

Luxembourg, 10 May 2017



Press and Information

Judgment in Case T-754/14 Michael Efler and Others v Commission

The General Court annuls the Commission decision refusing the registration of the proposed European citizens' initiative 'Stop TTIP'

That proposal does not constitute an inadmissible interference in the legislative procedure, but the legitimate initiation of a democratic debate in a timely manner

In July 2014, a citizens' committee, of which Mr Michael Efler is a member, requested the Commission to register the proposed European citizens' initiative¹ entitled 'Stop TTIP'. In essence, that proposal requests the Commission to recommend that the Council cancel the mandate which the latter granted it to negotiate the TTIP² and, ultimately, to refrain from concluding the CETA³.

The proposal thus intends:

to prevent the TTIP and the CETA on account of the fact that the draft agreements contain several critical issues (procedures for the resolution of disputes between investors and States, provisions on regulatory cooperation which threaten democracy and the rule of law)

to avoid that (i) opaque negotiations lead to a weakening of the rules on employment protection, social protection, environmental protection, the protection of private life and of consumers and (ii) to prevent public services (for example, water supplies) and culture from being deregulated and

to support 'a different trade and investment policy in the EU'.

By decision of 10 September 2014⁴, the Commission refused to register that proposal. According to the Commission, the proposal is outside the framework of its powers in accordance with which it can submit a proposal for a legal act of the EU for the purpose of implementing the Treaties.

The citizens' committee therefore brought an action before the General Court for the annulment of the Commission decision.

By today's judgment, the General Court upholds the action and annuls the Commission decision.

⁴ Decision C(2014) 6501.

¹ The regulation on the European citizens' initiative provides that not less than one million citizens, who are nationals of at least one quarter of the Member states, may take the initiative of inviting the European Commission, within the framework of its powers, to submit any appropriate proposal on matters where citizens consider that a legal act of the Union is required for the purpose of implementing the Treaties. Before being able to begin collecting the requisite number of signatures, the organisers of the European citizens' initiative must have it registered with the Commission, which examines in particular its subject matter and objectives. The Commission may refuse to register the initiative, in particular where the subject matter of the initiative manifestly falls outside the framework of its powers to propose a legal act to the EU legislature for the purpose of implementing the Treaties.

² By decision of 14 June 2013, the Council had authorised the Commission to open negotiations with the United States of America with a view to concluding a free-trade agreement, subsequently referred to as the 'Transatlantic Trade and Investment Partnership' (TTIP).

³ By decision of 27 April 2013, the Council had authorised the Commission of the European Communities to open negotiations with Canada with a view to concluding a free-trade agreement, subsequently referred to as the 'Comprehensive Economic and Trade Agreement' (CETA).

The General Court rejects the Commission's position according to which the decision seeking to withdraw from it authorisation to open negotiations with a view to concluding the TTIP could not be the subject of a European citizens' initiative. According to the Commission, such a decision does not come within the concept of 'legal act', because the authorisation itself does not come within that concept due to the fact that it is preparatory and due to the absence of effects vis-à-vis third parties.

In that regard, the General Court notes in particular that the principle of democracy, which is one of the fundamental values of the EU, and the objective behind the European citizens' initiatives (namely, to improve the democratic functioning of the EU by granting every citizen a general right to participate in democratic life) requires an interpretation of the concept of legal act which covers legal acts such as a decision to open negotiations with a view to concluding an international agreement, which (like the TTIP and the CETA) manifestly seeks to modify the legal order of the EU.

The General Court notes moreover that nothing justifies excluding from democratic debate legal acts seeking the withdrawal of a decision authorising the opening of negotiations with a view to concluding an international agreement, as well as acts whose object is to prevent the signing and conclusion of such an agreement.

The General Court rejects the Commission's argument according to which the acts envisaged by the proposal at issue would lead to an inadmissible interference in an ongoing legislative procedure. The aim pursued by the European citizens' initiative is to allow EU citizens to participate more in the democratic life of the EU, in particular, by presenting in detail to the Commission the questions raised by the initiative, by requesting that institution to submit a proposal for a EU legal act after having, as the case may be, presented the initiative at a public hearing organised at the Parliament, and therefore, by stimulating a democratic debate without having to await the adoption of the legal act whose modification or withdrawal is ultimately sought.

To admit such a possibility also does not infringe the principle of institutional balance, in so far as it is for the Commission to decide whether or not it will accept a European citizens' initiative which is registered and contains the requisite signatures by presenting, by means of a communication, its legal and political conclusions on the initiative, the action it intends to take, if any, and its reasons for taking or not taking that action.

According to the General Court, nothing precludes that the action that the Commission intends to take, if any, may consist in proposing that the Council adopt the acts sought by the proposal at issue. Contrary to the Commission's contentions, nothing prevents, as the case may be, the institutions of the EU from negotiating and concluding new draft transatlantic free-trade agreements following the adoption by the Council of acts which are the object of that proposal.

NOTE: An appeal, limited to points of law only, may be brought before the Court of Justice against the decision of the General Court within two months of notification of the decision.

NOTE: An action for annulment seeks the annulment of acts of the institutions of the European Union that are contrary to European Union law. The Member States, the European institutions and individuals may, under certain conditions, bring an action for annulment before the Court of Justice or the General Court. If the action is well founded, the act is annulled. The institution concerned must fill any legal vacuum created by the annulment of the act.

Unofficial document for media use, not binding on the General Court.

The <u>full text</u> of the judgment is published on the CURIA website on the day of delivery

Press contact: Holly Gallagher 🖀 (+352) 4303 3355

Pictures of the delivery of the judgments are available from "Europe by Satellite" 🖀 (+32) 2 2964106