Contents

List of illustrations  page xvi
List of tables  xvii
Acknowledgements  xviii
Table of cases  xix
List of abbreviations  xxxviii

Introduction  1

Part I: European Law: Creation  7

1 Union Institutions  9

Introduction  9

1. The European Parliament  11
   (a) Formation: Electing Parliament  12
   (b) Parliamentary Powers  15
      (i) Legislative Powers  15
      (ii) Budgetary Powers  17
      (iii) Supervisory Powers  17
      (iv) Elective Powers  18

2. The Council of Ministers  20
   (a) Composition and Configurations  21
   (b) Internal Structure and Organs  22
   (c) Decision-making and Voting  23
   (d) Functions and Powers  27

3. The Commission  28
   (a) Composition and Election  28
   (b) The President and “his” College  29
   (c) Functions and Powers  32

4. The Court of Justice of the European Union  34
   (a) Judicial Architecture: the European Court System  35
   (b) Jurisdiction and Judicial Powers  36

Conclusion  37
# Table of Contents

## 2 Union Legislation

### Introduction

39

### 1. The “Ordinary” Legislative Procedure

- (a) Constitutional Theory: Formal Text 41
- (b) Constitutional Practice: Informal Trilogues 44

### 2. The “Special” Legislative Procedures 46

### 3. The Principle of Subsidiarity

- (a) Subsidiarity as a Political Safeguard 49
- (b) Subsidiarity as a Judicial Safeguard 52

### 4. Excursus: The (Ordinary) Treaty-Making Procedure

- (a) Initiation and Negotiation 57
- (b) Signing and Conclusion 59
- (c) Modification and Suspension (Termination) 60
- (d) Union Succession to Member State Agreements 61

### Conclusion 63

## 3 Union Competences

### Introduction

65

### 1. Union Competences: Teleological Interpretation

67

### 2. General Competences of the Union

- (a) The Harmonization Competence: Article 114 71
- (b) The Residual Competence: Article 352 73

### 3. The Doctrine of Implied (External) Powers

- (a) ERTA and the Doctrine of Parallel Powers 77
- (b) Article 216: Codifying ERTA? 79

### 4. Categories of Union Competences

- (a) Exclusive Competences: Article 3 82
- (b) Shared Competences: Article 4 85
- (c) Coordinating Competences: Article 5 86
- (d) Complementary Competences: Article 6 87

### Conclusion 88

## 4 Fundamental Rights

### Introduction

90

### 1. The Birth of European Fundamental Rights

- (a) The European Standard – An “Autonomous” Standard 94
- (b) Limitations, and “Limitations on Limitations” 97
## Contents


3. The Charter of Fundamental Rights 102
   (a) (Hard) Rights and (Soft) Principles 104
   (b) Limitations, and “Limitations on Limitations” 106

   (a) Before Accession: Indirect Review of Union Law 108
   (b) After Accession: Direct Review of Union Law 110

Conclusion 111

Part II: European Law: Enforcement 113

5 Direct Effect 115

   Introduction 115

1. Direct Applicability and Direct Effect 117

2. Direct Effect of Primary Law 120
   (a) Direct Effect: From Strict to Lenient Test 122
   (b) Vertical and Horizontal Direct Effect 125

3. Direct Effect of Secondary Law: Directives 128
   (a) Direct Effect of Directives: Conditions and Limits 129
   (b) The No-Horizontal-Direct-Effect Rule 131
   (c) The Limitation to the Rule: The Wide Definition of State (Actions) 133
   (d) The Exception to the Rule: Incidental Horizontal Direct Effect 135

4. Indirect Effects: The Doctrine of Consistent Interpretation 137

   Conclusion 141

6 (Legal) Supremacy 142

   Introduction 142

1. The European Perspective: Absolute Supremacy 144
   (a) Supremacy over Internal Law of the Member States 145
   (b) Supremacy over International Treaties of the Member States 147

2. Supremacy’s “Executive” Nature: Disapplication, not Invalidation 149

3. National Challenges I: Fundamental Rights 152
## Contents

4. National Challenges II: Competence Limits 156  
   Conclusion 159

7 National Actions 161  
   Introduction 161  
   1. National Remedies: Equivalence and Effectiveness 164  
      (a) The Equivalence Principle 165  
      (b) The Effectiveness Principle 167  
   2. State Liability: The Francovich Doctrine 170  
      (a) The Birth of the Francovich Doctrine 171  
      (b) The Three Conditions for State Liability 173  
   3. Preliminary Rulings I: General Aspects 177  
      (a) The Jurisdiction of the European Court 178  
      (b) The Legal Nature of Preliminary Rulings 179  
   4. Preliminary Rulings II: Special Aspects 182  
      (a) “Who”: National Courts and Tribunals 182  
      (b) “What”: Necessary Questions 184  
      (c) The Obligation to Refer and “Acte Clair” 186  
   Conclusion 189

