EUROPEAN COURT OF HUMAN RIGHTS
COUR EUROPÉENNE DES DROITS DE L'HOMME

FIRST SECTION

CASE OF BANCA SISTEMA S.P.A. v. ITALY

(Application no. 37249/24)

JUDGMENT

Art 6 § 1 (civil) • Access to court • Art 1 P1 • Peaceful enjoyment of possessions • Non-enforcement of decisions in favour of the applicant company against an insolvent municipality and impossibility of accessing a court to obtain their enforcement • Disproportionate restriction with its “possessions” and of its right of access to a court

Prepared by the Registry. Does not bind the Court.

STRASBOURG

16 July 2026

This judgment will become final in the circumstances set out in Article 44 § 2 of the Convention. It may be subject to editorial revision.

In the case of Banca Sistema S.p.A. v. Italy,

The European Court of Human Rights (First Section), sitting as a Chamber composed of:

Ivana Jelić, *President*,
Erik Wennerström,
Raffaele Sabato,
Frédéric Krenc,
Alain Chablais,
Artūrs Kučs,
Anna Adamska-Gallant, *judges*,
and Ilse Freiwirth, *Section Registrar,*

Having deliberated in private on 23 June 2026,

Delivers the following judgment, which was adopted on that date:

INTRODUCTION

1. The case concerns the non-enforcement by domestic authorities of judgments issued in favour of the applicant company and the impossibility of accessing a court in order to obtain the enforcement of those decisions. The applicant company raised complaints under Article 6 of the Convention and under Article 1 of Protocol No. 1 to the Convention.

THE FACTS

2. The applicant is an Italian company. It has its registered office in Milan. It was represented by Mr F. Verri, a lawyer practising in Crotone.

3. The Government were represented by their Agent, Mr L. D'Ascia, *Avvocato dello Stato*.

4. The facts of the case may be summarised as follows.

5. The applicant company is involved in savings collection and credit provision in all their forms, both in Italy and abroad. It specialises in providing factoring services to private companies, acquiring debt held *vis-à-vis* public administration authorities.

6. The applicant company acquired several debts held by private companies and service providers against the municipality of Cosenza. The total amount of the acquired debt was ascertained by the Cosenza and Catanzaro District Courts, which issued the injunctions listed in the appended table. The details of the injunctions and the dates on which they became enforceable are also indicated in the appended table.

7. The municipality of Cosenza only partially paid the sums awarded by the domestic decisions.

8. Following the partial payment of its debt, on 11 November 2019 the municipality of Cosenza declared itself insolvent (*stato di dissesto*) and initiated the insolvency procedure set out by Legislative Decree no. 267 of

18 August 2000 (*Testo unico delle leggi sull'ordinamento degli enti locali* – hereinafter "the TUEL"). On 10 July 2020 the applicant company lodged a request with the Extraordinary Liquidation Committee (*Organo Straordinario di Liquidazione* – hereinafter "the OSL") to be included in the list of the municipality's creditors and have the sums it was owed added to the relevant statement of liabilities. In accordance with Article 248 of the TUEL, the applicant company could not initiate or pursue enforcement proceedings concerning the claims registered on the list drawn up by the OSL.

RELEVANT LEGAL FRAMEWORK

9. The domestic law and practice concerning the insolvency procedure applicable to local authorities are to be found in the Court's judgment in *De Luca v. Italy* (no. 43870/04, §§ 15-23, 24 September 2013).

THE LAW

I. ALLEGED VIOLATION OF ARTICLE 6 § 1 OF THE CONVENTION AND ARTICLE 1 OF PROTOCOL No. 1

10. The applicant company complained about the non-enforcement of domestic decisions delivered in its favour and about the impossibility of accessing a court in order to obtain the enforcement of those decisions. It relied on Article 6 § 1 of the Convention and Article 1 of Protocol No. 1 to the Convention, which read as follows:

Article 6 § 1

"In the determination of his civil rights and obligations ... everyone is entitled to a fair ... hearing ... by [a] ... tribunal ..."

Article 1 of Protocol No. 1

"Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.

The preceding provisions shall not, however, in any way impair the right of a State to enforce such laws as it deems necessary to control the use of property in accordance with the general interest or to secure the payment of taxes or other contributions or penalties."

A. Admissibility

11. The Government did not raise any objection as to the admissibility of the application.

12. The Court notes that this application is neither manifestly ill-founded nor inadmissible on any other grounds listed in Article 35 of the Convention. It must therefore be declared admissible.

