

# Bulgarian Court Strikes Down One Way Jurisdiction Clause

*I am grateful to Dr. Dafina Sarbinova, an advocate to the Sofia Bar, for this report.*

In a judgment of of 2 September 2011 (Judgment No. 71 in commercial case No. 1193/2010 ), the highest Bulgarian court - the Bulgarian Supreme Court of Cassation, Commercial Chamber - struck down a one way arbitration/choice of court clause in a loan agreement (only in favour of the lender) as void. The Bulgarian court's arguments to hold that are very similar to those of the French Supreme Court published last month, i.e. it was held that *such clauses may be interpreted as purporting to establish by way of contractual arrangements a "potestative right"* (that is, a right whereby a person may unilaterally affect the legal rights of another person/counterparty) which is not permitted under Bulgarian law, because such rights may only be established by an act of parliament in Bulgaria.

The facts may briefly be summarized as follows. A loan agreement was concluded between individuals (natural persons) in an entirely domestic situation. An arbitration clause in that agreement provided that all disputes that might arise had to be resolved by the parties amicably and if they failed to do so, the lender might initiate proceedings against the borrowers before the Court of Arbitration at the Bulgarian Chamber of Commerce and Industry (BCCI) or any other arbitration institution, or before the Regional Court of Sofia. A dispute arose and the lender brought an action before the Court of Arbitration at BCCI, which in turn, found that it was competent to hear the dispute and ruled that the borrowers under the agreement were jointly liable to pay a principal amount as well as the applicable interest rate. The borrowers initiated proceedings to set aside the arbitration award before the Supreme Court of Cassation claiming that the Court of Arbitration at BCCI lacked jurisdiction. They argued that the arbitration clause was against the good morals (a contract *contra bonos mores*) and thus illegal. Furthermore, the borrowers asserted that the arbitration clause breached the principle of parties' equality in the process (which is a general principle under the Bulgarian civil procedural law).

According to the Supreme Court of Cassation the right of the lender in that case to choose at its own discretion the dispute solving body before which to exercise its public right to bring a claim falls within the category of “potestative” rights. The essential characteristic of a “potestative” right is the entitlement of one person (or a group of persons) to affect unilaterally the legal position of another person (or a group of persons), where the latter are obliged to bear with the consequences. Due to the intensity and potentially detrimental effects of “potestative” rights on third parties, they exist only by virtue of law and are not subject to contractual arrangements. On the basis of these arguments, the court concluded that a clause which in violation of law entitled one of the parties to unilaterally decide which dispute resolution body (an arbitration institution or a court) has a jurisdiction to resolve a particular dispute, is void pursuant to art.26, par.1 of the Bulgarian Contracts and Obligations Act. According to this provision, all contracts that violating or evading the law, as well as all contracts in breach of good morals, are void.

The arbitration/choice of court clause in that case was incorporated in a contract without an international element. However, the general character of the court’s arguments makes them equally applicable to agreements with an international element (if Bulgarian law applies towards the arbitration clause or even if a foreign law applies towards the arbitration clause).

The judgment of the Bulgarian court discussed here, may be open to criticism. Furthermore that judgment, as well as other judgments of the highest Bulgarian courts, does not have the power of a precedent binding all other courts to decide subsequent cases in the same manner. Nevertheless, the tendency of sticking down arbitration clauses with such reasoning (bearing in mind the similar French case) is a concerning one.

---

**Latest Issue of “Praxis des**

# Internationalen Privat- und Verfahrensrechts” (6/2012)

Recently, the November/December issue of the German law journal “Praxis des Internationalen Privat- und Verfahrensrechts” (**IPRax**) was published.

- **Dorothee Einsele:** “Overriding Mandatory Provisions in Capital Market Law - Does the Rome I Regulation Need a Special Rule Regarding Harmonized European Law?”

