

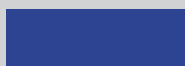


European
Commission



Monitoring the application of Union law - Part II: Member States

2014 Annual Report



Part II: Member States

Staff Working Document

2014 Annual Report

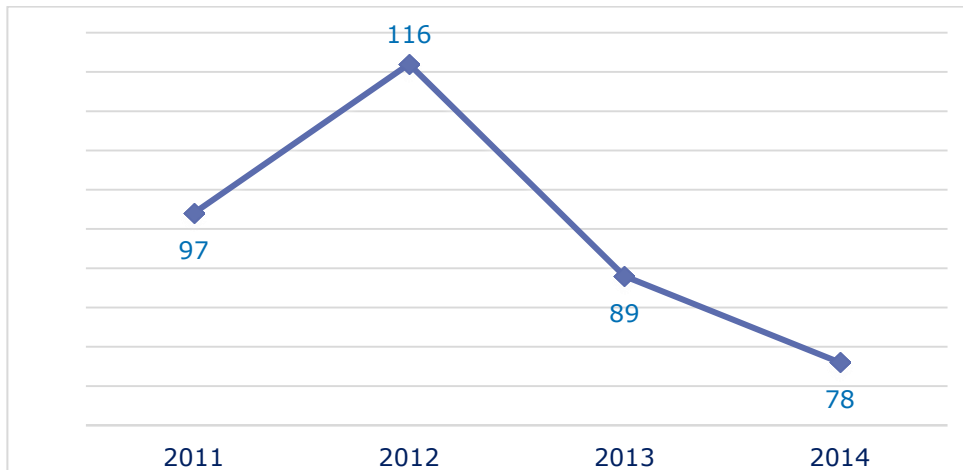
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AUSTRIA

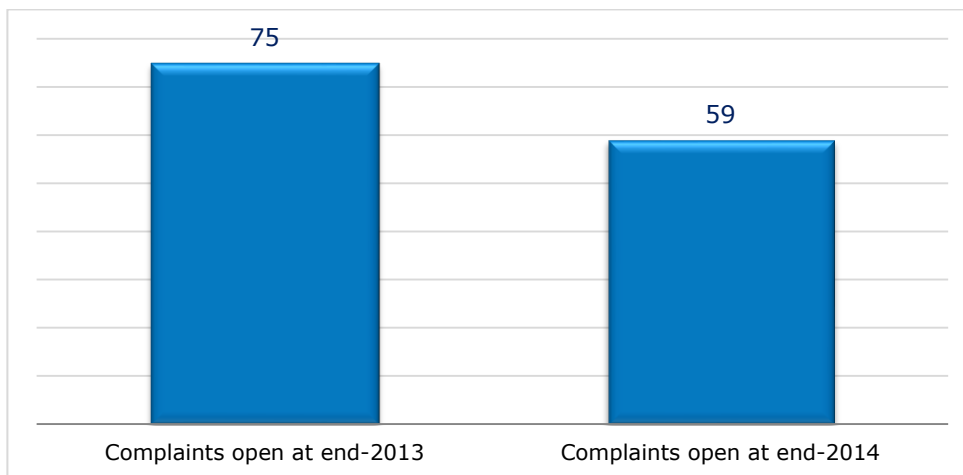
The number of new complaints made against Austria has steadily fallen since it peaked in 2012. New EU Pilot files opened against Austria have been on a downward trend since 2011, despite a peak in 2013. The number of open infringement cases has been relatively stable since 2011. New infringement cases for late transposition rose in 2014 but the number was still below the 2011 level.

I. COMPLAINTS

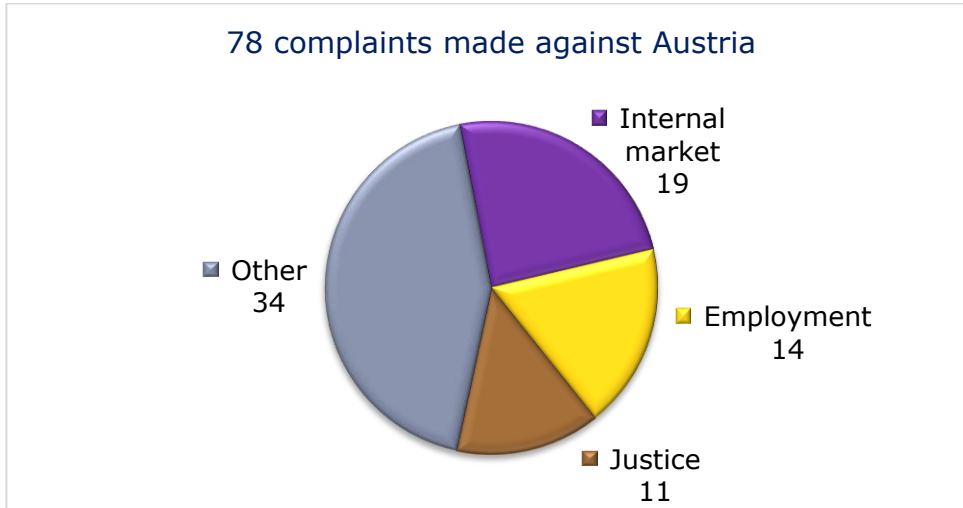
1. New complaints made against Austria by members of the public (2011-14)



