



Annual Activity Report 2024

Legal Service

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LEGAL SERVICE IN BRIEF

The Legal Service is an internal horizontal Presidential Service under the authority of and reporting directly to the President of the Commission, Ursula von der Leyen.

The Legal Service provides high quality and timely legal advice and defends the interests of the Commission and of the Union in litigation before the courts and tribunals. The Legal Service contributes to the development and implementation of all initiatives of the Commission and ensures that the provisions of the Treaties are correctly interpreted and applied, so that all Commission acts and proposals are in accordance with the law of the European Union and international law.

Deadlines are often very short and, nevertheless, high quality legal expertise is expected at all times. Its flat organisational structure contributes to effective and efficient information flow and decision making, facilitating the fulfilment of its objectives.

During 2024, the Legal Service dealt with:

- 1 839 on-going cases before the Union Courts and 849 cases before national courts,
- replied to 16 046 consultations ⁽¹⁾ of which 9 838 arrived through the Commission's decision-making process ⁽²⁾,
- gave its opinion on 2 826 replies to parliamentary questions and 374 petitions.

At the end of 2024, the Legal Service had 428 staff members, whereby 95% work in teams providing legal advice and legal representation, of which 16% focus on legislative drafting. The remaining 5% of total staff provide internal support (HR, communication, finance and IT). Administrative spending in 2024 was EUR 4.1 m of which EUR 3 m was used to pay legal fees. The Contracts and Recoveries Unit recovered EUR 3.3 m in 2024.

The Legal Service organised its second **Annual Conference** on March 18, 2024, with the participation of several distinguished speakers on the development of Artificial Intelligence in the field of law.

On 8 March 2024, the **World Jurist Association awarded its medal of honour** to the **Legal Service of the European Commission** for its transcendental role within the European Union, especially for ensuring the protection of fundamental rights.

The Legal Service was also awarded a prize (third place), by the **Financial Times**. This was the **Innovative Lawyers Awards Europe**, in the category of In-house legal team: **Innovation in operational transformation**, for being one of the most efficient and innovative achievements in **LegalTech** (IT) systems for daily use.

⁽¹⁾ Consultations registered in ARES

⁽²⁾ Consultations registered in Decide

EXECUTIVE SUMMARY

This annual activity report is a management report by the Director-General of the Legal Service to the College of Commissioners. Annual activity reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordination, executive and management functions it exercises, as laid down in the Treaties ⁽³⁾.

A. Key results and progress towards achieving the Commission's general objectives and department's specific objectives

The Legal Service is responsible for providing legal advice and for representing the Commission before Union, national and international courts and tribunals. This work must be of the highest quality and be delivered in due time, and the representation of the Commission before the Union courts must be ensured in all official languages of the Union. The flat organisational structure of the Legal Service allows for quick adaption to new situations, it allows for fast dissemination of information, and to quickly, and yet thoroughly, respond to every request in whichever legal field it may concern.

Through both its advisory role and its litigation role, the Legal Service contributes to all 7 priorities of the von der Leyen Commission. The Legal Service contributes to **General objective No 7: A modern, high-performing and sustainable European Commission**. The timely and high-quality legal advice and legal representation is expected to contribute to an increase in **Impact indicator 1: Image of the European Commission**.

The Legal Service is the lead service within the Commission for relations with all judicial bodies. It is also responsible for the negotiations concerning the accession of the European Union to the European Convention on Human Rights (ECHR). In this way, the Legal Service contributes to **General objective No 6: A new push for Democracy**. The negotiations



led by the Legal Service are expected to contribute to an increase in **Impact indicator 8: Perceived independence of the national justice systems in the European Union**.

The Legal Service organised its second **Conference on March 8, 2024**, with a focus on **Artificial Intelligence in the legal field** and to which distinguished speakers had

⁽³⁾ Article 17(1) of the Treaty on European Union.

been invited. During the conference, the **World Jurist Association awarded its medal of honour to the Legal Service.**

On July 4, 2024, the Legal Service organised a conference dedicated to the '**20 Years of Enlarged Union**', which focused on case law of the Court of Justice following the 2004, 2007 and 2013 enlargements.

An **Artificial Intelligence strategy** for the Legal Service, **AI@SJ**, was adopted in July 2024. It includes the launch of generative AI 'Large Language Models', which have become mainstream. Based on the local strategy and corporate assets, two **LegalTech** generative AI-related projects are being implemented as a first step in view of rolling them out in 2025.

The first one branded GAIUS is a **legal chatbot**, available to the Business Implementation Group members, can answer specific questions based on Legal Service data sets in a secured environment. Various domains, like internal procedures of the Legal Service, rules of procedure of the Court of Justice or case law are being dealt with.

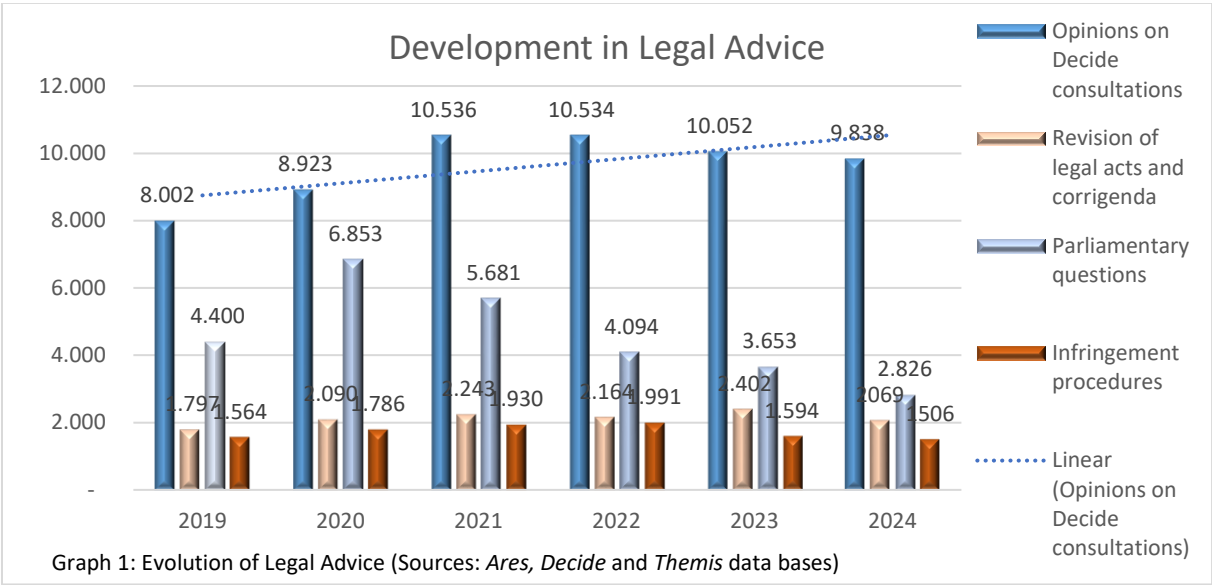
The second project, based on the same AI engines, is related to the **automatic generation of parts of court applications** in the context of ULM (Unified Litigation Management Templates dedicated to certain type of legal or administrative procedures. The examples of interim measures and infringement non-communication cases are being explored in collaboration with the infringement team.

Communication and outreach activities, which aimed at raising awareness about the **LegalTech** tools resulted in a recognition of efforts in digital innovation: on September 12, 2024, the Legal Service was awarded third place by the **Financial Times Innovative Lawyers Awards Europe**, in the category of In-house legal team: **Innovation in operational transformation** for being one of the most efficient and innovative achievements in IT systems for daily use.

In 2024 the Legal Service concluded a **service level agreement** with the Council on the provision and maintenance of its knowledge management system **ULM** (Unified Litigation Management) in SaaS ('Software as a Service') mode. **ULM** is the "flagship" system of the Legal Service. It is the repository of all litigation data and documents, featuring a set of specialised modules for different jurisdictions, such as the Court of Justice of the European Union ('Base Contentieux'), the national courts, the dispute settlement body of the WTO and some other international arbitration courts.

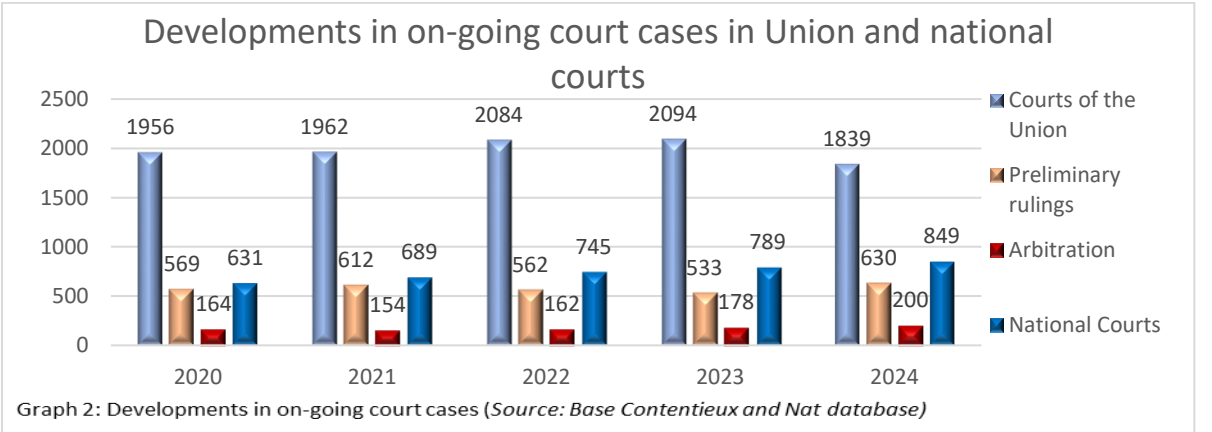
In 2024, the Legal Service worked to ensure that all measures proposed or adopted by the Commission were legally sound and that they could be successfully defended before the EU Courts and national courts. 2024 has shown a slight temporary decrease in the number of formal consultations compared to 2023. This was due to the institutional transition, but the

year trend continues to be increasing, and the number is higher than in the transitional year 2019. However, informal consultations have increased, and the challenges of very short deadlines continue to put pressure on the Legal Service’s staff.



Graph 1 presents the evolution of the various types of consultations over the past 6 years in the Commission’s decision-making process. In 2024, the Legal Service gave its **opinion on 9 838 legal acts** ⁽⁴⁾; of which **2 069** underwent **legal revisions**; replied to **2 826** parliamentary questions and dealt with **1 506 infringement procedures**.

In 2024, the Legal Service defended the interests of the European Commission in **1 839 on-going cases** before the Courts of the Union, including by assisting the European Court of Justice and the EFTA Court in **630 preliminary rulings** and **200 arbitrations**. The Legal Service also represented the Commission in **849 on-going national court cases**. Graph 2 shows the developments in legal representation for the different categories of court cases.



The Contracts and Recoveries Unit recovered EUR 3.3 m of claims for the benefit of the Commission, and therefore of the Union’s budget.

