Simplification of Debt Collection in the EU

(European Order for Payment Procedure and European Small Claims Procedure)

Dr. Petar Bonchovski, Secretary of the Institute of Legal Studies – Bulgarian Academy of Sciences; research field – civil litigation and arbitration, conflict of laws.

Prefatory Notes

When reading the present report, it must be taken into account that the Republic of Bulgaria adopted a new Civil Procedure Code (hereafter referred to as CPC) in 2007. The Code entered into force in March, 2008. The new Code clearly made the previous court of law practice on adjectival points inapplicable to some significant extent and in other hypotheses made its applicability at least questionable. The new CPC also established proceedings that did not exist in the national system during the last 6 decades, i.e. national order for payment procedure, procedure in commercial disputes, procedure in class actions, accelerated procedure; judgment in default etc. Accordingly, the new practice on some of the points concerning the national law that are raised in the present report is controversial; it is mainly by the courts of first and second instance and is not unified by the High Court of Cassation yet.

The Code on International Private Law (hereafter referred to as CIPL) is also relatively new (adopted and entered into force in May, 2005). The Code introduced a number of new adjective rules that are applicable in the course of the civil proceedings. The application of CIPL faces the same problems as the one of CPC.

It should also be remembered that Bulgaria joined the European Union in 2007. Therefore, notwithstanding the number of cases concerning the debt collection in the EU connected to Bulgaria, which number is considerable and increasing, there are not a lot of judgments of the High Court of Cassation with an impact on the matter. The latter is also in virtue of the fact that in the new CPC was adopted the explicit Part VII 'Specific Civil Procedure Rules In Respect Of The EU Law'. These rules aimed to provide the vital connecting points of the national civil procedure rules with the relevant EU Law, where it was clear that ambiguities will appear, or where there was some adjustment of the national law needed due to the different requirements of the Regulations. These specific

rules were considered and adopted after a thorough examination of the international practice and the practice of the Court of the European Union. This avoided to some great extent the appearance of the typical problems faced by different States after their accession.

As a result however, the author cannot rely and present a study on the court of law practice. Any attempt will be too preliminary and not comprehensive. The author will therefore deliver opinions that are based on its experience as a researcher in the field and counselor, as well as on the experience of colleagues, with specialty in the particular proceedings.

I. Introduction – main features of the national procedures for recovery of monetary claims.

1.1. General overview

Generally, the rules of litigation are envisaged in the CPC. In case of international litigation, some specific rules are provided for in the CPIL, as well as in various bilateral and multilateral international conventions and the EU Law. However, it is not rare adjectival rules to be found in the material legislation, i.e. the civil litigation for damages and losses as a result of discrimination is envisaged on the Law on Protection against Discrimination.

The types of litigation that are available to a party seeking to collect a depth are not deviating from the general pattern in Europe: litigation commenced by lodging a statement of claim. The procedure may principally pursue three instances, unless there is a legal exemption (i.e. if the appealed interest is under 5 000 BG Leva for civil cases – approximately 2 500 Euro, or under 10 000 BG Leva – approximately 5 000 Euro, appeal before the High Court of Cassation is not envisaged).

The third instance – the High Court of Cassation enjoys the power to decide whether it will accept or not the case for consideration and decision. The Court has no such a power, *inter alia*, in matters of recognition and enforcement of a judgment granted in a Member State – it has to accept the case (Art. 623, sec. 6 CPC and 624, sec. 2 and 627, sec. 2 CPC).

In these cases the competent second instance court will exclusively be the Court of Appeal in Sofia (Art. 623, sec. 6, Art. 624, sec. 2 and Art. 627, sec. 2 CPC).

An alternative is the national order for payment procedure. It has two types – (i) based purely on the claimant's contentions (Art. 410, sec. 1 CPC) and (ii) based on some type of document (authentic instruments, bill of exchanges, a pledge under the Law on Specific Guarantees etc. - Art. 417 CPC). These proceedings will be considered *infra*.

Part III of CPC envisages specific rules for some types of proceedings: in possession disputes, matrimonial and maintenance matters, commercial disputes, class actions etc.

The same Part III also contains the rules of accelerated litigation. Accelerated litigation might be commenced in different matter as explicitly listed in Art. 310 CPC, i.e. in consumer disputes. However, the practice proved that these rules are not appropriate and do not accelerate the procedure significantly, if they accelerate it at all. Therefore, in such cases the parties have to expect the normal length of the general proceedings.

