

Strasbourg, 11/01/08

CAHDI (2008) 3 Anglais seulement

## COMMITTEE OF LEGAL ADVISERS ON PUBLIC INTERNATIONAL LAW (CAHDI)

35th meeting Strasbourg, 6-7 March 2008

## DRAFT REPORT OF THE COMMITTEE OF LEGAL ADVISERS ON PUBLIC INTERNATIONAL LAW (CAHDI) TO THE COMMITTEE OF MINISTERS ON THE CONSEQUENCES OF THE SO-CALLED "DISCONNECTION CLAUSE" IN INTERNATIONAL LAW IN GENERAL AND FOR COUNCIL OF EUROPE CONVENTIONS

## **CONTRIBUTION BY THE EU**

(N.B. See also document CAHDI (2008) 1, footnote 17 and Appendix 5)

Document submitted by the Portuguese Presidency of the EU

Part 1

RELEVANT CASE LAW OF THE EUROPEAN COURT OF JUSTICE (ECJ) RELATING TO THE NOTION OF DISCONNECTION CLAUSES AND OTHER POSSIBLE QUESTIONS UNDER INTERNATIONAL LAW AND COMMUNTY LAW:

			A) Obligation to respect for International Law by the EC and by its MSs
No	Number	Parties	Relevant articles
1	C-286/90	Poulsen and Diva Navigation	9 As a preliminary point, it must be observed, first, that the European Community must respect international law in the exercise of its powers and that, consequently, Article 6 abovementioned must be interpreted, and its scope limited, in the light of the relevant rules of the international law of the sea.
2	C-162/96	Racke / Hauptzollam t Mainz	45. It should be noted in that respect that, as is demonstrated by the Court's judgment in Case C-286/90 Poulsen and Diva Navigation [1992] ECR I-6019, paragraph 9, the European Community must respect international law in the exercise of its powers. It is therefore required to comply with the rules of customary international law when adopting a regulation suspending the trade concessions granted by, or by virtue of, an agreement which it has concluded with a non-member country.  46. It follows that the rules of customary international law concerning the termination and the suspension of treaty relations by reason of a fundamental change of circumstances are binding upon the Community institutions and form part of the Community legal order.
3	T-115/94	Opel Austria GmbH v Council	90 The Court holds in this connection, first, that the principle of good faith is a rule of customary international law whose existence is recognized by the International Court of Justice (see the judgment of 25 May 1926, German interests in Polish Upper Silesia, CPJI, Series A, No 7, pp. 30 and 39) and is therefore binding on the Community.  93 Secondly, the principle of good faith is the corollary in public international law of the principle of protection of legitimate expectations which, according to the case-law, forms part of the Community legal order (see Case 112/77 Töpfer v Commission [1978] ECR 1019, paragraph 19). Any economic operator to whom an institution has given justified hopes may rely on the principle of protection of legitimate expectations (see, inter alia, Joined Cases T-466/93, T-469/93, T-473/93, T-474/93 and T-477/93 O'Dwyer and Others v Council [1995] ECR II-2071, paragraph 48).
4	T-186/97	Kaufring v Commission	237.  Article 7 of the Association Agreement provides that the contracting parties are to take all appropriate

			measures, whether general or particular, to ensure the fulfilment of the obligations arising from the Agreement and to refrain from any measures liable to jeopardise the attainment of its objectives. The provision expresses the pacta sunt servanda principle and the principle of good faith which must govern the conduct of the parties to an agreement in public international law (Case T-115/94 Opel Austria v Council [1997] ECR II-39, paragraph 90).
5	C-327/91	French Republic v Commission	25 There is no doubt, therefore, that the Agreement is binding on the European Communities. It falls squarely within the definition of an international agreement concluded between an international organization and a State, within the meaning of Article 2(1)(a)(i) of the Vienna Convention of 21 March 1986 on the Law of Treaties between States and International Organizations or between International Organizations. In the event of non-performance of the Agreement by the Commission, therefore, the Community could incur liability at international level.