⁽⁴⁾ *Decide* is the corporate IT tool supporting the Commission's decision-making process, from planning to Commission adoption.

The **Affair Team**, responsible for business law and information society, advised on the application of Digital Services Act (DSA) and Digital Market Act and (DMA) Regulations and the first steps towards the application of the **Artificial Intelligence Act**, including the setting up of the AI Office and on questions concerning **cybersecurity** (NIS 2 Directive). It worked on litigation in the Financial Services, on a request for an opinion on the nature of the envisaged **air transport Agreement** with Oman and on international arbitration connected to the **Energy Charter Treaty**. It negotiated with the Italian authorities on beach concessions and worked **on short term rentals related issues** as well as on negotiations on the Special Protection Certificate in the field of **intellectual property**.

A court case managed by the **State Aid Team** resulted in a final judgment on an appeal confirming the **Apple** decision, which fixed the largest amount of state aid to be recovered



from a Member State in respect of a single beneficiary (EUR 13 bn). In the litigation case under the **Foreign Subsidies Regulation**, on access to data on Chinese servers sought during an on-site inspection, the Court accepted all

the Commission's arguments on why the inspected firm could not withhold access.

The **AGRI Team**, being responsible for the Common Agricultural Policy and Fisheries, advised on the **simplification of the green architecture of the Common Agricultural Policy** on the **Common Organisation of the Markets Regulation**, on the negotiation on the establishment of a **Common Food Safety Area with Switzerland** and on the adoption of the Council regulation setting the fishing opportunities for the **fish stocks in the Western Mediterranean in line with the Maximum Sustainable Yield** principle. The team represented the Union in the **arbitration with the UK** under the fisheries chapter of the Trade and Cooperation agreement.

The **BUDG Team**, specialised in the area of budget and taxation, was closely involved in the adoption of the **Strategic Technologies for Europe Platform regulation** and of the recast of the **Financial Regulation**, assisted in the negotiations on the **bilateral agreements with Canada, the Republic of South Korea and Switzerland** and their participation in Union programmes (e.g. MFF, Horizon Europe, EURATOM, ITER), assisted in the **preparation of the Ukraine, Western Balkans and Moldova facilities**, advised on the new Union customs code and resolved numerous problems around the entry into force of the Convention on pan-Euro-Mediterranean preferential **rules of origin**. The team defended EU interests in the **Harley-Davidson case** to safeguard the Commission's possibility to combat anti-circumvention concerning origin. In the **Deutsche Telekom judgment**, 17 successful negotiations regarding interest after the annulment of competition fines contributed to **savings for the European taxpayer**.

The competition law, **Conc Team**, advised in: **antitrust** enforcement cases against the large digital platforms **Facebook, Microsoft and Apple** to which fines for abuse of

dominance were imposed; in cases in the **fashion industry**, in the **railway industry** and in the **pharmaceutical sector**, assisted in several **merger controls**, worked on various files in the **Digital Markets Act** (DMA) and litigated in cases against **Google, Meta and Apple**.

The **Eurozone Team**, focusing on economic questions, advised on: the **Ukraine Loan Cooperation Mechanism** and on exceptional **macro-financial assistance to Ukraine**, the **European Defence Industry Programme**, the **new economic governance framework** introducing major changes to the implementation of the **Stability and Growth Pact** and on the rejection of the request of **Hungary** to lift the measures concerning universities maintained by public interest trusts.

The **Inst Team**, handling institutional aspects, represented the Commission in inter-institutional negotiations concerning the **reform of the Statute of the Court of Justice** and of the **rules of procedure of both the Court of Justice and the General Court**. The team has also been at the forefront for all legal advice concerning the appointment of the **new Commission** and the revision of many legal acts adopted at the beginning of the new Commission, including the revised **Rules of Procedure of the Commission**.



The Justice, Freedom and Security, **JLS Team**, assisted the Commission in finalising the legislative negotiations on the numerous legal acts in the **Area of Freedom, Security and Justice** forming part of the **Pact on Migration and Asylum**, in the field of **criminal law** and in negotiating several important international agreements. The team dealt with many court cases in the fields of **Union citizenship, private international and criminal law, migration** and **asylum**, many of which raised important and novel legal questions.

The **Mimed Team**, responsible for Euratom, enterprise, customs union, environment and defence, dealt with the legislative proposal aimed to enhance the **Union's defence industrial readiness** (EDIP), the regulatory **framework to boost the competitiveness** of EU industry and **technologies crucial for decarbonisation** (NZIA) and the reform of the **electricity market**.

The **PERS Team**, handling staff matters, dealt with files relating to **improvement in the process for hiring staff** and with cases on determining staffs' place of origin, transfer of pension rights, and on recovery of remunerations, allowances and pensions as well as in disciplinary matters.

The external relations, **Relex Team**, contributed to the institutional follow-up of the Gabon judgment, to concluding **negotiations with Switzerland**, worked on the **Russian frozen assets** (windfall profits and G7 loan mechanism) and the **Special Tribunal for the Crime of aggression against Ukraine**, participating in all Core Group meetings.

The social, employment and consumer protection, **Soc Team**, gave advice on the **European Health Data Space** (EHDS). The team advised on the proposal for a **public interface connected to the Internal Market Information System for the declaration of posting of workers**, which intends to alleviate the administrative burden for companies. The team litigated inter alia in the **FIFA** case regarding rules on international transfers of professional footballers with competition law and the free movement of workers.

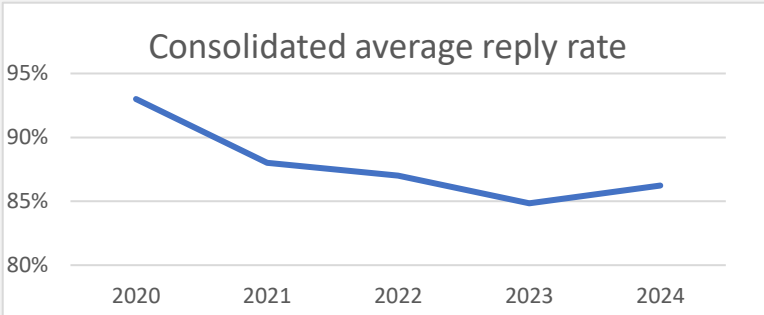
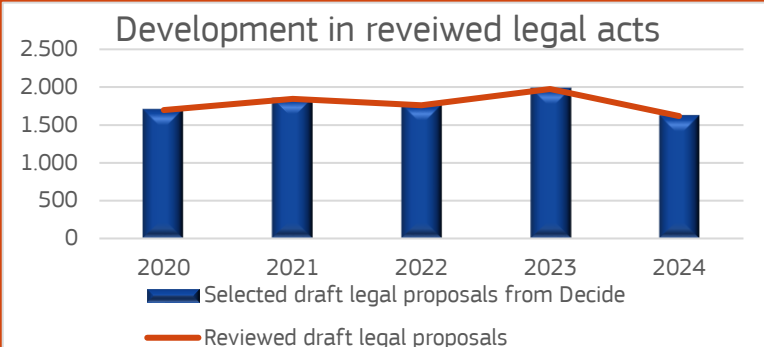
The **Trade Team**, litigated in cases on **Trade Defence Instruments** (TDI) and on **Trade and Cooperation Agreement with the United Kingdom**, in two defensive cases against **Indonesia**, and in two defensive cases against **China** in the field of intellectual property rights and the financial support provided by China in third countries (Egypt) where the Court endorsed the Commission's attribution theory, in investment arbitration with **Nord Stream 2** and **Klesch**.



Furthermore, the team advised on files such as labour-intensive battery electric vehicles, on the EU's relations with **Ukraine** and **other candidate and neighbouring countries**, in the **Net Zero Industry Act**, on the **Deforestation regulation**, and in **Foreign Direct Investment**.

The contracts, public procurement and recoveries, **MAREC Team (R.3)**, has opened new opportunities for **recovering unduly paid EU funds** following new case-law from the Court of Justice relating to **protection of the Union's financial interests** (PIF). Furthermore, the court confirmed the **recovery of daily penalties from Poland through offsetting**.

B. Key performance indicator

KPI 1: Attendance by the Director-General of the Legal Service in all Commission and Heads of Cabinet meetings	Attendance by the DG in all Commission and Heads of Cabinet meetings - The Director-General of the Legal Service or his Deputy attended all Commission meetings - The Director-General of the Legal Service or his Deputy attended all Heads of Cabinet meetings
KPI 2: Average rate of timely reply to Consultations at 86%	Average rate of timely reply to consultations  Development in reply rate (Sources: <i>Decide</i>, Sec Gen (Parliamentary questions, Petition, Ombudsman), Access to documents)
KPI 3: 100% of selected draft legal proposals have undergone a review to ensure a high level of linguistic quality	All legal acts selected to be reviewed by the Quality of Legislation team  Development in reviewed legal acts Legend: Selected draft legal proposals from Decide (blue bars), Reviewed draft legal proposals (orange line)
KPI 4: Ensuring the interests of the European Commission by attendance at all Court hearings	Presence of Legal Service staff at court hearings - Legal Service was represented in 100% of Union Court hearings - Legal Service was represented in 100% of national court hearings 100% of court documents filed within deadline
KPI 5: Estimated risk at closure	Error rate on financial transactions Detected error rate at closure was below 0.5%

C. Key conclusions on internal control and financial management

The Legal Service has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2 for further details.

The Legal Service had EUR 4.1 m of administrative expenditure in 2024, mainly for contracted external legal expertise and cost compensation to opposing parties for their legal costs (84%) and for IT developments and investments (14%) and 2% for other expenditure.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. The Director-General, in his capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

D. Provision of information to the President of the Commission

In the context of the regular meetings during the year between the Legal Service and the President of the Commission, via her cabinet, on management matters, the main elements of this report and assurance declaration have been brought to the attention of President von der Leyen.

1. KEY RESULTS AND PROGRESS TOWARDS ACHIEVING THE COMMISSION'S GENERAL OBJECTIVES AND SPECIFIC OBJECTIVES OF THE DEPARTMENT

1.1. Legal Advice

The Legal Service assists the President of the European Commission, the Commission, its DGs and Services in all areas of the Commission's activities and in particular:

- preparing legislative and non-legislative proposals,
- drafting legislation,
- conducting international negotiations,
- fulfilling its role as Guardian of the Treaties,
- adopting implementing and delegated acts.

The extensive horizontal duties as legal advisor to the Commission contributes to **General objective No 7: A modern, high-performing and sustainable European Commission.**

In its advisory function, the Legal Service ensures that all Commission acts and initiatives are in accordance with the Treaties and correspond to the highest requirements of legal certainty and clarity. The Legal Service intervenes throughout the process in the preparation of legal acts, both formally and informally. **Legal advice provided on documents with legal implications may contribute to a reduction in the number of litigations, hence, contributes to efficiency gains throughout the Commission.**

By the end of 2024, most of the actions identified during the 'Reform of the Legal Service' project have been implemented, including the development of a model for **workload assessment** and several actions resulting from the most recent staff satisfaction survey.

