Carl Baudenbacher Editor

The Fundamental Principles of EEA Law

EEA-ities

∼ Springer

Contents

Legi	islative Homogeneity	1
Dag	Wern0 Holter	
1	Introduction	2
2	The Notion of Homogeneity in the EEA Agreement	2
3	Homogeneity: A Prerequisite for the Functioning of the Internal	
	Market	4
4	Decision Making in the EEA	5
5	Decision Shaping in the EEA	8
6	A Case in Point: The Financial Supervisory Authorities	10
7	Reality and Limits of Legislative Homogeneity	13
8	Homogeneity and Sovereignty	15
Refe	erences	17
Judi	icial Homogeneity as a Fundamental Principle of the EEA	19
Phil	ipp Speitler	
1	The Wider Picture	20
	1.1 Uniform Interpretation of the Lugano Convention:	
	The Original Story	20
	1.2 Uniform Interpretation of the 2007 Lugano Convention:	
	The New Story	21
2	The Set-Up of the EEA's Judiciary	22
3	Homogeneity and Dispute Settlement Mechanism Under	
	the Agreement	23
4	The Luxembourg Courts Operating Under EEA Homogeneity	
	Rules	24
	4.1 From One-Way Street Homogeneity to Judicial Dialogue	26
	4.2 The Branches of Homogeneity	27
	4.3 First Mover Scenarios	29

x t Contents

5	From Snapshot in Time Homogeneity to a Process-Oriented		
	Concept	29	
6	How Has It Worked So Far?	32	
Re	<u>Serences</u>	32	
Re	ciprocity	35	
	l Baudenbacher		
1	Introduction	35	
2	Early Literature	37	
_	2.1 Starting Point	37	
	2.2 Direct Effect and Primacy	37	
	2.3 State Liability	39	
	2.4 Obligation of the Courts of Last Resort to Refer?	40	
	2.5 Legal Nature of the Court's Preliminary Rulings	40	
3	Early Case-Law	41	
	3.1 ECJ Opinion 1/91	41	
	3.2 Jurisprudence of the EEA Courts	41	
	3.3 Jurisprudence of National Courts of Last Resort	44	
4	A New Mantra: 'Room for Manoeuvre'	48	
	4.1 General	48	
	4.2 No Direct Effect and No Primacy, Full Stop	49	
	4.3 Freedom of the Courts of Last Resort to Refer	49	
	4.4 The Court's Preliminary Rulings are Only Non-binding		
	Advice	51	
	4.5 Criticism of the Sovereigntist Approach	52	
	4.6 No 'Room for Manoeuvre' Claims in Iceland		
	and Liechtenstein	54	
5	The 2012-2014 Conflict with the Norwegian Supreme Court	56	
	5.1 Systematic Refusal to Refer Between 2002 and 2015	56	
	5.2 <i>Irish Bank</i> and <i>Jonsson</i> : A Quasi-Obligation to Refer	57	
	5.3 Business as Usual After <i>Irish Bank</i> and <i>Jonsson</i> ?	59	
	5.4 The STX Case	59	
	5.5 From Confrontation to Conciliation	61	
6	Assessment of the Icelandic Appeal System	64	
7	Judicial Independence	65	
8	Conclusions	66	
	8.1 General	66	
	8.2 Limited Obligation of Courts of Last Resort to Refer	66	
	8.3 Legal Nature of the Court's Preliminary Rulings	68	
Re	ferences	69	
Th	e Principle of Sincere Cooperation in EEA Law	73	
Joł	n Temple Lang		
1			
2	· · · · · · · · · · · · · · · · · · ·		
3	3 The European Economic Area		

ontents		XI
	t	

4	The Principle of Sincere Cooperation	75
5	Differences	76
6	Article 6 of the European Convention of Human Rights	77
7	Some Case Law of the EFTA Court on Article 3	78
8	Nullity Under the EEA Agreement	83
9	Incomplete Compliance with the Principle of Sincere Cooperation	84
10	The Principle of Sincere Cooperation and Homogeneity	85
11	Sincere Cooperation and Judicial Dialogue	87
12	Legal Certainty	88
13	Implications	89
	ferences	89
	vereignty	91
	ds Andenas	0.1
1	Introduction	91
2	Sovereignty and Interpretation	92
3	More About Sovereignty in International Law and in Domestic	07
1	Courts EU Law and the EFTA Court	97 102
4 5	The EEA and Four Sovereignties	102
6	Increasing Pressure on the EEA	105
	ferences	103
	osperity in the EEA	109
	en Erik Svedman	100
1 2	Introduction The Consent of Prognerity in the EEA	109 110
3	The Concept of Prosperity in the EEA The Benefits of Free Trade	I110
4	Improvement of Working and Living Conditions	113
5	Ensuring Open and Fair Markets	114
6	Protection of the Environment	116
7	Changes Brought About by the Internet and the Digital Economy	116
8	A Need to Make Citizens More Aware of Their Rights	118
9	Conclusion	119
Re	ferences	121
Pr	iority	123
	rsten Zatschler	
1	Introduction	123
2	Ways of Shaping the EEA	124
	2.1 Legislative Priorities	124
	2.2 Priorities in Developing the EEA Agreement	126
	2.3 Enforcement Priorities	127
3	Setting Priorities	129
	3.1 Priorities to What Ends?	129

