Reports of Cases

JUDGMENT OF THE COURT (Second Chamber)

18 June 2015*

(Action for annulment — Directive 2013/34/EU — Obligations on some forms of undertakings in relation to financial statements — Principles of subsidiarity and proportionality — Obligation to state reasons)

In Case C-508/13,

ACTION for annulment under Article 263 TFEU, brought on 23 September 2013,

Republic of Estonia, represented by K. Kraavi-Käerdi, acting as Agent,

applicant,

v

European Parliament, represented by U. Rösslein and M. Allik, acting as Agents, with an address for service in Luxembourg,

Council of the European Union, represented by P. Mahnič Bruni and A. Stolfot, acting as Agents,

defendants,

supported by:

European Commission, represented by H. Støvlbæk and L. Naaber-Kivisoo, acting as Agents, with an address for service in Luxembourg,

THE COURT (Second Chamber),

composed of R. Silva de Lapuerta, President of the Chamber, J.-C. Bonichot (Rapporteur), A. Arabadjiev, J.L. da Cruz Vilaça and C. Lycourgos, Judges,

Advocate General: J. Kokott,

Registrar: A. Calot Escobar,

having regard to the written procedure,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

* Language of the case: Estonian.

Judgment

1 By its application, the Republic of Estonia claims that the Court of Justice should annul in part Article 4(6) and (8), and annul in their entirety Articles 6(3) and 16(3) of Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ 2013 L 182, p. 19) ('the Directive').

Legal context

2 Recitals 4, 8, 10 and 55 in the preamble to the Directive state:

'(4) … Union accounting legislation needs to strike an appropriate balance between the interests of the addressees of financial statements and the interest of undertakings in not being unduly burdened with reporting requirements.

…

(8) It is necessary, moreover, to establish minimum equivalent legal requirements at Union level as regards the extent of the financial information that should be made available to the public by undertakings that are in competition with one another.

...

(10) This Directive should ensure that the requirements for small undertakings are to a large extent harmonised throughout the Union. This Directive is based on the "think small first" principle. In order to avoid disproportionate administrative burdens on those undertakings, Member States should only be allowed to require a few disclosures by way of notes that are additional to the mandatory notes. In the case of a single filing system, however, Member States may in certain cases require a limited number of additional disclosures where these are explicitly required by their national tax legislation and are strictly necessary for the purposes of tax collection. It should be possible for Member States to impose requirements on medium-sized and large undertakings that go further than the minimum requirements prescribed by this Directive.

...

(55) Since the objectives of this Directive, namely facilitating cross-border investment and improving Union-wide comparability and public confidence in financial statements and reports through enhanced and consistent specific disclosures, cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale and the effects of this Directive, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.'

3 Paragraphs 5 to 8 of Article 4 of the Directive, which is entitled 'General provisions', provide:

'5. Member States may require undertakings other than small undertakings to disclose information in their annual financial statements which is additional to that required pursuant to this Directive.

6. By way of derogation from paragraph 5, Member States may require small undertakings to prepare, disclose and publish information in the financial statements which goes beyond the requirements of this Directive, provided that any such information is gathered under a single filing system and the disclosure requirement is contained in the national tax legislation for the strict purposes of tax collection. …

7. Member States shall communicate to the Commission any additional information they require in accordance with paragraph 6 upon the transposition of this Directive and when they introduce new requirements in accordance with paragraph 6 in national law.

8. Member States using electronic solutions for filing and publishing annual financial statements shall ensure that small undertakings are not required to publish, in accordance with Chapter 7, the additional disclosures required by national tax legislation, as referred to in paragraph 6.'

4 Paragraphs 1 and 3 of Article 6 of the Directive, which is entitled 'General financial reporting principles', provide:

'1. Items presented in the annual and consolidated financial statements shall be recognised and measured in accordance with the following general principles:

...

(h) items in the profit and loss account and balance sheet shall be accounted for and presented having regard to the substance of the transaction or arrangement concerned;

...

3. Member States may exempt undertakings from the requirements of point (h) of paragraph 1.'

5 Paragraph 3 of Article 16 of that directive, which is entitled 'Content of the notes to the financial statements relating to all undertakings', reads as follows:

'Member States shall not require disclosure for small undertakings beyond what is required or permitted by this Article.'