B. Merits

13. The applicant company submitted that domestic decisions issued in its favour against the municipality of Cosenza had not been enforced. It further argued that the delayed enforcement could not be justified by the municipality's state of insolvency, which had been declared in 2019.

14. The Government contended that the delay in the payment of the sums awarded by the domestic decisions in the applicant company's favour was justified by the need to process and verify the claims in the context of the insolvency procedure initiated by the municipality, as required under Article 258 § 3 of the TUEL. The Government further submitted that it was necessary to ascertain whether there were sufficient assets to allow the payment of the applicant company's claims and those of other creditors in conditions of equality, thereby ensuring respect for the principle of *par condicio creditorum* (equal treatment of creditors). According to the Government, the above clarifications concerning the insolvency procedure were sufficient to explain and justify the delay in the enforcement of the domestic decisions. Lastly, the Government argued that, by submitting a request to the OSL to be included in the list of the municipality's creditors, the applicant company had implicitly accepted the criteria, procedures and time frames governing the satisfaction of its claims.

15. The Court reiterates that the execution of a judgment given by any court must be regarded as an integral part of a "hearing" for the purposes of Article 6. It also refers to its case-law concerning the non-enforcement or delayed enforcement of final domestic judgments (see *Hornsby v. Greece*, no. 18357/91, § 40, *Reports of Judgments and Decisions* 1997-II).

16. The Court further notes that a "claim" can constitute a "possession" within the meaning of Article 1 of Protocol No. 1 if it is sufficiently established to be enforceable (see *Stran Greek Refineries and Stratis Andreadis v. Greece*, 9 December 1994, § 59, Series A no. 301-B, and *Burdov v. Russia*, no. 59498/00, § 40, ECHR 2002-III).

17. In the present case, it notes that the applicant company had a claim that was certain, due and payable pursuant to the injunctions issued by the Cosenza and Catanzaro District Courts on the dates indicated in the appended table.

18. The Court observes that, according to the information submitted by the parties, the injunctions issued in the applicant company's favour have remained unenforced for periods ranging from more than two to more than seven years. The Court further notes that the applicant company's request to be included in the list of creditors was a necessary step to obtain the payment

of its claims in the context of the insolvency procedure initiated by the municipality and cannot be construed as implying acceptance of the delay. Moreover, under the provisions of the TUEL, the applicant company is unable to initiate enforcement proceedings.

19. In the leading cases of *Ventorino v. Italy* (no. 357/07, 17 May 2011), *De Trana v. Italy* (no. 64215/01, 16 October 2007), *Nicola Silvestri v. Italy* (no. 16861/02, 9 June 2009), *Antonetto v. Italy* (no. 15918/89, 20 July 2000) and *De Luca* (cited above), the Court already found violations in respect of issues similar to those in the present case.

20. Having examined all the material submitted to it, the Court has not found any fact or argument capable of persuading it to reach a different conclusion on the merits of the present complaints. Having regard to its case-law on the subject, the Court considers that in the instant case the authorities did not deploy all necessary efforts to enforce fully and in due time the decisions in the applicant company's favour and that they disproportionately restricted its right of access to a court. For the same reasons, the Court finds that the delay in the enforcement of the injunctions constituted a disproportionate interference with the applicant company's "possessions".

21. It follows that these complaints disclose a violation of Article 6 § 1 of the Convention and of Article 1 of Protocol No. 1 to the Convention.

II. APPLICATION OF ARTICLE 41 OF THE CONVENTION

22. Article 41 of the Convention provides:

> "If the Court finds that there has been a violation of the Convention or the Protocols thereto, and if the internal law of the High Contracting Party concerned allows only partial reparation to be made, the Court shall, if necessary, afford just satisfaction to the injured party."

A. Damage

23. The applicant company claimed 7,906,247.50 euros (EUR) in respect of pecuniary damage, including the damage actually suffered, the interest accrued and the diminished gain. The applicant company also claimed EUR 12,500 in respect of non-pecuniary damage.

24. The Government contested those claims, arguing that they were unfounded, excessive, lacking any sufficient causal link with the alleged violations and inconsistent with the criteria applied by the Court under Article 41 of the Convention.

25. The Court observes that the State still has an outstanding obligation to enforce the domestic decisions at issue. Accordingly, should the municipality fail to pay the sums owed, the applicant company remains entitled to recover the amount of the debts from the State. If the State were to pay these debts,

this would constitute full and final settlement of the claim in respect of pecuniary damage.