*Capital market legal provisions can often be qualified as overriding mandatory rules in the sense of art. 9 (1) Rome I Regulation. However, third country provisions regulating the capital market are rarely applicable because they are usually not captured by art. 9 (3) Rome I. The question is whether this is different as to provisions of other EU/EEA Member States that are based on harmonized European capital market law. Since the relevant European directives separate the competence to regulate the case and allocate it to the different Member States, the relevant implementing provision of the competent Member State has to be applied or to be taken into account by the other Member States. This is true irrespective of the law applicable to the rest of the case, and could be clarified in recital 40 of Rome I.*

- **Stefan Leible/Michael Müller:** “Die Anknüpfung der Drittwirkung von Forderungsabtretungen in der Rom I-Verordnung” - the English abstract reads as follows:

*The article deals with the assignment of claims according to Art. 14 of the Rome I Regulation. The focus lies with the third-party effects of an assignment. The pending revision envisioned in Art. 27 (2) of the Rome I Regulation as to the third-party effects of an assignment prompts the discussion which law should apply to an international assignment in this regard. The article mainly addresses three options: the law of the assignor’s habitual residence, the law of the assigned claim or the law of the contract of assignment. The final vote of the Special Committee among the options provided for in the annex of the article reflects a continuing diversity of opinions.*

- **Michael Grünberger:** “Relative Autonomie und beschränkte Einheitlichkeit im Gemeinschaftsmarkenrecht” - the English abstract reads as follows:

*The Community trade mark is a specific European Union intellectual property right with an unitary character and equal effect throughout the Union. In an aversion of the principle of subsidiarity, Union law depends on member state’s procedural and substantive law in order to enforce the rights granted by the Community Trade Mark Union effectively. Thus, there is tension between the uniform nature of the substantive rules on the Community trade mark as well as its uniform judicial protection and the means to achieve these goals. The ECJ’s decision resolves two issues: (1st) The scope of the prohibition against further infringement issued by a Community trade mark court with territorial jurisdiction over the entire Union extends to the entire area of the Union. However, if the trade mark proprietor restricts the territorial scope of its action or, if the use of the sign at issue does not affect the functions of the trade mark, the court must limit the territorial scope of its injunction. (2nd) The Community trade mark court must order coercive measures to ensure compliance with its injunction. Their territorial scope is identical to the scope of the injunction. The article also tries to answer the remaining questions regarding the jurisdiction for adopting and/or for quantifying or otherwise assessing the coercive measure pursuant to the court’s lex fori and how to enforce a coercive measure adopted and assessed by a Community trade mark court in the territory of another member state.*

- **Peter Schlosser:** “Death-blow to the so-called „Supplementary Interpretation of Contracts („ergänzende Vertragsauslegung“) in the Case of Invalid Terms in Consumer Contracts?”

*The focus of the ruling (C-618/10) - and its explosive force - is on the reply to the second question of the referring court. The issue - often coming up in judicial practice relating to general contract terms - is: what is the content of the remaining contract should one of its pre-drafted terms had turned out to be invalid. Mostly, indeed, the respective term is to be taken for non-existing without any adaptation of the contract other than by taking recourse to general legal rules. However, to apply this approach slavishly without any element of a supplementary solution leads sometimes to unacceptable injustice, for example*

*to excessive windfall benefits for hundreds of thousands of consumers. Therefore, the Spanish law vested the courts with a discretionary power (and not a mandatory one, as the translation into some of the languages of the Union, including the English language, makes us believe) to grant a modification of the incriminated term, which power is termed as “facultades moderadoras”. According to the Court of the Union to grant such a power contravenes the Directive on Abusive Contract Terms.*

*The author is very critical with this narrow-minded approach of the European Court’s ruling. This narrow-mindedness is the consequence of the total refusal to take into consideration the solutions which the legislations and courts of the Member States (particularly in Germany and Austria) had developed for the purpose of avoiding said excessive injustice. Hence, his proposition is to develop an understanding of the ruling as narrow as possible. According to him one must strictly stick to the Court’s words “[...] which allows a national court [...] to modify that contract [...]” (in the official Spanish original: “atribuye al juez nacional [...] la facultad de integrar dicho contrato modificando el contenido de la cláusula abusiva”). Therefore, even in consumer contracts the following must still remain permissible:*