	B) Disconnection Clause				
No	Number	Parties	Relevant articles	Comments	
1	C-222/94	Commission v UK	52 Finally, the United Kingdom points out the consequences of interpreting Article 2(1) of the Directive in a way which does not reflect Article 5(2) of the Convention. It argues that such an interpretation would clearly place Member States in an impossible situation by requiring them to infringe their legal obligations either at international or at Community level.		
			53 As to that point, it is sufficient to observe that Article 27(1) of the Convention expressly provides that Member States are to apply Community law and are therefore not to apply the rules arising from the Convention except in so far as there is no Community rule governing the particular subject concerned.		
			THE COURT		
			hereby:		
			(1) Declares that, by adopting, with respect to satellite broadcasts, the criteria set forth in section 43 of the Broadcasting Act 1990 for the purpose of determining which satellite broadcasters fall under the jurisdiction of the United Kingdom and, in the context of that jurisdiction,		

			by applying different regimes to domestic satellite services and non-domestic satellite services, and by exercising control over broadcasts which are transmitted by broadcasters falling under the jurisdiction of other Member States when those broadcasts are transmitted by a non-domestic satellite service or conveyed to the public as a licensable programme service, the United Kingdom has failed to fulfil its obligations under Article 2(1) and (2) and Article 3(2) of Council Directive 89/552/EEC of 3 October 1989 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities;	
2	Opinion 1/2003	ECJ	The 'disconnection clause'  78 The Council and most of the Member States which submitted observations to the Court examine the potential impact of the 'disconnection clause' provided for in point 2(a) of the negotiating directives, which refers to the principles established in Article 54B of the Lugano Convention. As the Greek Government states, the effect of that clause is to 'disconnect' a particular matter, capable of providing the basis for exclusive Community competence, from the remainder of the agreement envisaged. The effect of that clause, as formulated in Article 54B(1) of the Lugano Convention, is essentially that the Member States apply inter se Regulation No 44/2001 and not the new Lugano Convention.	
			79 The Council and those governments adopt their view on the point in the light of the case-law of the Court as set out in the <i>Open Skies</i> judgments, and in particular paragraph 101 of <i>Commission</i> v <i>Denmark</i> , which states as follows:  'That finding cannot be called into question by the fact that, in respect of the air transport to which [Council Regulation (EEC) No 2409/92 of 23 July 1992 on fares and rates for air services (OJ 1992 L 240, p. 15] applies, Article 9 [of the bilateral agreement known as the Open Skies agreement concluded in 1995 in the area of air transport between	

the Kingdom of Denmark and the United States of America] requires that regulation to be complied with. However praiseworthy that initiative by the Kingdom of Denmark, designed to preserve the application of Regulation No 2409/92, may have been, the fact remains that the failure of that Member State to fulfil its obligations lies in the fact that it was not authorised to enter into such a commitment on its own, even if the substance of that commitment does not conflict with Community law.'

- 80 The Council notes that in Opinion 2/91 the Court took into account a clause which appears in Convention No 170 of the International Labour Organisation concerning safety in the use of chemicals at work which authorised its members to apply more restrictive national rules. A fortiori it is appropriate to take account of a rule such as that set out in Article 54B(1) of the Lugano Convention which provides for the application of internal rules instead of those of the agreement envisaged.
- 81 The United Kingdom Government, in particular, stresses the difference between the clause in question in the *Open Skies* judgments and Article 54B of the Lugano Convention. Unlike the cases which gave rise to those judgments, in which the scope of the 'Open Skies' agreement concluded in 1995 with the United States of America and which was challenged by the Commission corresponded to that of the Community rules, the purpose of the clause in Article 54B(1) is to define the respective scope of the two sets of rules, that is, to ensure that the rules contained in the two instruments govern different matters. As the German Government explains, another legal method could just as well have been used and the rules of recognition and enforcement could have been formulated more restrictively so as to apply only to relations between the Member States and the other Contracting States of that Convention.
- 82 The Parliament on the other hand refers to *Commission v Denmark* and concludes that even if a provision corresponding to Article 54B of the Lugano Convention were inserted in the agreement envisaged and if there were no contradiction between that and Regulation No 44/2001, it would not be for the

Member States to conclude that agreement.