8 European Actions 191  
   Introduction 191  
   1. Enforcement Actions against Member States 192  
      (a) The Procedural Conditions under Article 258 193  
      (b) Judicial Enforcement through Financial Sanctions 195  
   2. Actions Against the Union: Failure to Act 196  
   3. Annulment Actions: Judicial Review 198  
      (a) “Whether”: The Existence of a “Reviewable” Act 200  
      (b) “Why”: Legitimate Grounds for Review 201  
         (i) “Formal” and “Substantive” Grounds 202  
         (ii) Proportionality: A Substantive Ground 204  
      (c) “Who”: Legal Standing before the European Courts 206  
         (i) The Rome Formulation and its Judicial Interpretation 207  
         (ii) The Lisbon Formulation and its Interpretative Problems 210  
   4. Damages Actions: Union Liability 214  
      (a) Procedural Conditions: From Dependent to Independent Action 215
Contents xiii

(b) Substantive Conditions: From Schöppenstedt to Bergaderm 216
Conclusion 218

Part III: European Law: Substance 219

9 Internal Market: Goods I 221
Introduction 221
1. Fiscal Barriers I: Customs Duties 222
   (a) Article 30: An Absolute Prohibition 223
   (b) Objective “Justifications” 225
2. Fiscal Barriers II: Discriminatory Internal Taxation 227
   (a) Paragraph 1: Discrimination against “Similar” Foreign Goods 228
   (b) Paragraph 2: Protection against “Competing” Foreign Goods 230
   (a) Quantitative Restrictions on Imports: Article 34 233
   (b) Quantitative Restrictions on Exports: Article 35 240
4. Justifying Regulatory Barriers: Article 36 and Mandatory Requirements 241
   (a) Implied Justifications: Mandatory Requirements 242
   (b) The Proportionality Principle and National Standards 244
Conclusion 246

10 Internal Market: Goods II 247
Introduction 247
1. Harmonization Competences: General Issues 249
   (a) The Concept of “Approximation” or “Harmonization” 251
   (b) The “Establishment” or “Functioning” of the Internal Market 254
2. Relationship to “Sectoral” Legislative Competences 258
3. “Opting Up”: Derogation Clauses in Article 114 260
4. Tax Harmonization, in particular: Article 113 264
Conclusion 266
## Internal Market: Persons

### 1. Free Movement of Workers

- (a) Personal Scope: Workers and “Quasi-workers”
- (b) Material Scope: Discrimination and Beyond

### 2. Freedom of Establishment

- (a) Personal Scope: Self-employed Persons (and Companies)
- (b) Material Scope: Discrimination and Beyond

### 3. European Citizenship: A General Right to Move and Stay?

- (a) Article 21(1): A Direct Source of Movement Rights
- (b) Directive 2004/38: Rights and Limitations

### 4. Justifying Restrictions on (Self-)employed Persons

- (a) Express Justifications and (Implied) Imperative Requirements
- (b) In particular: The Public Service Exception

### Conclusion

## Competition Law: Cartels

### 1. Article 101: Jurisdictional Aspects

- (a) The Concept of “Undertaking”
- (b) Effect on Trade between Member States

### 2. Forms of Collusion between Undertakings

- (a) Agreements I: Horizontal and Vertical Agreements
- (b) Agreements II: “Tacit Acquiescence” versus “Unilateral Conduct”
- (c) Concerted Practices and Parallel Conduct
- (d) Cartel Decisions through Associations of Undertakings

### 3. Restriction of Competition: Anti-competitive Object or Effect

- (a) Two Dimensions: Inter-brand and Intra-brand Competition
- (b) Restrictions by Object: European “Per Se Rules”
- (c) Restrictions by Effect: A European “Rule of Reason”?
- (d) Non-appreciable Restrictions: The De Minimis Rule
### Table of Contents

4. Article 101(3): Exemptions through Pro-competitive Effects
   (a) Direct Exemptions under Article 101(3) 317
   (b) Exemptions by Category: Block Exemption Regulations 319

Conclusion 320

Appendices 321

Appendix I: Academic Literature: Further Reading 323
Appendix II: How to Find (and Read) EU Judgments 330
Index 335