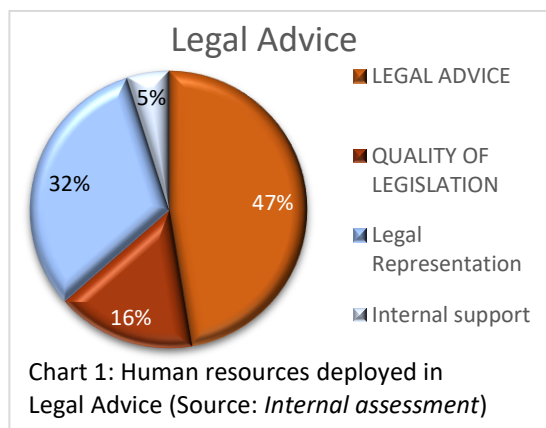
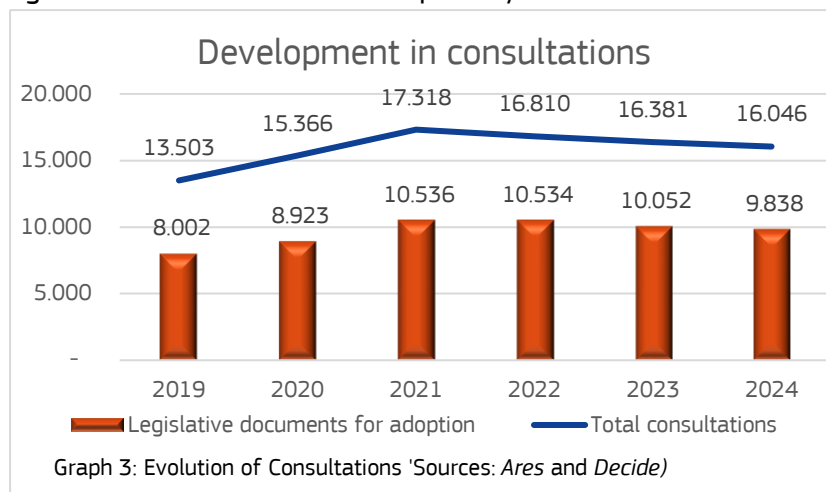


Chart 1 presents the proportion of staff working time giving legal advice. Approximately 63% of human resources is devoted to legal advice. However, in the thematic teams, approximately half of the working time is spent giving legal advice, while for the Quality of Legislation team, most of their time is spent giving legal advice.

1.1.1. Consultations

The Legal Service received 16 046 consultations in 2024, of which 9 838 were on legislative documents to be adopted by the Commission. The Legal Service is required to



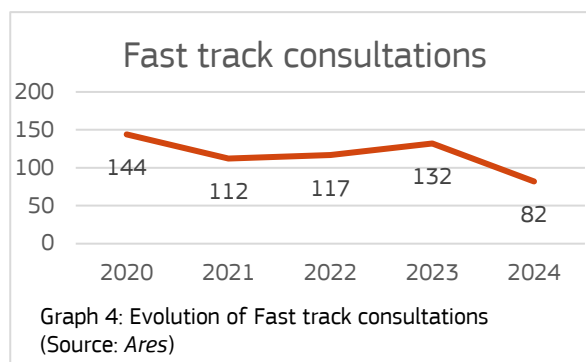
issue its opinion on all documents which may have legal implications, on legislative and non-legislative proposals. There has been an increase of almost 20% in consultations between 2019 and 2024. Graph 3 presents the development in consultations over the past six years.

Through an efficient mobilisation of internal resources, swift internal decision-making procedures and a high sense of commitment from its staff, the Legal Service is able to promptly meet the requests for legal advice. The lawyers provide timely and thorough legal assessments, despite the often very tight deadlines, the high legal complexity and the sensitivity of the issues at hand. In 2024, the Legal Service replied within the deadline to 86% of all formal consultations. The reply rate has slightly decreased over the past years due to the increased number of requests, the process of consultations between DGs/services, the growing number of informal consultations, and the reduction of resources. More information on the attribution of consultations can be found in Annex 2, Section 1.1, Table 1 and Graph A.

The Legal Service is also consulted by DGs, services and Cabinets on legal questions in a more informal and direct basis including 'exploratory' discussions or very urgent legal issues, often by a simple email, or assists the services in the formulation of replies to citizens and interested parties. For example, the Legal Service regularly assists the Spokesperson's service by giving replies to journalists regarding court cases.

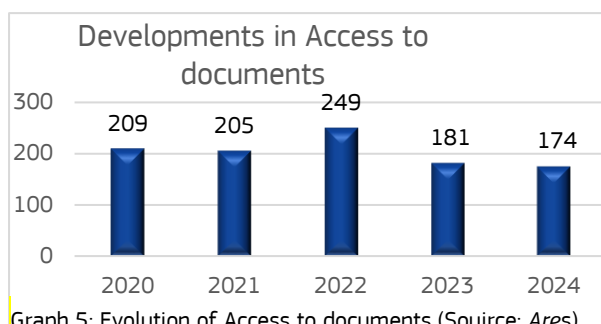
1.1.2. Fast-track

Fast track are consultations requiring the Legal Service to reply within 24 or 48 hours, sometimes even less. Some of these consultations may contain hundreds of pages. A significant number of fast-track consultations in 2024 needed *extremely* urgent replies, More information is set out in Annex 2, Section 1.1, Table 1.



1.1.3. Access to documents

The Legal Service is responsible for the handling of documents of which it is the author, such as: legal opinions and documents related to court proceedings in which it represented



the Commission; its submissions before the EU, national and international courts and arbitration bodies; and the submissions of other parties ⁽⁵⁾. In 2024, the Access to Documents team dealt with 174 initial requests for access to approximately 534 documents. More information is set out in Annex 2, Section 1.1, Table 1.

In the area of requests for access to documents, the Institution team is consulted on all draft decisions taken by the Secretary-General and by the Director-General of OLAF by delegation of the College at the confirmatory level of the administrative procedure. In 2024, the Legal Service gave its opinion on 340 draft confirmatory decisions.

Requests for access to documents also generates litigation. In 2024, 24 new actions for annulment were brought against Commission confirmatory decisions, and 6 appeals against judgments of the General Court were lodged. 18 judgments and 10 orders were handed down in 2024. At year-end 2024, there were 38 pending cases.

1.1.4. Other consultations

The Legal Service is consulted on all replies to **parliamentary questions** and gave its legal opinion on 2 826 parliamentary questions ⁽⁶⁾ in 2024. The election to the European Parliament in 2024 is the main reason for the drop in parliamentary questions.

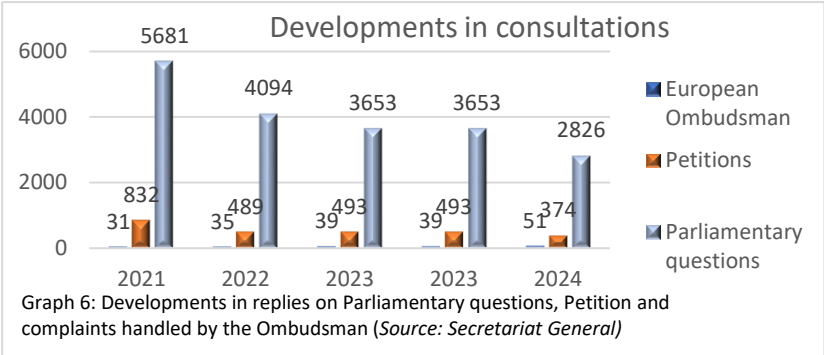
When the Legal Service is consulted on draft Commission replies to the Ombudsman, it must ensure that the law is respected, and that there is a coherent approach across the Commission as regards the acceptance of the Ombudsman's recommendations and suggestions for improvements in the Commission procedures. In 2024, the Legal Service provided its opinion on 51 draft replies to the **European Ombudsman**.

The European Parliament asks the Commission for information/preliminary investigations on **petitions** which allege a lack of compliance with EU law on the part of a Member State or an institution. The Secretariat-General attributes the requests to the competent lead service. The Legal Service gives legal advice on all petition consultations.

⁽⁵⁾ In its judgement in case C-213/15P on 18 July 2017, the Court confirmed that the Commission cannot refuse access to written submissions by the Member States and third parties held by it, on the sole grounds that they are documents relating to court proceedings of which it is not the author.

⁽⁶⁾ Since 2021, a parliamentary question may consist of up to four individual questions. Previously, each question raised was registered individually.

Graph 6 shows the development over the past five years on questions from the Parliament, the Ombudsman and Petitions. More information is set out in Annex 2, Section 1.1, Table 1.



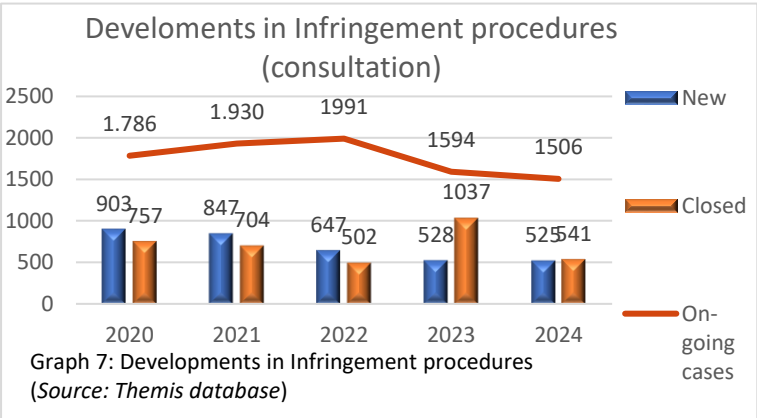
1.1.5. Infringement procedures

It is indispensable that EU law is correctly transposed, implemented and applied in the Member States. To assist the Commission in its role as **guardian of the Treaties**, the Legal Service provides advice throughout the pre-litigation procedure, and it represents the Commission before the Court of Justice in infringement cases. The Legal Service is consulted on all proposals for decisions on infringements submitted for adoption by the College and assists the Secretariat-General in the infringement decision-making process.

The Secretariat-General and the Legal Service organise an annual infringements coherence review exercise. This represents an important tool to ensure consistency of the Commission's implementation work and provide guidance on recurring legal and procedural issues. It helps to ensure that all open infringement cases are actively and consistently pursued or closed rather than staying dormant.

During 2024, the Secretariat-General and the Legal Service worked together closely to improve the infringement working methods and the IT system for the management of infringement procedures (THEMIS). A comprehensive stocktaking report ⁽⁷⁾ identified recommendations and follow-up actions that were implemented in 2024, also with contributions by the Legal Service.

