on Budgets on 17 October 1983

- The Committee on Budgets rejected, by 5 votes to 11, amendment No. 72 tabled by the Legal Affairs Committee.
- Amendment No. 73 by the Legal Affairs Committee was rejected by 4 votes to 11.
- The rapporteur's amendment concerning the breakdown of certain articles and items in the remarks was adopted unanimously.
- The amendment on Chapter 100 in connection with the deletion of the appropriations in Chapter 101 was adopted with 13 votes in favour and one abstention.
- The amendment creating 3 posts (2 LA 7/6, 1 A 7/6) was adopted unanimously.

Opinion of the Legal Affairs Committee

Draftsman: Mr A. TYRRELL

At its meeting of 25/26 May 1983 the Legal Affairs Committee appointed Mr TYRRELL draftsman.

At its meeting of 28/29 September 1983, the Legal Affairs Committee considered the draft opinion and adopted it unanimously.

The following took part in the vote: Mr Turner, Vice-Chairman and acting Chairman; Mr Tyrrell, draftsman; Mr Geurtsen, Mr Goppel, Mrs Macciocchi, Mr Megahy, Mr Schwencke, Mr Sieglerschmidt and Mr Vetter.

The Legal Affairs Committee considers that

1. It is essential that the Court enjoy functional independence and that it be enabled to decide matters which it regards as required in the interests of justice in the proper discharge of its judicial responsibilities, and that in order to carry out these functions it must have the financial means necessary.
2. As the computer at the Court is essential for its proper functioning, both as interpreter of Community law and in its relations with national legal systems, and is an asset of the Community of major importance, its capacity should be extended to meet developing needs.
3. The accommodation at the Court is no longer adequate for the increased workload of the Court. In particular, the library has wholly inadequate space for the 40,000 volumes which it needs to house. Accordingly, the Committee considers that the Court accommodation should be extended and suggests that the Government of Luxembourg be invited to open consultations with the Court and the Joint Budgetary Authority to this end.
4. The above matters do not increase the Court of Justice's budget for 1984.

The proposed new building should be dealt with by a token entry (p.m.).
5. The number of staff posts should be increased
 - (a) to provide a qualified person to improve the effectiveness of the computer referred to in paragraph 2;
 - (b) to provide a temporary building advisor in lieu of the outside consultants at present instructed, provided for in Line 208, to advise on the building referred to in paragraph 3;
 - (c) to provide four additional linguistic staff, being an increase of 4%, to keep pace with a 20% increase in work.
6. The grading of certain staff posts should be reassessed to provide a career structure within the A grades to enable the Court to retain the services of its specialist staff.
7. The Committee accordingly proposes the following amendments¹ which it understands can be accommodated within a 3.5% reduction of the Court's overall staffing expenditure.

¹See amendments nos. 72 and 73

DRAFT AMENDMENT

E U R O P E A N P A R L I A M E N T

17 October 1983

Doc. 1-800/510

DRAFT
GENERAL BUDGET OF THE EUROPEAN COMMUNITIES
FOR THE FINANCIAL YEAR 1984

DRAFT AMENDMENT No. 510

tabled by Mr PFENNIG, rapporteur, on behalf of the Committee on Budgets

SECTION IV - COURT OF JUSTICE

A - Expenditure

-

B - Compensation

-

C - Revenue

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REMARKS

The remarks relating to the items listed in the annex should be supplemented - if this has not already been done - by breaking down a number of 'global items' to show the individual amounts or the appropriate indications.

Justification

In the budgets of some of the institutions, the breakdown of appropriations or other items of information are shown in such an exemplary fashion that all of the other institutions should proceed in the same manner. They help to achieve greater budget transparency by introducing, for instance, the same requirements as far as the replacement life of office machinery or furniture is concerned.