Procedure before the Court of Justice and the forms of order sought

6 The Republic of Estonia claims that the Court should:

— principally, annul the following provisions of the Directive:

  — Article 4(6), in so far as it makes the option open to Member States to impose on small undertakings accounting information requirements which go beyond those of the Directive subject to the condition that the requirement be 'contained in the national tax legislation for the strict purposes of tax collection';

  — Article 4(8), in that it refers to the condition that the additional disclosure requirement should be 'contained in the national tax legislation for the strict purposes of tax collection', referred to in Article 4(6);

  — Article 6(3); and

  — Article 16(3);

— in the alternative, should the Court take the view that that application for annulment in part is not admissible, annul the Directive in its entirety; and

— order the European Parliament and the Council of the European Union to pay the costs.

7 The Parliament and the Council contend that the Court should:

— dismiss the action; and

— order the Republic of Estonia to pay the costs.

8 Pursuant to Article 131(2) of the Rules of Procedure of the Court of Justice, the European Commission was granted leave to intervene in support of the form of order sought by the Parliament and by the Council.

The action

Admissibility

Arguments of the parties

9 The Parliament and the Council claim that the application for partial annulment of the Directive is inadmissible on the ground that those of its provisions whose annulment is sought by the Republic of Estonia are not severable from the remaining provisions.

10 For its part, the Republic of Estonia submits that the annulment of the contested provisions only would not affect the substance of the Directive. The application for partial annulment is therefore, in its view, admissible.

Findings of the Court

11 According to settled case-law of the Court, partial annulment of an EU act is possible only if the elements the annulment of which is sought may be severed from the remainder of the act (see, inter alia, judgment in *Commission* v *Council*, C-29/99, EU:C:2002:734, paragraph 45, and judgment in *Commission* v *Parliament and Council*, C-427/12, EU:C:2014:170, paragraph 16).

12 The Court has repeatedly ruled that that requirement of severability is not satisfied where the partial annulment of an act would have the effect of altering its substance (see, to that effect, judgment in *Commission* v *Poland*, C-504/09 P, EU:C:2012:178, paragraph 98 and the case-law cited).

13 In the present case, it follows from recitals 4, 8 and 10 in the preamble to the Directive that the EU legislation harmonising accounting should, on the one hand, strike a fair balance between the competing demands of addressees of financial information and those of the undertakings which produce such financial information, and on the other hand, take into account the special burden of producing that information on the smallest undertakings.

14 Accordingly, the EU legislature, in adopting the Directive, sought essentially to strike a twofold balance, both between undertakings and addressees of financial information, and between large and small undertakings, as the small undertakings bear an administrative burden which is relatively higher compared with the large undertakings, since both types of undertakings must comply in all respects with the same requirements.

15 Some of the contested provisions limit the room for manoeuvre left to Member States to increase that administrative burden and others provide for an exception to harmonisation as regards a general financial reporting principle. These are, therefore, provisions which are an essential element in attaining the balances sought by the EU legislature referred to in paragraph 14 of the present judgment.

16 It follows that any annulment of the contested provisions would necessarily affect the substance of the Directive and that, therefore, those provisions cannot be regarded as being severable from the legislative framework which the Directive establishes.

17 Therefore, the Republic of Estonia's action is admissible only in so far as it seeks the annulment of the Directive in full.

Lawfulness of the contested directive

18 In support of its action for annulment, the Republic of Estonia raises three pleas in law alleging infringement of, respectively, the principle of proportionality, the principle of subsidiarity and the obligation to state reasons.

The first plea in law, alleging infringement of the principle of proportionality

– Arguments of the parties

19 The Republic of Estonia claims, as regards, first, the provisions limiting the option available to Member States to derogate from the prohibition on imposing additional requirements on small undertakings contained in Articles 4(6) and (8), and 16(3) of the Directive, that they do not implement measures appropriate for attaining the two objectives of the Directive and do not constitute the least restrictive measures for attaining those objectives.

