

Council of the European Union

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NOTE

from:	General Secretariat of the Council
to:	Delegations
Subject:	Summary record of the meeting of the European Parliament Committee on Legal Affairs (JURI), held in Brussels on 24 September 2014

Setting up of negotiating teams for trade mark (N. 8) and insolvency proceedings (n. 7) allows trilogues to start.

The announcement by the Registrar of the Court of Justice of new proposal to increase the number of members of the general court to 56 (two per MS) received sharp criticism in JURI, which saw it as the easiest, but also the most expensive, way to address Court productivity (each judge costs EUR 1 Million per year) (n. 5).

The meeting was chaired by Mr SVOBODA (EPP, CZ).

1. <u>European Convention on the legal protection of services based on, or consisting of,</u> <u>conditional access</u>

The item was postponed.

2. <u>Convention on International Interests in Mobile Equipment on Matters specific to</u> <u>Railway Rolling Stock</u>

The item was postponed.

3. <u>European Small Claims Procedure and European order for payment procedure</u>

Ms GERINGER DE OEDENBERG (S&D, PL), rapporteur, underlined the main changes proposed by the Commission:

- wider scope, by setting the threshold at EUR 10 000 instead of EUR 2 000;

- encourage electronic exchanges, to which the rapporteur suggested adding video conferences;

- capping and distance payment of court fees;

- reduce administrative costs by translating only the substance of the judgment.

The representative of the Commission told Mr LEBRETON (FR, NI), who had welcomed the proposal, that the limited use of the scheme in some MSs had been addressed by the Commission through measures aimed at increasing its popularity, such as publishing guidance for practitioners. The rapporteur agreed with Mr BUDA (EPP, RO) that the threshold for business should be higher than EUR 10 000, but suggested waiting to see whether the Council had problems with EUR 10 000.

4. <u>Union Code on Visas (recast)</u>

The Committee voted in favour of the adoption of the recast measure.

5. <u>Proposal for a Regulation of the European Parliament and of the Council amending</u> <u>the Statute of the Court of Justice of the European Union by increasing the number</u> <u>of judges at the General Court</u>

Mr MARINHO E PINTO (ADLE, PT), rapporteur, recalled that while the Council could agree to increase by 12 the number of Judges of the General Court, it could not agree on the method of their appointment. He drew attention to the statistics showing the ever increasing backlog of pending cases in the General Court and considered that further statistics should be produced to justify the increase to forty judges, while also taking cost effectiveness into account as each additional judge with a cabinet would cost EUR 1 million per year. As a point of comparison, he mentioned that the US Supreme Court had only 9 judges.

Mr ZWIEFKA (EPP, PL) recalled that agreement had already been reached on an increase in the number of judges and on the principle of appointment by merit. The system should ensure that no Member State had more than 2 judges.

Mr CALOT ESCOBAR, Registrar of the Court of Justice, said that it was urgent to reach agreement as soon as possible on the appointment of new judges. He objected to the comparison made between the ECJ and the US SC, since the latter, unlike the ECJ, could choose the cases it hears. He stressed that considerable efforts had been made to reorganise work with a view to enhancing productivity, but that the General Court had reached its limits in this respect and that an increase in the number of judges was essential in order to reduce the disparity between the number of new cases and the Court's capacity to deal with them. He mentioned that appeals had been filed for infringement of Article 47 of the Charter of Human Rights, which would entail the payment of compensation for unreasonable delays.

Mr CALOT ESCOBAR announced that the Court of Justice would shortly be sending a letter to the European Parliament and the Council inviting them to urgently adopt the proposal on the increase in the number of judges and to appoint the additional judges as soon as possible, while at the same time announcing another legislative proposal aimed at re-integrating the Civil Service Tribunal into the General Court and at further increasing the number of judges at the General Court to a total of 56, so that each Member State would ultimately have two judges. Mr CALOT stressed that this increase was justified in view of the need for the European judiciary to operate smoothly, which would result in an effective and efficient internal market.

Ms DELVAUX (S&D, LU) and Mr CAVADA (ADLE, FR) said that the General Court had reached the limits of what could be achieved by internal measures of reorganisation and that an increase in the number of judges was necessary. However, they considered doubling the number of judges of the General Court to be excessive.