There were 525 new infringement procedures opened in 2024 and 541 were closed. At year end, there were 1 506 ongoing infringement procedures. Under the guidance of the

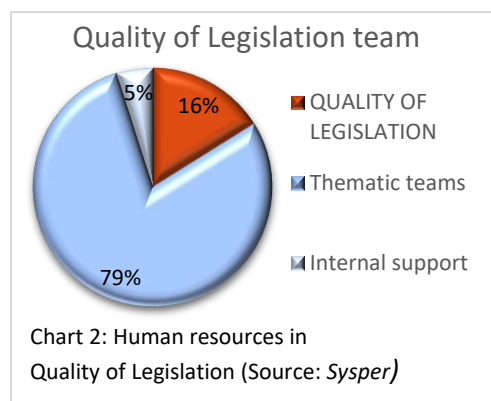


respective Commissioners, the DGs continued to make significant efforts to close cases in 2024. Graph 7 sets out more information about developments in infringement procedures during the past 5 years. More information on procedures can be found in Annex 2, Section 1.2, Table 2 and Graph B.

⁽⁷⁾ adopted on 14 July 2023 (SWD(2023)254) together with a Communication to the Commission (C(2023)4769).

1.2. Quality of Legislation

The Quality of Legislation team contributes to the quality of legal acts by giving advice on their structure, drafting and to efficiency gains in the further steps of the legislative procedure by enabling more clarity, accuracy and legal consistency in the final drafts and draft proposals which are to be translated into all language versions. The legal and



linguistic advice from the Quality of Legislation team contributes to the **General objective No 7: A modern, high-performing and sustainable European Commission**. In addition, members of the team also act as linguistic agents in court cases thereby contributing significantly to the litigation function of the Legal Service, especially in languages that are not well represented in the thematic teams.

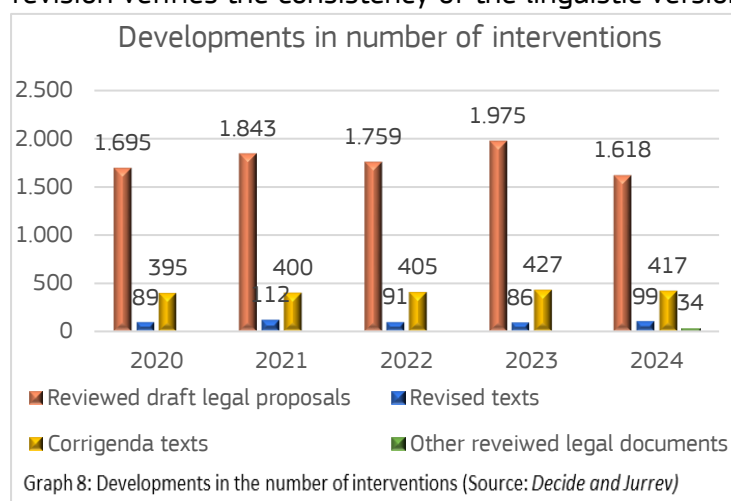
As presented in Chart 2, 16% of the Legal Service's staff work in the Quality of Legislation team.

1.2.1. Revision of draft legal acts

Well-drafted legal acts enhance clarity and legal certainty, enable better and more accurate translation into all official languages of the Union and therefore contribute to efficiency and effectiveness gains in the implementation of legislation.

The Quality of Legislation team gives advice in the conceptual phase of drafting legal acts, proactively and reactively during and after the official inter-service consultation. The selection of legal acts for revision is based on several parameters, the most important being that a text is due to become legally binding. Based on the rules of legislative drafting, the text in the legal act can be changed and reformulated, both in substance, form and structure. The advice given by the Quality of Legislation team is of value to both operational DGs and to horizontal services such as DG Translation.

After a text has been translated, but before adoption or approval by the Commission, it may be revised in all official languages by the Quality of Legislation team. The multilingual revision verifies the consistency of the linguistic versions from a legal point of view and



that the text corresponds to the advice on legislative drafting given by the team.

Graph 8 shows the evolution in the number of interventions. There is a slight decrease in numbers of acts selected in 2024 which is explained by the end of the mandate of the Commission after the elections to the European Parliament in spring and the fact that the new Commission took up

office only on 1 December 2024. Indeed, the team can only select the files which are launched in Decide and if the number of files decreases in Decide, the number of acts selected by the team will also decrease. The team maintained high-quality output. More information is set out in Annex 2, Section 1.3, Table 4.

1.2.2. Codification and recast of legal acts

The Quality of Legislation team works together with the relevant Commission DGs and services on codification, which is a formal re-adoption of an act with all its applicable amendments incorporated, contributing to better legislation.

Three legislative proposals were codified in 2024, one was submitted to the European Parliament and the Council, one was dealt with in a multilingual revision but not finalised due to lack of resources at assistant level. The third proposal has been postponed to the first quarter of 2025. Two further master copy texts were prepared by the team but not agreed yet with the responsible DGs. One new recast ⁽⁸⁾ was carried out, leading to the submission of a legislative proposal to the European Parliament and to the Council in 2024.



1.2.3. Other aspects of legislative simplification and further activities

The Quality of Legislation team also contributes to the development of digital techniques and tools for the elaboration of legislation.

In 2024, the Quality of Legislation team continued to provide targeted training to Commission DGs and agencies on legislative drafting and participated in the inter-institutional training programme for lawyer-linguists and legal revisers. Furthermore, in the context of the 'Reform of the Legal Service', the team participated in the preparation and delivery of the systematic training given to drafters by the Legal Service as a whole.

The Quality of Legislation team continues to maintain a list of the active *acquis* ⁽⁹⁾, identifying those acts of Union law in force which are currently applicable with a view to translation needs in the context of future accessions.

1.3. Legal Representation

Defending the interests of the Commission contributes to **General objective No 7: A modern, high-performing and sustainable European Commission.**

⁽⁸⁾ Recast consists of the codification of an act and the inclusion of new amendments into the codified text.

⁽⁹⁾ Established body of Union law.

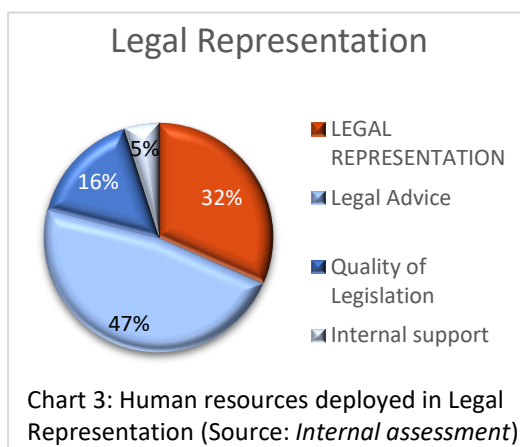
The Director-General of the Legal Service appoints agents ⁽¹⁰⁾ who will defend the interests of the European Commission and/or the European Union before:

- the Court of Justice and the General Court of the European Union,
- national courts, both in Member States and in third countries, in cases where the Union or the Commission are parties, as an applicant or defendant,
- dispute settlement procedures under the World Trade Organisation Agreement (WTO) and other international agreements,
- the European Free Trade Association Court (EFTA Court),
- arbitration bodies,
- international courts and tribunals, such as: the European Court of Human Rights, the International Court of Justice and the International Tribunal for the Law of the Sea.



The Commission may:

- act as applicant, for instance in the case of an infringement of EU law by a Member State, or to challenge an act taken by another institution,
- act as defendant, as in the case of an action for annulment of one of its acts or in the case of a failure to act,
- intervene in disputes between other parties and systematically intervenes as *amicus curiae* (friend of the court) in all preliminary ruling procedures before the European Court of Justice.



It is of vital importance that all court cases are dealt with correctly, that court deadlines are respected and that the Commission is represented at all court hearings. The Legal Service met these targets in 2024. All lawyers in the thematic teams are expected to undertake representation of the Commission in court cases and several staff members in the Quality of Legislation team also represent the Commission in court cases. Chart 3 presents the proportion of staff working on legal representation, which is approximately 32%.

⁽¹⁰⁾ The Director-General of the Legal Service is empowered by the College to designate the agents (i.e. lawyer(s) responsible for representing the Commission before the courts).

1.3.1. Defending the interests of the Commission and the European Union

The Legal Service has the unique responsibility of defending the Commission. Its staff have in-depth knowledge of Union law and often have previous experience as external lawyers or as lawyers in other Commission DGs or services, in other Union institutions or in Member States' administrations. The flat organisational structure of the Legal Service enables staff to take on a high level of responsibility, which is one of the key aspects believed to contribute to the high staff satisfaction index.

Many of the cases defended by the Legal Service in courts concern large sums of money, important points of law for EU citizens or crucial points of institutional law. Losing these cases could impact the reputation of the Legal Service and of the Commission.

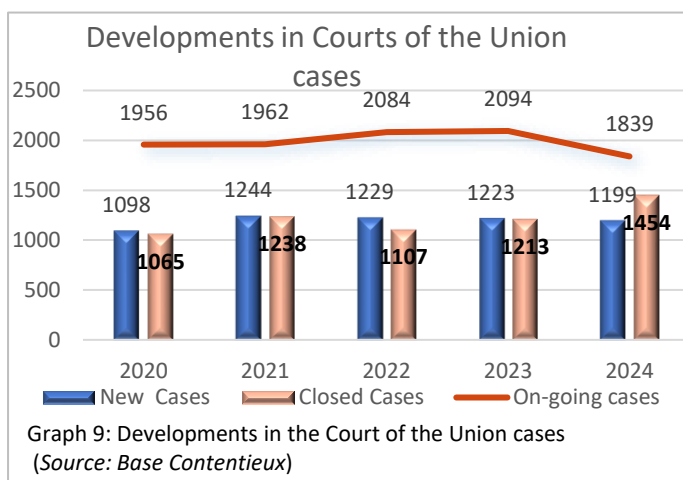


The Legal Service has put in place several measures to ensure quality in legal representation and coordination mechanisms to ensure the consistency of positions taken in litigation.

The Legal Service informs the President's Cabinet of judgments in sensitive cases and contributes to the public communication on judgments by working jointly with the Spokesperson's Service. The most significant judgments are mentioned in the Commission's General Report on the activities of the European Union.

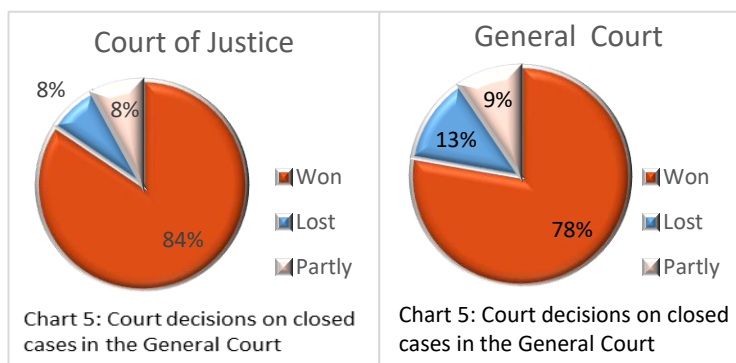
1.3.2. Cases in the Courts of the Union

Most of the cases in which the Legal Service represents the interests of the European Commission and/or the Union take place before the Court of Justice and the General Court.