*1. Often the national legislation implementing the Directive is stricter than the Directive itself. Hence, it is possible that under such a national legislation a contractual term is taken for inadmissible, notwithstanding the fact that its content does not amount to the shocking degree to be qualified as “abusive”. In such a case the ruling of the court does not apply.*

*2. The very Court of the Union makes it clear that for dealing with the remaining part of the contract the national court must take recourse to “the interpretive methods recognized by domestic law”, “taking the whole body of domestic law into consideration”. Since in German and Austrian law dealing with a gap in a contract, even if the gap is due to the inadmissibility of a contract term, is a matter of contract interpretation rather than of a court’s “modifying power” the court which is disposing of such an approach may still take recourse to it.*

*3. The main argument of the Court of the Union is the proposition that the Directive must be implemented in a manner to built up a “dissuasive effect” for the co-contracting party of the consumer. In many situations, however, a*

*mitigating power of the court cannot possibly have any influence on the dissuasive effect to be established by the implementation of the Directive. This is particularly the case when the co-contracting party of the consumer had been loyal and has adapted its terms to the case law and where thereafter, however, the courts tighten the latter.*

- **Christian Heinze/Stefan Heinze:** “Striking off a foreign company branch from the German commercial register”

*As a result of the freedom of establishment in the European Internal Market, companies are increasingly expanding beyond national borders and establish branches in other Member States. Under the Eleventh Council Directive 89/666/EEC, these branches are subject to registration and compulsory disclosure in the Member State of establishment. The following article discusses a judgment of the Oberlandesgericht Frankfurt a.M. which had to decide whether the German branch of an English private company limited by shares could be struck from the German commercial register according to the German procedural rules which provide for deletion from the register if a company does not own any assets. The article supports the negative answer given by the Frankfurt court and discusses alternative ways to clear commercial registers of “phantom branches” of inoperative foreign companies.*

- **Bettina Heiderhoff:** “Habitual Residence of Newborns - Application of German PIL in Cases of Same-sex Parents and of Surrogacy”

*The two cases have different factual backgrounds. One concerns a married, same-sex couple seeking recognition of double motherhood to a girl that was born by one of the spouses. The child was born in Spain, where both women were recorded as mothers in the birth register. In the other case a child was born via a surrogate mother in India and the intended parents want to bring it to Germany.*

*By applying the general rules of PIL, and in particular Art. 19 EGBGB, both cases boiled down to the question of where a new-born has its habitual residence. While this was relatively easy to determine with respect to a girl born from a German mother, with a German habitual residence, and merely a*

*few weeks of factual residence in Spain, it was more difficult in the case of the Indian child. Habitual residence does not depend on legal parenthood, but on the real-life situation. It is important to consider where the baby lives and is cared for. As the period of time that the Indian child will spend in India is open-ended, one would probably rule for habitual residence in India. That decision, however, may have the consequence that the child might leave India immediately, as an Indian residence leads to the application of Indian law and, thereby, most probably to the parenthood of the intended German parents.*

*Both cases feature strong political aspects which are not, however, mirrored in the decisions. While it seems safe to say that Germany should open up to the recognition of double motherhood or fatherhood in same-sex couples, it is much more complicated to determine the correct position in respect of surrogacy. However, when a child has already been born, and surrendered, by the surrogate mother, and she shows no further interest in the infant, while the intended parents wish to obtain legal parenthood and raise the child, German ordre public must not be used to prevent them so doing or force them to leave the child behind.*

▪ **Götz Schulze:** “The principal habitual residence”

*The decision concerns the disputed question among commentators of whether a person can have several habitual residences at the same time and if so, according to which criterion one of the habitual residences takes precedence over the other.*

