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Judgment in Case E-1/09 *EFTA Surveillance Authority v Principality of Liechtenstein*

RESIDENCE REQUIREMENTS FOUND INCOMPATIBLE WITH FREEDOM OF ESTABLISHMENT UNDER ARTICLE 31 EEA

In a judgment delivered today, the EFTA Court found that the Principality of Liechtenstein has failed to fulfil its obligations under Article 31 of the EEA Agreement, on freedom of establishment. Firstly, Liechtenstein has introduced provisions of law according to which lawyers, patent lawyers, auditors and trustees must, by reason of their residence, be in a position to fulfil their tasks, actually and on a regular basis. Secondly, similar provisions require that the members of the management board and the executive management of banks must, by reason of their residence, be in a position to fulfil their functions and duties, actually and unobjectionably. These residence requirements, the Court found, entail restrictions on the freedom of establishment for members of the professions concerned who are nationals of other EEA States and for banks from other EEA States wishing to establish themselves in Liechtenstein. The Court further concluded that the restrictions were not justified by legitimate public interest objectives.

The full text of the judgment may be found on the Internet at: www.eftacourt.int.

This press release is not an official document. Please note that the Court may not comment on the case.