There were 1 199 new cases registered in 2024 in the Courts of the Union and 1 454 cases were closed. The Commission was one of the parties in 1 112 of the closed cases. The increased number of closed cases in 2024 explains the drop in on-going cases, being 1 839 at year-end. Graph 9 shows the developments in cases in Union courts from 2020 to 2024. More information can be found in Annex 2, Section 1.4, Table 5 and Graph C.

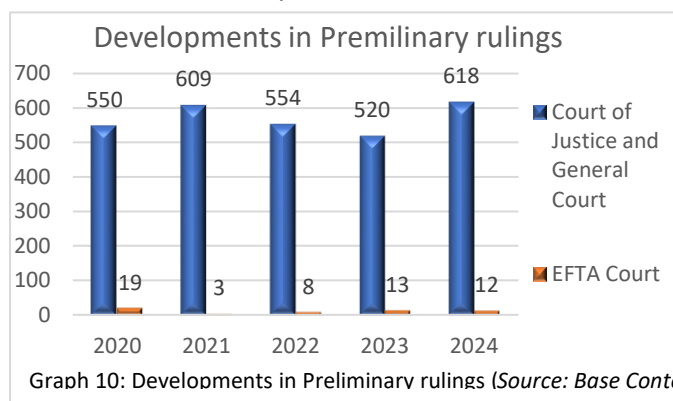
In general, the Legal Service won in around 80% of legal cases before the Court of Justice and the General Court. The outcome of those court decisions is set out in Charts 4 and 5. In the case of preliminary rulings, the numbers reflect whether the Court followed the Commission's position fully, in part or not at all. More information can be found in Annex 2, Section 1.4, Table 6.



Charts 4 and 5: Court decisions on closed cases for the Union Courts
(Source: Base Contentiux database)

1.3.3. Preliminary rulings

A national court may ask the Court of Justice to rule on the interpretation or validity of



Union law, in so-called preliminary rulings. The Legal Service assists the Court as **amicus curiae** (friend of the court) in finding the correct interpretation of Union law, a role which is much appreciated by the Court.

As shown in graph 10, in 2024, the Legal Service assisted the Court of

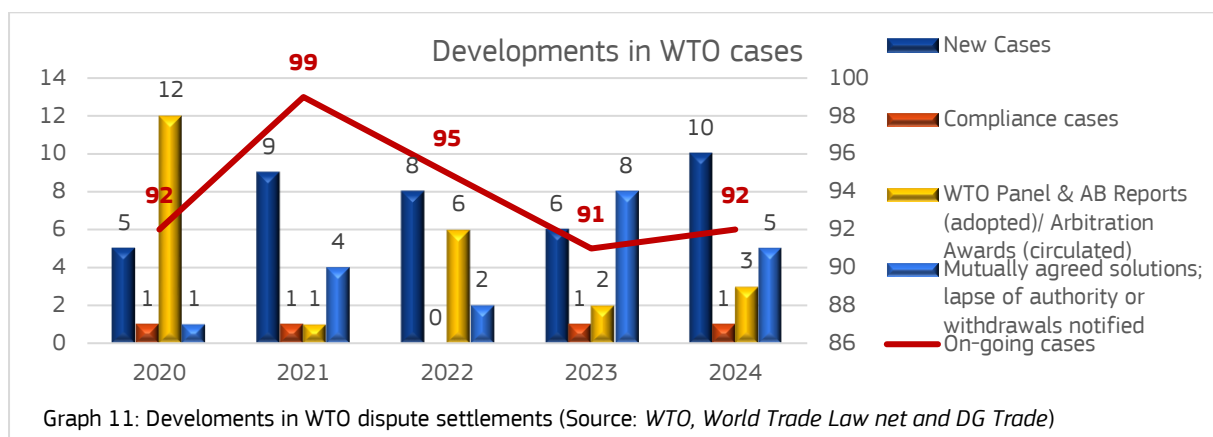
Justice in 612 preliminary rulings, 6 rulings in the General Court and 12 rulings in the EFTA Court. The number of preliminary rulings has increased significantly compared to the previous year. More information is presented in Annex 2, Section 1.4, Table 6.

1.3.4. World Trade Organisation – WTO and Bilateral Trade Agreements

The Legal Service assists the Commission in representing the European Union in all trade negotiations and represents the European Union before WTO Panels and the WTO Appellate Body. The Legal Service also deals with the cases arising under bilateral trade agreements to which the European Union is a party.

The European Union includes a dispute settlement mechanism in all its trade agreements, which allows for the rapid settlement of disputes. It is specifically designed to deal with disputes arising from the rules of the bilateral trade agreement. In 2024, there were 5 new dispute settlement cases. There were 92 ongoing cases in WTO at year end. Graph 11 below sets out the developments in WTO cases from 2020 to 2024.



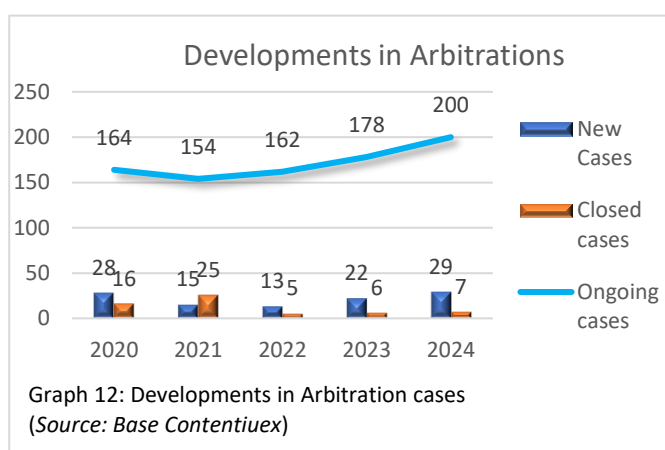


Unless there is a mutually agreed solution, it is difficult to determine when a WTO dispute is officially considered as closed (settled by the parties). WTO dispute settlement cases continue after the litigation part (implementation, reasonable period of time, retaliation) and are often considered as “not settled” even if nothing has happened for a long time, including cases where only consultations have taken place.

The work of the Appellate Body continues to be disrupted by the United States obstructing appointments. This explains the numbers of on-going cases as shown in graph 11 above. 28 panel reports have been appealed to an Appellate Body that has no members available to hear such appeals. To circumvent this blockage, 52 WTO Members, including the European Union and its 27 Member States, have established the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), based on Article 25 of the WTO Dispute Settlement Understanding, which allows for final resolution of disputes on appeal, on a reciprocal basis, following the same rules that would apply under the Appellate Body. The European Union reserves the right, under its Enforcement Regulation (Regulation (EU) No 654/2014 of the European Parliament and of the Council), to adopt countermeasures against any WTO Member who refuses to permit final resolution of panel proceedings under the terms set out in the MPIA.

1.3.5. Arbitration proceedings

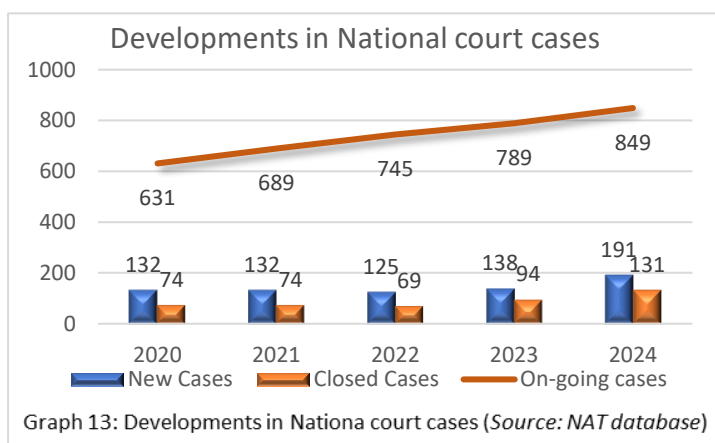
The Legal Service ensures that the interests of the European Commission are represented and defended in arbitration proceedings. As shown in Graph 12, there were 29 new arbitration cases in 2024, and 7 cases were closed. At the end of the year, there were 200 ongoing cases. There has been an increasing number of arbitration proceedings over the past 5 years and a new phenomenon of extraordinary voluminous and complex cases (e.g. the Nordstream 2 and the Klesch arbitrations). More information is presented in Annex 2, Section 1.4, Table 6.



1.3.6. National court cases

A nationally registered lawyer will be contracted when it is necessary to represent the Legal Service and the Commission before national courts. In 2024:

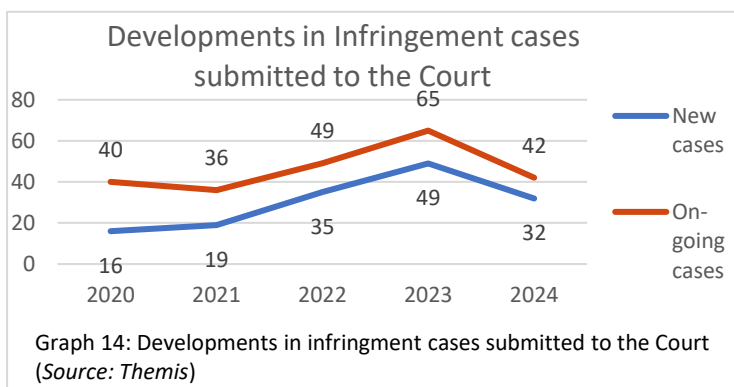
- there were 76 new cases brought before national jurisdictions, of which 58 (76%) concerned recovery of claims,
- there were 33 claims relating to liquidation/bankruptcy proceedings still open at year end,
- the Commission intervened as a civil party in 3 new criminal cases,
- unrecovered claims for an amount of EUR 15.2 m were transmitted to the Contracts and Recoveries Unit for legal action to recover these amounts,
- EUR 3.3 m were recovered by the Unit. At year-end, 1 061 recovery orders for a total amount of EUR 260.5 m were still open.



The 5-year evolution of national court cases is shown in Graph 13. At year end, there were 849 on-going cases before national jurisdictions, which is slightly above the 5-year average. There were 191 new cases and 131 were closed. 628 of the on-going cases concerned recovery of claims, i.e. 74% of the litigation cases before national courts.

1.3.7. Infringement proceedings before the Court

Most infringements are resolved through dialogue with Member States and consequently only a relatively small number of infringement procedures are submitted to the Court. In 2024, 32 cases were brought before the Court and at year-end, there were 42 on-going



infringement cases. In 2024 the number of cases submitted to the court has dropped and is close to the five-year average.

The evolution of infringement cases at the Court is presented in graph 14. Additional information is set out in Annex 2, Section 1.2, Table 3.

Noteworthy judgements pronounced by the Court of Justice in 2024

Commission v United Kingdom (Judgment of the Supreme Court)

Before the end of the transition period, the Supreme Court of the United Kingdom had delivered a judgement authorising the enforcement of an arbitral award made under the International Centre for Settlement of Investment Disputes Convention. The judgement had been delivered even though the Commission considered that compensation to be state aid incompatible with EU law. The Court of Justice ruled that the UK Supreme Court had erred in concluding that EU law was not applicable to the UK's obligations.