The rapporteur stated that alternative options should be examined before doubling the number of judges, since this was also the most expensive option; he suggested that procedures should first be changed in order to avoid lengthy formalities.

Mr BUDA (EPP, RO) and Mr. LEBRETON (NA, FR) supported the rapporteur's view. Mr VOSS (EPP, DE) added that results could also be achieved from a review of the structure of the Court of Justice. It was announced that a visit of the JURI Committee to Luxemburg would take place shortly to take stock of the situation.

6. <u>Promoting the free movement of citizens and businesses by simplifying the acceptance of certain public documents in the EU</u>

Ms DELVAUX, rapporteur, welcomed the Commission's proposal and said that the Presidency was willing to push the file forward, despite resistance within the Council. An orientation debate was expected to take place in the Council in October and a general approach reached in December.

The Commission representative highlighted the sticking points within the Council and mentioned the scope (which should be limited to natural persons), multilingual standard forms (which may not circulate without the original certificate), extension of the translation of certificates, problems arising from the relationship with international conventions, and the call by some MS for a new generation of IT tools. Mr KARIM (ECR, UK) and Mr BUDA (EPP, RO) warned against an excessive extension of the scope because of the risk of fraud.

The rapporteur considered that the inclusion of a review clause addressing the security aspects could enable progress to be made, in particular on the scope issue.

7. Amendment of Council Regulation (EC) No 1346/2000 on insolvency proceedings

Mr ZWIEFKA (PPE, PL), rapporteur recalled that the EP had already adopted its position at first reading. The Council was preparing its position. He felt that, despite differing views, an agreement could be found to ensure the safety of creditors without leading to the winding up of companies, which would also entail job losses. He supported the proposal for an EU insolvency register to monitor the state of proceedings across the EU. A clearer definition of the main centre of interest was also needed to avoid forum shopping. He also suggested addressing the issue of the insolvency of consumers.

He announced the following negotiating team; Mr COFFERATI (S&D, IT), Mr DUDA (ECR, PL), Mr MARINHO e PINTO (ALDE, PT), Ms HAUTALA (Greens, FI). The GUE and EFDD members were not yet known.

8. <u>Community trade mark and Laws of the Member States relating to trade marks</u> (Recast)

Items 10 and 11 were dealt with together. In the absence of Ms WIKSTRÖM, rapporteur, Mr Svoboda, chair, announced the following composition of the negotiating team: Mr SVOBODA (EPP), Ms GERINGER DE OEDENBERG (S&D), Mr DUDA (ECR), Ms WIKSTRÖM (ALDE), Ms ANDERSSON (GREENS), Mr MASTALKA (GUE), Ms FERRARA (EFDD).

Implementing acts and measures (Rule 106)

9. Commission Regulation (EU) of XXX amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Accounting Standard IAS 19 (Text with EEA relevance)

Commission Regulation (EU) No .../.. of XXX amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Standards 2, 3 and 8 and International Accounting Standards 16, 24 and 38 (Text with EEA relevance) JURI/8/01048

Commission Regulation (EU) No .../.. of XXX amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Standards 3 and 13 and International Accounting Standard 40 (Text with EEA relevance)

Mr SZÁJER (PPE, HU), rapporteur, suggested not raising objections to the measures adopted by

the Commission under the Regulatory Procedure with Scrutiny (RPS). JURI voted in favour of nonobjection.

The rapporteur nevertheless complained that the Council had blocked the adoption of the Omnibus files aimed at aligning the legislative dossiers containing RPS with the Lisbon treaty provisions on delegated and implementing acts.

10. <u>Subsidiarity</u>

Ms DELVAUX recalled that when the Commission's proposal for a Council Regulation on the establishment of a European Public Prosecutor's Office received 14 Reasoned Opinions, representing 19 of the total of 56 votes, the Commission had to decide whether to maintain, amend or withdraw its proposal. She expressed the view that the EP should not support objections to a proposal that represented a positive step forward in creating a European public prosecutor.

11. <u>Next meetings</u>

• 13 October 2014, 15.00 – 18.30 (Brussels)