#### General and institutional

The crisis in the European communities is the subject of an article by R. Hellman in Europe-Archiv 1966, No. 7 pp. 259-269. The author considers that a longer duration of the crisis would have been more prejudicial to the Community than the concessions now made to France. None of the member States originally demonstrated much enthousiasm with respect to majority decisions. The French, however, made them realize that one member State, when allowed to use a right of veto would be able to prevent any further Community action in any given field. This explains why the Council's memorandum states that the disagreement on voting procedure has not disappeared. The French unilateral declaration by itself is not the greatest menace to co-operation. Problems are only likely to arise when a majority vote against France is actually exercised. These questions are not ready to be solved. Hellman observes that in principle the "Decalogue" does not affect the Commission's right to make propositions, although its independence seems to become in danger.

The crisis has also been the subject of an article by H. H. Maas in Sociaal Economische Wetgeving, 1966, No. 3, pp. 151-157. The author deals with the functioning of the Council during the time of the crisis. For decisions that could not be postponed one has made use of the written procedure, thus avoiding the thorny question whether the Council could decide in the absence of one of the member States. The various answers given to that question are reviewed. According to the author the Luxembourg agreement does not really affect the rules on the qualified majority nor does it weaken the Commission's position. In Ars Aequi 1966, pp. 10-14 M. J. Kuiper writes on the same subject. He stresses the political character of the crisis and concludes that, although it might be possible to take Council decisions without France being present, the normal development of the Community is not possible without the cooperation of France. The same author discusses the juridical aspects of the crisis in Ars Aequi 1966, No. 5, pp. 138-144. He does not consider the Accord of Luxembourg a binding decision. Dealing with its contents he observes that a member State can claim a matter to be of vital national interest which should prevent other members from outvoting it. The author notes the decrease of the Commission's freedom to take action and concludes that some specific features of the Community are thus weakened.

The general subject of the decision-making process in the Communities is treated by Alting von Geusau in Cahiers de Droit Européen 1966, No. 3, pp. 227-250. He gives information about the treaty provisions, their historical coherence and the development of the decision-making since 1958. The relations between the European institutions represent a disturbed institutional balance. The characteristics of this structure are due to a compromise between democratic principles of the member States' constitutional laws and the oligarchical principle of traditional international law. This compromise can account for the importance of the intergovernmental organs and the limited competences of the European Parliament. The author observes that the development of the common market proves that intergovernmentalism tends to push aside Schuman's concept of supranationality. G. Pflaumer has written a short article on a specific institution of the Communities to wit the Economic and Social Committee in Neue Juristische Wochenschrift of February 17, 1966, pp. 285-287. This institution should not be considered a competitor of the European Parliament, since its task is to offer technical advice, whereas the Parliament is a political body. The influence of the Committee

is increasing as may be concluded from the growing number of optional opinions that are asked (mostly by the Council). Pflaumer emphasizes the integrating function of the Committee, which would be as important as its advisory task.

Questions relating to the democratic representation of the European population within its political bodies, are of great importance in the Communities as well as in the member States. This is evidenced by J. H. Moreels, who writes about the Belgian Parliamentary Commission for European affairs (Tijdschrift voor Bestuurswetenschappen en Publiekrecht, March-April 1966). Its task is to examine the Government's yearly report and to furnish information to the Chamber about European affairs. It is an organ of deliberation between the Chamber and the Belgian delegates to the three European Assemblies and the Interparliamentary Council of Benelux.

Turning from the political framework of the Communities to an analysis of certain legal questions of the Community order, Professor C. F. Ophüls, the former head of the German delegation at the negotiations leading to the Treaty establishing the E.E.C., has studied the two most important legislative instruments of the Community: the regulation and the directive (Cahiers de droit européen, 1966, No. 1, pp. 3-20). The regulation has the tendency to centralise; the directive is incomplete and does not give rules that are directly applicable. Consequently the member States must execute and complete them, and the rules that are finally applied are national rules for which the directive provides only the legal basis. Essentially the directive is derived from the "recommendation" of the E.C.S.C. Treaty, but one has attempted to give a better definition. The supervision of the legality of the directive and the regulation are the same as far as an appeal for annulment and an appeal for inaction are concerned. But the incidental control by means of Article 184 does not exist with respect to the directive. The more contested question whether a preliminary question may be asked on the interpretation of a directive is answered by Ophüls in the positive in view of the need for legal protection of individuals.

