# HOUSE OF LORDS

European Union Committee

16th Report of Session 2012-13

# Workload of the Court of Justice of the European Union: Follow-Up Report

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References in footnotes to the Report are as follows:

Q refers to a question in oral evidence.

Witness names without a question reference refer to written evidence.

#### **SUMMARY**

The Court of Justice of the European Union (CJEU) has a fundamental role in the effective functioning of the Single Market and the European Union (EU). An efficient and effective court system capable of delivering justice in a timely manner in matters of EU law is therefore essential for the rule of law in the EU.

Since this Committee's original report on the subject was published in 2011, the CJEU has undertaken some reforms which we hope will reduce the backlog of cases of the Court of Justice (CJ). However, we remain concerned that the number of cases pending before the CJ continues to rise year on year. It is imperative that the right balance is struck between the length of time it takes for the Court to dispense with a case, and the quality of its judgments in order to preserve its credibility. We recommend that the Court and Member States keep under review the workload of the Court with a view to reacting before the workload has an adverse effect on the effectiveness and efficiency of the Court.

Advocates General (AGs) play an important role in the delivery of justice, and the consequences of not having sufficient AGs could be serious. We recommended in 2011 that the number of AGs should be increased. The CJEU has now requested this increase and we recommend the Government support this request, as an increase in the number of AGs would bring significant benefits to the speed of the Court in processing cases and to the quality of judgments. Before the Government can vote in Council on this proposal, both Houses of Parliament have to give affirmative resolutions to that effect. We urge the Government to speed up proceedings in Parliament in order to meet the CJEU's proposed timetable for appointing the first additional AG.

The latest statistics from the General Court (GC) indicate a reduction in the number of pending cases, and a reduction in the average time it takes the Court to dispose of a case. However, between 2000 and 2010 as a trend, the number of new cases has more than doubled. We therefore remain convinced that there is still a very strong case for increasing the number of judges in the GC and recommend that the Government, having accepted the arguments for this expansion, make the case strongly in discussion with other Member States. We also urge Member States without delay to find a system for appointing additional judges that safeguards the stability of the Court and the quality of the judiciary.

# Workload of the Court of Justice of the European Union: Follow-Up Report

#### **CHAPTER 1: INTRODUCTION**

- 1. The Court of Justice of the European Union (CJEU) is the collective term for the judicial arm of the European Union (EU). Its role is to "ensure that in the interpretation and application of the Treaties the law is observed," which is fundamental to the effective functioning of the Single Market and the EU. The CJEU is one of the EU's seven principal institutions.<sup>2</sup>
- 2. The CJEU consists of three separate courts: the Court of Justice (CJ) which deals with the most controversial cases, including those in which a Member State is party to the proceedings; the General Court (GC) which is charged with decisions involving corporations or private individuals and cases relating to competition law; and the Civil Service Tribunal (CST) which rules on disputes between the EU and its staff. Under certain conditions, rulings by the CST can be appealed to the GC and rulings by the GC to the CJ. (Appendix 4 gives further details on composition, structure and jurisdiction of each individual court.)
- 3. The rules governing all aspects of the CJEU are set out in the EU's two Treaties,³ with further detail provided by the Statute of the CJEU⁴ which is formally part of the Treaties. In turn these documents are supplemented by each individual Court's Rules of Procedure. The CJEU's annual budget for 2013 is €354 million, which is approximately 0.27 per cent of the total EU budget of €133 billion.⁵
- 4. The CJEU's decisions have a direct impact on the functioning and operation of the Single Market and on the lives of EU citizens. It rules in matters of freedom of movement of persons, goods and services; equal treatment and social rights; fundamental rights; European citizenship and trademark and competition cases. The CJ has ruled, for example, that the right to paid annual leave is a social right directly conferred on every worker by Community law and that no worker could be denied that right. The CJ also ruled in January 2013 that, in the event of cancellation of a flight, the air carrier is obliged to provide care to passengers as well as to provide compensation even when the cancellation is caused by extraordinary circumstances such as the eruption of the Eyjafjallajökull volcano in Iceland in April 2010.

<sup>&</sup>lt;sup>1</sup> Article 19(1) TEU

<sup>&</sup>lt;sup>2</sup> Article 13, Treaty on the European Union (TEU). The other six are: European Parliament, European Council, Council of the European Union (simply called the Council), European Commission, European Central Bank and European Court of Auditors.

<sup>&</sup>lt;sup>3</sup> TEU and Treaty on the Functioning of the European Union (TFEU)

<sup>&</sup>lt;sup>4</sup> Annexed to the TFEU, Protocol (No. 3)

<sup>&</sup>lt;sup>5</sup> CJEU website: <a href="www.curia.europa.eu">www.curia.europa.eu</a>; European Commission website: <a href="http://ec.europa.eu/budget/figures/2013/2013">http://ec.europa.eu/budget/figures/2013/2013</a> en.cfm.

- 5. An efficient and effective court system capable of delivering justice in a timely manner in matters of EU law is therefore essential for the rule of law in the EU.
- 6. In 2010 this Committee became concerned about the CJEU's ability to fulfil its functions effectively and in a timely manner. Our concern was prompted by worsening statistics in successive annual reports by the CJEU, and the effect that other factors, such as the enlargement of the EU and the impact of the Lisbon Treaty, would have on the CJEU's workload. The then Justice and Institutions Sub-Committee (now the Justice, Institutions and Consumer Protection Sub-Committee) conducted an inquiry to examine the CJEU's workload, and the causes of delays in the Court; and to consider possible solutions. The resulting report, *The Workload of the Court of Justice of the European Union* (the Report), was published on 6 April 2011<sup>6</sup> and subsequently debated in the House of Lords on 17 October 2011.<sup>7</sup>
- 7. Ministers quoted the old English adage "justice delayed is justice denied" while debating the workload of the CJEU and the GC in particular. Lord Howell of Guildford, then Minister of State at the Foreign and Commonwealth Office, summed up the problem by stating that "the delay resulting from this backlog of cases is bad for British businesses." The speeches made by Ministers during the debates suggest that the Government is seriously concerned about the substantial delays in the delivery of justice in recent years by the CJEU, and in particular the GC. We consider the Government's position in Chapter 3.
- 8. Since the Report was published, the Sub-Committee has scrutinised and cleared a number of proposals aimed at increasing the efficiency of the CJEU, including a new set of Rules of Procedure for the CJ which entered into force on 1 November 2012.<sup>10</sup> Other minor proposals have also been adopted. In addition, other events have taken place, including debates in both Houses of Parliament.<sup>11</sup> We analyse these developments in Chapter 2. Against this background, and given the urgency of the problems at the CJEU that the Report highlighted, the Sub-Committee felt that the time was right to scrutinise what has happened since the Report was published. We also wanted to examine what effect, if any, the changes already adopted were having on the workload of the CJEU.
- 9. In order to inform this short follow-up inquiry, the Committee sent a call for evidence to the witnesses who participated in the original inquiry (see Appendix 3) and took oral evidence from the Minister for Europe, Rt Hon Mr David Lidington MP. We are grateful to him and to all those who submitted written evidence.
- 10. We make this report to the House for debate.