20 Under the first objective, that is the improvement of the clarity and comparability of financial statements of undertakings on the domestic market, the Republic of Estonia argues that its own national rules were drawn up using the model of international financial reporting standards, which require additional information to that required by the Directive. It takes the view that the Commission committed an error of assessment in the criteria used at the stage of the impact assessment, in that the Commission used as a basis mainly quantitative indicators regarding the number of small undertakings, instead of relying on qualitative indicators such as the market share of sales of those small undertakings in the national economy. In the Republic of Estonia's view, in Estonia, small undertakings contribute more strongly than in other Member States to the turnover of undertakings as a whole. It claims that Articles 4(6) and (8), and 16(3) of that Directive thus disregard Article 5 of Protocol (No 2) on the application of the principles of the subsidiarity and proportionality annexed to the EU Treaty and to the FEU Treaty ('Protocol 2').

21 Under the second objective of the Directive (limiting information requirements imposed on small undertakings), the Republic of Estonia states that the implementation of Articles 4(6) and (8), and 16(3) of the Directive will not result in such a limitation, but will merely shift that requirement, in that the information which will no longer have to be included in the financial statements will still be required by some national authorities. The Republic of Estonia claims that, for its part, it has already implemented a national policy on reducing the administrative burden on undertakings by means of an electronic reporting system known as 'one-stop-shop'.

22 As regards, next, Article 6(1)(h) in conjunction with Article 6(3) of the Directive allowing Member States to exempt undertakings from observing the accounting principle of 'substance over form', the Republic of Estonia states that such an exemption, in derogating from the principle of 'a true and fair view', runs counter to the objective of improving the comparability and clarity of undertakings' financial statements.

23 The Republic of Estonia finally claims, more generally, that the principle of proportionality has been infringed since the EU legislature did not take account of its particular situation as a Member State which is advanced in electronic administration, or because of the possibility of applying international accounting standards laid down by Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (OJ 2002 L 243, p. 1).

24 In contrast, the Parliament and the Council submit, as regards the provisions limiting the possibility of imposing additional requirements on small undertakings, that the EU legislature's decision to differentiate the requirements for financial statements of undertakings on the basis of their size is a political choice based on objective criteria, after weighing up all of the interests involved. In their view, the principle of proportionality requires that that choice is an appropriate measure in the light of the objectives pursued by the Directive at EU level, and not, in any event, in the light of the particular situation of a Member State. Those institutions also maintain that such a measure is necessary to attain those objectives and that, in contrast, it would be disproportionate to impose the same obligations on small undertakings as on large ones. The Council adds that, if the derogation from the prohibition on imposing additional requirements on small undertakings were available for purposes other than tax collection, it would lead to over-regulation.

25 As regards the option open to Member States to grant undertakings derogations from the principle of 'substance over form', the Parliament notes that it represents a less restrictive measure than its application to all undertakings and, therefore, a lesser degree of harmonisation, and the Republic of Estonia has not established that it is disproportionate.

26 The Commission states that the Republic of Estonia's criticisms of its impact assessment are unfounded since that analysis was carried out using the appropriate procedure by an external contractor, after consulting the relevant committee and taking into account the situation both of the EU and of each Member State.

27 The Parliament and the Council claim, again as regards the Commission's impact assessment, that, in any event, the Republic of Estonia's reliance on Article 5 of Protocol 2 is ineffective since it applies not to the procedure for drawing up directives, but to that for draft legislative acts and has no binding force as to how the EU legislature must assess compliance of a legislative act with the principle of proportionality.

– Findings of the Court

28 As a preliminary point, it should be borne in mind that the principle of proportionality, which is one of the general principles of EU law, requires that measures implemented through provisions should be appropriate for attaining the objective pursued and must not go beyond what is necessary to achieve it (see, inter alia, judgments in *British American Tobacco (Investments) and Imperial Tobacco*, C-491/01, EU:C:2002:741, paragraph 122, and *Digital Rights Ireland and Others*, C-293/12 and C-594/12, EU:C:2014:238, paragraph 46 and the case-law cited).