Commission v Malta (Derogation for research purposes)

The Court declared that, by adopting a derogation scheme allowing the live capture of seven species of wild finches, Malta had failed to fulfil its obligations on the conservation of wild birds under the Birds Directive.

Commission v Hungary (Reception of applicants for international protection II)

The Court ordered Hungary to pay an unprecedented lump sum of EUR 200m and a penalty payment of EUR 1m per day of delay for failure to comply with the Court's ruling of 2020, as regards access to the international protection procedure, disregarding the principle of sincere cooperation and fair sharing of responsibility between the Member States.

Commission v Czech Republic and Commission v Poland (Quality of a member of a political party)

In these cases, the Court found that both Member States had failed to fulfil their obligations under the Treaties when they denied EU citizens, residing in those Member States of which they were not nationals, the right to become a member of a political party. That situation constituted a difference in treatment on grounds of nationality.

1.3.8. Financial resources for legal representation

The Legal Service's administrative budget is used for litigation expenditure. In 2024, EUR 3.8 m was paid for contracted external law firms and other legal expertise, mostly in national court cases and in arbitrations. The courts ordered the Legal Service to compensate opposing parties for their legal costs for a total amount of EUR 1.6 m. More information can be found in section 2.1.1.

The Paymaster's Office (PMO) paid a total amount of EUR 0.5 m for 1 328 missions, which is an increase in number of missions by 26% but a decrease in costs by 10% compared to 2023. More information about missions is presented in section 3.3 below.

1.4. Negotiations on accession to the European Convention on Human Rights (ECHR)

Accession of the European Union to the European Convention on Human Rights has been an objective of the EU for many years and would be an important milestone in the protection



of human rights and fundamental freedoms across Europe. It would provide an additional layer of human rights protection for all those in Europe who are affected by the laws and decisions of the European Union. Accordingly, accession of the Union to the Convention contributes to **General objective No 6: A new push for European democracy.**

In March 2023, an agreement was reached on a revised set of accession instruments. As regards the concern regarding judicial review of Common Foreign and Security Policy (hereafter CFSP) acts, the Commission, in close coordination with the Council, while keeping the Steering Committee for Human Rights (hereafter CDDH) of the Council of Europe apprised, agreed that any subsequent action on this issue would be contingent on the ruling of the Court of Justice in Joined Cases C-29/22 P and C-44/22 P, KS & KD, where the scope of the Court's jurisdiction in the CFSP was the central issue.

On 10 September 2024, the Court of Justice delivered its ruling, which clarified the Court's jurisdiction in CFSP matters and confirmed that the EU's system of judicial protection in this area is compatible with the ECHR framework. This ruling appears to pave the way for finalising the accession process without the need to reopen the 2023 revised agreement. The Commission also informed the CDDH of the judgment and of its intention to, as a next step, seek an Opinion from the Court of Justice on the revised draft agreement. The Commission's plan to seek an Opinion has received strong support and encouragement within the Council, as well as from the CDDH.

2. INTERNAL CONTROL AND FINANCIAL MANAGEMENT

Management monitors the functioning of the internal control systems on a continuous basis and carries out an objective assessment of their efficiency and effectiveness. In annex 7, there is a list and details of the reports that have been considered. The results of the above assessment are explicitly documented and reported to the Director-General.

2.1. Control results

Management uses control results to support its assurance and reach a conclusion about the cost-effectiveness of those controls, meaning whether the right balance between the following elements is achieved:

- **Effectiveness** The level of error found, based on the controls carried out.
- **Efficiency** The average time taken to inform or pay.
- **Economy** The proportionality between the costs of controls and the funds managed.

The Legal Service has implemented an internal control system tailored to its characteristics and circumstances with the purpose of ensuring adequate management of the risks



relating to the legality and regularity of the underlying transactions for which it is responsible, taking into account the nature of the payments, revenues, provisions and contingent liabilities concerned. The effective functioning of the Legal Service's internal control system is assessed on an ongoing basis throughout the year and is subject to a specific annual assessment covering all internal control principles.

The control system is designed to prevent, detect and correct errors, irregularities and fraud by ex-ante and ex-post controls covering all types of financial operations and procurement. Furthermore, it ⁽¹¹⁾ supports sound management and decision-making and ensures that risks to the achievement of objectives are taken into account and reduced to acceptable levels through cost-effective controls.

⁽¹¹⁾ [Communication C\(2017\)2373 - Revision of the Internal Control Framework](#)

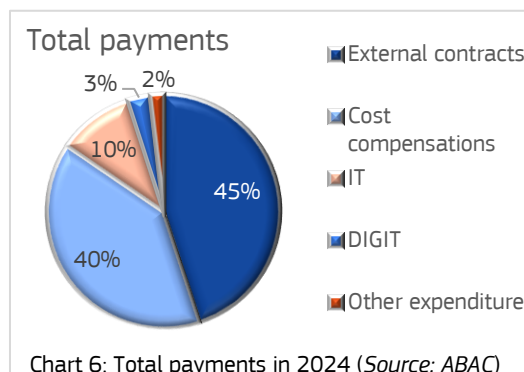
2.1.1. Overview of the budget and relevant control systems (RCS)

a) Administrative expenditure

In 2024, EUR 1.8 m was paid for **external legal services**, mainly for national court cases for which only a qualified national lawyer may plead, or when expert knowledge or a particular language skill are required. The Legal Service concludes contracts with external lawyers or other legal experts based on a negotiated procedure ⁽¹²⁾ with minimum one candidate.

The Court can decide that the Commission must **compensate an opposing party for their legal costs**, in part or in full. Consequently, no prior contractual obligation exists. In 2024, payments to opposing parties for their legal costs amounted to EUR 1.6 m.

IT expenditure increased in 2024 by EUR 0.3 m to EUR 0.5 m and is related to additional funding for the Service Level Agreements (for more information see section 3.2).



Type of expenditure	Million EUR
Legal Fees	1.8
Compensation to opposing parties for their legal costs	1.6
IT expenditure	0.5
IT expenditure co-delegated budget	0.1
Other expenditure	0.1
TOTAL EXPENDITURE	4.1

Table 1: Expenditure per category (Source: ABAC)

The Legal Service's centralised financial procedure complies with baseline requirements. In the procurement procedure for legal expertise, all contracts and invoices undergo ex-ante controls, firstly by the financial cellule, thereafter by the agent in charge of the court case ("verified correct") and lastly by the AOSD's ⁽¹³⁾ approval ("good for payment").

All AOSDs perform ex-post controls before issuing a declaration of assurance. The Internal Control Officer carries out ex-post controls by analytical desktop reviews and a review of the transaction sample checks performed by the financial cellule. In the past 7 years, one incorrect payment of EUR 2 500 was discovered ex post and was later recovered.

Non-compliance and exception events are reported to, analysed and assessed by the Internal Control Officer. In 2024, no exception was reported, no serious breaches were discovered, expenditures were justified, operationally and financially. The five non-compliance events reported in 2024 related to late signatures in the contracting procedure, for which the legal services provided were justified, resulted in a non-compliance rate ⁽¹⁴⁾ at 1.0%. Non-compliance events related to the mission procedure concerned late approval of mission requests and resulted in a non-compliance rate at 2.6%.

⁽¹²⁾ Within the meaning of point 11.1.h of Annex I, section 2, to the Financial Regulation

⁽¹³⁾ The Director General delegates financial responsibilities to Authorised Officer by Delegation, AOSD

⁽¹⁴⁾ Number of events compared to total number of transactions

b) Revenue

Certain court decisions will allow the Legal Service to **recover expenditure for external legal fees and mission costs from opposing parties**. In

2024, the Legal Service claimed a total amount of EUR 0.1 m. Payments of

EUR 0.1 m were received for outstanding claims. At year-end, unpaid claims amounted to EUR 0.5 m. The Commission dunning procedure is followed. A significant part of outstanding claims is recovered by salary or pension deductions. Remaining unpaid claims are transmitted to the team responsible for forced recoveries. The Legal Service does not consider that the outstanding amounts have any impact on the positive conclusion concerning the effectiveness of controls. Provisions for dubious claims are recorded at Commission level.

Revenue	Million EUR
Recovery of expenditure for legal fees and mission costs from opposing parties	0.1
Revenue from Service Level agreements	0.2
TOTAL REVENUE	0.3

Table 2: Revenue per category (Source: ABAC)

New for 2024 is the income from the Service Level agreements for the use of the Unified Litigation Management (ULM) tool by other EU bodies, see section 3.2 for more information.

Revenue controls are performed ex ante. At year-end, all AOSDs are requested to verify and ensure completeness of revenue. Additionally, the financial cell, the Internal Control Officer, the Head of Unit (SJ.R.1) and the Director for RMIC ⁽¹⁵⁾ may request additional information and may carry out additional controls. Information about the materiality criteria is described in annex 6 and on the relevant control systems in annex 6.

c) Provisions and Contingent liabilities

At- year-end, a provision for costs compensation for opposing parties is established, partly recorded as a provision and partly as contingent liabilities. In 2024, the cost compensation to opposing parties was EUR 9.2 m and the contingent liability was EUR 13.8 m.

Cost compensation for opposing parties	Million EUR
Provision	9.2
TOTAL PROVISIONS	9.2

Cost compensation for opposing parties	Million EUR
Contingent Liability	13.8
TOTAL CONTINGENT LIABILITIES	13.8

Table 3: Provisions and Contingent liabilities per category (Source: ABAC)

Ex-ante controls are put in place to ensure that provisions for opposing parties' costs compensations are complete and recorded, partly as a provision and partly as contingent liabilities. The split is based on historical figures by comparisons between the provisions and the actual payments made.