<sup>&</sup>lt;sup>6</sup> EU Committee, 14th Report (2010–12): The Workload of the Court of Justice of the European Union (HL Paper 128)

<sup>&</sup>lt;sup>7</sup> HL Deb 17 October 2011 cols 80–95

<sup>8</sup> HL Deb 17 October 2011 col 94 and HC Deb 12 July 2012 col 504

<sup>9</sup> HL Deb 23 July 2012 col 564

<sup>10</sup> OJ L265 (29 September 2012) p 1

<sup>11</sup> HC & HL Deb, op. cit.

#### **CHAPTER 2: BACKGROUND**

#### Our 2011 Report

- 11. The Report concluded that the CJ had been successful in managing its workload effectively over the previous decade. However, the Committee predicted that the expansion of the CJ's jurisdiction as a result of the coming into force of the Lisbon Treaty, coupled with the increase in the membership of the EU, would have an impact on the Court's ability to manage its workload. On the other hand, the Committee concluded that the CST was a "success story" in terms of its ability to manage its case-load.<sup>12</sup>
- 12. The main concerns highlighted in the Report focused on the GC and the worrying statistics which indicated an average time for determination of cases of 20 months for intellectual property cases and 33 months for other actions. The Committee suggested that reform of the GC was "most urgently needed" and put forward a number of recommendations, including structural changes (see Box 1).

#### BOX 1

# Main recommendations of our Report on the Workload of the Court of Justice of the European Union<sup>14</sup>

#### **General Recommendations**

- Legislation liable to have a significant impact on the CJEU's workload should include within its impact assessment a section considering its impact on the CJEU.
- Member States should state their intentions regarding the appointment of judges in good time with the CJEU stipulating what constitutes a reasonable period of time.

#### **Court of Justice**

- The Government and the Council should give constructive consideration to any reform proposals from the Court.
- The Court should take further steps to encourage national courts requesting preliminary rulings<sup>15</sup> to include a provisional answer.
- The number of Advocates General should be increased as soon as possible.

#### **General Court**

• The GC should consider the use of specialist chambers.

<sup>12</sup> Paragraph 56 of the Report

<sup>&</sup>lt;sup>13</sup> Paragraph 118 of the Report

<sup>14</sup> The full list of conclusions and recommendations can be found in Chapter 8 of the Report.

The reference for preliminary ruling forms part of the procedures which may be exercised before the CJEU. National judges from Member States may refer a case already underway to the CJEU in order to question it on the interpretation or validity of European law.

- A more robust approach to the Court's case management should be put in place in order to publish clear timetables charting cases' progress.
- The number of judges appointed to the GC should be increased by about one third on a rotating basis.

#### Responses to the Report

- 13. Although the Government acknowledged in their response to the Report that the CJEU's most immediate problem was the workload of the GC, their reaction to our specific recommendations was disappointingly subdued and favoured the status quo. 16 On the most important reform, namely the increase in the GC's judiciary, the Government "noted" the recommendation while pointing out that they were seeking significant cuts to administrative spending over the following years and that any budgetary implications relating to proposals for reform of the CJEU would have to be consistent with their position. They added that there were a number of steps that the CJEU could take to improve efficiency and identify financial savings.
- 14. In a subsequent letter from the Minister for Europe to the Committee, the Government appeared to view more favourably the establishment of a specialist tribunal as an alternative to increasing the number of judges on the GC as such a tribunal "could potentially address the workload problem at a lower cost." We had rejected this idea in our report, for two main reasons: (1) lack of flexibility as creating a specialist tribunal, for example for trade mark cases, would not cater for possible future changes in the pattern of the incoming case-load; and (2) the need to introduce an appeal system that would result in the GC hearing appeals from the new tribunal. 18
- 15. In their response to the Report, the Commission considered that an increase in the number of judges in the GC was "the most effective answer to the current situation".<sup>19</sup>

#### The CJEU's proposals

16. Shortly after publication of the Report, the CJEU put forward a series of proposals designed to increase the efficiency of the Court. These are summarised in Box 2.

Government's response to the Report <a href="http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/CourtofJustice/GovtRespons14thReportTheWorkloadofCourtofJusticeof%20theEU.pdf">http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/CourtofJusticeof%20theEU.pdf</a>

Letter from David Liddington to Lord Roper dated 4 July 2011 <a href="http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/CourtofJustice/LetterfmMinforEuroperesuppresptoEUCoJrpt040711.pdf">http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/CourtofJustice/LetterfmMinforEuroperesuppresptoEUCoJrpt040711.pdf</a>

<sup>&</sup>lt;sup>18</sup> Paragraph 135 of the Report

<sup>19</sup> Commission's response to the Report <a href="http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/CourtofJustice/CommissionResponsetoWorkloadofCourtofJustice.pdf">http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/CourtofJustice/CommissionResponsetoWorkloadofCourtofJustice.pdf</a>

#### BOX 2

#### CJEU's proposals

#### Doc. 8787/11

Draft Regulations amending the Statute of the CJEU: proposing in relation to the CJ

- (i) the creation of an office of Vice-President to share the President's duties;
- (ii) increasing the size of the Grand Chamber to 15 judges and making its membership more flexible;
- (iii) changes to the oral procedure before the Court; and
- (iv) that the rules allowing a 10 day period of grace for the submission of postal correspondence with the Court be abolished to reflect new communication technologies.

For the GC, an increase in the judiciary from 27 to 39 judges was proposed in order to tackle the increasing number of pending cases before the Court.

#### Doc. 8786/11

Draft Regulation proposing the establishment of a system to appoint temporary judges to the CST when a permanent judge is unable to work for three months or longer due to illness.

#### Docs. 11147/11 and 8020/12

A recast of the Rules of Procedure for the CJ designed

- (i) to reflect the predominance in the CJ's caseload of preliminary rulings;
- (ii) to enable the CJ in the face of an ever-increasing workload to deal with cases within a reasonable period of time; and (iii) to make the rules clearer and easier to use for those involved in litigation before the CJ.
- 17. The Council's Court of Justice group, made up of representatives from Member States, met a number of times to examine the draft amendments to the Statute of the CJEU. Although the group did not dispute the need to adopt measures to solve the problems faced by the GC, some national delegations questioned the reasons behind the proposal to increase the number of judges. Reference was also made to the possibility of establishing a specialised court to relieve some of the pressures at the GC.<sup>20</sup>
- 18. In July 2011 the CJEU stated in response to the Court of Justice group's concerns that an increase in the number of judges of the GC was the only solution which afforded the necessary flexibility to tackle the increase in the number of cases pending before the GC and the time needed to deal with them. In addition, the CJEU made clear that this proposal was "the only possible solution" if the coherence of the judicial system of the EU was to be preserved. In their view a specialist court would fragment the interpretation of the law as appeals from the specialist court would have to be heard by the GC and not the CJ.<sup>21</sup>

<sup>20</sup> Doc. 12719/11

<sup>&</sup>lt;sup>21</sup> *ibid*.