29 With regard to judicial review of the conditions referred to in the previous paragraph, the EU legislature must be allowed broad discretion in an area such as that involved in the present case, which entails political, economic and social choices on its part, and in which it is called upon to

undertake complex assessments. Consequently, the legality of a measure adopted in that sphere can be affected only if the measure is manifestly inappropriate having regard to the objective which the competent institution is seeking to pursue (see judgments in *British American Tobacco (Investments) and Imperial Tobacco*, C-491/01, EU:C:2002:741, paragraph 123, and *Vodafone and Others*, C-58/08, EU:C:2010:321, paragraph 52 and the case-law cited).

30 As regards the objective pursued by the Directive, it is to be noted that, as appears in particular from Articles 4, 6 and 16 and from recitals 8, 10, 38 and 55, that directive aims, first, to establish harmonised rules on financial information to be made available to the public in order to improve the comparability of undertakings' annual financial statements throughout the EU and, second, to prevent the application of those rules from being a burden on small undertakings by providing for some derogations in relation to them.

31 To that end, the EU legislature provided for two types of measures in particular; the Republic of Estonia disputes the conformity of them with the principle of proportionality.

32 First, Articles 4(6) and (8), and 16(3) of the Directive frame the options open to Member States to require small undertakings to include in their balance sheets, profit and loss accounts and annexes, additional obligations to those laid down by the Directive in a harmonised manner. In that regard, the Directive prohibits the Member States from imposing such additional requirements on those undertakings as a matter of principle, and the only derogations from that prohibition place clear limits on the exceptions allowed. Among those limits is the requirement laid down in Article 4(6) that the additional obligations imposed by the Member State should already be contained in the national tax legislation for the strict purposes of tax collection.

33 By setting such a limit, based on objective criteria, the EU legislature intended, in essence, that small undertakings should not be required to provide documents or information of an accounting nature in addition, first, to information obligations under the Directive and, second, to the disclosure obligations contained in the national tax legislation.

34 A limit of this nature is obviously appropriate for achieving one of the objectives of the Directive, namely that of limiting the increase in the administrative burden on small undertakings.

35 Furthermore, the Republic of Estonia does not show how the EU legislature has, by setting that limit, adopted a measure which goes beyond what is necessary to achieve the objective pursued, in particular as it would clearly excessively harm the interests of addressees of financial information having regard to the beneficial effects to be expected in terms of the administrative burden on small undertakings.

36 Second, Article 6(3) of the Directive allows Member States to exempt undertakings, in drawing up their financial information, from observing the accounting principle of 'substance over form'. That possibility is explained in particular by the fact that the administrative burden on an accountant is lightened if he is permitted merely to set out the legal form of a transaction rather than its commercial substance.

37 As regards that possibility, it is not apparent from the documents before the Court that the Republic of Estonia has included with its plea in law, as it is required to do having regard to the review carried out by the Court and considered in paragraph 29 of the present judgment, sufficient evidence to demonstrate the manifestly inappropriate nature of the measures adopted by the EU legislature having regard to the objective of improving the comparability and the clarity of financial information of undertakings covered by the Directive.

38 Accordingly, it does not follow from the analysis of the measures referred to in paragraphs 32 and 36 of the present judgment that the EU legislature has, by adopting them, manifestly exceeded the limits of its discretion.

39 Finally, as regards the Republic of Estonia's argument that the principle of proportionality has been infringed since the EU legislature did not take account of its particular situation as a Member State which is advanced in electronic administration, it should be noted that Directive 2013/34 has an impact in all Member States and requires that a balance between the different interests involved is ensured, taking account of the objectives of that Directive. Therefore, the attempt to strike such a balance, taking into account not the particular situation of a single Member State, but that of all EU Member States, cannot be regarded as being contrary to the principle of proportionality.

40 It follows from the foregoing that the first plea in law, alleging infringement of the principle of proportionality, must be rejected.