*The wife concerned in the case was a Norwegian national. She demanded maintenance under Art. 18 para. 4, 17 para. 1 sentence 1 in conjunction with Art. 14 para. 1 EGBGB (Introductory Act to the Civil Code), her husband was German. Until their separation the couple lived together in Germany. Thereafter the woman moved out of the matrimonial home and lived with the couple’s 17- and 11-year-old children in Norway. Following the separation the husband split his time between stays with his children in Norway and Germany, where he operated a nightclub with his brother. The Higher Regional Court of Oldenburg denies a change of the habitual residence to Norway and thereby a mutual habitual residence in this country. However, the court leaves the question unanswered as to whether the application of German law is here based*

*on a relative weighting of the habitual residences or whether Art. 5 para. 1 sentence 1 EGBGB concerning multistate nationalities is to be applied equally.*

*If a clear classification in favour of a country is not possible and if the grouping of contacts leads – as in this case – to an impasse, a multiple habitual residence must be assumed. The principal habitual residence is to be determined by an accordant application of Art. 5 para. 1 sentence 1 EGBGB. The decisive factors are nationality and continuity of living conditions.*

- **Dagmar Coester-Waltjen:** “Die Abänderung von Unterhaltstiteln – Intertemporale Fallen und Anknüpfungsumfang” – the English abstract reads as follows:

*The decision of the Nürnberg Court of Appeal concerned the modification of a post-divorce maintenance order. The court rightly applied German family law to the maintenance obligation of the former husband towards his divorced wife. However, some tricky questions arose in determining the applicable law. This applies with regard to the transitional rules of the EU Maintenance Regulation (Art. 75), the Hague Protocol of 23 November 2007 on the Law Applicable to Maintenance Obligations (Art. 22). The Maintenance Regulation applies only to proceedings initiated from 18 June 2011 on. As in this case the proceedings for modification were instituted already in December 2010, neither the EU Regulation nor the Hague Protocol 2007 applied. However, if the proceedings had been instituted as from 18 June 2011 on, then the rules of the Hague Protocol would have determined the law applicable to maintenance claimed even for periods prior to the entry into force of the protocol – despite the general rule of sec. 22 Hague Protocol 2007. This transitional rule of the „Council decision of 30 November 2009 on the Conclusion by the EU Commission of the Hague Protocol of 23 November 2007 on the Law Applicable to Maintenance Obligations“ (OJ L 331 16/12/2009 p.17) is easily overlooked. Other problems concerned the determination of the law applicable to the modification of maintenance orders and to the conflict between several maintenance obligations.*

- **Martin Gebauer:** “Forum non Conveniens, Foreign Plaintiffs and International Forum Selection Agreements”



*One of the most important normative objections against the forum non conveniens doctrine lies in the concern that it attributes a stronger presumption of convenience to the forum chosen by a domestic plaintiff, whereas the suit of a foreign plaintiff is significantly more often dismissed on the basis of forum non conveniens. On the other hand, many courts do not attach importance to the (domestic) defendant's domicile in the forum state when dismissing a suit on the basis of forum non conveniens. This kind of different treatment is confirmed in Cessna Aircraft where the Court of Appeals for the 11th Circuit seems to presume that a foreign plaintiff does not choose to litigate in the United States for convenience.*

*In Wong v. Party Gaming, the Court of Appeals for the 6th Circuit decided that federal and non state law applies to the enforceability of forum selection agreements in diversity cases. The question had raised unsettled issues under the Erie doctrine. The reasoning of the Court also demonstrates the impact of a forum selection clause on the forum non conveniens analysis.*

- **Dieter Martiny:** “Beachtung ausländischer kulturgüterrechtlicher Normen im internationalen Schuldvertragsrecht” - the English abstract reads as follows:

*The case note analyses a judgment of the Austrian Supreme Court of Justice (Oberster Gerichtshof, OGH) in a case concerning the sale of a Chinese cultural object in Austria which was alleged to have been illegally imported from China via Hong Kong. While it is undisputed that China's Regulations of cultural objects are internationally mandatory rules in the sense of Article 7 para. 1 of the 1980 Rome Convention on the law applicable to contractual obligations, it is difficult to determine whether the other prerequisites are met which would allow the rules under the Convention to be taken into account. Particularly, the „close connection“ is hard to define. However, under the circumstances of the case the Court's correctly reasoned that there was no close connection. The second possible path for the protection of foreign cultural objects, a determination that the contract is immoral under Austrian substantive law, was also rejected and the contract was upheld. Under the new Article 9 para. 3 Rome I Regulation on the law applicable to contractual obligations foreign overriding mandatory rules may also be given effect under certain conditions which are not easy to define in cases of illegal exports. The case note discusses*

*the continuing legitimacy of taking foreign mandatory laws into account under national substantive law as a factor for immorality such that the nullity of the contract may result.*

- **Sabine Corneloup:** “Zur Unterscheidung zwischen Bestimmungen, von denen nicht durch Vereinbarung abgewichen werden darf, und dem ordre public-Vorbehalt bei internationalen Arbeitsverträgen” - the English abstract reads as follows:

*Pursuant to Art. 6 n 1 of the Rome Convention, in a contract of employment a choice of law made by the parties shall not have the result of depriving the employee of the protection afforded to him by the mandatory rules of the law which would be applicable in the absence of choice. In the decision of the French Cour de cassation the issue was the mandatory character of French prescription rules. The parties had chosen Spanish law under which the claim of the employee was subject to a limitation period of 20 days whereas the time limit set by French law was of 30 years. The Cour de cassation holds Spanish law to be applicable since the employee has not been deprived of the right of access to the court. This motivation is to be criticized.*

- **Christa Jessel-Holst:** “Approximation of the Macedonian Law with the Rome II-Regulation”

*The present contribution discusses the amendment of 2010 to the Macedonian Private International Law Act of 2007. The purpose of this amendment consists in the introduction of the concept of habitual residence as a connecting factor and in the harmonization of Macedonian PIL with the Rome II-Regulation. The Macedonian legal definition of habitual residence is analyzed in comparison with existing models in Belgium, Bulgaria and Romania and contrasted to countries that have decided against a legal definition, like Germany, Turkey or Poland. Before the background of the case Mercredi ./ Chaffe, the introduction of a time-based delimitation (Art. 12a MacePILAct: six months period) for establishing habitual residence is criticized. The implementation of the Rome II-Regulation has for the most part been effected verbatim. However, some inconsistencies remain (e.g. renvoi, infringement of intellectual property). The Rome I-Regulation has so far not been integrated in Macedonia. The contribution also addresses ongoing reforms of PIL in other countries of the*

*region.*

- **Burkhard Hess** on the conference on the revision of the Brussels I Regulation: “Mailänder Tagung zur Revision der Verordnung Brüssel I, 25./26.11.2011”
- **Nicolas Nord/Gustavo Cerqueira** on the conference at the University of Tsinghua on international contracts under the new Chinese PIL: “Internationale Verträge nach dem neuen chinesischen IPR-Gesetz: ein rechtsvergleichender Blick aus Europa - Tagung an der Universität Tsinghua am 28./29.3.2011”
- **Elsabe Schoeman**: “New Zealand Conflict of Laws Electronic Database”

---

# 5th Journal of Private International Law Conference in Madrid on 12-13 September 2013 - Call for papers

Building on the very successful Journal of Private International Law conferences in Aberdeen (2005), Birmingham (2007), New York (2009), and Milan (2011) we now invite abstracts for the next conference in Madrid on 12-13 September 2013. Abstracts should be up to 500 words in length and should clearly state the name(s) and affiliation(s) of the author(s). They can be on any subject matter that falls within the scope of the Journal - see <http://www.hartjournals.co.uk/jprivintl/index.html> - and can be offered by people at all stages of their career including postgraduate students. Please submit an

abstract if you want to make a presentation at the conference and you are willing to produce a final paper that you will submit exclusively to the Journal to be considered for publication, subject to the Journal's standard refereeing procedures. Presentation at the conference will depend on whether your abstract is selected by the Editors of the Journal (Professors Jonathan Harris of King's College, London and Paul Beaumont of Aberdeen) and by the conference organisers in Madrid (Professors Pedro de Miguel Asensio and Carmen Otero of UCM and Francisco Garcimartin and Elena Rodriguez of UAM).