#### The Commission's Opinion

- 19. The Commission published their opinion on the CJEU's proposals at the end of September 2011.<sup>22</sup> On the issue of increasing the GC's judiciary the Commission said: "an urgent solution is needed for the considerable number of cases currently pending at the General Court. Only by immediately increasing the number of judges ... will it be possible to stem the flow of new cases and effectively tackle the backlog of cases." The Commission envisaged the creation of four extra Chambers and proposed an amendment to Article 50 of the Statute of the CJEU so that at least two of the Chambers had "some subject-matter specialisation" in order to cope with large volumes of litigation in certain subjects (see Appendix 4 for the current structure of the GC). The creation of specialised tribunals mirroring the CST as a mechanism for alleviating the GC's problems was rejected.
- 20. Increasing the number of judges in the GC would break with the current system of one judge per Member State, so the Commission's opinion included two possible systems for nominating the judges. The first proposal was based on strict equality between Member States by means of an egalitarian rotating system on the basis that every Member State had one judge and no more than two at any one time. The second proposed the appointment of half of the extra judges chosen on the basis of their specialism and the requirements of the Court, and the other half being appointed through a rotation system with the caveat that no Member State should have more than two judges at any one time.

#### The Government's view

- 21. Following the publication of the Commission's Opinion, the Minister stated that the UK, along with other Member States, was satisfied that an enlarged GC containing specialist chambers constituted "a good compromise of the different views expressed on the matter by allowing the Court to nurture the kind of expert capacity which we have always sought while giving the Court the flexibility which it has consistently emphasised."<sup>23</sup>
- 22. On the other hand, the Government were sceptical that the CG needed 12 extra judges (an increase of 46 per cent). They also repeated their concerns about costs, though with a shift in their approach in that the costs of the reforms would have to be met from within the Court's existing budget or "alternatively, from within the EU's Heading V budget line." <sup>24</sup>

#### **European Parliament: The First Thein Report**

23. The report by the European Parliament on the proposals, the Their report, was published in July 2012 and included the opinions of the Committee on Legal Affairs (JURI Committee), the Committee on Budgets (CONT

<sup>&</sup>lt;sup>22</sup> Doc. 14769/11

Letter from Rt Hon David Lidington MP to Lord Roper dated 1 December 2011 http://www.parliament.uk/documents/lords-committees/eu-sub-com-e/cwm/CwMSubEDec11-MAY12.pdf.

<sup>&</sup>lt;sup>24</sup> ibid.

- Committee) and the Committee on Constitutional Affairs (AFCO Committee).<sup>25</sup>
- 24. The JURI Committee praised the Court for their "increased productivity" and "substantial efforts" to keep up with their workload. They concluded that an increase in the number of judges "by at least 12" was necessary.
- 25. The CONT Committee gave estimates of the costs of the proposals. Increasing the number of judges in the GC to 12 would result in additional costs of around €16 million in the first year, dropping to around €13.5 million in subsequent years. The Committee acknowledged "the current difficult economic situation facing the majority of the Member States and the extreme constraints of the EU budget." However, they cautioned that the granting of effective judicial protection was a "crucial obligation" and that "the adverse financial consequences of inefficient justice are quite likely to cost more than such an increase."
- 26. The AFCO Committee were not persuaded by the CJEU's proposal. In their view, an increase in the number of judges in the GC did not appear "a viable solution to the problem of overload which will again appear in the future".

#### The Danish Presidency

- 27. Negotiations on the proposals stalled over the increase in the GC's judiciary. In May 2012 the Danish Presidency removed this aspect of the reform from the proposals and subsequent discussions progressed quickly.
- 28. In the United Kingdom, parliamentary scrutiny of the first two sets of proposals in Box 2 was complicated by the application of section 10 of the European Union Act 2011, under which the Government can only vote in the Council in favour of a proposal following positive resolutions from both Houses of Parliament. Consequently, debates took place in the House of Commons on 12 July and in the Lords on 23 July 2012.<sup>26</sup>
- 29. On 24 July 2012 the CJEU's proposals, as amended, were adopted with the recast Rules of Procedure for the CJ entering into force on 1 November 2012.<sup>27</sup> The Government welcomed the "modest but useful package of reforms, which will make a small step towards improving the functionality of the Court without incurring any significant costs."<sup>28</sup>

#### Friends of the Presidency Group

30. In order to progress the proposal to increase the GC's judiciary, the Council established a Friends of the Presidency Group (FPG) to facilitate examination of the case for such an increase as well as wider potential reforms to the CJEU. The FPG included representatives from all Member States and met periodically from July 2012, with a view to reporting to the Council by Christmas 2012.

<sup>&</sup>lt;sup>25</sup> Doc. A7-0185/2012

<sup>26</sup> HC & HL Deb, opt. cit.

<sup>&</sup>lt;sup>27</sup> OJ L265, opt. cit.

Letter from David Lidington MP to Lord Boswell dated 3 July 2012 http://www.parliament.uk/documents/lords-committees/eu-sub-come/cwm/CWMsubE9may31Oct2012.pdf

- 31. As Christmas approached, however, it became clear that the FPG was not going to produce a report. Instead, the Cypriot Presidency put forward a proposal for consideration at the General Affairs Council on 11 December 2012. Under this proposal, nine additional judges would be appointed to the GC. The six largest Member States would designate in rotation four additional judges, for two successive six-year terms. The other Member States would designate in rotation five extra judges, for a single six-year term. In the event, Member States failed to reach agreement on this proposal.
- 32. The Council appears to have drawn a line under this issue as it has made public its intention "not to further discuss the issue of judges at least until the new Rules of Procedure [of the GC] have been adopted."<sup>29</sup> The GC is currently considering a recast of their Rules of Procedure in a similar way as the CJ. However, proposals have not yet been put forward and are not expected to be published until later in 2013.