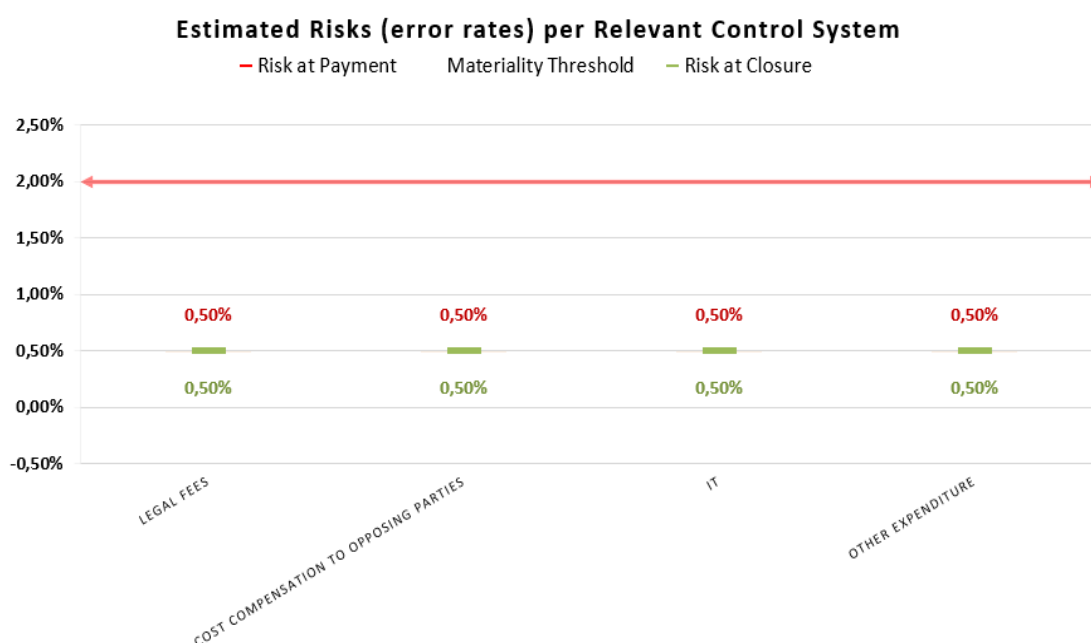
⁽¹⁵⁾ Risk Management and Internal Control, SJ.R

2.1.2. Effectiveness of controls

The ex-post controls performed in the procedures put in place in the Legal Service did not reveal any errors and hence no financial corrections were applied.

Based on the available information, the Legal Service has reasonable assurance that it has effective controls for its expenditure, revenue and provisions and contingent liabilities and that there are no significant errors in these items.

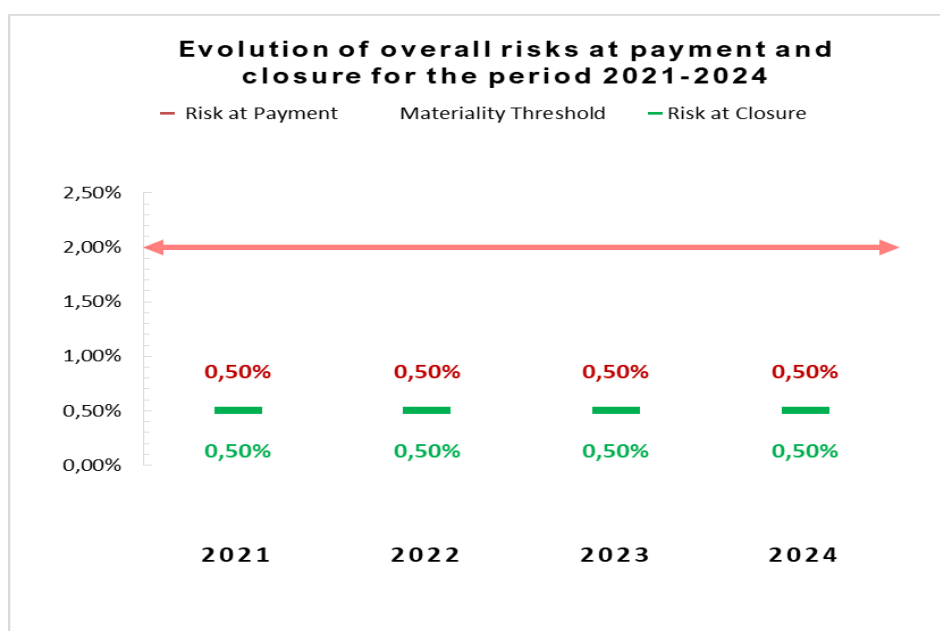
a) Assessment of control results per RCS for expenditure



The assessment of control results per Relevant Control System is based on the low rate of discovered error rates in all four control systems. Both the ex-ante and ex-post controls implemented in the financial circuit of the Legal Service has proven to be efficient and very few erroneous payments have been discovered. Therefore, the Legal Service estimated its risk of errors in each Relevant Control systems to be low and thus set it to 0.5%.

1. Legal fees amounted to EUR 1.8 m in 2024. There were no erroneous payments discovered in 2024 and over the past seven years there has been one erroneous payment of EUR 2 500, which was discovered after detection.
2. Cost compensation to opposing parties amounted to EUR 1.6 m in 2024. All claims for cost compensations are analysed and negotiated. If an agreement cannot be obtained, it may be referred to the Court for a decision. There have been no erroneous payments detected of cost compensations.
3. IT expenditure amount to EUR 0.6 m of which EUR 0.1 m was delegated to DIGIT. There were no erroneous payments detected in IT expenditure.
4. Other expenditure amounted to EUR 0.1 m

b) Estimation of the overall risk at payment and risk at closure



The estimated overall risk at payment for 2024 expenditure is the AOD's best conservative estimate of the amount of relevant expenditure during the year, not in conformity with the contractual and regulatory provisions applicable at the time the payment was made. This expenditure will subsequently be subject to ex-post controls and a proportion of the underlying errors will be detected and corrected in subsequent years, corresponding to the conservatively estimated future corrections for 2024 expenditure. The difference between those two results in the estimated overall risk at closure ⁽¹⁶⁾. The trend is stable since 2020 due to the low error rate in payments. The Legal Service is using the Commission's flat rate of 0,5% as a conservative estimate for low-risk type of expenditure.

For an overview at Commission level, the departments' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

c) Quantitative benefits of controls: Preventive and corrective measures

With its ex-ante and ex-post controls, the Legal Service has an effective mechanism in place for detecting and correcting errors. There was no financial impact of ex ante and ex post controls in 2024. This is similar to last year with EUR 0.01 m and EUR 0.0 m respectively. Please see details in annex 3 table 8.

d) Assessment of control results for non-expenditure items

The Legal Service deals with sensitive information, both classified and non-classified and has implemented internal procedures, a supporting informatics structure and issued

⁽¹⁶⁾ This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.

[illegible]

the new accounting system, SUMMA, may provide will be assessed and incorporated if it can contribute to an increase in the timely payment rate.

After verifying that contracted legal services have been provided and reached expected results, payments are made. The implemented financial and internal control procedures comply with baseline requirements and have proven to be efficient. No material errors have been identified in the past few years. Based on the available information, the Legal Service has reasonable assurance that the payment procedure has efficient controls.

2.1.4. Economy of controls

The Legal Service quantifies the costs of the resources required for carrying out the controls described in Annex 7 and estimates, as far as possible, their benefits in terms of the number of errors and irregularities prevented, detected and corrected by these controls.

All commitments and payments follow the same procedures. The controls implemented in the financial procedures comply with baseline requirements of the Financial Regulation. As contracts and payments are for low amounts, cost of controls appears to be relatively high. The cost of controls has remained stable at EUR 0.3 m over the years. In comparison with total expenditure, which varies over the years, it represents 7.4% of total expenditure in 2024, a decrease compared to 2023. More information about the calculation of total cost of controls is set out in Annex 7, Table Y.

2.1.5. Conclusion on the cost-effectiveness of controls

Based on the most relevant key indicators and control results reported above and that the control environment and control strategy have remained stable during the reporting year, the Legal Service has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible.

2.2. Audit observations and recommendations

This section sets out briefly the state of play for all audit observations and recommendations reported by auditors related to internal control and financial management – including the limited conclusion of the Internal Auditor on the state of internal control.

Where an audit has detected weaknesses affecting any internal control principle or the department's assurance, a detailed analysis is provided further below in section 2.3 and 2.4, accordingly.

Internal Audit Service

There was one audit undertaken by the Internal Audit Service of the Legal Service in 2024 on the Design of the control strategy for Horizon Europe. There were no recommendations addressed to the Legal Service in it.

In its contribution to the 2024 Annual Activity Report process, the Internal Audit Service concluded that the internal control systems in place for the audited processes are effective.

European Court of Auditors

There were no audits in 2024 by the European Court of Auditors of the Legal Service.

2.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on the highest international standards ⁽¹⁷⁾.

The Legal Service has adapted the Internal Control Framework to their specific characteristics and organisational structure. The internal control systems are suited to achieving its policy and internal control objectives in accordance with the internal control principles, having due regard to the risks associated with the environment in which it operates.

The methodology established in the Legal Service includes:

- a yearly risk assessment exercise with Senior Managers to assess a number of internal control principles, including risk management, ethics and fraud through a questionnaire and followed by an in-depth interview with the Director for Risk Management and Internal Control (RMIC) and the Internal Control Officer,
- analysis of identified non-compliance and exceptions events,
- regular exchange on potential internal control weaknesses or control failures recorded during the year between the Financial cellule, the Internal Control Officer and the Director for Risk Management and Internal Control,
- monitoring of audits and audit recommendations issued,
- results of the corporate indicators reported in the annual activity report Annex 4.

The Legal Service has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and functioning as intended.

⁽¹⁷⁾ The Committee of Sponsoring Organizations of the Treadway Commission Internal Control Integrated Framework, the golden standard for internal control systems.

2.4. Conclusions on the assurance

The information reported in section 2 stems from the results of management and auditor monitoring contained in the reports listed. These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a comprehensive coverage of the budget delegated to the Director-General of the Legal Service.

The centralised financial circuit, the internal control function, the reporting of non-compliance events, the low number of actual errors and the low number of estimated risk of errors, the actions taken on fraud prevention and the financial indicators, all provide support to conclude that the Annual Activity Report of the Legal Service presents a true and fair view, that resources are used for their intended purposes, that sound financial management is applied as well as the legality and regularity of transactions and that there is no omission of significant information. No internal control weaknesses were identified.

In conclusion, based on the elements reported above, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director-General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

2.5. Declaration of Assurance

Declaration of Assurance

I, the undersigned,

Director-General of the Legal Service

In my capacity as authorising officer by delegation:

Declare that the information contained in this report gives a true and fair view ⁽¹⁸⁾.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls and the work of the Internal Audit Service.

Confirm that I am not aware of anything not reported here which could harm the interests of the institution or those of the Commission.

Brussels, March 27, 2025

(electronic signature)

Daniel CALLEJA CRESPO

⁽¹⁸⁾ True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG.

3. MODERNISING THE ADMINISTRATION

The 2nd annual conference organised by the Legal Service in March 2024 aimed at bringing together expertise in the fields of Artificial Intelligence knowledge and the outreach programme on the book **70 years of EU law – a Union for its Citizens** continued by some 20 presentations by staff members to various bodies in Member States.

3.1. Human resource management

In the Legal Service, mobility of lawyers is a fundamental principle characterising the Legal Service. It is in the interest of the service to deploy and move staff to ensure continuity. Also, having worked in several thematic legal teams is considered an asset for further career development.

During the 2024 mobility exercise, **20 lawyers** ⁽¹⁹⁾, which represents approximately 10% of all lawyers, were redeployed and **moved to other teams**. The total internal mobility of officials involved 31 staff members.

For external mobility, during 2024, the Legal Service welcomed 17 officials from other Commission DGs/services and 5 officials left the Legal Service to join other Commission DGs/services.

Specific internal redeployments, on top of the internal mobility, were focused on key political priorities, such as migration, asylum and home affairs, digital (Digital Services Act, etc.) and competitiveness (competition cases).