There will be a mixture of plenary and panel sessions. Please indicate on the abstract whether you are willing to present in either or are only willing to do so in one or the other.

The Conference will be held in the centre of Madrid (C/Carlos Arniches 3), in the facility of 'La Corrala' that belongs to UAM. The venue is close to La Latina and Puerta de Toledo metro stations.

Speakers will not be expected to pay a conference fee but will be expected to pay their expenses to get to Madrid and stay in hotels there. Madrid boasts a large number of hotels with a wide range of prices. A certain number of rooms may be reserved for the Conference participants at rates offered to UAM and UCM.

**Please send your abstract to the following email address by Friday 25 January 2013:** (Jpil.2013.Madrid@gmail.com)

---

## **Kinsch on Recent ECHR Cases Relating to PIL**

Patrick Kinsch, who is a visiting professor at the University of Luxembourg and a member of the Luxembourg bar, has posted Private International Law Topics before the European Court of Human Rights - Selected Judgments and Decisions (2010-2011) on SSRN.


*This is a presentation of the case law of the European Court of Human Rights in cases decided in 2010 and 2011 involving questions touching on private international law. The selection includes the following themes: Choice of law rules and the right to non-discrimination. – The right to recognition of a status acquired abroad. – International child abduction and the right to family life.*

*As a general matter, it is worth recalling that the task of the Court is not to review domestic law in abstracto, but to determine whether the manner in which it was applied to the applicant has infringed the Convention. This means that private international law cases that come before the Court will be dealt with in a refreshingly, or irritatingly – depending on the preferences of the reader –, undogmatic manner: the most subtle rules of private international law, and the most learned judgments of the national courts on the applicant's case, will be nothing more than facts, the effects of which on the applicant's human rights are the Court's sole concern.*

The paper was published in the last volume of the *Yearbook of Private International Law*.

---

## **Fourth Issue of 2012's ICLQ**

The fourth issue of *International and Comparative Law Quarterly* for 2012  includes one article exploring a private international law issue and a case commentary of the *Edate advertising* decision of the European Court of Justice.


The article is authored by Janeen Carruthers (University of Glasgow) and discusses Party Autonomy in the Legal Regulation of Adult Relationships: What Place for Party Choice in Private International Law?

*This article is an examination of the merits of permitting the exercise of party autonomy in choice of court and choice of law in respect of the personal and patrimonial aspects of adult relationships. It provides a commentary on the party autonomy provisions of EU harmonization instruments, actual and*

*proposed, in family law. The treatment considers the particular issues of drafting which arise from the specialties of family law, and ponders whether or not the refinements required render the exercise of permitting party autonomy self-defeating.*

---

## **Liber Amicorum Ole Lando**

On September 2nd 2012, Professor Ole Lando celebrated his 90th birthday.  This Liber Amicorum was published in order to honor his contributions to the development of International Contract Law and the Conflict of Laws.

- *Konkurrenz der Rechtsordnungen und “Law made in Germany” - Christian von Bar*
- *An EU Law for Cross-Border Sales Only - Its Meaning and Implications in Open Markets - Jürgen Basedow*
- *The PECL and Consumer Remedies under the CESL - Hugh Beale*
- *Do Swedish Civil Status Records Qualify to be Recognized in the Other EU Member States? - Michael Bogdan*
- *The Lasting Influence of the Lando Principles - Eric Clive*
- *A Plea for European Conflict Rules on Proprietary Security - Ulrich Drobnig*
- *40 Years of EU Competition Law - Jens Fejøl*
- *Private International Law Issues by Opt-out and Opt-in Instruments of Harmonization: A Comparison between CISG and CESL - Morten M. Fogt*
- *Un “rattachement cumulatif”: nationalité étatique et citoyenneté européenne - Hélène Gaudemet-Tallon*
- *Loan Agreements and Increased Refinancing Costs - Lars Gorton*
- *A Ius Commune Casebook on the Effects of European Union Law on Legal Relationships between Individuals - Arthur Hartkamp*
- *The International Scope of Choice-of-Court Agreements under the Brussels I Regulation, the Lugano Convention and the Hague Convention - Trevor C. Hartley*