# Request for an increase in the number of Advocates General in the Court of Justice

33. On 16 January 2013 the President of the CJEU wrote to the Council requesting an increase in the number of Advocates General (AGs) in the CJ. Box 3 explains the role of the Advocates General. The Committee's report recommended in 2011 that the number of AGs should be increased "as soon as possible" in order for the Court to increase "the speed with which cases could be dealt, while improving the quality of decision-making." 30

#### BOX 3

### Advocates General of the Court of Justice

There are currently eight AGs. Their function is to support the work of the 27 judges. Their most prominent role is to produce a written opinion for the Court setting out their understanding of the applicable law in a case and recommending how, in their view, the case ought to be decided. The opinion is not binding. AG opinions tend to offer a far more comprehensive discussion of the EU law governing the case than the CJ judgment.

There is a system of rotation for appointing AGs whereby the five biggest Member States (Germany, France, Italy, Spain and the UK) have a permanent AG. The remaining three positions rotate in alphabetical order between the other 22 Member States.

34. In the Draft Joint Statement by the Council and representatives of Member States, it is proposed that, since Poland is the next biggest Member State, they should have a permanent AG and no longer take part in the rotation system. It is expected that the other two additional AGs would be of Czech and Danish nationality in line with the existing rotation. It is further proposed that the Polish AG should take his post on 1 July 2013, the planned accession of Croatia. The other two would take their posts on 7

<sup>&</sup>lt;sup>29</sup> Press release from the Council 17439/12

<sup>&</sup>lt;sup>30</sup> Paragraph 117 of the Report

- October 2015 when the partial replacement of Members of the Court will take place.<sup>31</sup>
- 35. The Court estimates that the costs of appointing three additional AGs would be €4 million per year, of which only €0.7 million would come from the Court's own resources. It is unclear from the proposal whether the budget of the CJEU is expected to rise as a consequence of the appointments.<sup>32</sup>
- 36. This proposal would trigger section 10 of the European Union Act 2011 which means that both Houses of Parliament will have to approve the proposals before the Government takes a position in Council.

## European Parliament: The Second Thein Report

- 37. On 18 March 2013, the JURI Committee considered a report with a draft legislative resolution on the issue of increasing the number of judges at the GC. In their report, they stated that "there is agreement in principle that the number of judges must be increased," but that none of the rotation systems that had been put forward was "persuasive." The Committee proposed to increase the number of judges in the GC by 12, from 27 to 39. They also recommended that the 12 additional judges "should be selected, regardless of their nationality," solely by their professional suitability as judged by an appointment panel. They also suggested that, "in order to ensure that the experience of retiring judges is not lost ... retiring judges should be able to nominate themselves in direct submission to the [appointment] panel." \*\*
- 38. The report ended with a plea to the Council to respond "as quickly as possible" to the proposals in the draft report "and not, through further procrastination, to do harm to the efficiency of the EU judiciary." The draft report is subject to amendments and, upon agreement by the JURI Committee, it is expected to go to the Council for approval and then to the European Parliament for a vote in a plenary session. At the time this report was agreed in mid-April 2013, the JURI Committee was still considering the draft report.

<sup>31 7013/13</sup> 

<sup>&</sup>lt;sup>32</sup> 5737/13

<sup>33 2011/0901</sup>B(COD)

<sup>34</sup> ibid.

#### **CHAPTER 3: ANALYSIS**

In view of the events that have taken place since the Report was published, this follow-up is focused on certain aspects of the CJ and the GC. We wanted to assess whether the expansion of the jurisdiction of the CJ brought about by the Lisbon Treaty has caused a corresponding increase in its workload; the effect of the reforms that have taken place since the Report was published; and whether there was still a case for increasing the number of AGs (at the time we published our Call for Evidence the CJEU had not yet requested such an increase). In respect of the GC we wanted to analyse the reasons behind the failure of Member States to agree an increase in its judiciary and explore possible solutions to the current deadlock.

#### The Court of Justice

40. The latest statistics published by the CJEU reveal that 632 new cases were brought before the CJ while 595 cases were completed (see Figure 1). There was also a 4.4 per cent increase in the number of cases pending which further establishes the upward trend in the Court's number of pending cases. The Court has suggested a number of initiatives designed to increase the efficiency of the Court (see Box 2).

FIGURE 1 Court of Justice statistics 900 800 700 600 New cases 500 Completed cases 400 Cases pending 300 200 100 0 -2008 2009 2010

	2008	2009	2010	2011	2012
New cases	593	562	631	688	632
Completed cases	567	588	574	638	595
Cases pending	768	742	799	849	886

Source: CJEU Press Release No. 23/13

- 41. The Faculty of Advocates told us that, although it is too early to categorically assess their impact, these reforms will benefit the functioning of the CJ.<sup>35</sup> The Government predicted that the reforms "will have a positive effect on the workload of the Court".<sup>36</sup> Professor Damian Chalmers, Professor of European Union Law at the London School of Economics, was more sceptical and expected only "minimal effects."<sup>37</sup>
- 42. Eleanor Sharpston, AG at the CJEU, told us that the Court is analysing the way it operates with a view to further improving its efficiency. However, she cautioned that "the Court is currently running with very little spare capacity" and that corners are being cut. She conceded that the Court should process cases swiftly and that resources must be used effectively, but this should not be done "at the expense of the quality of the judgements that it hands down." We agree.
- 43. We remain concerned that the number of cases pending before the CJ continues to rise year on year. We hope that the reforms that are being undertaken by the Court will have an impact on the workload of the CJ. However, we are sceptical. It is imperative that the right balance is struck between the length of time it takes for the Court to dispense with a case and the quality of its judgments in order to preserve its credibility.

#### Impact of the Lisbon Treaty

44. The Lisbon Treaty expanded the Court of Justice's jurisdiction to issue preliminary rulings in the area of Freedom, Security and Justice (AFSJ) to include police and criminal justice measures adopted before the entry into force of that Treaty. Such jurisdiction would not apply until 1 December 2014, five years after the entry into force of the Lisbon Treaty.<sup>39</sup> It is expected that the full impact on the Court will not be felt until after that date, though 19 Member States have already elected to recognise jurisdiction of the Court on AFSJ.<sup>40</sup> Consequently, the CJ has already started to hear cases concerning the AFSJ (see Table 1).

TABLE 1
New cases brought before the Court of Justice concerning the AFSJ

	2009	2010	2011
References for Preliminary Ruling	17	38	44
Direct actions <sup>41</sup>	2	5	0

Source: Professor Anthony Arnull

<sup>35</sup> The Law Society, Faculty of Advocates

<sup>36</sup> The UK Government

<sup>37</sup> Professor Damian Chalmers

<sup>38</sup> Eleanor Sharpston

<sup>&</sup>lt;sup>39</sup> Article 10(1) of Protocol 36 on Transitional Provisions. This Protocol is considered in our report: EU Committee, 13th Report (2012–13): EU police and criminal justice measures: The UK's 2014 opt-out decision (HL Paper 159).

