COMMUNICATION FROM THE COMMISSION

Adaptation of the provisions of Title IV of the Treaty establishing the European Community relating to the jurisdiction of the Court of Justice with a view to ensuring more effective judicial protection
COMMUNICATION FROM THE COMMISSION

Adaptation of the provisions of Title IV of the Treaty establishing the European Community relating to the jurisdiction of the Court of Justice with a view to ensuring more effective judicial protection

Introduction

Private individuals should be able to enjoy effective judicial protection of the rights that they derive from Community law. For this purpose, the Treaty establishes a full system of forms of action and procedures, in which close cooperation between the Court of Justice and the national courts, organised by the preliminary ruling procedure (Article 234 of the Treaty establishing the European Community (the “EC Treaty”)), is an essential component.

The Amsterdam Treaty sets the objective of progressively establishing an area of freedom, security and justice. For this purpose, some of the matters previously covered by Title VI of the Treaty on European Union (the “third pillar”) were brought within the EC Treaty under certain conditions. Meanwhile, establishing this area has become a Union priority thanks to the political impetus given in particular by the European Council in 1999 (Tampere) and 2004 (Hague programme) and the sound cooperation of all the institutions.

In the development of this area of freedom, security and justice, respect for fundamental rights, and in particular effective judicial protection for everybody, must occupy an essential place. The second indent of Article 67(2) of the EC Treaty accordingly requires the Council, at the end of the transitional period of five years following the entry into force of the Treaty of Amsterdam, to take a decision “with a view to adapting the provisions concerning the jurisdiction of the Court of Justice” (i.e. Article 68 of the Treaty).

But the Commission notes that the transitional period expired on 1 May 2004 and that the Council has not launched work to fulfil this legal obligation.

---


2 The Council decided, on the basis of the second indent of Article 67(2) of the EC Treaty to extend the application of the codecision procedure; see Decision of 22 December 2004 (2004/927/EC), OJ L 396, 31.12.2004, p. 45. The Commission had the following statement entered in the Council minutes: “The Commission would wish to recall that Article 67(2) foresees a decision of the Council not only providing for the areas which should be governed by codecision but also adapting the provisions relating to the powers of the Court of Justice. The passage to codecision for a majority of the domains of Title IV as presented in this present decision contributes in no small measure to increasing the democratic legitimacy of instruments adopted under this title and the Commission can welcome the decision to that extent. That being so, it is unacceptable that the decision does not provide for any adaptation of the competences of the Court, thus perpetuating a situation where access to the Court of Justice remains limited. The Commission is absolutely convinced that, in this area which so closely touches on the rights of individuals, an increased access to justice is equally essential to enhance legitimacy.” The European Parliament took the same position in the Bourlanges Report adopted on 16 December 2004.
The purpose of this communication is to contribute to the adaptation of the special provisions of Article 68 of the EC Treaty concerning the jurisdiction of the Court of Justice in the fields covered by Title IV. In the Commission’s opinion, this adaptation should consist of aligning that jurisdiction on the general scheme of the Treaty. A draft Council Decision to that end is attached.

For the reasons explained below, the Commission considers that the best way of adapting the provisions of Title IV relating to the Court is to bring them into line with the standard rules on judicial protection of the Treaty, in all fields covered by Title IV. The specific provisions of Article 68 of the EC Treaty should therefore cease to apply. This is necessary, first of all, for Article 68(1), which prohibits national courts other than those of final instance from applying to the Court for preliminary rulings, whereas Article 234, which establishes the procedure for cooperation with the courts of the Member States, allows any national court to do so. The same applies to the procedure provided for in Article 68(3), which loses its raison d’être once the standard preliminary ruling procedure is established. Lastly, there is no longer any reason for excluding the jurisdiction of the Court for certain measures, as provided for in Article 68(2).