The relationship between Community law and national law remains a topic of much concern to authors of different countries as is evidenced by the contribution of J. Virole (Revue Trimestrielle de Droit Européen 1965, No. 3, pp. 369-398). The article is actually a detailed annotation to the Costa-Enel judgment. He considers the question whether Community law is a branch of international law or a wholly new system. The author writes on various aspects of the interpretation of Community law provided for in Art. 177. He further deals with the question whether the national judge is obliged to refer a matter to the Court of Justice for preliminary decision ("acte clair") and he examines the court's methods of interpretation. L. Erades has devoted a study to this subject in The International and Comparative Law Quarterly, 1966, pp. 117-132. It deals with the internal effects in the member States of Community law as compared with the effects of international law in general on the national legal system in these countries. The differences result from the special character of the treaties establishing the three European Communities, that transfer a part of the national sovereign powers to the newly created Community institutions. A clear survey is offered of the legal force of Community law within the national legal systems; this force depends to a large extent on the national constitutions. The relevant rules in France and in the Benelux countries correspond to each other, while Germany and Italy have a different system stemming from the dualistic transformation theory still prevailing in these countries. In this theory a very complicated reasoning is necessary to explain the supremacy of Community law over national law.

An entirely different subject is the policy of the H. A. in the field of price control and information;

In Cahiers de droit Européen, No. 2, 1966, pp. 52 E. Reuter wrote on Art. 86 (1) and Art. 47 (1) ECSC. He upholds the view that cooperation of member States

with the H.A. is necessary in the field of information and control of prices. A particular case of application of the fundamental principle of the cooperation as laid down in Art. 86 (1, 2) is provided for in Art. 62 (3) of the ECSC Treaty.

#### Agriculture

In connection with the Court's judgment in the Schwarze Case, C. D. Ehlermann has made a survey of all the Commission pricing decisions in the field of the common agricultural policy (Aussenwirtschaftsdienst 1966, No. 4, pp. 67-72). According to the author, the Court's considerations on the reasoning of the decision apply to all pricing decisions. The function of these decisions is to enable member States to calculate levies in certain common market organisations. The commission fixes the prices in accordance with criteria laid down in the basic regulations and implementing regulations made by the Commission of the Council. Ehlermann explains the two methods the Commission uses and gives a survey of the regulations and the criteria.

### Free Movement of Goods

A survey of the present stage of the customs union in the E.E.C. is provided by Y. van den Mensbrugghe in Cahiers de droit européen, 1966, No. 1, pp. 40-54. The relevant articles of the Treaty are discussed, together with the decisions taken so far in execution thereof. The case law of the Court in Luxembourg is also reviewed; it often gives a more precise interpretation of the various escape provisions and exceptions in the Treaty, that leave a large discretion to the Commission. The author also deals with the special difficulties arising out of the application of Article 37. The whole article by van den Mensbrugghe benefits from extensive references to case law and executive decisions.

# Competition

To the already vast literature in the field of EEC cartel law has now been added in Cahiers de Droit Européen 1966, No. 2, pp. 35-51, a new survey by Prof. van Damme, who has written the first two parties of a series of articles. He scucessievly deals with the reasons for a European Competition policy (free contracting versus free trade and competition), the relations between Community and international law and the field of application of the rules of competition. He finally discusses some legal interpretations of Articles 85 and 86—which now are only of historical interest—and review Regulation No. 17 and the "Bosch"-case. In a second article (Cahiers de Droit Européen, 1966 No. 3, pp. 280-316) Van Damme analyses the conditions under which Article 85 may be applied. In both articles a comprehensive reference to literature and case law is given.

A general review of the Commission decisions is given by Claude Champaud in Revue Trimestrielle de Droit Européen, 1965 No. 1 (pp. 58-83). The advisory opinion of the Economic and Social Committee of October 30, 1963, on the principles of interpretation and application by the Commission of the Articles 85 et seq. is dealt with in some detail. Next, the Commission policy on restrictive agreements is discussed. Attention is paid to the negative clearance concerning DECA (see Common Market Law Review 1964-65, p. 107) and to two decisions of the French Cour de Cassation. The Court held parties to certain agreements liable for damages, not because these agreements themselves were illegal, but because the parties had refused to permit a competitor to become a member to the agreement, or because parties had expelled a member. The major part of the contribution is devoted to exclusive distributorship agreements, in particular to the Grundig-Consten agreement. Unlike the Commission, Champaud does not consider this

agreement to be restrictive of competition but only altering the level of competition, a discussion which has lost its practical value since the Court judgment of July 13, 1966. Some notes on restrictive practices and abuse of dominant position are added.