There are no special rules about the small claims, which legislative omission is criticized.

It must be stressed that arbitration in civil and commercial matters is broadly utilized. This is in virtue of the fact that along with the other positive features of the arbitration, awards that are rendered in domestic cases are not subject of appeal and become automatically (with no need of exequatur etc.) a title of execution. The sole criterion for domestic arbitration is whether the place of arbitration is in the Republic of Bulgaria, irrespectively whether the dispute itself is national or international. Therefore, arbitration is commonly preferred also in relatively small cases. This is one of the reasons why the Court of Arbitration at the Bulgarian Chamber of Commerce and Industry adopted a Bye-Law on Accelerated Proceedings. The arbitration proceedings are governed by the Law on International Commercial Arbitration that applies in all national and international commercial and civil disputes despite of its name.

1.2. IT possibilities

There is no possibility an action to be filed electronically. E-service of judicial documents is generally not available. After regular communication of

the particular case, a party may only explicitly choose to be served by the court per E-mail henceforth (Art. 42, sec. 4 CPC).

The courts have their web sites, where useful information for the cases and the course of the proceedings may be found. The web sides are not standardized, therefore the scope and availability of information vary.

1.3. Provisional enforceability

All judgments for coercive relief (i.e. rulings on recovery of monetary debts or damages) of the second instance are provisionally enforceable, although they might be appealed before the High Court of Cassation. The Court might order the enforcement activities to be suspended, if the grounds for appeal are *prime facie* successful. In this case, the Court will mandatorily require a guarantee from the party seeking suspension (Art. 282, sec. 2 CPC).

In cases of recognition and enforcement, no provisional enforceability is possible. The applicant may initiate coercive execution once the recognition and enforcement proceedings are concluded with a final judgment (Art. 405, sec. 4 CPC). This rule is adopted due to the sovereignty issue (acceptance of a foreign jurisdiction's judgment by the national *imperium*).

If order for payment based on some type of document (authentic instruments, bill of exchanges, a pledge under the Law on Specific Guarantees etc. - Art. 417 CPC) is granted, the court may also order enforceability, although the defendant might object to the order. Enforceability will be ordered together with the issuance of the order for payment (Art. 418, sec. 1 CPC).

In any dispute the plaintiff may apply for provisional measures and relief: orders for freezing property, freezing monetary payments from third parties or bank accounts, etc. Provisional measures might be sought both before and after lodging the statement of claim with the court.

1.4. Information about debtor's assets

Information about debtor's shares in all types of companies and about debtor's real estate, as well as about his/her marital status and the status of the assets in the marriage, is to be easily obtained from the web sites of the Registry Agency. Information about bank accounts is not public. It might be derived by the execution officer, if provisional measures are ordered or if the judgment is enforceable. Third parties cannot be forced to declare the sums or property they owe to the debtor.

II. National order for payment procedure

2.1. Scope of the procedure

As already mentioned *supra*, there are two types of order for payment procedure – under Art. 410, sec. 1 CPC und under Art. 417 CPC. Both procedures are optional and not mandatory as between themselves and as an alternative to the classical litigation. Both procedures are not possible in cross-border cases, if the defendant is with habitual residence in other State (Art. 411, sec. 2, subsec. 3-4 and Art. 423, sec. 1, subsec. 2. CPC).

No representation by a lawyer is mandatory. The order for payment is a title of execution – if a coercive execution is to be started against the debtor, the plaintiff has to apply for a writ of execution before the court that has issued the order for payment (Art. 404, subsec. 1 CPC). Solely a writ of execution might empower the execution officer to act against the debtor (Art. 426, sec. 1 CPC).

2.2. Distinction

The procedure under Art. 410, sec. 1 CPC is possible only for claims for recovery of sums or movables. The monetary value of the demand has to be not higher than 25 000 BG Leva (approximately 12 500 Euro). The application could be based purely on the claimant's contentions and no submission of evidences as to the merits of the demand is necessary. The order will become a title of execution only if the debtor does not file a notice for opposition that the demand pursued does not exist. There is no requirement the notice to be grounded or supported by any evidences (Art. 414, sec. 1 CPC).