- 83 Noting that a disconnection clause appears, most often, in a 'mixed' agreement, the Commission submits that the Council's intention, expressed in the negotiating directives, to include such a clause in the agreement envisaged may be regarded as a misguided attempt to prejudge whether or not such an agreement is mixed. It considers that the exclusivity of the external competence of the Community, like the legal basis for Community legislation, must be founded on objective criteria which are verifiable by the Court and not on the mere presence of a disconnection clause inserted in the relevant international agreement. If such a requirement is not satisfied, whether or not the Community's competence is exclusive could be subject to manipulation.
- 84 In this respect the Commission questions the need for a clause the purpose of which is to govern relations between rules establishing a Community system and an international convention the object of which is to extend that system to non-member countries, which ipso facto should not affect the existing Community law. Since the agreement envisaged covers areas where there has been complete harmonisation of the Community rules, the existence of a disconnection clause is wholly irrelevant.
- 85 The Commission stresses the particular nature of a disconnection clause in an international agreement of private international law, since this is completely different from a classic disconnection clause. In the present case, the purpose is not to ensure that Regulation No 44/2001 is applied each time that it is applicable, but to regulate in a coherent manner the distributive application of that regulation and of the agreement envisaged. ~
- 130 In that regard, the existence in an agreement of a so-called 'disconnection clause' providing that the agreement does not affect the application by the Member States of the relevant provisions of Community law does not constitute a guarantee that the Community rules are not affected by the provisions of the agreement because their respective scopes are properly defined but, on the contrary, may provide an indication that those rules are

	affected. Such a mechanism seeking to prevent any conflict in the enforcement of the agreement is not in itself a decisive factor in resolving the question whether the Community has exclusive competence to conclude that agreement or whether competence belongs to the Member States; the answer to that question must be established before the agreement is concluded (see, to that effect, <i>Commission</i> v <i>Denmark</i> , paragraph 101).	
--	--	--

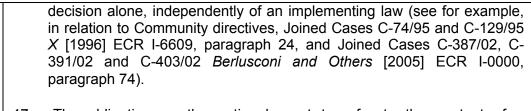
			C) Other Relevant Legal Techniques but Having the Same Effect				
	I Lex Specialis						
		(Examp	le for a specific choice of dispute settlement mechanism vis-à-vis giving priority to	EC primary law)			
No		Parties	Relevant articles	Comments			
1	C-459	Commission	123 The Court has already pointed out that an international agreement				
	/03	v. Ireland	cannot affect the allocation of responsibilities defined in the Treaties and,				
			consequently, the autonomy of the Community legal system, compliance				
			with which the Court ensures under Article 220 EC. That exclusive				
			jurisdiction of the Court is confirmed by Article 292 EC, by which Member				
			States undertake not to submit a dispute concerning the interpretation or				
			application of the EC Treaty to any method of settlement other than those provided for therein (see, to that effect, Opinion 1/91 [1991] ECR I-				
			6079, paragraph 35, and Opinion 1/00 [2002] ECR I-3493, paragraphs				
			11 and 12).				
			11 3.13 12).				
			124 It should be stated at the outset that the Convention precisely makes it				
			possible to avoid such a breach of the Court's exclusive jurisdiction in				
			such a way as to preserve the autonomy of the Community legal system.				
			125 It follows from Article 282 of the Convention that, as it provides for				
			procedures resulting in binding decisions in respect of the resolution of				
			disputes between Member States, the system for the resolution of				
			disputes set out in the EC Treaty must in principle take precedence over				

that contained in Part XV of the Convention.	
As has been pointed out in paragraph 123 of the present judgment, an international agreement such as the Convention cannot affect the exclusive jurisdiction of the Court in regard to the resolution of disputes between Member States concerning the interpretation and application of Community law. Furthermore, as indicated in paragraphs 124 and 125 of the present judgment, Article 282 of the Convention precisely makes it possible to avoid such a breach occurring, in such a way as to preserve the autonomy of the Community legal system.	