The sections below develop the arguments on which the Commission’s position is based. In particular, alignment of the rules concerning the jurisdiction of the Court in Title IV on the ordinary law will:

- ensure the uniform application and interpretation of Community law in this area as in all others (infra, item a);
- make it possible to strengthen judicial protection, in fields that are particularly sensitive in terms of fundamental rights (infra, item b);
- remedy a paradoxical retrograde step in judicial protection as a result of the Amsterdam Treaty in civil matters covered by Article 65 of the EC Treaty (infra, item c); and
- enable the Community judicial system to perform normally without any fear of operating problems in this area (infra, item d).

a) **Ensure the uniform application and interpretation of Community law**

Since the Amsterdam Treaty entered into force, the Union has been running a major legislative programme, launched by the Tampere European Council and reaffirmed in the Hague programme, in the areas of cooperation in civil matters, asylum, immigration, visas and the free movement of persons. An impressive body of Community law is emerging in response to the expectations of Europe’s citizens and residents, who wish to live in a genuine area of freedom, security and justice.

---

3 “The Council, the Commission or a Member State may request the Court of Justice to give a ruling on a question of interpretation of this title or of acts of the institutions of the Community based on this title...”.

4 “… the Court of Justice shall not have jurisdiction to rule on any measure or decision taken pursuant to Article 62(1) relating to the maintenance of law and order and the safeguarding of internal security.”
This body of legislation, like any other part of Community law, needs to be interpreted and applied uniformly throughout the Union, and the guarantor of this is the Court of Justice. As it expands, not only quantitatively but especially in terms of the importance of the rights that it confers, there is a vital need to ensure that it is applied in the same way throughout the Union.

The ideal procedure to enable the Court to guarantee the unity of Community law is the preliminary ruling procedure of Article 234 of the EC Treaty. This procedure, which organises close cooperation between the national courts and the Court of Justice, is the keystone of the Community legal order. An essential element of the procedure is the principle that all national courts can dialogue with the Court.

Any enduring exemption from this principle prevents the Court of Justice from pursuing its mission of guaranteeing the unity of Community law for the benefit of all potential litigants. In 1995 the Court warned that “to limit access to the Court would have the effect of jeopardising the uniform application and interpretation of Community law throughout the Union, and could deprive individuals of effective judicial protection and undermine the unity of the case-law... The preliminary ruling system is the veritable cornerstone of the operation of the internal market, since it plays a fundamental role in ensuring that the law established by the Treaties retains its Community character with a view to guaranteeing that that law has the same effect in all circumstances in all the Member States of the European Union... One of the Court’s essential tasks is to ensure just such a uniform interpretation, and it discharges that duty by answering the questions put to it by the national courts and tribunals”.

The Court reiterated the point later, regretting the development of “a situation in which the mechanisms for judicial protection vary within the Union” since the transition from the European Communities to the European Union in 1993, and recommending that “rendering the system of judicial protection uniform on the basis of the Community model would actually appear to be the best way of ensuring observance of the law in all spheres of the European Union”.

The Commission stresses that consistency is an essential element of the area of freedom, security and justice. Uniform interpretation of the body of legislation that has now been accumulated is essential in order to guarantee this consistency. As an example, it is obvious that the homogeneous application of the acquis in the field of immigration and asylum will greatly help to limit secondary movements between Member States, which has been a constant concern since the area was established. Experience in cooperation in civil matters is just as eloquent: while the Court has been able to make the Brussels I Convention an extremely effective instrument in the service of litigants since 1971 (see infra, item c), conversely, since it has not been able to exert its role of standardising concepts under the

---

6 See address by President Rodriguez Iglesias at the European Convention, CONV 572/03, 20 February 2003. See also the Court of Justice discussion paper on “The future of the judicial system of the European Union” of 2000, pp. 22 to 23 where, while noting the exemption made in Article 68 of the EC Treaty, restated the general principle, to stress that “it seems necessary for all national courts and tribunals to retain the right to refer questions to the Court of Justice” and that “the uniform application of Community law frequently depends on the answer to a question of interpretation raised before a national court not having to await the outcome of appeal proceedings but being given by the Court of Justice at the outset, so that the case-law can become established at an early stage in the Member States of the Union”.

EN 4  EN
Rome Convention of 1980 on the law applicable to contractual obligations, there are wide divergences in the interpretation of that convention in the different Member States.