- Ulysses – Over Nordic Default Oceans Back to Contract Commitment Safe Haven – *Kai Krüger & Berte-Elen Konow*
- CISG and CESL – *Ulrich Magnus*
- The Recast of the Brussels I Regulation – *Peter Arnt Nielsen*
- The Ban on Discrimination as a General Principle of Contract Law – *Ruth Nielsen*
- Ole Lando, Djingis Kahn and Memetics – *Christina Ramberg*
- Constitutional Review on Trial – Some Reflexions in Honour of Professor Ole Lando – *Hjalte Rasmussen*
- Zinsen Wegen Zahlungsverzug im Vorschlag eines Gemeinsamen Europäischen Kaufrechts (GEKR/CESL) und die Pluralität von Dessen Quellen – *Oliver Remien*
- Model Laws for Implementing International Conventions – The Implementation of the 1970 UNESCO Convention on Cultural Property – *Kurt Siehr*
- Innovation and Law – *Ditlev Tamm & Pia Letto-Vanamo*
- Can Comparative Law and Economics Fill One of the Gaps Between Legal and Economic Theory? – *Christina D. Tvarnø*
- Commercial Agents and Special Jurisdiction – *Kim Østergaard*

More details can be found [here](#).

---

## **Call for Papers: 10th Young International Lawyers Research Forum (Univ. of Catania, 24-25 January 2013)**

A call for papers has been issued for the **10th edition of the Young International Lawyers Research Forum**, which will be hosted by the **University of Catania on 24-25 January 2013. The deadline for submission**

**of abstracts is Saturday 24 November 2012.** Here's a presentation of the event (the full text of the call is available in Italian and English):

*The meeting, launched in Italy in 2003, is intended to provide a platform for young international legal scholars to discuss ongoing research papers and materials linked to the topics annually offered. The theme of the coming YIL Research Forum is **A Lackland Law? Territory, Effectiveness and Jurisdiction in International and European Law.***

*The general topic of the current edition will be analysed through three sub-themes, each one exploring different dimensions and developments of rules and principles governing "territoriality" issues at international and supranational levels: **1) Crisis of Territorial Order and International Law; 2) Beyond Territories. International Law, Jurisdictions and New Geographies of Spaces; 3) End or Return of Territories? The New Frontiers of the Territorial Enforcement of Law.***

*These sub-themes will be discussed during three panel sessions and a final round table. The thematic sessions will host a key-note guest speaker, interventions of paper-givers (selected through a peer-reviewed process) and the conclusive remarks of a guest-discussant.*

*The Organising Committee invites proposals for papers to be presented at the Research Forum. The Call for Papers is now open and **the deadline for submission of abstracts is Saturday 24 November 2012.** All younger academics and legal professionals are encouraged to submit abstracts. The selected papers, the key-note lectures and the round table proceedings will be included in an edited volume on the theme of the Research Forum.*

*(Many thanks to Francesco Costamagna, University of Torino, for the tip-off)*

---



# **The Hague Convention 1996 in Force in the UK**

The Hague Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in respect of Parental Responsibility and Measures for the Protection of Children, ratified by the UK this year, came yesterday (1 November 2012) into force in this country, subject to the following declarations and reservations:

.- A judgment given in a Court of a Member State of the European Union, in respect of a matter relating to the Convention, shall be recognised and enforced in the United Kingdom of Great Britain and Northern Ireland by application of the relevant internal rules of Community law.