In an annotation on the "DRU-Blondel" decision in Gewerblicher Rechtsschutz und Urheberrecht, Ausl. und Int. Teil (no. 1, 1966, pp. 24-26) Van Manen compares this decision with the "Hummel-Isbecque" case. The first is only an application of Article 85 (3) with retroactive effect until March 13, 1962. On the contrary in the "Hummel-Isbecque" decision exemption is granted from April 7, 1965, and Article 7 of Regulation No. 17 is applied to the period between March 13, 1962 and this date. In this case the Commission expressly ruled out an effect of the exemption pursuant to Article 7 to third parties because it is still an open question whether such effect can be attached to Article 7.

Georges Bricmont offers in Journal des Tribunaux 1966 (No. 4517, pp. 53-60) a well-documented review on the position of exclusive agreements since 1960 both under Belgian and Community law. After a general introduction he deals with the Belgian law, Community law and the position of third parties. In Belgian law it is important to know whether an exclusive agreement is concluded for an indefinite period or for a limited time only; only the unilateral termination of an agreement belonging to the first category falls under the terms of the Law of July 27, 1961. In the chapter about Community law, rules of competition of the Treaty and Regulations are discussed and also decisions of the Commission in this field.

In Revue Trimestrielle de Droit Européen (1965, No. 1, pp. 94-112) Y. Saint-Gal wrote on Article 2 of the French Law of July 2, 1963. This provision gives an enterprise, who suffered damages from unfair competition, the possibility to request a preliminary ruling directly terminating this unfair practice while awaiting a decision in the principal case. The procedure to be followed will be concluded by a decree. Before this Law in France only a lengthy tort action was possible to end such unfair competition. Moreover the author analyses the meaning of the notion "unfair competition" and the possibilities of preventing unfair competition in the other member States. In his opinion the concept of "unfair competition" remains important, even though on the one side the general evolution of the national laws tends to repress restrictions of competition and on the other side the rules of the Rome Treaty equally apply to these practices.

The national laws regulating competition and the legislation concerning unfair competition complete each other, while the Rome Treaty aims only at achieving free competition and not at the prevention of unfair competition. However a certain harmonization of legislations of the member States in this matter remains desirable.

In the Juris Classeur Periodique (March 9, 1966, No. 14565) Jean Guyenot has annotated a decision of the French Conseil d'Etat of October 22, 1965. This annotation contains some interesting remarks on the referral by an administrative court, which has requested a preliminary decision from a civil court. The Conseil d'Etat concluded that only the civil court is competent to judge on the validity of restrictive agreements (Art. 59 bis, Ordonnance of June 30, 1945). If, in a proceeding before an administrative court, the question of the validity of such agreement is not clear, the court shall request the civil court for a preliminary decision on this question before deciding the case. Guvenot notices that the civil court in its turn could request the Court of Justice for a preliminary decision, if it thinks the agreement is likely to affect trade between the member States. The double referral is not unknown in French law. In the above mentioned case it could meet with objections if the civil court should, for a second preliminary ruling, examine more than the request asks. But, on the other hand, the validity of the agreement should not only be tested under Article 59 bis of the Ordonnance, but also under rules of Community law.