The second plea in law, alleging infringement of the principle of subsidiarity

– Arguments of the parties

41 The Republic of Estonia argues that the EU legislature infringed the principle of subsidiarity: (i), to the extent that, although action at EU level was necessary to ensure the comparability of undertakings' financial information, the Directive does not implement that action in a relevant manner; (ii), because the objective of reducing the administrative burden on small undertakings could be better achieved at Member State level; (iii), owing to the absence, in the material attached to the draft Directive, of the statement on compliance with the principle of subsidiarity provided for in Protocol 2; (iv), because the justification for the Directive in respect of the subsidiarity principle should have been made at the level of each of its provisions; and, (v), because the particular situation of each Member State under the subsidiarity principle has not been taken into account.

42 The Parliament and the Council maintain, in the first place, that the EU legislature has sufficiently considered the draft Directive having regard to the subsidiarity principle to find the need for action at EU level; in the second place, that the situation of a particular Member State, irrespective of its progress in achieving a specific objective, does not preclude the need for EU action to attain different objectives throughout the European Union; in the third place, that the obligation to state reasons for legislative acts under the principle of subsidiarity is not assessed at the level of each provision taken separately, but is a general consideration; and, in the fourth place, that an obligation to take into account the particular interests of each Member State individually does not follow from that principle, which would call into question the very technique of harmonisation.

43 The Commission submits that the Republic of Estonia has not established, as it is required to do having regard to the review carried out by the Court, that the EU legislature committed a manifest error of assessment in implementing the principle of subsidiarity.

– Findings of the Court

44 It is appropriate to bear in mind that Article 5(3) TEU refers to the principle of subsidiarity which provides that the European Union, in areas which do not fall within its exclusive competence, is to take action only if and insofar as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the European Union. Furthermore, Protocol 2, in Article 5, lays down guidelines for the purposes of determining whether those conditions are met (judgment in *Luxembourg* v *Parliament and Council*, C-176/09, EU:C:2011:290, paragraph 76 and the case-law cited).

45 As regards an area, in this case the improvement of the conditions of freedom of establishment, which is not among those for which the European Union has exclusive competence, it must be considered whether the objective of the proposed action could be better achieved at EU level (see judgment in *British American Tobacco (Investments) and Imperial Tobacco*, C-491/01, EU:C:2002:741, paragraph 180).

46 In that regard, and as has been stated in paragraphs 13 and 14 of the present judgment, the objectives of the Directive are twofold, consisting not only of harmonising financial information of EU undertakings so that addressees of the financial information have comparable data, but also of doing so by taking into account, through a special scheme, itself also largely harmonised, of the particular situation of small undertakings on which the application of accounting requirements laid down for medium and large undertakings would impose an excessive administrative burden.

47 Even if, as claimed by the Republic of Estonia, the second of those two objectives were better achieved by action at Member State level, the fact remains that the pursuit of that objective at such a level is likely to consolidate, if not create, situations in which some Member States would reduce the administrative burden on small undertakings to a greater extent than or in a different way from other Member States, thus clearly running counter to the first objective of the Directive, which is to establish minimum equivalent legal requirements as regards the accounts of undertakings that are in competition with one another.

48 The interdependence of the two objectives pursued by the Directive means that the EU legislature could legitimately take the view that it had to include a special scheme for small undertakings, and that, because of that interdependence, that twofold objective could best be achieved at EU level (see, to that effect, judgment in *Vodafone and Others*, C-58/08, EU:C:2010:321, paragraph 78).

49 The Directive has consequently not been adopted in breach of the subsidiarity principle.

50 The line of argument put forward by the Republic of Estonia on the allegedly defective way the EU legislature ensured compliance with the subsidiarity principle prior to taking action is not such as to invalidate that conclusion.

51 In that regard, the Republic of Estonia cannot successfully argue that the determination of compliance with the subsidiarity principle should have been made not for the Directive as a whole, but for each of its provisions individually. In fact, such a claim in any event falls within the criticism of the reasons stated for the contested measure, and will be examined under the third plea in law.

52 Finally, whereas the Republic of Estonia claims that the EU legislature has not sufficiently taken into account the situation of each Member State and, therefore, its own situation, that argument cannot succeed.

53 The subsidiarity principle is not intended to limit the EU's competence on the basis of the situation of any particular Member State taken individually, but requires only that the proposed action can, by reason of its scale or effects, be better achieved at EU level, given its objectives listed in Article 3 TEU and provisions specific to various areas, including to the various freedoms, such as the freedom of establishment, laid down in the Treaties.