.-In accordance with Article 29, paragraph 2, of the Convention, the Government of the United Kingdom declares that it will interpret this paragraph as referring only to cases where the requesting Central Authority does not know to which applicable territorial unit their application should be addressed. In such cases the United Kingdom designates the Central Authority for England to transmit to the relevant Central Authority.

.- In accordance with Article 34, paragraph 2, of the Convention, the Government of the United Kingdom declares that requests made under paragraph 1 of Article 34 shall be communicated to its authorities only through the relevant Central Authority.

.- In accordance with Article 54, paragraph 2, of the Convention, the Government of the United Kingdom of Great Britain and Northern Ireland declares that it objects to the use of French.

---

## **German Federal Court of Justice**

# Rules on International Jurisdiction under Articles 15, 16 and 22 of the Brussels I-Regulation

In a judgment of 23 October 2012, the German Federal Court of Justice (*Bundesgerichtshof*) had to deal with the question of whether German courts have jurisdiction over claims of a consumer against a tour operator arising out of a tenancy of a holiday house abroad. Referring to Articles 15 (1) (c) and 16 (1) of the Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (hereinafter: Brussels I-Regulation) the court answered the question in the affirmative.

The facts of the case were as follows: The plaintiffs, a German couple domiciled in Schwerin (Germany), rented from the defendant, a Danish tour operator, a holiday house located in Belgium and belonging to a third party. Upon arrival, the plaintiffs realized that the house suffered from substantial defects. When the defendant failed to fix the, the plaintiffs cut their vacation short and returned to Germany.

Back home, the plaintiffs sued the defendant for reimbursement of the travel price and compensation for wasted holiday time in Local Court (*Amtsgericht*) of Schwerin. They argued that under Article 16 (1) of the Brussels I-Regulation German courts were competent to hear the case since the contract in question was a consumer contract in the sense of Article 15 (1) lit. c) of the Brussels I-Regulation. The defendant, in contrast, argued that German courts did not have jurisdiction. Pointing to Article 22 of the Brussels I-Regulation, he argued that in proceedings which have as their object tenancies of immovable property the courts of the Member State in which the property was situated had exclusive jurisdiction.

The Local Court of Schwerin – and later the Appellate Court (*Landgericht*) of Schwerin – followed the plaintiffs' view and ordered the defendant to pay the requested sums. The defendant, therefore, appealed to Federal Court of Justice (*Bundesgerichtshof*) which, however, confirmed the lower courts' decisions. A

consumer, who rented a holiday house belonging to a third party from a commercial tour operator, could rely on Article 16 of the Brussels I-Regulation and bring proceedings in the courts of his home country. Article 22 No. 1 of the Brussels I-Regulation, in contrast, did not apply. According to the case law of the Court of Justice of the European Union, a provision, which compelled a party to bring an action in a member state in which neither party was domiciled, had to be interpreted narrowly. Application of Article 22 No. 1 of the Brussels I-Regulation, therefore, was confined to disputes between the owner and the tenant of immovable property. In contrast, the provision did not apply to disputes between a tour operator and a consumer.

The full decision will soon be available on the website of the Federal Court of Justice (in German).

---

## 2012 Clarendon Law Lecture

In November 2012 Oxford University Press and the Faculty of Law of the University of Oxford will host the 2012 Clarendon Law Lectures to be delivered by *Lord Collins of Mapesbury*. Focusing on “Justiciability in National and International Law” the lectures will take place in the Gulbenkian Lecture Theatre, St. Cross Building, St. Cross Road, Oxford OX1 3UL. Further information are available on the Oxford Faculty of Law Homepage.

The programme reads as follows:

- LECTURE ONE, Thursday, 8 November 2012, 17:00-18:00 (followed by a drinks reception)
- LECTURE TWO, Thursday, 15 November 2012, 17:00-18:30
- LECTURE THREE, Thursday, 22 November 2012, 17:30-18:30