### Harmonisation of Laws

An interesting article on the harmonisation of laws is written by D. Vignes in Revue de droit international et de droit comparé, 1966, pp. 7-24, in which he pays special attention to the instruments for harmonisation. The Community "directive" leaves a greater freedom to the member States than the classical method of the conclusion of treaties. Decisions directed to the member States do not seem to be a very appropriate means for bringing about harmonisation of laws. Regulations might be useful in connection with the application of Article 235 E.E.C. Treaty. In regard to the harmonisation of company law in the Community an important article is written by Lutter in the Neue Juristische Wochenschrift 1966, pp. 273-278. In his views on the problem of harmonisation as a whole, harmonisation in the EEC is not a goal as such, but serves the purpose objective of the EEC: achieving a common market. He defines it as "die Erziehung von materieller Gleichwertigkeit kleinster sinvoller Ordnungseinheiten bei regelmässig fortdauernder formeller Ungleichheit, ohne die formelle Rechtsgleichheit dann aus zu schliessen, wenn die zu regelnde Ordnungseinheit nicht mehr als einen dem Vertrag gemässen Weg zulässt" (p. 275). Of the four provisions of the EEC Treaty concerning the harmonisation of company law (Articles 3 ( ), 54 (3 g), 100 and 220) only Article 100 and 54 (3 g) are of importance with relation to questions of competence of the Community. The possibilities of Article 54 (3 g) must be considered in the light of the right of Establishment, in which chapter this provision is placed. In relation to this, Lutter discusses two questions; what risks does the free establishment of branches and subsidiaries of foreign companies in their own country and the vice versa bring for members and third parties? And secondly: Are the risks such as to require special measures? The author concludes that the last question is only important is regard to third parties, which do business with those companies involved. So far, the Council can draw up directives on the basis of Article 54 (3 g).

Concerning Article 100, Lutter denies that this provision could be, in the current stage of the common market, a legal basis for the harmonisation of the company law. Neither can the French proposal, regarding a European company be founded on this article.

As for the last point the Commission comes to the same conclusion in the memorandum of May 3, 1965, the contents of which are reviewed in Aussenwirtschaftsdienst des Betriebsberaters (May 30, 1966, pp. 198-199). Two other problems are discussed in the memorandum: The expansion of the activities of enterprises of a member State to the whole territory of the EEC and, secondly, the forming of big companies at the level of the common market, especially by international fusions, mutual participation or establishment of common subsidiaries. In view of the many problems of company and fiscal law to be solved and the problem of representation of workers in the directions of these companies, Aussenwirtschaftsdienst surmises that the drawing up of definitive proposals by the Commission, will take a long time yet.

#### Association

In Revue Belge de droit international, 1966-2, pp. 466-482, Alain Gérard writes an article on the approbation of the Convention of Yaounde by the Belgian Parliament. The article deals with questions concerning Art. 131-136 and 138 of the EEC treaty. Financial problems and questions correlated to the associated states' commercial relations with the EEC and with each other are dealt with. An important aspect is the "sur-prix" France pays on tropical products from the former French-African countries. This support being temporary, it is necessary that the associated countries improve their conditions of production.

Case Law of the Court of Justice of the European Communities

L. Goffin writes in Cahiers de droit européen 1966, pp. 72-90 on the admissibility of the action in the joint cases 106 and 107/63 (Recueil XI/10, 3. C.M.L. Rev. 1965-66 p. 233 with annotation Peters) According to the author it is not possible to draw any general conclusion on the meaning of the phrase "to concern directly". He critisizes Advocate-General Roemer who required a direct causal relationship between the act and the interest violated. Nor would the legal protection of private persons be sufficient in the system of Advocate-General Gand, who says that individuals are directly concerned if a decision directed to a member State does not leave any freedom of discretion to that state. Goffin doubts whether the restrictive interpretation of the words "to concern individually" was really necessary; the Courts might in the future follow a more liberal interpretation.

The first part of the French report prepared by P. T. Riziger for the Congress of the Union Internationale des Avocats in 1965 is published in Sociaal-Economische Wetgeving, 1966, No. 3, pp. 121-137.

It compares the preliminary procedure of Article 177 E.E.C. Treaty with similar procedures in French law. The French courts are used to submitting a preliminary question to another court, but one only speaks of a "question préjudicielle" if an obligation to do so exists. Such an obligation never exists if the judge is of the opinion that the answer to the question is clear.

A comprehensive and very useful survey of the judgements of the Luxembourg Court in cases concerning the employees of the Communities is offered by Louis Dubouis in Revue trimesterielle de droit européen, 1965, pp. 666-686. The case law is already rather extensive and implements the rules on the position of the employees in an important way. The writer also deals with the difficulties resulting from the transition of the preliminary stage of the Community institutions to their normal functioning.