<sup>&</sup>lt;sup>40</sup> Austria, Belgium, Cyprus, Czech Republic, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Portugal, Romania, Slovenia, Spain and Sweden.

<sup>&</sup>lt;sup>41</sup> A direct action can be brought before the GC by any person or company who has suffered damage as a result of the action or inaction of the Community or its staff.

- 45. References for preliminary rulings in this area were "on average decided within two and a half months or less," which, given the urgent nature of these requests, is reassuring.
- 46. Our witnesses agreed that the Court has not yet felt the full impact of the expansion of its jurisdiction into the AFSJ. The number of direct actions that have been brought before the CJ on this area has been modest (see Table 1). AG Sharpston predicted "a significant effect on the Court's workload, but with a longer time-lag" come December 2014. Professor Chalmers expected a year-on-year steady rise in the number of references "to continue for a few years". 45
- 47. It is too early to state categorically that the coming into force of the Lisbon Treaty is having a significant impact of the workload of the CJ at present. However, we recommend that the Court and Member States keep under review the workload of the Court with a view to reacting before the workload has an adverse effect on the effectiveness and efficiency of the Court.

#### Number of Advocates General

- 48. We recommended back in 2011 that the CJEU should request from the Council an increase in the number of AGs. The Court has recently made such a request (see paragraphs 33–36). Sir Konrad Schiemann, a retired judge of the CJ, stated that the "case for increasing the number of AGs is still strong." AG Sharpston and others were of the same opinion. Paul Lasok QC, Head of chambers at Monckton Chambers, believed that increasing the number of AGs "may be a temporary solution". He called for a judge to be allocated the task of delivering an AG's opinion in each case, similar to the existing procedure in the GC. However, he conceded that this suggestion would require Treaty change.
- 49. At present, 52 per cent of cases are decided without an opinion by an AG.<sup>49</sup> While there may be legitimate reasons not to issue one for some cases, the Council of Bars and Law Societies (CCBE) cautioned that "there is an ever increasing tendency to dispense with the written opinion of the AG which increases the risk of uneven or, on occasions, contradictory case law." The Government accepted that an increase in the number of AGs would bring significant benefits to the speed of the Court in processing cases and to the quality of judgments. However, they called for the costs to be "absorbed from within the Court's existing administrative budget;" something that

<sup>42</sup> Professor Anthony Arnull

<sup>&</sup>lt;sup>43</sup> Professor Anthony Arnull, the UK Government, Eleanor Sharpston, Professor Damian Chalmers, the Law Society and the Council of Bars and Law Societies of Europe (CCBE).

<sup>44</sup> Eleanor Sharpston

<sup>45</sup> Professor Damian Chalmers

<sup>&</sup>lt;sup>46</sup> Sir Konrad Schiemann

<sup>&</sup>lt;sup>47</sup> The Law Society, Professor Anthony Arnull, CCBE

<sup>&</sup>lt;sup>48</sup> Article 49, Statute of the CJEU

<sup>49</sup> The Law Society

<sup>50</sup> CCBE

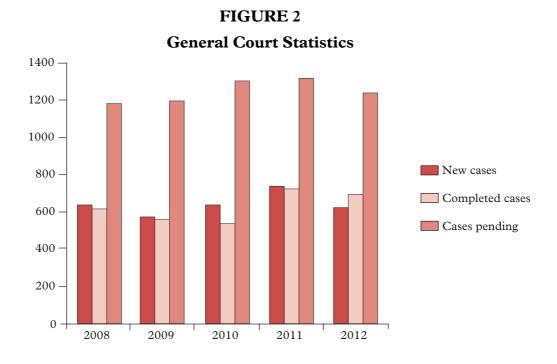
<sup>51</sup> The UK Government

AG Sharpston said "cannot be achieved."<sup>52</sup> Furthermore, the Government considered the Court's proposed timetable for appointment of the first additional AG in July 2013 to be "unrealistic"<sup>53</sup> given that, before the Government can vote in Council on this proposal, both Houses have to give affirmative resolutions to that effect. At the time this report was agreed, no debates have been tabled and it is unclear what the Government's position will be given their desire for this proposal to be cost neutral.

- 50. AGs play an important role in the delivery of justice by the CJ. There should be enough of them to enable opinions to be produced for all the cases that require it. The consequences of not having sufficient AGs could be serious.
- 51. We recommend that the Government support the CJEU's proposal to increase the number of AGs and do all they can to speed up proceedings in Parliament with a view to meeting the Court's timetable to appoint the first AG in July 2013 to coincide with Croatia's accession or as soon as possible thereafter.

#### The General Court

52. The latest statistics from the GC indicate a reduction in the number of pending cases thanks to a fall in the number of new cases (see Figure 2). In addition, the average time it takes the Court to dispose of a case has been reduced to 24.8 months, 1.9 months less than in 2011.<sup>54</sup> This is encouraging. On the other hand, witnesses paint a rather more pessimistic picture.



52 Eleanor Sharpston

Explanatory memorandum from the Minister for Europe 7013/13 http://europeanmemoranda.cabinetoffice.gov.uk/files/2013/03/7013-13.pdf

<sup>&</sup>lt;sup>54</sup> CJEU's press release 23/13 dated 6 March 2013

	2008	2009	2010	2011	2012
New cases	629	568	636	722	617
Completed cases	605	555	527	714	688
Cases pending	1178	1191	1300	1308	1237

Source: C7EU Press Release No. 23/13

- 53. Over the last decade there have been peaks and troughs in the number of new cases, with falls in 2001, 2005, 2006 and 2009. However, "between 2000 and 2010 as a trend, the number of new cases has more than doubled." The Law Society called attention to "the current backlog and the very long duration of proceedings (both in terms of the 'average' duration and in relation to the cases that last longer, sometimes much longer, than the average). The CCBE told us that "significant numbers of cases from 2005–2007 remain without judgments." The company that the significant numbers of cases from 2005–2007 remain without judgments."
- 54. Judge Nicholas Forwood, President of the Second Chamber in the GC, considered that the drop in new cases is "only temporary" with the underlying long-term trend continuing upwards. In his view, the upcoming partial renewal in September 2013 of "an unusually high number of its more experienced judges," is likely to have an impact on the Court's productivity.<sup>58</sup>
- 55. Though it is welcome, little can be inferred from the decrease in the number of new cases brought before the GC in 2012. The long term trend in the GC's backlog is clearly upwards. In 2011 we concluded that there were significant problems with the GC's workload and the Court's ability to manage it. We remain convinced that structural solutions need to be found urgently to deal with the GC's backlog.