	C) Other Relevant Legal Techniques but Having the Same Effect					
			Declarations made by the Community and its legal effect under ECJ settled	I case law		
No	Number	Parties	Relevant articles	Comments		
No 1	C-94/03	Parties Commission v Council	After the European Parliament had been consulted pursuant to the first subparagraph of Article 300(3) EC, the Council unanimously decided however not to accept the proposal and to replace Article 133 EC by Article 175(1) EC. The contested decision was adopted without discussion at the session of the Justice and Internal Affairs Council held in Brussels on 19 December 2002 and was therefore based on Article 175(1) EC in conjunction with the first sentence of the first subparagraph of Article 300(2) EC and the first subparagraph of Article 300(2) EC and the first subparagraph of Article 300(3) EC. The declaration of competence required by Article 25(3) of the Convention is set out in Annex B to the said decision and is worded as follows:  'The European Community declares that, in accordance with the Treaty establishing the European Community, and in particular Article 175(1) thereof, it is competent to enter into international agreements, and to implement the obligations resulting therefrom, which contribute to the pursuit of the following objectives:  - preserving, protecting and improving the quality of the environment,  - protecting human health,  - promoting measures at international level to deal with regional or worldwide environmental problems.  Moreover the European Community declares that it has already adopted legal instruments, including Regulation (EC) No 304/2003 of the European Parliament and the Council [of 28 January 2003] concerning the export and import of dangerous chemicals [OJ 2003 L 63, p. 1],	Comments		

				binding on its Member States, covering matters governed by this Convention, and will submit and update, as appropriate, a list of those legal instruments to the Secretariat of the Convention.  The European Community is responsible for the performance of those obligations resulting from the Convention which are covered by Community law in force.  The exercise of Community competence is, by its nature, subject to continuous development.'	
2	C-29/99	Commission v Council	84 85 86	As the Council rightly submits, Articles 1 to 3 of the Convention create neither rights nor obligations, so that the question of the Community's competence does not arise in their regard.  The Council was therefore justified in not referring to those articles in the paragraph of the declaration which states the Community's competences. Articles 4 (Implementing measures) and 5 (Reporting)  It is apparent that Article 30(4)(iii) of the Convention must be interpreted to mean that the declaration of competence which it requires must relate to specific obligations, that is to say, only those in respect of which Articles 4 and 5 of the Convention lay down implementing and reporting obligations.  Therefore, it was not necessary to refer to Articles 4 and 5 of the Convention in the paragraph of the declaration stating the Community's competences.	
3	C-25/94	Commission v Council	43	In the declaration of competence which it sent to the FAO on acquiring membership, the Community therefore stated that it had exclusive competence in all matters concerning fisheries which are aimed at protecting fishing grounds and conserving the biological resources of the	

			sea.				
			C) Other Relevant Legal Techniques but Having the Same Effect				
	III The ECJ relevant guidance in 3rd pillar matters						
No	Number	Parties	Relevant articles	Comments			
4	C- 105/03	Pupino	34 The binding character of framework decisions, formulated in terms identical to those of the third paragraph of Article 249 EC, places on national authorities, and particularly national courts, an obligation to interpret national law in conformity.				
			It would be difficult for the Union to carry out its task effectively if the principle of loyal cooperation, requiring in particular that Member States take all appropriate measures, whether general or particular, to ensure fulfilment of their obligations under European Union law, were not also binding in the area of police and judicial cooperation in criminal matters, which is moreover entirely based on cooperation between the Member States and the institutions, as the Advocate General has rightly pointed out in paragraph 26 of her Opinion.				
			In the light of all the above considerations, the Court concludes that the principle of conforming interpretation is binding in relation to framework decisions adopted in the context of Title VI of the Treaty on European Union. When applying national law, the national court that is called upon to interpret it must do so as far as possible in the light of the wording and purpose of the framework decision in order to attain the result which it pursues and thus comply with Article 34(2)(b) EU.				
			It should be noted, however, that the obligation on the national court to refer to the content of a framework decision when interpreting the relevant rules of its national law is limited by general principles of law, particularly those of legal certainty and non-retroactivity.				
			In particular, those principles prevent that obligation from leading to the criminal liability of persons who contravene the provisions of a framework decision from being determined or aggravated on the basis of such a				



47 The obligation on the national court to refer to the content of a framework decision when interpreting the relevant rules of its national law ceases when the latter cannot receive an application which would lead to a result compatible with that envisaged by that framework decision. In other words, the principle of conforming interpretation cannot serve as the basis for an interpretation of national law *contra legem*. That principle does, however, require that, where necessary, the national court consider the whole of national law in order to assess how far it can be applied in such a way as not to produce a result contrary to that envisaged by the framework decision.

