

SINGLE MARKET INFRINGEMENTS

Hydroelectric concession system: France

The Commission has decided to refer France to the European Court of Justice over its legislation giving preference to outgoing concession-holders when concessions for works using hydraulic power come up for renewal. By benefiting companies which already hold a concession and which are thus already established in France, this

system is consequently incompatible with the principle of the freedom of establishment which prohibits restrictions on the cross-border exercise of economic activities, including in particular any form of direct or indirect discrimination between Community operators.

Award of contracts for the supply of helicopters: Spain

The Commission has decided to send a reasoned opinion to Spain concerning the conclusion of two framework agreements with the company Eurocopter for the supply of helicopters respectively to the Ministry of the Interior for national police and "Guardia Civil" and to the

Ministry of Agriculture, Fisheries and Food for missions of surveillance and support of the national fishing fleet. Based on these framework agreements both Ministries have already awarded two contracts for the supply of helicopters.

Andalusian rules on commercial premises: Spain

The Commission has decided to send a letter of formal notice to Spain because of restrictions on the establishment of commercial premises in the Autonomous Community of Andalusia. The Andalusian provisions on set-

ting up commercial premises could be contrary to what Article 43 of the EC Treaty lays down regarding freedom of establishment.

Liquidity reserve obligations: Austria (closure)

The Commission has closed the infringement procedure initiated against Austria on legislation requiring banks in the cooperative and savings banks sector to keep a liquidity reserve exclusively with their central institution in Austria. Following an amendment made to the

Austrian legislation in question, these banks are offered the possibility to keep the liquidity reserve with another bank in the EU if they join a scheme of joint liquidity compensation and keep that reserve to provide liquidity in case of need.

Restrictions on provision of services by networks of audit firms: France

The Commission has decided to refer France to the European Court of Justice over its national independence rules relating to international networks of audit firms. The Commission considers that Articles 24 and 29 of the 2005 French Code of Ethics for auditors unduly restrict

the freedom to provide services as guaranteed by Article 49 of the Treaty. This follows a reasoned opinion sent in October 2007, after which the French authorities failed to amend the relevant Articles accordingly.

INFRINGEMENT PROCEDURES

If the Commission obtains or receives convincing evidence from a complainant that an infringement of EU law is taking place, it first sends the Member States concerned a letter of formal notice. If the Member State does not reply with information allowing the case to be closed, the Commission sends a reasoned opinion, the second step of the infringement proceedings under Article 226 of the EC Treaty. If there is no satisfactory response within two months, the Commission may then decide to refer the case to the European Court of Justice in Luxembourg.

Contracts for Dundalk bypass motorway and animal identification tags: Ireland

The Commission has decided to refer Ireland to the European Court of Justice over the award of a works contract for the Dundalk bypass motorway and its national legislation in the field of public procurement remedies.

The Commission has also decided to send Ireland a reasoned opinion concerning the award of a contract for the supply of animal identification tags.

Regional bus transport services: Czech Republic

The Commission has decided to send a reasoned opinion to the Czech Republic concerning the procedure followed by the Czech Region of Usti nad Labem for the

award of a contract to a private undertaking for the provision of regional bus transport services.

Free movement of services: Estonia and Portugal

The Commission will refer Portugal to the European Court of Justice over its rules on the provision of construction services. The Commission will also formally request Portugal to amend its rules on the provision of es-

tate agent services. Finally the Commission will formally request Estonia to amend its rules on the recognition of medical prescriptions by pharmacists. These formal requests take the form of reasoned opinions.

Investment restrictions on statutory pension funds: Slovakia

The Commission has decided to formally request Slovakia to remove its investment restrictions on statutory pension funds, which in the Commission's view consti-

tute an infringement of Article 56 Treaty EC prohibiting restrictions on free movement of capital. This formal request takes the form of a reasoned opinion.

Law on public project contracting: France (closure)

The Commission has decided to halt infringement proceedings against France arising out of a judgment of 20 October 2005 in which the Court of Justice held that, by reserving the task of delegated project contracting to a named list of legal entities under French law, France had failed to fulfil its obligations under Directive 92/50/EEC on public service contracts and under Article 49 of the

EC Treaty. The Commission has concluded that the assurances received from the French authorities and the clearer wording of some key texts demonstrate that the judgment has been fully complied with and that the legal framework for delegated project contracts now provides adequate legal certainty.

More information on infringement proceedings relating to the Single Market is available at:
http://ec.europa.eu/internal_market/infringements/index_en.htm

The latest information on infringement proceedings concerning all Member States is available at:
http://ec.europa.eu/community_law/eulaw/index_en.htm