The procedure under Art. 417 CPC is also possible only for claims for recovery of sums or movables. There is however no limit on the monetary value of the demand. The application has to be based on written evidences (authentic instruments, bill of exchanges, a pledge under the Law on Specific Guarantees, and other documents as listed in Art. 417 CPC). If the submitted evidences persuade the court that they prove the existence of the demand sufficiently, the court will order an iisuance of a writ of execution, when the claimant has applied for it.

The debtor might of course file a notice of opposition that the demand sought does not exist. There is no requirement the notice to be grounded or supported by any evidences. However, the debtor has to also provide sufficient written evidences in favour of its arguments if he also seeks the coercive

execution to be suspended by the court. The other possibility is to offer a money guarantee (Art 420, sec. 1-2 CPC). Solely in cases of orders for payment that are issued under Art. 417 CPC and are based on bills of exchanges, the execution will be stopped only upon a notice of opposition which is not grounded or supported by any written evidences.

In both procedures, if the defendant has filed a notice of opposition (with no grounds or supported by any evidences) the court will order the claimant to file a statement of claim (in the case of Art. 417, however, this will not stop the execution: see the paragraph above). If the claim is not duly and timely filed, the court will annul the order for payment on its own motion and in the case of Art. 417, it will also annul on its own motion the writ of execution issued.

2.3. Competent court

Competent is the district court in which region is the permanent address or the seat of the debtor. This rule that disperse the cases between the different district courts does not overload one court or agency. It is also most convenient for the defendant, which is deemed just in the context of the consequences of the *actor sequitor forum rei* rule, since no e-service and e-submission of documents is possible.

What is criticized is the rule that the district courts are always competent on the subject matter. The problem is that these are the lowest courts in the hierarchy and the judges might not be sufficiently experienced in proceedings under Art. 417 CPC, which involve sums more than 25 000 BG Leva. This might be extremely significant for the defendant where provisional enforceability is sought and the defendant files a motion for suspension of the coercive execution, because the same district court will be competent to decide on the motion as a first instance (Art 420, sec. 2 CPC). It is to be noted that all claims for recovery of sums above 25 000 BG Leva are under the jurisdiction of the regional courts, if a statement of claim, not an application for an order for payment is filed.

2.4. Application – formal requirements.

The applications can be filed in standardized forms issued by the Ministry of Justice. The forms are not mandatory. They can be obtained from different governmental and private sources in Internet of from the courts.

In the forms must be entered the personifications of the applicant and debtor and their representatives, a brief description of the demand, a bank

account for payment, anything additional that the applicant might considerer important, and also what exactly the applicant seeks the court to order. There are guidelines included in the form. The demand and its grounds must be described insofar that there is no ambiguity about the parameters of the right sought to be enforced and executed.

The party might be instructed by the court to prove certain facts for the issuance of the order such as addresses for due service of the order etc.

2.5. Issue of the order for payment

The court has to examine the admissibility of the application: the grounds for its competence, the principle applicability of the procedure and also if the formal requirements of the application as provided for in Art. 411 CPC are observed. The claim is examined to the extent not to be contrary to or prohibited by the law and/or contrary to the *bona fides*. The description of the demand must also correspond to what the applicant seeks from the court to order. The defendant is to be served with the order only personally – no other way is admitted (Art. 423, sec. 1, subsec. 2 CPC). He will also be served with the instructions that are sufficient for filing of a correct notice of opposition: competent court, deadline, required content of the notice, consequences of omission etc.

2.6. Rejection of the application

The claimant can appeal against a rejection of the application. Both clamant and defendant might also appeal separately against the costs ordered by the court (Art. 413 CPC).

2.7. Opposition by the defendant

The principal points were reported here above when describing the differences between the two types of procedures: (i) based purely on the claimant's contentions (Art. 410, sec. 1 CPC) and (ii) based on some type of document (Art. 417 CPC). Particularly, there is no requirement for a representation by a lawyer, there are no court fees and there is no electronic form.

There is no special appeal against the court decision on notice of opposition. Both parties will have to use the suitable general legal remedies depending on the situation, i.e. to file an appeal against the order for issuing a writ of execution or against the rejection a writ of execution to be ordered.

The time limit for filling a notice of opposition is two weeks starting from the date of the communication of the order for payment. It is deemed reasonable, since the respondents will have habitual residence in the Republic in Bulgaria.

2.8. Effects of the absence of timely opposition

If no notice of opposition is filed, the order enters into force automatically: it concludes the controversy on its merits with finality. In order a coercive execution to be started, the claimant has to apply for e declaration of enforceability – a writ of execution.