Part 2

MULTILATERAL CONVENTIONS WITH DECLARATION OF COMPETENCE, BUT NOT WITH DISCONNECTION CLAUSE AS SUCH :

No	Convention	OJ reference	Dec	ision
1	The 2006 International Tropical Timber Agreement - European Community Declaration in accordance with Article 36(3) of the Agreement - Declaration	OJ L 262, 9.10.2007, p. 8–26	Council Decision on the signing	2007/648/EC 26 September 2007
2	Stockholm Convention on Persistent Organic Pollutants - Declaration by the Community in accordance with Article 25(3) of the Convention (Annex)	OJ L 209, 31.7.2006, p. 3–29	Council Decision concerning the conclusion	2006/507/EC 14 October 2004
3	Convention on Assistance in the case of a Nuclear Accident or Radiological Emergency - Declaration (Declaration referred to in Article 14(5)(c) of the Convention on Assistance in the case of a Nuclear Accident or Radiological Emergency)	OJ L 314, 30.11.2005, p. 28–34	Commission Decision concerning the accession of the EURATOM	2005/845/Euratom 25 November 2005
4	Convention on Early Notification of a Nuclear Accident - Declaration (Declaration referred to in Article 12(5)(c) of the Convention on Early Notification of a Nuclear Accident)	OJ L 314, 30.11.2005, p. 22–26	Commission Decision concerning the accession of the EURATOM	2005/844/Euratom 25 November 2005
5	Convention on access to information, public participation in decision - making and access to justice in environmental matters - Declarations	OJ L 124, 17.5.2005, p. 4–20	Council Decision on the conclusion	2005/370/EC 17 February 2005
6	Protocol on the accession of the European Community to the Eurocontrol International Convention relating to Cooperation for the Safety of Air Navigation of 13 December 1960, as variously amended and as consolidated by the Protocol of 27 June 1997 (B Competence exercised by the European Community)	OJ L 304, 30.9.2004, p. 210–215	Council Decision on the conclusion	2004/636/EC 29 April 2004
7	International plant protection Convention - New revised text approved by Resolution 12/97 of the 29th Session of the FAO Conference in November	OJ L 267, 14.8.2004, p. 41–53	Council Decision approving the	2004/597/EC 19 July 2004

	1997 - Declaration		accession of the EC	
8	United Nations Convention against transnational organised crime - Declarations (Annex III)	OJ L 261, 6.8.2004, p. 70–115	Council Decision on the conclusion	2004/579/EC 29 April 2004
9	Cartagena protocol on biosafety to the convention on biological diversity - Declaration by the European Community in accordance with article 34(3) of the convention on biological diversity - Declaration by the European Community in accordance with Article 34(3) of the Convention on Biological Diversity	OJ L 201, 31.7.2002, p. 50–65	Council Decision concerning the conclusion	2002/628/EC 25 June 2002
10	Agreement concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles - Composition and rules of procedure of the executive committee (Annex II)	OJ L 35, 10.2.2000, p. 14–27	Council Decision concerning the conclusion	2000/125/EC 31 January 2000
11	Convention on the Transboundary Effects of Industrial Accidents - Declaration by the European Community concerning competence	OJ L 326, 3.12.1998, p. 6–33	Council Decision concerning the conclusion	98/685/EC 23 March 1998
12	Agreement establishing the General Fisheries Commission for the Mediterranean - Single Declaration by the European Community on the exercise of the competence and voting rights according to Article II(6) of the GFCM Agreement - Rules of procedure of the General Fisheries Commission for the Mediterranean (Appendix)	OJ L 190, 4.7.1998, p. 36–47	Council Decision on the accession of the EC	98/416/EC 16 June 1998
13	Agreement on the implementation of the provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the conservation and management of straddling fish stocks and highly migratory fish stocks - Declaration concerning the competence of the European Community - Interpretative declarations	OJ L 189, 3.7.1998, p. 17–41	Council Decision on the ratification	98/414/EC 8 June 1998
14	United Nations Convention on the Law of the Sea	OJ L 179, 23.6.1998, p. 3–134	Council Decision concerning the conclusion	98/392/EC 23 March 1998
15	United Nations Convention to combat desertification in those countries experiencing serious drought and/or desertification, particularly in Africa - Declaration made by the European Community in accordance with Article 34(2) and (3) of the United Nations Convention to combat desertification in countries seriously affected by drought and/or desertification, particularly in	OJ L 83, 19.3.1998, p. 3–35	Council Decision on the conclusion	98/216/EC 9 March 1998