The Commission now considers that the time has come to provide for Article 234 of the EC Treaty to apply in this area, where the legislation is advancing so dynamically. The more the ‘acquis communautaire’ in the fields covered by Title IV develops, thanks in particular to the extension of the qualified majority and co-decision procedure decided on in December 2004, the less grounds there are for the limits on the Court’s jurisdiction, conceived only for a five-year transitional period. The Commission already made this point in its statement of December 2004.

b) Strengthen judicial protection

The principle of effective judicial protection is one of the general principles of Community law. It is one of the fundamental rights that help to define the very concept of the rule of law. The exception from this principle in Article 68 of the EC Treaty applies in policy areas which are particularly sensitive in terms of fundamental rights and concern the protection of especially vulnerable people.

Restrictions on the right to refer to the Court under Article 68(1) of the EC Treaty raise problems of judicial protection in two types of case.

First, in national disputes concerning personal rights generated by legislation adopted under Title IV, the national courts of first instance and of appeal cannot ask the Court to interpret the applicable Community law. Litigants can therefore be forced to exhaust national redress procedures right up to the supreme court level to have a question referred for a preliminary ruling to clarify their rights.

Moreover, persons who consider that their fundamental rights are violated by a Community instrument adopted on the basis of Title IV have no access to any kind of judicial protection before having run the gamut of national redress procedures. Only the Court of Justice can rule on the invalidity of a Community instrument. Consequently, a national court of first instance or of appeal, even if it is convinced that the relevant instrument is illegal, is still obliged by Article 68(1) of the EC Treaty to apply it without being able to refer the question to the Court of Justice. More serious still, it seems that such a court cannot even grant any kind of provisional judicial protection, since it is possible to provisionally disapply a Community instrument only if there is also a reference for a preliminary ruling on the validity of the instrument.

---

7 The Commission recently proposed a Regulation to convert this Convention into a Community instrument [proposal for a Parliament and Council Regulation on the law applicable to contractual obligations (Rome I) - COM(2005) 650].
8 See footnote on page 2.
10 Joined cases C-143/88 and C-92/89 Zuckerfabrik Süderdithmarschen [1991] ECR I-415; C-465/93 Atlanta [1995] ECR I-3761. It seems that the fundamental principles emerging from Foto-Frost, Zuckerfabrik and Atlanta should also apply to Title IV. Admittedly, there are those who argue that there should be an exception and that in this area, exceptionally, national courts should be given the power to disapply Community acts that they consider contrary to the Treaty, in order to avoid the problems of judicial protection mentioned in this communication. But this would seriously compromise the autonomy and uniformity of Community law.
In both cases, the restricted jurisdiction enjoyed by the Court under Article 68(1) of the EC Treaty is likely to have the practical effect of depriving people of effective judicial protection. This is all the more the case as in the matters in question people often do not have the financial resources needed to exhaust all national redress procedures, and/or they need rapid legal guidance. Persons protected by the law under Title IV include asylum-seekers and applicants for family reunification under Directives 2003/86/EC, 2004/83/EC and 2005/85/EC, third-country nationals challenging expulsion orders or discriminatory treatment, but also minors affected by disputes covering maintenance responsibilities, in particular, or the parental responsibility in the broad sense of Regulation (EC) No 2201/2003. In addition, in civil and commercial matters to which Regulations (EC) No 44/2001, (EC) No 1348/2000, (EC) No 1206/2001 or (EC) No 805/2004 apply, litigation can easily become illusory or too expensive for small- and medium-sized enterprises if they have to go right up to the national supreme court before the Court of Justice can rule on their rights.

Incidentally, the need to take a case all the way up to the highest level simply in order to refer to the Court after months or years of procedure also breaks the rule of procedural economy. The result is to unnecessarily waste the resources of the national courts, which are free in other areas to decide when a preliminary ruling is the most efficient response. As regards fundamental rights in particular, early intervention by the Court of Justice under Article 234 of the EC Treaty can help to settle upstream problems and obviate the need to raise serious legal issues with successive national courts and even in the European Court of Human Rights.