The **overall mobility rate** in 2024 was **12.7%** ⁽²⁰⁾ for all **officials** in the Legal Service.

The vacancy rate for our AD staff, mostly lawyers, was at 2.4%. However, some vacancies needed to be kept for possible reintegration of Cabinet staff during the 2024 transition of the Commission. In addition, finding qualified lawyers, who are able to plead in Courts, and specialised in the specific legal field required for the given thematic teams within the Legal Service, usually takes time. In December 2024, the vacancy rate for AD staff was 1.1%. If AST and AST-SC staff are included, the vacancy rate was never higher than 3.1%, again for similar reasons.

In 2024, the following progress was made on several objectives detailed in the Management Plan.

⁽¹⁹⁾ On a total AD population of about 248 pf which approximately 200 are lawyers

⁽²⁰⁾ Based on data from Sysper for the period from January 2024 to January 2025

Objectives set in the Management Plan for 2024	Progress and deliveries in 2024
A second structured mobility exercise for lawyers within the Legal Service	The mobility exercise for lawyers comprised 20 lawyer staff in 2024.
Ensuring that the recruitment panel of the Legal Service hires the best lawyers, also taking account of geographical balance and the need for certain language capacities in the Legal Service	The central recruitment panel of the Legal Service has participated in 12 selection panel interviews resulting in recruitment of 12 staff members (tbc by HRC). The composition of the central recruitment panel was renewed in December 2024. For AD (temporary agents and FG IV contract agent) interviews, candidates from underrepresented Member States have been invited.
Implementation of the new training strategy for our lawyers and assistants providing them with dedicated recurring and ad hoc training designed for their specific needs	The composition of the internal Training Working Group of the Legal Service was renewed. Training modules for both lawyers and assistant staff were put in place during 2024 contributing to a structured approach in staff's professional development. A new SJ learning site was established on the local Intranet (MySJ); Specific internal training was set up for newcomers, for assistants, documentalists and for judicial procedures. There were also lunch-time conferences and thematic training on legal issues throughout the year. The Legal Service also contributed to the new corporate Law Learning Package by providing courses on legal drafting.
The development of a guide for mentors and the development of a long term and ad hoc mentoring programme to increase personal development, satisfaction and corporate culture	A mentoring programme, with an internet page has been established and was implemented in 2024, including a group of staff volunteering to act as mentors.
The “welcoming team” to guide efficiently new colleagues arriving in the service	The welcome package has been further improved during 2024 with the inclusion of updated information, links and news useful for all staff joining the LS.
The results from the 2023 Staff Satisfaction survey will be analysed in order to best address any concerns or to build on HR results. It is planned to also include action on awareness raising related to Diversity & Inclusion	An action plan to address results from the 2023 staff survey was approved by management in 2024. Actions for 2024 have been implemented and the remaining actions are expected to have been implemented by the end of 2025.
	A Workload assessment model was developed in 2024 and a report was presented to the Director-General in December 2024. Follow-up will be decided early 2025.

3.2. Digital transformation and information management

On September 12, 2024, the Legal Service was awarded third place by the **Financial Times Innovative Lawyers Awards Europe**, in the category of In-house legal team: **Innovation in operational transformation** for being one of the most efficient and innovative achievement in IT systems for daily use.

The Legal Service concluded in 2024 its second ⁽²¹⁾ **service level agreement with the Council** on the provision and maintenance of its litigation management system **ULM (Unified Litigation Management)** in SaaS ('Software as a Service') mode.

In line with the EC Digital Strategy and the dual-pillar approach, considering its limited internal IT capacities, the Legal Service reuses data from corporate IT solutions, e.g. DECIDE, ARES, THEMIS, EdiT, EUR-Lex, SUMMA, etc, in its digital transformation.

Tailored for its main missions, in e.g. litigation, the Legal Service has already developed a medium sized portfolio of innovative LegalTech systems, encompassing its limited set of DG owned data. For legal teams' efficiency, their integration with corporate solutions is made as seamless as possible. In 2024, an AI strategy was adopted.

3.2.1. Digital transformation

Objectives set in the Management Plan for 2024	Progress and deliveries in 2024
One-stop-shop search engine based on the EC search corporate solution.	The new one-stop-search engine 'ULM Search' has gone live in mid-2024 and presented to all teams.
Improvement of dashboard for lawyers	The dashboard completion project has progressed through the development of a consultation registration tool allowing to capture legal activity assignments. It will go live in 2025 and feed the dashboard, currently limited to litigation, with legal advice data.
Continuous innovation in the Ref2Link legal text mining technology (supported by Digital Europe)	Several new major versions of Ref2Link have been released in 2024 with business-focused new features such as the possibility to extract act subdivisions or browse through relations between legal documents. The Word add-in is now fully operational and made available in several EUIBAs. Experimental use of AI to cover the most challenging detection capacities.
Deployment and integration of the corporate legislative drafting systems - EdiT.	The integration works of EdiT with our legal revision system have been carried out.
The use of semantic similarity supported by AI technologies in search engines,	An experiment to use the new Semantic search feature in EC Search for integration in 'ULM Search' has been launched.
The use of generative AI to assist lawyers in the drafting of pre-litigation documents or applications to the Courts in order to increase efficiency and partially automate the most tedious tasks.	The project to enrich our templating system with AI generated content was launched, with as a first example the cases related to non-communication of directive transpositions.
A legal Chatbot able to answer simple questions in conversational mode and based on internal reference documents.	The Legal Service Chatbot GAIUS was launched and is currently being tested by legal practitioners from the IT Business Implementation Group.
Availability of AI engines at corporate level, data security, cost and human resources.	The AI pilot tools of the Legal Service are now connected to the secured corporate engines i.e. GPT@EC and GPT@JRC.

⁽²¹⁾ In 2023, an service level agreement with the Single Resolution Board was concluded

In the permanent IT business implementation group, law practitioners and IT specialists collaborate, monitors implementation processes and functional evolutions of the LegalTech portfolio. Being actively involved in the Digital Europe Program, the Legal Service is also able to deliver innovative horizontal solutions fitting the needs of multiple use cases involving legal texts processing.

3.2.2. Information and IT security rules

The Legal Service enforces a robust IT security management which is aligned with the corporate policies, while being proportionate to the scope of its portfolio. The approach is risk centred with analysis being embedded in security plans approved yearly by the business owners and compliant with the corporate standards.

The Information Management policy is supported by business content maintained on the MySJ intranet, migrated by unit R.2 in 2024 to the new corporate Intranet platform, and various Wiki platforms whose content is maintained under the responsibility of the legal teams, supplemented by a collaborative bookmarking tool provided by the Solon system.

3.2.3. Data, information and knowledge management

Objectives set in the Management Plan for 2024	Progress and Deliveries in 2024
Search engine (ULM Search) encompassing new types of documents	The One-stop-shop search engine now contains the full extent of Legal Service registered documents including those pertaining to legal advice.
Automate tagging of documents.	The LS vocabulary project is ongoing. First step to revamp the list of tags is ongoing.
Automate link and footnote generation in legal texts (. 	Ref2Link now fully operational in the Legal Service and integrated in all its apps and web content management system.
Harmonise layout requirements.	The ULM templating systems provides a harmonised layout drafting environment.
Adoption of the Legal Service AI Strategy	The Legal Service AI Strategy was adopted in July 2024 after an inclusive internal consultation process.
Optimise workflow, revision and use of precedent by detecting semantic similarities.	Will be achieved as one of the use cases defined by the AI Strategy adopted in 2024.
Pilot project to develop Chatbot	cf. 3.2.1 7 th line
Pilot project to generate parts of court submissions through AI	cf. 3.2.1 8 th line

3.2.4. Data protection

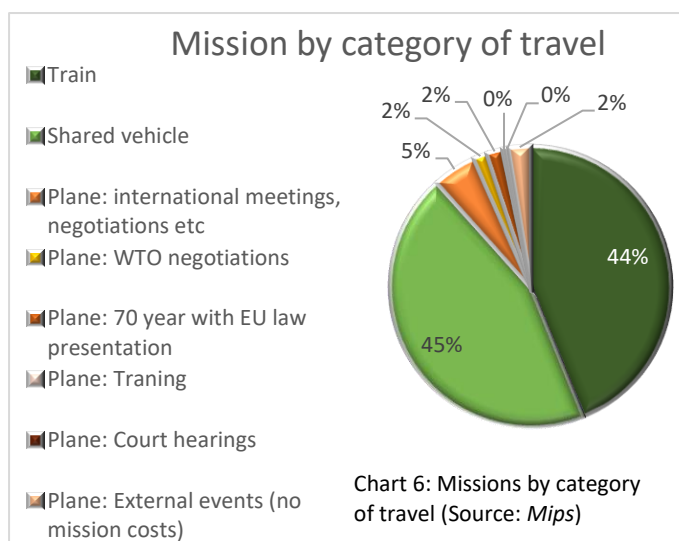
Appropriate technical and organisational measures are in place to ensure the accountability for compliance with the data protection rules and an appropriate level of security in conformity with Objective 1 of the Commission Data Protection Action Plan (DCP). Information on available data protection training is shared by the DPC (Objective 2). Records of processing operations under the Legal Service's responsibility and privacy statements are reviewed and updated (Objective 3 and Objective 4). The DPC regularly participates in meetings with the DPO. In 2024, 100% of identified target staff (in particular, record editors and operational controllers) were informed about data protection rules and a strategy was designed to inform all staff.

3.3. Sound environmental management

Legal Service staff are obliged to represent and to defend the Commission and the institutions in courts, tribunals and other appellate bodies, mostly for hearings at the European Courts in Luxembourg.

88% of all missions in 2024 were by train or other vehicles (shared, electric, etc), which complies with the initiatives on the Greening of the Commission. In 2024, missions by plane, which were for distances longer than 500km, decreased by 1% compared to 2023. Chart 6 presents the different categories of mission travel:

- 89 % of missions were for travelling to court hearings, mainly in Luxembourg, by train or in shared vehicle,
- 5 % of missions were for international negotiations, meetings in Strasbourg and other meetings,
- 2 % of missions were for Outreach presentations of the "70 year of EU law" book,
- 2 % of missions were to the World Trade Organisation (WTO), mainly in Geneva, and
- 2% of missions were for participation in training or other external events.



Based on the Commission model for calculation of the CO₂ impact for mission travel, it increased from 91 038kg in 2023 to 129 175kg for 2024, mainly explained by the 25% increase in number of missions. The average CO₂ impact for a mission in 2024 was 97.

3.4. Examples of economy and efficiency

The current **Artificial Intelligence** strategy and investments aim at creating economies and efficiency in the operational activities of the Legal Service. The award as Innovation in operational transformation confirms targets being reached (see section 3.2 above).

The knowledge management system, **ULM (Unified Litigation Management)**, provided to the Council and the Single Resolution Board contributes to economy and efficiency, not only in the European Commission but among the European institutions.