	Africa			
16	Montreal Protocol on substances that deplete the ozone layer - Declaration	OJ L 297, 31.10.1988,	Council Decision	88/540/EEC
	by the European Economic Community	p. 21–28	concerning the	14 October 1988
			conclusion	
17	Vienna Convention for the protection of the ozone layer	OJ L 297, 31.10.1988,	Council Decision	88/540/EEC
		p. 10–20	concerning the	14 October 1988
			conclusion	

Part 3

## SCIENTIFIC NOTES/ARTICLES ON DISCONNEXION CLAUSES:

No	Title	Journal, Institution, Place of Publication	Place where disconnection clause is referred to	website ref (from where it can be downloaded)
1	Community Report by Marise Cremona and Piet Eckhout	External Relations of the EU and the Member States: Competence, Mixed Agreements, International Responsibility and Effects of International Law Ed: Xenios Xenopoulos FIDE 2006, National Reports, Theopress Ltd, Nicosia pp 319-360	pp 319-360	NA
2	La clause de déconnexion en faveur du droit communautaire : une pratique critiquable by Constantin P. Economides, Alexandros G. Kolliopoulus	Revue Générale de Droit International Public 110 2006/2	pp 273-302	NA
3	FIDE conference 2006 Draft text Topic 3 External relations of the EU and the Member States National Rapporteur: Dr. Nikolaos Lavranos General Rapporteurs: Marise Cremona, Piet Eckhout	Dutch European Law Society Report for the Netherlands	p.2	http://www.nver.nl/documents/ FIDE2006NikolasLavranos.pdf
4	Competence of the Community to Conclude the New Lugano Convention on Jurisdiction and the Recognition and Enforcement of Judgements in Civil and Commercial Matters: Opinion 1/03 of 7 February 2006	German Law Journal No. 8 (1 August 2006)	part III para 3	http://www.germanlawjournal.c om/article.php?id=752

	by Tristan Baumé			
5	Proposal aimed at facilitating the conclusion of the negotiations concerning the three draft conventions of the Council of Europe	Council of Europe 923 Meeting, 6 April 2005	para 1, 6	https://wcd.coe.int/ViewDoc.jsp ?id=843185&BackColorInterne t=9999CC&BackColorIntranet= &BackColorLogged=FDC864
6	WG LEGAL und WG TECH Position of EU concerning the modification of Appendices F and G	Intergovernmental Organisation for International Carriage by Rail (OTIF) Committee of Technical Experts A 92-03/6.2007 19.06.2007	Art 3 para 2 Art 4 para 5 Art 5.1 para 5 Art 8 para 2, 3 Art 9 para 2	http://www.otif.org/otif/_epdf/dir _tech_adm_2007/A_92- 03_6_2007_e.pdf
7	LA "DISCONNECTING CLAUSE" DISCONNECTION CLAUSE by Olivier Tell	UIA (Union Internationale des Avocats) Seminar Edinburgh 20-21 April 2001		http://www.cptech.org/ecom/jur isdiction/Tell.pdf
8	Avis 1/03 de la Cour de justice by Fabien Mangilli	Centre d'études juridiques européennes - CEJE 3 April 2006 (Actualités)		http://www.unige.ch/droit/ceje/a ctualites.php3?id_article=298
9	La Compétence Externe de la Communauté By Eva Lein	Etudes Suisse de Droit Comparé 2006-2	p 6-9, in particular point cc	http://www.isdc.ch/d2wfiles/doc ument/4428/4017/0/ESDC%20 2006-2%2020.4.06.pdf
10	Avis 1/03 du 7.2.2006 Relations extérieures / Compétence exclusive ou partagée de la Communauté / Nouvelle convention de Lugano	European Commission Legal Service (Résumé d'arrêts importants)		http://ec.europa.eu/dgs/legal_s ervice/arrets/03a001_fr.pdf