Article 68(2) excludes the jurisdiction of the Court of Justice “to rule on any measure or decision taken pursuant to Article 62(1) relating to the maintenance of law and order and the safeguarding of internal security”.

The wording of this paragraph appears to exclude any review by the Court of Justice of Community measures adopted by the legislature on the basis of Article 62(1) of the EC Treaty that cover the maintenance of law and order and the safeguarding of internal security. This in practice means Community rules for the abolition of controls on persons at the Union’s internal borders, including the exceptional possibilities of reintroducing such controls temporarily. Since, by definition, the national courts cannot rule either on the validity of such Community rules, the result is to exclude any possibility of judicial review, which is difficult to justify in an area of freedom, security and justice.

\[11\] In view of the need to ensure constant and effective protection of minors, disputes relating to parental responsibility, as defined by Regulation (EC) No 2201/2003, often have to be decided at short notice. Although decisions taken under Regulation (EC) No 2201/2003 are often appealed, they very rarely reach the supreme courts.

\[12\] The third subparagraph of Article 2(1) of the Protocol integrating the Schengen acquis into the framework of the European Union contains a clause excluding the jurisdiction of the Court of Justice, in which the parts concerning the Schengen acquis integrated into Community law are parallel to Article 68(2) of the EC Treaty and will have therefore have to be “adapted” in parallel with it.

\[13\] The Commission considers that, contrary to what has sometimes been argued, this paragraph cannot apply to national measures covering the maintenance of law and order and the safeguarding of internal security. This is clear from the very wording of paragraph 2. Neither in the procedure of Article 226 of the EC Treaty nor in the procedure of Article 234 of the Treaty does the Court of Justice ever “rule on” national measures or decisions, and such measures are not “taken pursuant to Article 62(1)”.
Excluding the Court’s jurisdiction over public-policy measures is also inconsistent with the rest of the Treaty. The Court’s function since the origins of the Community has been to rule on the conformity with Community law of national measures taken to maintain public law and order and internal security in areas to which the treaties apply. Consider the example of national legislation and administrative implementing rules which can restrict the freedom of movement of goods and capital but also of Union citizens, and which might even go so far as to include expulsions of Union citizens by a host Member State to the Member State of origin to safeguard public policy. Since then the Court of Justice has always reviewed proportionality and all the other guarantees that circumscribe the exercise of these powers of the Member States, and its review has been attentive to the delicate nature of public policy issues while leaving the Member States with proper room for discretion. In the field of Title IV itself, the Member States also take a variety of other measures in the interest of public policy which are amenable to the Court’s jurisdiction. In any event, the proper way of safeguarding public policy in a Community governed by the rule of law is to adopt substantive measures, both legislative and executive, and not to exclude the right to take action in the court.

Lastly, the Commission wonders about the possible consequences in relation to the European Convention on Human Rights if there is no adaptation of Article 68 of the EC Treaty. For one thing, the European Court of Human Rights has held that Member States are collectively liable for any violation of the Convention resulting directly from Community primary law. For another, that Court did consider that the protection of the fundamental rights offered by Community law as regards acts of the institutions was “equivalent” to that ensured by the mechanism of the convention; but it concluded that this equivalence was present on the basis of the ordinary law of the Treaty regarding the jurisdiction of the Court of Justice.

To sum up, the Commission considers that the need to strengthen judicial protection makes it urgent that Article 68(1) and (2) of the EC Treaty cease to apply and that the standard rules of the Treaty come into operation.