xii t Contents

	3.2	Priorities for Impact	130
	3.3	Priorities for Homogeneity	134
	3.4	Priorities for Communication	135
4	Conc	elusion	137
Refe	erence	es	137
The	Auth	ority of the EFTA Court	139
Skul	li Mag	gnusson	
1	Intro	duction	139
2	Histo	oric and Legal Context of Advisory Opinions	142
	2.1	The Absence of a Common Preliminary Reference Procedure	143
	2.2	Procedural Autonomy of the EEA/EFTA States v Homogeneity	
		of EEA Law	144
	2.3	Advisory Opinions' Role in a Coherent Judicial System	146
3	No (Obligation to Follow an Advisory Opinion?	147
	3.1	Sovereignty and Advisory Opinions	149
4	No (Obligation to Refer?	150
5	The	Authority of EFTA Court's Case-Law	153
	5.1	The Paradox of Judicial Competence and Stare Decisis	154
	5.2	Treating EFTA Court Case-Law as Binding	155
	5.3	Judicial Homogeneity and EFTA Court Case-Law	156
6	EFT	A Court Case-Law vis-a-vis the ECJ	158
	6.1	Judicial Homogeneity and Its Limits	159
	6.2	The EFTA Court and the Nature of Adjudication	160
	6.3	Adjudicating on EEA Law	160
	6.4	The Problem of Conflicting Case-Law	161
7	Tow	ards de facto Authority	163
8	Fina	l Remarks	167
Ref	erence	es	168
Pro	porti	onality as a Fundamental Principle of EEA Law	169
Carl	l Bau	denbacher and Theresa Haas	
1	A Eı	uropean Principle	169
	1.1	Origins in Germany	169
	1.2	Emergence Across Europe	170
	1.3	Excursus: Emergence Beyond Europe	172
2	Diff	erent Concepts of Proportionality	175
	2.1	General	175
	2.2	ECJ	176
	2.3	ECtHR	177
	2.4	EFTA Court	179
	2.5	Analysis	190
3	Nati	onal Courts in the EFTA Pillar Applying Domestic Law	194
	3.1	Iceland	194
	3.2	Liechtenstein	196

Contents	
	t

	3.3 Norway	197
4	National Courts in the EFTA Pillar Applying EEA Law	199
	4.1 Iceland	199
	4.2 Liechtenstein	200
	4.3 Norway	203
5	Conclusion	209
Ref	erences	210
_	uality	215
_	gnus Schmauch	015
1	Equality in the EEA Agreement	215
	1.1 Defining Equality	215
	1.2 Equality in the EEA Agreement	216
	1.3 The Presumption of Equality Between the EU and the EFTA	
2	States The Non-Equal System: Regulating the Prohibition Against Market	217
2	Abuse	218
	2.1 The Fragmented Pillar System: Equality in a Multi-Level	210
	EEA	218
	2.2 Equality in the Institutional Set-up: ESMA	222
3	The Presumption of Equality: The Case Law on Winding Up	222
5	Financial Undertakings in the EEA	224
4	Equality: More than a Tool in the Box	229
-	ferences	229
Stat	te Liability in the EEA	231
	chael Waibel and Fiona Petersen	
1	Introduction	231
2	The Theoretical Justification for State Liability in the EEA	232
	2.1 A Traditional Treaty or a New Legal Order?	232
	2.2 Effectiveness and Institutional Balance	233
	2.3 Homogeneity	235
	2.4 The Fidelity Clause	236
3	The Criteria for State Liability in the EEA	236
	3.1 A Sufficiently Serious Breach	237
	3.2 The Provision Must Intend to Confer Rights on Individuals	238
	3.3 A Causal Link Between Breach and Damage	238
4	The Icesave I Case	240
5	Conclusion	245
Ref	ferences	246
Ind	dex	249

xiii