In Recueil Dalloz, June 1, 1966, Jur. p. 373-375 R. M. Chevallier has commented upon a judgment of the French Cour de Cassation de Ch. Cir. of December 1, 1965 annulling a prior decision of the Cour d'Appel de Douai in the case-Torrekens (see ). The Douai court had referred the parties in a social security case involving the interpretation of Regulation No. 3 to the Administrative Commission mentioned in Article 43 (see Maas, 4 C.M.L. Rev. 1966-67, pp. 51-63) rather than asking the Court of Justice in Luxembourg for a preliminary ruling. Chevallier approves of the Cour de Cassation decision and of the fact that it referred the case for further consideration to another Cour d'Appel, instead of asking itself an interpretation of the Luxembourg Court. In the present case Article 177 had clearly been violated by the Court of Douai.

The Cour de Cassation in sanctioning this violation made a correct use of the so-called acte-clair doctrine—a doctrine which Chevallier has always opposed, but which he now seems to accept with certain limitations. In fact Chevallier now spells out sic instances when the doctrine cannot be applied, to wit, where a Community text can only be interpreted: by an authentic definition of its terms; by going back to the "pensée de ses auteurs"; by placing it in the context or general system of the treaty or treaty chapter; by referring to the general aims of the treaty; by filling in certain *lacunae* by way of reference to the four preceding criteria; and in case the four authentic versions of the Treaty text diverge from each other.

In Revue Trimestrielle de Droit Européen, No. 1, pp. 47-66, M. Fromont examines the origins of the notion of admissibility in Community law. He notes that both French and German law have exercised an influence on the forming of the Community concept. He then analyzes the differences between the French and the German systems. The right of appeal in French law depends on having an "intérêt à agir" whereas German law grants the right of appeal when the plain-

tiff puts forward a violation of his private rights by public authorities. The ECSC treaty has borrowed the French concept of interest, whereas the jurisprudence under the Rome treaties has rather taken over the German view. Fromont observes that, generally speaking, the court has followed the system of the treaties and chosen the judicial techniques of both French and German law. The differences however, are often of little importance.

In Revue Trimestrielle du Droit Européen, 1966, No. 1, p. 31-47, M. Chevallier and Rasquin have commented on the appeal for annulment by private individuals under Art. 173. EEC. They give a short review of the corresponding Art. 33 (2) ECSC and they note the liberal interpretation given to this article. Comparing both provisions they stress the limited scope of Art 173 (2) EEC as compared with Art. 33 (2) ECSC and they doubt whether the court can give it a more liberal interpretation. They conclude that the only way to improve the individual's means of challenging Community acts is to be found in a revision of Art. 173 (2), since the framing of this article was meant to limit the right of appeal of private persons.

The failure of community organs to act (Art. 31 ECSC) is dealt with by K. Wolf in Revue du Marché Commun No. 89, 1966, pp. 111-125. The relation between the appeal for inaction and the appeal for annulment is different in both treaties (see also Roemer's lecture, 4 C.M.L. Rev. 1966-67). In the EEC this kind of appeal is not be considered a special application of the appeal for annulment as in the ECSC. It is a procedure "sui generis". Wolf examines the meaning of terms like "point of view" (Art. 175, 2) and "decision" (175, 1) and deals with the court's competence and the admissibility of complaints.

The judgment of the C.o.J. in the case 16/65 (Schwarze) is the subject of an article by C. Tomuschat in Cahiers de Droit Européen 1966, No. 2, p. 83. The German Finanzgericht of Hessen has submitted an important number of questions to preliminary decision (Art. 177). The Court maintained the validity of the Commission's price-decisions, which had been contested. Tomuschat wonders, with regard to the Court's ruling on the motivation of the decision, if Art. 190 EEC will not be sacrificed for a too perfect market organisation. He notes that the Court denies the possibility of challenging community measures by way of Art. 177, for annulment. However, Tomuschat upolds that the Court can apply the exception of illegality, when testing the validity of Community measures. F. C. Jeantet writes on the same Art. 177 in Juris Classeur Périodique (March 23, 1966, I, No. 1987). He considers the procedure of Art. 177 to be original, because necessary to achieve the particular purpose of Art. 177. The C.o.J. has exclusive competence but no power over national judges. He writes about the obligation of the national judges to refer a case to the Luxemburg Court (theory of the acte clair). In answering the questions, the court has to take national legislation into account, to some extent, since the real problem is always the effect of the community law in a particular case.