#### Increasing the number of judges in the General Court

56. One of our main recommendations in the Report was that, in order to deal with the workload of the GC, its judiciary had to be increased by one third. Evidence suggests that the arguments for increasing the GC's judiciary are now even more compelling than in 2011. Delays in the GC are having an impact on "access to (and delivery of) justice, with parties taking into account the very significant delays when considering whether to launch a challenge to a decision of an EU institution." AG Sharpston reported that appeals in competition decisions are being heard by the CJ where litigants are alleging excessive delay in the GC as grounds to annul decisions or reduce fines. This is very worrying.

<sup>55</sup> The Law Society

<sup>&</sup>lt;sup>56</sup> *ibid*.

<sup>57</sup> CCBE

<sup>58</sup> Judge Nicholas Forwood

<sup>59</sup> The Law Society

<sup>60</sup> Elearnor Sharpston

- 57. The Law Society told us that "there is no question" that increasing the number of judges "is required urgently." Most witnesses agreed with this. The Minister told us that he "is deeply concerned at the extent of the backlog at the GC."
- 58. Although in 2011 the Government gave a lukewarm reception to our recommendation to increase the GC's judiciary, it appears that they are now more receptive to the idea. They state that they "accept the case for extra judicial capacity and would like to see this happen expeditiously" but the increase has to be cost-effective. The Government suggest that the Court must be "as efficient as possible" and call attention to the review of the GC's Rules of Procedure due to be published late in 2013. Induge Forwood told us that the review is "at a very advanced stage," but that the changes envisaged are likely to result only in marginal improvements which will not be sufficient to resolve the workload problems faced by the GC.
- 59. Despite a temporary respite in the number of new cases in the GC and a reduction in the number of pending cases, we consider that there is still a very strong case for increasing the number of judges in the GC. We recommend that the Government, having accepted the arguments in favour of this expansion, make the case strongly in discussions with other Member States.

#### A system for appointing additional judges

- 60. An increase in the GC's judiciary would not require Treaty change. It would involve instead an amendment to Article 48 of the Statute of the CJEU. This can be done using the ordinary legislative procedure which would require a qualified majority in the Council rather than unanimity. In practice, however, political agreement would be needed amongst all 27 Member States since judges to the GC are appointed by common accord of the governments of Member States.<sup>67</sup>
- 61. The Minister for Europe hinted in oral evidence that Member States are sympathetic to the idea of increasing the GC's judiciary, but that the stumbling block was how those additional judges should be appointed.<sup>68</sup>
- 62. As we explained in Chapter 2, in September 2011 the Commission identified some principles to be considered when appointing additional judges to the GC: (1) the best qualified individuals would need to be identified; (2) mandates of judges would be renewed as far as possible in order to confer the Court with a certain degree of stability; (3) the widest possible representation

<sup>61</sup> The Law Society

<sup>&</sup>lt;sup>62</sup> Eleanor Sharpston, Sir Konrad Schiemann, Professor Anthony Arnull, Judge Nicholas Forwood, Faculty of Advocates, the CCBE, Paul Lasok QC.

<sup>63</sup> Letter from Mr David Lidington to Lord Boswell dated 7 January 2013 http://www.parliament.uk/documents/lords-committees/eu-sub-come/cwm/CwMsubEDec2012Jan2013.pdf.

<sup>64</sup> The UK Government

<sup>65</sup> ibid.

<sup>66</sup> Judge Nicholas Forwood

<sup>67</sup> Supplementary evidence from the UK Government

<sup>68</sup> Q9

of the national legal systems should be ensured; and (4) there should be no more than two judges per Member State.<sup>69</sup> The Commission proposed two possible systems for appointing additional judges: a rotating system based on strict equality between Member States; and a second entailing the appointment of half of the extra judges on the basis of their specialism and the other half based on a rotation system.<sup>70</sup>

- 63. In December 2012 the Cypriot Presidency put together a proposal for the appointment of additional judges based on a parallel rotation system between the six largest Member States and the remaining Member States (see paragraph 31). The proposal failed to achieve common accord at Council. More recently, the JURI Committee of the European Parliament put forward a proposal to increase the judiciary by 12 judges and a system for appointing the additional judges based entirely on professional suitability (see paragraphs 37 and 38).
- 64. Our witnesses expressed concerns at proposals for the appointment of additional judges, and highlighted two aspects that have to be taken into account when deciding on a possible system of appointment: the quality of the judiciary and the stability of the Court.<sup>71</sup> Judge Forwood and others stressed that a rotation system that does not allow renewal of appointments would have negative consequences for the Court's efficiency and is unlikely to produce the best crop of judges available.<sup>72</sup>
- 65. Other witnesses questioned whether the nationality of the additional judges ought to be a factor in their appointment. They preferred a system in which the best candidates for the job should be appointed irrespective of their nationality, mirroring the system for appointing judges to the CST and the proposal put forward by the JURI Committee.
- 66. The Government have not yet stated a preference for a system for appointing additional judges based on either nationality or professional suitability.<sup>74</sup> On the other hand, Mr Lidington's assessment on the current state of play was quite pessimistic. He told us "I get no sense that we are anywhere near unanimity on the Council" on a system to appoint additional judges to the GC. Further, he warned that the Irish and Lithuanian Presidencies, presiding over the EU in 2013, have not indicated that this is a high-priority issue.<sup>75</sup>
- 67. It is regrettable that Member States have failed to agree a system of appointment of additional judges to the GC. Without the necessary resources the Court will not be able to deliver justice in a timely manner. We urge Member States to put an end without delay to the current impasse and find a system of appointment of additional judges that safeguards the stability of the Court and the quality of the judiciary.

<sup>69 14769/11</sup> 

<sup>70</sup> ibid.

<sup>71</sup> Professor Anthony Aurnull, Eleanor Sharpston, the Law Society

<sup>72</sup> Judge Nicholas Forwood, Sir Konrad Schiemann, the Law Society, Professor Anthony Arnull

<sup>73</sup> Sir Konrad Schiemann, Paul Lasok QC, CCBE

<sup>74</sup> Q 11

<sup>&</sup>lt;sup>75</sup> Q 14

68. We understand the Government's desire to restrict expenditure in the EU budget. On the other hand, it is clear that for the CJEU to appoint additional judges and AGs additional resources would have to be found within the EU budget.

#### Possible alternatives

- 69. Given the continuing inability of Member States to agree how to appoint additional judges, witnesses suggested alternative models to increase the efficiency of the Court. Such alternatives include the creation of a specialist court in the style of the CST to deal with a distinct category of cases. The cost of creating a specialist court would be around half of the cost of appointing additional judges to the GC.<sup>76</sup> We considered this alternative course of action in 2011, and rejected it because of the reasons given in paragraph 14. We have received no evidence to change our 2011 recommendation.
- 70. Another suggestion put forward by Professor Damian Chalmers is an amendment to the Court's Rules of Procedure so that "trademark cases can be heard by a single judge of the GC" with appeals being heard in the Appeal Chamber of the GC and then by the CJ.<sup>77</sup>
- 71. We conclude that the best solution to the workload problems of the GC is the increase of its judiciary. Any proposal for the GC to settle for a second rate solution should be resisted.