The defendant may appeal against it, although no notice of opposition is filed or it is not filed timely (Art. 423 CPC). The grounds are limited to some procedural points such as due personal summon of the order or payment. The CPC names the procedure of appeal an "opposition before the court of second instance", however, it should be considered and dealt with as a tool for review of the order due to violation of the due and fair process requirements (similar to the defense provided for in Art. 20, sec. 1 of Order for Payment Procedure Regulation (1896/2006). This review will however do not annul the order but will lead to commencement of litigation, if successful.

The defendant may also file a statement of claim that the demand did not exist as to the time he had to file its notice of opposition (Art. 424 CPC), if new evidences or evidences unavailable to him, although he proceeded with reasonable care to collect them, are discovered. The practical reasons for the establishment of this procedure are highly questionable, since there is no need the notice of opposition to be grounded. Far more in use will be a direct procedure for defense against clearly wrongful decisions of the court to issue an order for payment similar to the defense provided for in Art. 20, sec. 2 of the Order for Payment Procedure Regulation (1896/2006).

2.9. Cross-border enforcement

No cases are reported concerning exequaturs of national orders for payments outside the EU law domain. Since an exequatur will depend on the terms of the particular international treaty that governs the matter or on the foreign law, the claimants prefer to avoid as much as possible the grounds for ambiguities and thus prefer to file statements of claims, if such an exequatur is expected.

2.10. Comparison with the EU procedure

a) The first type of procedure: based purely on the claimant's contentions (Art. 410, sec. 1 CPC) is based and hence similar to the EU order for payments procedures. Some of the technical deviations are mainly considering the fact that the procedure will be applied in domestic cases and this raises no difficulties, i.e. the final order is not sent to the claimant. Principal deviation is the material scope of the procedure that is far broader then the one under Art. 2, sec. 2 of Regulation 1896/2006. However, there is a limitation on the monetary value of the demand that might be pursued.

It might be advised that the national legislation should be synchronized with the Regulation 1896/2006 on some points:

- a procedure for the completion, rectification and modification of the application (Art. 9-11 Regulation 1896/2006) to be provided;

- Direct defense against wrongful decisions of the court to issue an order for payment similar to the one provided for in Art. 20, sec. 2 of Regulation 1896/2006 is to be adopted.

b) The second type of procedure based on some type of document (Art. 417 CPC) is the same as the one under Art. 410, sec. 1 CPC with regard to the issuance of the order for payment itself and the defense against the order issued. The only deference is that there is no limit as to the monetary value of the demand.

From the viewpoint of the execution however, the procedure has a significantly different philosophy – the procedure is based on the idea that this type of order for payment is sufficiently qualified to be provisionally enforceable, irrespectively of defendant's opposition thus pressing the defendant either not to file a notice of opposition, or ensuring an early coercive collection of the debts. This raises a considerable number of problems and peculiarities, which cannot be described in the present format.

It is only to be reported that similar procedure existed under the old CPC, which declared a number of documents such as bank accounts, or accounts of municipalities or state agencies as titles of executions. They are also included in the procedure under Art. 417 CPC. However, the opinion of the author is that such a possibility is not reconcilable with the due and fair process requirements at present, since the financial burden on the defendant is unreasonable high.

Of course, the reliability, for instance, on bank documents is high, however, banks are after all only merchant on the market with the same status of their rights and obligation as of every private law person and hence it is not clear why they should be granted with such privileges in collecting debts. The similar privileges for the state agencies and municipalities are also questionable in the light of the idea of private property having the same legal protection as the public one.

III. Implementation of Order for Payment Procedure Regulation (1896/2006) in Member States

3.1. Competent national court

If Bulgarian national courts enjoy competence to issue an order for payment under Regulation 1896/2006 within the scope of Art. 6 of the Regulation, competence is vested with the regional courts. Particularly, competent will be the regional court, where the debtor has registered permanent address, its seat or where the place of performance of the obligation is (Art. 625, sec. 1 CPC). In all other cases the territorial competence of the regional courts will be decided upon the general rules of the CPC, In other words, decentralized system is in force.