Too little attention has been paid to the possibility that third parties have a judgment set aside or modified (Tierce opposition). A. Gleiss and W. Kleinmann write on this subject in Neue Juristische Wochenschrift of February 17th, 1966, pp. 278-281). They give an analysis of the legal basis and character of this judicial remedy. For admissability the third party's rights must have been injured by the judgment and he must not have been able to join in the principal action. Däubler (Aussenwirtschaftsdienst 1966, No. 9, pp. 172-176) disagrees with Gleiss and Kleinmann in so far as he considers this action impossible in case a regulation containing obligations for the third party, has been maintained, nor will the third party succeed when a regulation which grants him rights, has been annuled. In the first instance his rights have not been injured by the judgment. In the second case the regulation no longer exists. Nevertheless Däubler cites two possibilities for a successful application by the third party.

#### Statute of Service

In Revue Générale de Droit International Public (July-Sept., No. 3, pp. 682-741) G. Lasalle gives a survey of different aspects of the European public office and the legal position of staff members. He notes three objectives of the Statute i.e., the necessity to guarantee the highest quality of staff members; the necessity to appoint officials from all six countries; finally the guarantee that officials can perform theirs functions under the best circumstances. The author then examines the exceptional position of the European official as compared to his national colleagues. Attention is paid to the way of appointment, to career and promotion and to the legal protection of the official against acts of the administration (a short survey is given of the Court's case law on this matter). The author considers the Statute to be satisfying although its practical application depends to a large extent on the way the administration acts.

#### Euratom

M. Carpentier and P. Matthyssen have written an article in Revue Trimestrielle de Droit Européen 1965, No. 3, pp. 358-368, on contracts of research of Euratom. Art. 4 of the treaty provides that the Commission is responsible for promoting and facilitating nuclear research in member States and for complementing it by carrying out the Community's programme of research. The Commission may assign by contract the carrying out of the programme to member States, private undertakings or contractors of third countries. The choice of the contracting party depends mainly on scientific and geographical criteria. A distinction is made between two types of contracts. First there are contracts entrusting enterprises to conduct research under their own responsibility. Secondly, there are the so called contracts of association. In virtue of these contracts, Euratom carries out research in cooperation with third parties. The authors further deal with a number of important clauses and discuss different aspects of the execution of the contracts.

## Council of Europe, Human Rights

Alexander Kiss writes on the conventions concluded within the framework of the Council of Europe in Revue trimesterielle de droit européen, vol. 1, pp. 48-57 and 658-665. He offers some information on the most important conventions. A distinction is made between the conventions that create mutual rights and duties and those that aim at the unification of certain laws. A more detailed discussion is devoted to the European Code for Social Security, the Convention on the Supervision of Conditionally Sentenced or Released Persons, the Convention for the Suppression of Radiotransmitters outside National Territory and the Convention on Traffic Offences. In an annotation on the decision No. 1994/63 by the European Commission on the Belgium language problem H. G. Schermers pays attention to the admissibility of complaints (Ars Aequi 1966, pp. 119-23). The position of the European Commission is distinguished from that of the Court of the European Communities. So the question of the exhaustion of national remedies applies only before the Commission. A further analysis of this requirement is offered.

The European Commission has brought about its first amicable settlement in case No. 1727/62 relating to the complaint by Boeckmans against Belgium.

A commentary to this case by *P. Mertens* is included in *Cahiers de droit euro*péen, vol 2, 1966, pp. 59-76. In declaring the complaint admissible the Commission has followed the line of its previous decisions concerning the exhaustion of national remedies (cf. Austria v. Italy), the obvious invalidity of the complaint and the abuse of the right to complain. The author doubts whether the settle-

ment reached can be considered to be "on the basis of respect for Human Rights as defined in this Convention", as is dictated by Article 28 b of the Convention: the payment of an amount of money may not be an adequate satisfaction for the violation of the European public order. On the other hand it is hard to imagine another kind of satisfaction, since the judgments rendered by the Belgian courts in this case could in no way be annulled. Mertens suggests that in cases like this the power to annul judgments of national courts should be created.

The declaration by the United Kingdom that it recognizes the individual right to complain is included in *The International and Comparative Law Quarterly* of April 1966 together with some other information.