**c) Remedy a gap in judicial protection in cooperation in civil matters**

Between 1971 and 2002, when Regulation (EC) No 44/2001 entered into force, the Court of Justice had jurisdiction to give preliminary rulings on the interpretation of the “Brussels I” Convention of 1968, requested not only by the courts of final instance in the Member States but also by courts of appeal. For thirty years the Court was regularly able to provide the

---

14 These measures are based in particular on Articles 39(3) and 46 of the EC Treaty and must respect the guarantees of Directive 64/221/EEC on the coordination of special measures concerning the movement and residence of foreign nationals which are justified on grounds of public policy, public security or public health (OJ 56, 4.4.1964, p. 850). This Directive is replaced, with effect from 30 April 2006, by Directive 2004/38/EC of 29 April 2004.
15 See in particular Directive 64/221/EEC, referred to above.
17 Judgment of 18 February 1999 Matthews v United Kingdom (Application No 24833/94).
18 Judgment of 30 June 2005 Bosphorus v Ireland (Application No 45036/98), paras 96–99 and 160–165. The European Court concluded that the implementation of obligations resulting from secondary legislation enjoys a “presumption of conformity” with the Convention.
19 Convention of 27 September 1968 on jurisdiction and the enforcement of judgments in civil and commercial matters.
20 Article 2 of the Protocol of 3 June 1971 on the interpretation by the Court of Justice of the Convention of 27 September 1968 on jurisdiction and the enforcement of judgments in civil and commercial
national appeal courts – and, therefore, citizens and companies active in civil and commercial matters – with valuable interpretations of this Convention, which was an extraordinary factor for European integration.

It is therefore paradoxical that the Amsterdam Treaty, which communitises this matter and enables the legislature to convert the previous conventions into regulations, at the same time, by means of Article 68(1) of the EC Treaty, heavily restricts the jurisdiction of the Court of Justice to interpret these regulations, by precluding appeal courts and allowing only courts of final instance to apply for preliminary rulings.

If such a restriction on review by the national courts had been in force between 1971 and 2002, there is no doubt that the bulk of the Court’s decisions in civil and commercial matters\(^{21}\) would never have been given, or would have been available to assist citizens and firms only after additional delay and cost. There is absolutely no reason why citizens and operators should have to accept that their judicial protection now is more limited than it was for thirty years.

The transitional period being over, it is therefore time for the Council to use the second indent of Article 67(2) of the EC Treaty to remedy this widening gap in protection and introduce the standard rules of Article 234 as regards judicial cooperation in civil matters.

d) **Trust in the proper functioning of the Court of Justice**

One of the reasons for Article 68(1) of the EC Treaty seems to be a concern to avoid overloading the Court of Justice with a mass of references for preliminary rulings in matters covered by Title IV. A second fear could be that, in certain fields such as the right of asylum, the preliminary ruling procedure could have held up national judicial proceedings.

The Commission considers that the Court, the efficiency of the means of internal organisation which it now enjoys and the new possibilities created by the Nice Treaty must be trusted. The Court has managed to significantly reduce the average duration of preliminary ruling proceedings\(^{22}\). Moreover, it has already shown that the new expedited procedure means that it can give preliminary rulings more quickly if necessary. In addition, where necessary, special rules allowing immediate treatment of particularly urgent cases might be inserted in the Statute of the Court of Justice – thanks to the new legal basis in the second paragraph of Article 245, introduced by the Nice Treaty – and in its Rules of Procedure.

Otherwise, in fields where national proceedings are no less urgent, including proceedings in criminal matters, the Treaties do not confine the possibility of referring to the Court of Justice matters. In the cases concerning Article 37 of the Brussels Convention, even courts of first instance were entitled to refer to the Court of Justice.

It is particularly striking to note that Court judgments of major importance for the operation of the Brussels Convention and, therefore, for Regulation (EC) No 44/2001, were given on references from appeal courts. “Handelskwekerij Bier v Mines de Potasse d’Alsace” (Case 21/76), “De Bloos v Bouyer” (Case 14/76), “Tessili” (Case 12/76), “Denilauler” (Case 125/79), “Mund & Fester v Hatrex Internaional Transport” (Case C-398/92), “Reichert” (Case C-261/90) and “Group Josi” (Case C-412/98) are typical cases, the latter having clarified the applicability of the convention to applicants domiciled in third countries. Owusu-Jackson (Case C-281/02) is another, being a leading case on the scope of the Brussels Convention.