WP 0509E

PE 86.602/510
Or De

Standard remarks to be incorporated in the budgets of the
institutions, followed by the appropriate figures

- Item 1100 Basic salaries ECU
 Breakdown of appropriations into:
 posts that are filled (number, amount of
 appropriation)
 vacant posts (previous budget years)
 vacant posts (current budget year)
 posts planned for 1984
- Article 115 Overtime
 Breakdown of overtime and allowances with
 indication of the reasons for payment
- Article 140 Restaurants and canteens
 Exact breakdown of expenditure, e.g.:
 - Staff costs
 - Equipment renewal and normal maintenance
 costs
 - Procurement of additional equipment
- Item 2000 Rentals
 Exact breakdown of rent and tax payments for
 individual buildings, rooms, store rooms,
 parking space, etc.
- Article 202 Water, gas, electricity and heating
 - Water ECU
 - Electricity ECU
 - Heating ECU
- Article 203 Cleaning and maintenance
 e.g. - Cleaning of offices
 - Technical equipment
 - Maintenance of lifts
 - Maintenance of air-conditioning units
 - Painting
- Article 204 Fitting out of premises
 following work:
- Item 2201 Replacement of office machinery
 - Typewriters which have been in service
 for at least 10 years
 - Calculators which have been in service
 for at least 8 years
 - Dictaphones which have been in service
 for at least 8 years
- Item 2211 Replacement of furniture
 Appropriations for the replacement of part
 of the furniture which has been in service
 for at least 15 years and which is no longer
 repairable as well as special items of
 furniture for archives

- Item 2220 New purchases of technical equipment and installations ECU
exact breakdown of use of appropriations
- Item 2221 Replacements
exact indication of the equipment that needs replacing
- Item 2222 Hire of technical equipment and installations
exact details of the items rented, e.g.
- Photocopying machines
- Telecopiers
- Telephone system
Word-processing machines, etc.
- Article 230 Stationery and office supplies
exact breakdown of expenditure, e.g.
- Offset paper
- Writing and office material
- Material required for postage
- Photocopying costs
- Printing costs
- Item 2311 Telephone calls, telegrams, telex
This item should show the fixed costs of telephone rental and the charges for communications as well as for telegraph and telex communications
- The appropriation also covers:
- The costs of the telephone maintenance contract
 - The telex maintenance contract
 - The rental of telephone lines
 - The rental of telephone cross connections for terminals
- Reusable revenue amounts to

DRAFT AMENDMENT

E U R O P E A N P A R L I A M E N T

17 October 1983

Doc. 1-800/511

DRAFT
GENERAL BUDGET OF THE EUROPEAN COMMUNITIES
FOR THE FINANCIAL YEAR 1984

DRAFT AMENDMENT No. 511

tabled by Mr PFENNIG, rapporteur, on behalf of the Committee on Budgets

SECTION IV - COURT OF JUSTICE

ESTABLISHMENT PLAN

Amend the establishment plan as follows:

- Create three posts: 2 LA 7/6 and 1 A 7/6

PAYMENTS

A - Expenditure

Unchanged

(Additional expenditure under Chapters 11 and 12 is covered by existing appropriations)

B - Compensation

-

C - Revenue

-

REMARKS

-

Justification

These two new posts for translators should help to alleviate the difficulties in the Court's translation department.

The A 7/6 post is for a specialist in the Legal Information Service, a section whose efficiency is of vital importance for the Court's work.

WP 0509E

PE 86.602/511
Or De

DRAFT AMENDMENT

E U R O P E A N P A R L I A M E N T

17 October 1983

Doc. 1-800/512

DRAFT
GENERAL BUDGET OF THE EUROPEAN COMMUNITIES
FOR THE FINANCIAL YEAR 1984

DRAFT AMENDMENT No. 512

tabled by Mr PFENNIG, rapporteur, on behalf of the Committee on Budgets

SECTION IV - COURT OF JUSTICE

Chapter 100 - Provisional appropriations

PAYMENTS

A - Expenditure

Delete the token entry and enter 20,000 ECU

B - Compensation

Delete the same amount in Chapter 101 - Contingency reserve

C - Revenue

-

REMARKS

This appropriation is earmarked for Chapter 12

Justification

The contingency reserve should be deleted as a matter of principle from the budgets of all the institutions and specific reference should be made instead to any reserve appropriations which might be required.

The earmarking of these appropriations for Chapter 12 is justified by the fact that the Council imposed a particularly high across-the-board reduction of an additional 8.5% in this chapter.

WP 0509E

PE 86.602/512

Cr De