<sup>76</sup> Professor Anthony Arnull

<sup>77</sup> Professor Damian Chalmers

#### **CHAPTER 4: SUMMARY OF CONCLUSIONS**

#### Court of Justice

- 72. We remain concerned that the number of cases pending before the CJ continues to rise year on year. We hope that the reforms that are being undertaken by the Court will have an impact on the workload of the CJ. However, we are sceptical. It is imperative that the right balance is struck between the length of time it takes for the Court to dispense with a case and the quality of its judgments in order to preserve its credibility (paragraph 43).
- 73. It is too early to state categorically that the coming into force of the Lisbon Treaty is having a significant impact of the workload of the CJ at present. However, we recommend that the Court and Member States keep under review the workload of the Court with a view to reacting before the workload has an adverse effect on the effectiveness and efficiency of the Court (paragraph 47).
- 74. AGs play an important role in the delivery of justice by the CJ. There should be enough of them to enable opinions to be produced for all the cases that require it. The consequences of not having sufficient AGs could be serious (paragraph 50).
- 75. We recommend that the Government support the CJEU's proposal to increase the number of AGs and do all they can to speed up proceedings in Parliament with a view to meeting the Court's timetable to appoint the first AG in July 2013 to coincide with Croatia's accession or as soon as possible thereafter (paragraph 51).

#### **General Court**

- 76. Though it is welcome, little can be inferred from the decrease in the number of new cases brought before the GC in 2012. The long term trend in the GC's backlog is clearly upwards. In 2011 we concluded that there were significant problems with the GC's workload and the Court's ability to manage it. We remain convinced that structural solutions need to be found urgently to deal with the GC's backlog (paragraph 55).
- 77. Despite a temporary respite in the number of new cases in the GC and a reduction in the number of pending cases, we consider that there is still a very strong case for increasing the number of judges in the GC. We recommend that the Government, having accepted the arguments in favour of this expansion, make the case strongly in discussions with other Member States (paragraph 59).
- 78. It is regrettable that Member States have failed to agree a system of appointment of additional judges to the GC. Without the necessary resources the Court will not be able to deliver justice in a timely manner. We urge Member States to put an end without delay to the current impasse and find a system of appointment of additional judges that safeguards the stability of the Court and the quality of the judiciary (paragraph 67).
- 79. We understand the Government's desire to restrict expenditure in the EU budget. On the other hand, it is clear that for the CJEU to appoint

- additional judges and AGs additional resources would have to be found within the EU budget (paragraph 68).
- 80. We conclude that the best solution to the workload problems of the GC is the increase of its judiciary. Any proposal for the GC to settle for a second rate solution should be resisted (paragraph 71).

# APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

The members of the Sub-Committee which conducted this inquiry were:

Lord Anderson of Swansea

Lord Bowness (Chairman)

Baroness Corston

Lord Dykes

Viscount Eccles

Lord Elystan-Morgan

Lord Hodgson of Astley Abbotts

Baroness Liddell of Coatdyke

Baroness O'Loan

Lord Rowlands

The Earl of Sandwich

Lord Stoneham of Droxford

#### **Declarations of Interests**

Lord Bowness

Solicitor and Notary Public

Lord Hodgson of Astley Abbotts

Trustee Fair Trials International

This report was agreed by the European Union Select Committee on Tuesday 23rd April 2013. The Members of the Select Committee are:

Lord Boswell of Ayho

Lord Bowness

Lord Carter of Coles

Baroness Eccles of Moulton

Lord Foulkes of Cumnock

Lord Hannay of Chiswick

Lord Harrison

Lord Maclennan of Rogart

Baroness O'Cathain

Earl of Sandwich

Baroness Scott of Needham Market

Lord Teverson

Lord Tomlinson

Lord Trimble

Baroness Young of Hornsey

A full list of Members' interests can be found in the Register of Lords Interests:

http://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/

#### **APPENDIX 2: LIST OF WITNESSES**

Evidence is published online at <a href="www.parliament.uk/hleue">www.parliament.uk/hleue</a> and available for inspection at the Parliamentary Archives (020 7219 5314)

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked \* gave both oral and written evidence. All other witnesses submitted written evidence only.

### Oral evidence in chronological order

\* QQ 1–16 Rt Hon David Lidington MP, Alistair Robinson and Victoria Dean

### Alphabetical list of all witnesses

Professor Arnull, University of Birmingham

Professor Damian Chambers, London School of Economics

Council of Bars and Law Societies of Europe (CCBE)

Faculty of Advocates

Judge Nicholas Forwood

K.P.E. Lasok QC

Law Society of England and Wales

Sir Konrad Schiemann

Eleanor Sharpston, Advocate General

\* UK Government

#### **APPENDIX 3: CALL FOR EVIDENCE**

The Justice and Institutions Sub-Committee, as it was then known, published its report *The Workload of the Court of Justice of the European Union* in April 2011. Since then, following debates and votes in both the House of Lords and the House of Commons in July, three proposals aimed at improving the efficiency of the Court have been scrutinised by the Sub-Committee and adopted. However, Members States failed to reach agreement on the most significant reform: the increase to the number of judges in the General Court.

The Member States set up a Friends of the Presidency Group to discuss reform of the General Court, including increasing the General Court's judiciary, and a report was expected by the end of December 2012. In the event, the Friends of the Presidency Group did not produce a report. Instead, a proposal was put forward by the Presidency whereby nine extra judges would be appointed to the General Court with a system of designation based on two parallel systems of rotation. The six larger member states would designate four additional judges, each designating a judge for two successive mandates, while all the other member states would designate five extra judges, each designating a judge for a single mandate.

This proposal was considered at the General Affairs Council on 11 December 2012 (see attached press release and extract from Hansard). However, the Council was unable to agree this proposal. On 7 January the Minister for Europe wrote to the Chairman of the EU Select Committee to update him on recent developments (see attached letter). Negotiations on the appointment of extra judges are not expected to resume until new rules of procedure for the General Court have been adopted. Proposals for these new rules of procedure have not yet put forward.

#### Follow up inquiry

The Justice, Institutions and Consumer Protection Sub-Committee, as it is now known, has repeatedly stated in correspondence with the Government that the continued inability by Member States to reach agreement to increase the number of judges in the General Court is leading to significant delays in that court and has severe implications in terms of bringing the institution into disrepute whilst undermining its legitimacy. The Minister says in his letter that he is "deeply concerned" at the level of the backlog at the General Court.