26. As to the claim in respect of non-pecuniary damage, the Court is of the opinion that in the circumstances of the case, the finding of a violation of Article 6 § 1 of the Convention and of Article 1 of Protocol No. 1 constitutes sufficient just satisfaction. In particular, the Court notes that the applicant company purchased the debts in question as part of its normal business activity (see paragraph 5 above), being aware of problems existing in the enforcement of the awards at issue; it thus took a conscious and informed commercial risk by entering into the relevant transactions (see *Regent Company v. Ukraine*, no. 773/03, § 67, 3 April 2008).

B. Costs and expenses

27. The applicant company also claimed EUR 79,846.19 for the costs and expenses incurred before the domestic courts and EUR 18,558.74 for those incurred before the Court.

28. The Government contested that claim, arguing that it was excessive, and that the applicant company had failed to show that the costs and expenses had actually been incurred.

29. According to the Court's case-law, an applicant is entitled to the reimbursement of costs and expenses only in so far as it has been shown that these were actually and necessarily incurred and are reasonable as to quantum.

30. As regards the reimbursement of the costs and expenses of the domestic proceedings, the Court notes that the injunction proceedings were not brought in order to prevent or to remedy the violation, but to obtain judicial recognition of the debt held by the applicant company. The Court therefore considers that the costs and expenses of these proceedings are not related to the violation found. Accordingly, it rejects the claim.

31. As to the applicant company's claims relating to the costs and expenses incurred before the Court, regard being had to the documents in its possession, the low level of complexity of the case and the repetitive nature of the complaints raised, the Court considers it reasonable to award the sum of EUR 500 in respect of legal costs, plus any tax that may be chargeable to the applicant company.

FOR THESE REASONS, THE COURT, UNANIMOUSLY,

1. *Declares*, the application admissible;

2. *Holds*, that there has been a violation of Article 6 § 1 of the Convention;

3. *Holds*, that there has been a violation of Article 1 of Protocol No. 1 to the Convention;

4. *Holds*, that the respondent State shall ensure, by appropriate means, within three months from the date on which the judgment becomes final in accordance with Article 44 § 2 of the Convention, the enforcement of the domestic decisions referred to in the appended table;

5. *Holds*, that the finding of a violation constitutes in itself sufficient just satisfaction for any non-pecuniary damage sustained by the applicant company;

6. *Holds*,
   (a) that the respondent State is to pay the applicant company, within three months from the date on which the judgment becomes final in accordance with Article 44 § 2 of the Convention, EUR 500 (five hundred euros), plus any tax that may be chargeable to the applicant company, in respect of costs and expenses;
   (b) that from the expiry of the above-mentioned three months until settlement simple interest shall be payable on the above amount at a rate equal to the marginal lending rate of the European Central Bank during the default period plus three percentage points;

7. *Dismisses*, the remainder of the applicant company's claim for just satisfaction.

Done in English, and notified in writing on 16 July 2026, pursuant to Rule 77 §§ 2 and 3 of the Rules of Court.

Ilse Freiwirth Section Registrar	Ivana Jelić President

APPENDIX

List of domestic decisions

Application no. Date of introduction	Applicant's name Year of registration Registered office	Relevant domestic decision	Start date of non-enforcement period	Length of enforcement proceedings
37249/24 29/11/2024	**BANCA SISTEMA S.P.A.** 1999 Milan	Cosenza District Court, R.G. 124/2017, 07/02/2017	05/10/2018	Pending More than 7 years, 5 months and 19 days
		Cosenza District Court, R.G. 2725/2018, 27/11/2018	28/01/2019	Pending More than 7 years, 1 month and 24 days
		Cosenza District Court, R.G. 4127/2019, 17/10/2019	17/10/2019	Pending More than 6 years, 5 months and 7 days
		Cosenza District Court, R.G. 1097/2020, 20/05/2020	20/05/2020	Pending More than 5 years, 10 months and 4 days
		Cosenza District Court, R.G. 4114/2020, 16/12/2020	17/03/2021	Pending More than 5 years and 7 days
		Cosenza District Court, R.G. 4037/2021, 01/12/2021	19/01/2022	Pending More than 4 years, 2 months and 5 days
		Catanzaro District Court, R.G. 1286/2020, 04/06/2020, (confirmed by the Catanzaro District Court, R.G. 2679/2020)	09/05/2023	Pending More than 2 years, 10 months and 15 days