Commission's Response to Council's Common Position on Rome II

In the wake of the **Council's common position** on the proposed adoption of a Regulation of the European Parliament and of the Council on the law applicable to non-contractual obligations ("Rome II") (see our news item on the common position here), the **European Commission have published their Communication to the European Parliament**, pursuant to Art 251(2) of the EC Treaty.

The Communication discusses the common position's points of departure from both the Commission's modified proposal on 21 February 2006, and the amendments made by the European Parliament on 6 July 2005 (which were reflected in the Commission's modified proposal.) One point in particular may be of interest:

Article 16 departs from Article 13 of the Commission's amended proposal which contained an additional paragraph dealing with the possibility for the court to give effect to overriding mandatory rules of another country than the country whose law is applicable under the rules of the instrument. This provision in the Commission's proposal did not reflect any particular Community interest; it was aiming at consistency as it was inspired by a similar provision in the 1980 Rome Convention on the Law Applicable to Contractual Obligations. **The Commission has accepted this deletion**.

Whilst the Commission states overall that it, "accepts the common position in the light of the fact that it includes the key elements included in its initial proposal and Parliament's amendments as incorporated into its amended proposal", there are nevertheless some strong indicators of its displeasure over the common position in the text. For example:

The Commission continues to regret the approach in the common position which provides for a rather complex system of cascade application of connecting factors. It remains persuaded that its original solution offered an

equally balanced solution for the interests at stake, while expressed in much simpler drafting.

The word "regret", in fact, appears no less than *four* times in the six-page document. It will be interesting to see what the European Parliament makes of it all; the second reading has been scheduled by the DG of the Presidency for 12 December 2006.

The Commission's Communication to the European Parliament can be downloaded from here (PDF). All comments welcome.