3.2. Application

There is no possibility of electronic lodging of the application. Application by other means such as registered mail or by courier service is possible. The courts accept only Bulgarian language. One copy of the application for the court and one for the debtor are sufficient. In case of creditor's deliberate false statement: if the debtor has not used the procedural rights granted by the Regulation in good faith, he might be sued for all damages and losses the defendant has suffered as a result of this misuse.

3.3. Issue of European order for payment

The application is examined by a judge from the competent court. The examination will be within the prescriptions of Regulation 1896/2006. The same judge will also issue the order for payment. Application shall be served to the defendant through personal service attested by an acknowledgment of the receipt, including the date of the receipt, which is signed by the defendant (Art. 13, (b) Regulation 1896/2006). No other method for service of orders for payment is provided for in the national law.

3.4. Opposition to European order for payment

There is no possibility of electronic lodging of the statement of opposition. Filing of the statement by other means such as registered mail or by courier service is possible. The court will not annul the order for payment; it will not become final and not operative in law, waiting for the outcome of the litigation. There is no special appeal against a wrong decision an order not to be issued. The claimant will have to use the suitable general legal remedy depending on the situation, i.e. to file an appeal against the rejection a writ of execution to be ordered. Both clamant and defendant might also appeal separately against the costs ordered by the court.

3.5. Absence of timely opposition

There is no special procedure concerning Art. 18 of Regulation 1896/2006 – the court will simply issue the certificate of enforceability (Art. 620, sec. 1 CPC). There are no additional formal requirements deviating from these that might be derived from the Regulation itself and from Form G of Annex VII.

3.6. Safeguarding debtor's rights

The remedies against wrongful disregard of the statement of opposition are under Art. 20 of Regulation 1896/2006. The application is to be filed before the court of second instance with territorial competence (one of the five Courts of Appeal). The court might order a suspension of the execution, if it takes place in the Republic of Bulgaria. If the order is annulled, the certificate of enforceability will become inoperative in law.

If there are no grounds the order issued to be attacked but there are simply discrepancies between the certificate and the order, the certificate will be rectified by the court that issued it. Where the certificate is clearly wrongly granted it shall be subject of withdrawal by the same court (compare Art. 619, sec. 4 CPC).

3.7. Communication to e debtor in Bulgaria of application filed in court of a Member State

If competent to issue European order for payment is a court of other Member State (see, for instance, Art. 5, sec. 1.a) and b) Brussels I Regulation 44/2001), the order can be served with registered post or courier service (as per Art. 14 Regulation 1393/2007 and Art. 610 CPC). The documents have to be translated into Bulgarian or any other language that the addressee

understands. If no post service is preferred, the order is to be send to the district court, where the summons is to be performed (Art. 611, sec. 3 CPC). The court will serve the documents within the national procedure. No service under Art. 15 of Regulation 1393/2007 is admissible (Art. 613 CPC).

3.8. Enforcement in the Member State of enforcement

The enforcement of order for payment granted in other Member State under Regulation 1896/2006 will firstly take place in a form of procedure of issuance of a writ of execution. Vested with the territorial competence to issue the writ is the regional court where the debtor has registered permanent address, its seat or where the place of performance of the obligation is (Art. 627, sec. 1 CPC). The language accepted is Bulgarian.

Upon application by the creditor, the court will check whether there is a European Order for Payment duly supplied with the certificate of enforceability as required by the Regulation. After that the court will transform the relevant information about the personal, material and subjective scope of the demand (material right) into the writ of execution, so that there will be no possibility of any ambiguity by the execution officer as to what he has to do in order to satisfy the demand correctly (406, sec. 1-2 CPC).

The procedure will take normally 7 days. The debtor is not communicated until the beginning of the execution by the execution officer. An appeal does not stop the execution.

After the communication, an application for the purposes of Art. 22 is to be filed before the Court of Appeal in Sofia (Art. 627, sec. 2 CPC). The procedure will be governed by the ordinary rules for the second instance. In case of appeal against the second instance's decision, the High Court of Cassation will have to accept the appeal for considerations and decision.

Stay or limitation of the execution proceedings within the meaning of Art. 23 of Regulation 1896/2006 will be ordered by the court before which the case is pending.

IV. National small claims procedure

4. Practically, the sheer bulk of the cases before the district courts can be qualified as small and minor cases. However, the new CPC did not provided for

a deferent procedures before the regional and district courts or at least some specialized small claims procedure.

V. Implementation of Small Claims Regulation (861/2007) in Member States

5.1. Competent national court

Competence is vested with the district courts. Territorial competence will be decided upon the general rules of the CPC.