\(^{21}\) See the Court’s press release 14/06 of 13 February 2006, “Statistics concerning judicial activity in 2005 – consolidation and continuation of the progress recorded in 2004”.
to national courts of final instance. Thus, while judicial protection is completely insufficient in Title VI of the EU Treaty, since under Article 35(2) it presupposes an opt-in by the Member States and only 14 of them have done this, it is paradoxical to note that the Member States making use of this opt-in retain the freedom to choose to allow all the courts to refer questions for preliminary ruling to the Court of Justice, which eleven of them have done, whereas this is not possible in Title IV.

In any event, the Commission believes that, at the present stage of the development of the area of freedom, security and justice, considerations related to the Court’s workload do not suffice to justify the maintenance of a provision which can undermine effective judicial protection and the unity of Community law.

**Conclusion**

Like Europe in general, the area of freedom, security and justice is being built in stages. Since the entry into force of the Amsterdam Treaty and the Tampere European Council, Title IV has made it possible to create an impressive body of legislation for the benefit of the Union’s citizens and residents in so many aspects of their daily life.

The transitional period having expired, it is now urgent for the Council to fulfil its obligation under Article 67 of the EC Treaty and restore the Court’s full jurisdiction to give preliminary rulings on legislation that has been adopted. This is necessary in order to fully guarantee the fundamental right to effective judicial protection and the uniformity of Community law, and thus to remedy a shortcoming which is no longer justifiable in a genuine “judicial area”.
ANNEX

DRAFT COUNCIL DECISION

adapting the provisions concerning the Court of Justice in fields covered by Title IV of Part Three of the Treaty establishing the European Community

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular the second indent of Article 67(2) thereof,

Having regard to the opinion of the European Parliament,

Whereas:

(1) By virtue of Article 68(1) of the Treaty, Article 234 of the Treaty is applicable to Title IV of Part Three of the Treaty under the circumstances and conditions specified in that provision. Under Article 68(2), the Court of Justice in any event has no jurisdiction to rule on any measure or decision taken pursuant to Article 62(1) relating to the maintenance of law and order and the safeguarding of internal security. In the same way, the third subparagraph of Article 2(1) of the Protocol integrating the Schengen acquis into the framework of the European Union excludes the jurisdiction of the Court of Justice to rule on measures or decisions relating to the maintenance of law and order and the safeguarding of internal security in the context of the Schengen acquis. Under Article 68(3) of the Treaty, the Council, the Commission or a Member State may request the Court of Justice to give a ruling on a question of interpretation of this title or of acts of the Community institutions based on it. The ruling given by the Court of Justice in response to such a request must not apply to judgments of courts or tribunals of the Member States which have become res judicata.

(2) Under the second indent of Article 67(2) of the Treaty, the Council, acting unanimously after consulting the European Parliament, is to take a decision, after a five-year transitional period after the entry into force of the Amsterdam Treaty, with a view to adapting the provisions relating to the powers of the Court of Justice.

(3) That adaptation should be made by aligning the special provisions existing in the fields covered by Title IV on the standard rules of the Treaty. The special provisions should therefore cease to apply and be replaced by application of the general rules of the Treaty, and in particular Article 234.

(4) In accordance with Articles 1 and 2 of the Protocol on the position of Denmark annexed to the Treaty on European Union and to the Treaty establishing the European Community, Denmark is not taking part in the adoption of this Decision and is not bound by it or subject to its application,
HAS DECIDED AS FOLLOWS:

Sole Article

1. With effect from [1 January 2007], Article 234 of the Treaty shall apply to any request made to the Court of Justice by a national court to rule on a question concerning the interpretation of Title IV of Part Three of the Treaty or on the validity and interpretation of acts of the Community institutions on the basis of that Title, including requests made before [1 January 2007] on which the Court of Justice has not yet ruled at that date.

2. With effect from [1 January 2007], the second sentence of the third subparagraph of Article 2(1) of the Protocol integrating the Schengen acquis into the framework of the European Union shall cease to apply in matters to which Community law applies.

3. With effect from [1 January 2007], Article 68 of the Treaty shall cease to apply.

Done at Brussels, […]

For the Council
The President