54 It follows that the principle of subsidiarity cannot have the effect of rendering an EU measure invalid because of the particular situation of a Member State, even if it is more advanced than others in terms of an objective pursued by the EU legislature, where, as in the present case, the legislature has concluded on the basis of detailed evidence and without committing any error of assessment that the general interests of the European Union could be better served by action at that level.

55 It follows from the foregoing that the second plea in law, alleging infringement of the principle of subsidiarity, must be rejected.

The third plea in law, alleging infringement of the obligation to state reasons

– Arguments of the parties

56 The Republic of Estonia argues, first, that the EU legislature did not set out — to the requisite legal and factual standard — reasons for the limitations it imposed, in Articles 4(6) and (8) and 16(3) of the Directive, on the possibility of requiring from small undertakings accounting information in addition to that required by the Directive and, second, that the EU legislature should have put forward further justification for the option that it left to Member States to derogate from the accounting principle of 'substance over form'.

57 According to the Parliament, the Council and the Commission, the Directive states sufficient reasons in the light of the requirements of Article 296 TFEU. They claim in particular that the EU legislature is not required to provide a specific statement of reasons for each of the technical choices made.

– Findings of the Court

58 It should be borne in mind that, although the statement of reasons required by Article 296 TFEU must show clearly and unequivocally the reasoning of the EU authority which adopted the contested measure so as to enable the persons concerned to ascertain the reasons for the measure and to enable the Court to exercise its review, it is not required to go into every relevant point of fact and law (see, inter alia, judgment in *Commission* v *Council*, C-122/94, EU:C:1996:68, paragraph 29).

59 More particularly, it is not possible to require that the statement of reasons should set out the various facts, often very numerous and complex, on the basis of which a directive was adopted, or a fortiori that it should provide a more or less complete evaluation of those facts (see, by analogy, judgment in *Italy* v *Council and Commission*, C-100/99, EU:C:2001:383, paragraph 63).

60 Consequently, if the contested measure clearly discloses the essential objective pursued by the institution, it would be excessive to require a specific statement of reasons for each of the technical choices made by the institution (see, in particular, judgment in *Italy* v *Council and Commission*, C-100/99, EU:C:2001:383, paragraph 64).

61 Moreover, it follows from the case-law of the Court that observance of the obligation to state reasons must be evaluated not only according to the wording of the contested act, but also according to its context and the circumstances of each case, in particular the interest which the addressees of the measure, or other parties to whom it is of direct and individual concern, may have in obtaining explanations (judgment in *VBA* v *Florimex and Others*, C-265/97 P, EU:C:2000:170, paragraph 93).

62 In that regard, it is important to emphasise that the Republic of Estonia participated, in accordance with the arrangements laid down in the FEU Treaty, in the legislative procedure which led to the adoption of the Directive, which is addressed to it in the same way as to the other Member States represented in the Council under Article 55 of that directive. Therefore, and in any event, the Republic of Estonia cannot validly complain that the Parliament and the Council, the authors of the Directive, did not place it in a position to know the reasons for the choice of measures which they intended to implement.

63 As to whether the EU legislature has enabled the Court to exercise its mandate to review the legality of these choices, it is clear that the legislature cannot be faulted in view of the sufficient factual and legal material contained in the Directive, recalled in particular in paragraphs 2 and 3 of the present judgment.

64 In those circumstances, the third plea in law, alleging breach of the obligation to state reasons, must be rejected.

65 It follows from all of the foregoing considerations that none of the pleas on which the Republic of Estonia relies in support of its action can succeed and that the action must therefore be dismissed.

Costs

66 Under Article 138(1) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the Parliament and the Council have applied for costs to be awarded against the Republic of Estonia, and the latter has been unsuccessful, it must be ordered to pay the costs. In accordance with the Article 140(1) of the Rules of Procedure, the Commission, which has intervened in this dispute, must bear its own costs.

On those grounds, the Court (Second Chamber) hereby:

1. Dismisses the action;

2. Orders the Republic of Estonia to pay the costs;

3. Orders the European Commission to bear its own costs.

[Signatures]