The Sub-Committee is seeking the views of the original witnesses to the inquiry of these latest developments. In particular we invite you to respond to the following questions:

#### **Court of Justice**

The Sub-Committee concluded in 2011 that the Lisbon Treaty would impact negatively on the workload of the Court of Justice, in particular the expansion of its jurisdiction into justice and home affairs matters. Has this been the case?

Do you think that the three legislative proposals that have been adopted already will have a significant impact on the workload of the Court of Justice?

It was also recommended that the number of Advocates General should increase as soon as possible in order to increase the speed with which cases can be dealt with and to improve the quality of decision-making. This suggestion was not included in the proposed amendment to the Court's Statute. Do you think there is still a case for increasing the number of Advocates General?

#### **General Court**

The Sub-Committee recommended increasing the General Court's judiciary by one third. Do you think this is still necessary in order for the General Court to better deal with its workload? Has the case for this change become more urgent since 2011?

At present there is one judge per Member State. How would any additional judges be appointed?

What is your view of the continued inability by the Member States to reach agreement on increasing the number of judges in the General Court?

# APPENDIX 4: COMPOSITION, STRUCTURE AND JURISDICTION OF THE COURT OF JUSTICE OF THE EUROPEAN UNION

The Court of Justice of the European Union (CJEU) was established in 1952. Its mission is to ensure that the law is observed in the interpretation and application of the Treaties.

The CJEU reviews the legality of the acts of the institutions of the EU, ensures that the Member States comply with obligations under the Treaties, and interprets EU law at the request of the national courts and tribunals.

The CJEU thus constitutes the judicial authority of the EU and, in cooperation with the courts and tribunals of the Member States, it ensures the uniform application and interpretation of EU law. It consists of three courts: the Court of Justice (CJ), the General Court (GC) (created in 1988) and the Civil Service Tribunal (CST) (created in 2004).

### The Court of Justice

The CJ is composed of 27 judges, one per Member State, and eight Advocates General (AGs). The AGs assist the Court and are responsible for presenting, with complete impartiality and independence, an 'opinion' in the cases assigned to them.

The judges and AGs are appointed by common accord of the governments of the Member States after consulting a panel responsible for giving an opinion on prospective candidates' suitability to perform the duties concerned. They are appointed for a term of office of six years, which is renewable.

The judges elect from amongst themselves a President and a Vice-President for a renewable term of three years. The President directs the work of the CJ and presides at hearings and deliberations of the full Court or the Grand Chamber. The Vice-President assists the President in the exercise of his duties and takes his place when necessary.

The Court may sit as a full court, in a Grand Chamber of 15 judges or in Chambers of three or five judges depending on the nature and importance of each case.

There are different types of proceedings that can be brought before the CJ.

#### References for preliminary rulings

In order to ensure the effective and uniform application of EU legislation and to prevent divergent interpretations, the national courts may, and sometimes must, refer to the CJ and ask it to clarify a point concerning the interpretation of EU law. The CJ's reply takes the form of a judgment or reasoned order. The national court to which it is addressed then decides the dispute before it, bound by the interpretation given. The Court's judgment likewise binds other national courts before which the same problem is raised.

#### Actions for failure to fulfil obligations

These actions enable the CJ to determine whether a Member State has fulfilled its obligations under EU law.

#### Actions for annulment

By an action for annulment, the applicant seeks the annulment of a measure (in particular a regulation, directive or decision) adopted by an institution, body, office or agency of the EU.

#### Actions for failure to act

These actions enable the lawfulness of the failure of the institutions, bodies, offices or agencies of the EU to act to be reviewed. However, such an action may be brought only after the institution concerned has been called on to act.

#### Appeals

Appeals on points of law only may be brought before the CJ against judgments and orders of the GC.

#### Reviews

Decisions of the GC on appeals against decisions of the CST may, in exceptional circumstances, be reviewed by the CJ.

#### The General Court

The GC is made up of at least one judge from each Member State, 27 at present. Its judges are appointed following the same procedure as the CJ for the same renewable period of six years. The GC also appoints a President for a renewable term of three years. Unlike the CJ, the GC does not have any AGs.

The GC sits in Chambers of five or three judges or, in some cases, as a single judge. It may also sit as a Grand Chamber (13 judges) or as a full court when this is justified by the legal complexity or importance of the case. However, more than 80 percent of the cases brought before the GC are heard by a Chamber of three judges.

The General Court has jurisdiction to hear:

- direct actions brought by natural or legal persons against acts of the
  institutions, bodies, offices or agencies of the EU (which are addressed to
  them or are of direct and individual concern to them) and against
  regulatory acts (which concern them directly and which do not entail
  implementing measures) or against a failure to act on the part of those
  institutions, bodies, offices or agencies; for example, a case brought by a
  company against a Commission decision imposing a fine on that
  company;
- actions brought by the Member States against the Commission;
- actions brought by the Member States against the Council relating to acts adopted in the field of state aid, 'dumping' and acts by which it exercises implementing powers;
- actions seeking compensation for damage caused by the institutions of the EU or their staff;
- actions based on contracts made by the EU which expressly give jurisdiction to the GC;

- actions relating to Community trade marks;
- appeals, limited to points of law, against the decisions of the CST;
- actions brought against decisions of the Community Plant Variety Office or of the European Chemicals Agency.

The rulings made by the GC may, within two months, be subject to an appeal, limited to points of law, to the CJ.

#### The Civil Service Tribunal

The CST is composed of seven judges appointed by the Council for a renewable period of six years. When appointing the judges, the Council ensures a balanced composition of the Tribunal on as broad a geographical basis as possible from among nationals of the Member States and with respect to the national legal systems represented. The judges of the Tribunal elect their President from among their number for a renewable term of three years.

The Tribunal sits in Chambers of three judges or exceptionally as a full court depending on the difficulty or importance of each case. Furthermore, in cases determined by the Tribunal's Rules of Procedure, it may sit in a Chamber of five judges or as a single judge.

The CST has jurisdiction to hear and determine at first instance disputes between the EU and its servants pursuant to Article 270 TFEU. The decisions given by the Tribunal may, within two months, be subject to an appeal, limited to questions of law, to the GC.

## **APPENDIX 5: ACRONYMS**

AFCOE European Parliament Committee on Constitutional Affairs

AFSJ Area of Freedom, Security and Justice

AG Advocate General

CCBE Council of Bars and Law Societies

CJ Court of Justice

CJEU Court of Justice of the European Union

CONT European Parliament Committee on Budgets

CST Civil Service Tribunal

EU European Union

FPG Friends of the Presidency Group

GC General Court

JURI European Parliament Committee on Legal Affairs

QC Queen's Counsel

TEU Treaty on European Union

TFEU Treaty on the Functioning of the European Union