5.2. Formal prerequisites for introduction of the procedure

The claim form can be submitted directly or per post or courier. The language accepted is Bulgarian.

5.3. Conclusion of the Procedure

There are no special rules in this respect. The court will issue the judgment and communicate it to the parties by sending a copy. From the date of communication commences the time limit for an appeal. There is no special procedure concerning Art. 20, sec. 2 of Regulation 861/2007 – the court will simply issue the certificate of enforceability (Art. 620, sec. 1 CPC). There are no additional formal requirements deviating from these that might be derived from the Regulation itself and from Form D of Annex IV.

5.4. Appeal and review

The judgment is to be appealed before the regional court with territorial competence. The time limit is two weeks as from the date of the duly communication of the judgment. The grounds for appeal might be that the judgment is inadmissible, or it is not grounded due to infringement of the adjective or substantive law, or due to wrong adjudication on facts and evidences.

5.5. Safeguarding debtor's rights

If there are discrepancies between the certificate and the judgment, the certificate will be rectified by the court that issued it. Where the certificate is clearly wrongly granted it shall be subject of withdrawal by the same court (compare Art. 619, sec. 4 CPC).

Competent to review the judgment under the grounds provided for in Ar. 18 of Regulation 861/2007 is the High Court of Cassation. The High Court of Cassation enjoys the power to decide whether it will accept or not the case for consideration and decision. As mentioned in 1.1. *supra*, there are formal limitations of the monetary value under which the Court automatically does not accept applications. In virtue of the wording and the aims of Art. 18 of the Regulation, this limitations are to be considered as not applicable with respect to judgments granted in European small claims procedure.

5.6. Enforcement of the judgment in the Member State of enforcement

As in the case of European order for payment, the enforcement of the judgment granted in other Member State under Regulation 861/2007 will firstly take place in a form of a procedure of issuance of a writ of execution. Imposed with the territorial competence to issue the writ is the regional court where the debtor has registered permanent address, its seat or where the place of performance of the obligation is (Art. 624, sec. 1 CPC). The language accepted is Bulgarian.

Upon application by the creditor, the court will check whether there is a judgment duly supplied with the certificate of enforceability Form D of Annex IV as required by the Regulation. After that, the court will transform the relevant information about the personal, material and subjective scope of the demand (material right) into the writ of execution, so that there will be no possibility of any ambiguity by the execution officer as to what he has to do in order to satisfy the demand correctly (406, sec. 1-2 CPC).

The procedure will take normally 7 days. The debtor is not communicated until the beginning of the execution by the execution officer. An appeal does not stop the execution (Art. 624, sec. 3 CPC).

After the communication, an application for the purposes of Art. 22 of the Regulation is to be filed before the Court of Appeal in Sofia (Art. 624, sec. 2 CPC). The procedure will be governed by the ordinary rules for the second instance. In case of appeal against the second instance's decision, the High Court of Cassation will have to accept the appeal for considerations and decision.

Stay or limitation of the execution proceedings within the meaning of Art. 23 of Regulation 861/2007 will be ordered by the court before which the case is pending. In case the decision of the court of enforcement has already become

final, the court of first instance that has decided the matter will be competent (Art. 624, sec. 4 CPC).

VI. Final evaluation of EU Regulations on Simplifying Cross-Border Debt Collection

6.1. Regulations 1986/2006 and 861/2007 clearly simplify, speed and reduce the costs in litigation in cross-border cases concerning pecuniary claims and especially ease cross-border enforcement of judgments.

6.2. Generally, the most advantageous features of the Regulation are: the Regulations distribute the international competence of the courts of the Member States within the EU law domain with certainty; approximate the procedures, so that the party will not be significantly surprised by specific national rules; and greatly facilitate the international enforcement of the judgments.

Significant advantages are also: that the citizens of the EU might refer to the courts of other Member States directly and be communicated on their own addresses; that they might refer to wider choice of appropriate courts, including their national ones and the judgment will remain enforceable in the other Member States; as well as that the citizens will be to some great extent protected against discrimination that might be conceived in the national law of the different Member States.

6.3. Both types of procedure are convenient, depending on whether the claim is contested or not.

6.4. The operation of the two Regulations is too short in order to be estimated the need for improvements, if any. As such, the legislative base is satisfactory at present.