2. Evolution of complaints against Austria

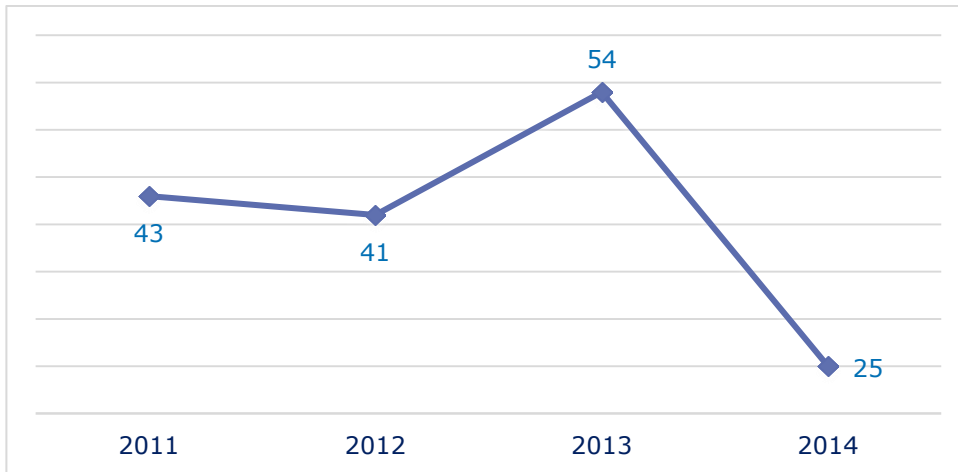


3. New complaints registered in 2014: main policy areas

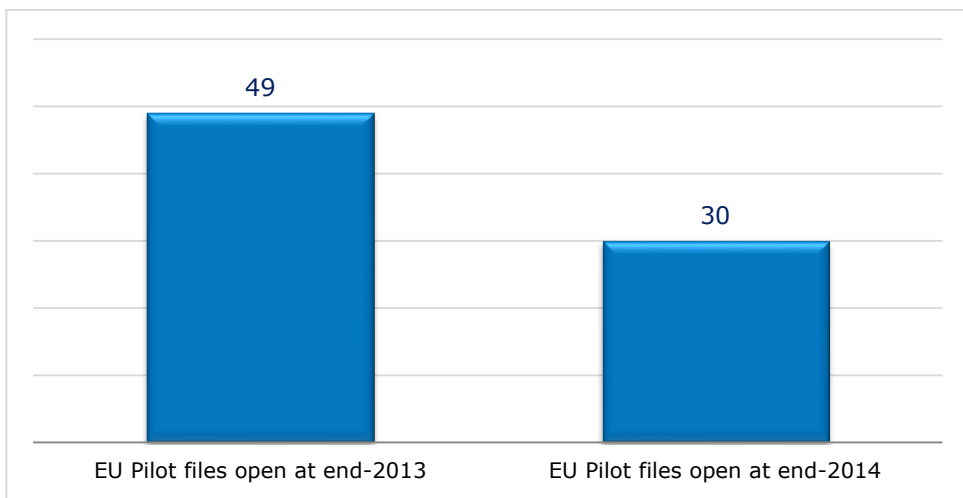


II. EU PILOT

1. New EU Pilot files opened against Austria (2011-14)

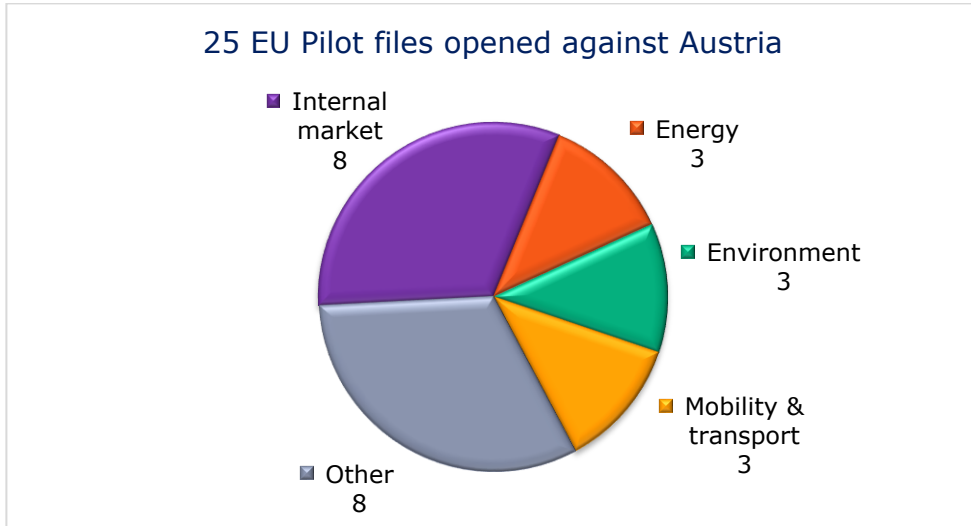


2. Evolution of files relating to Austria open in EU Pilot¹

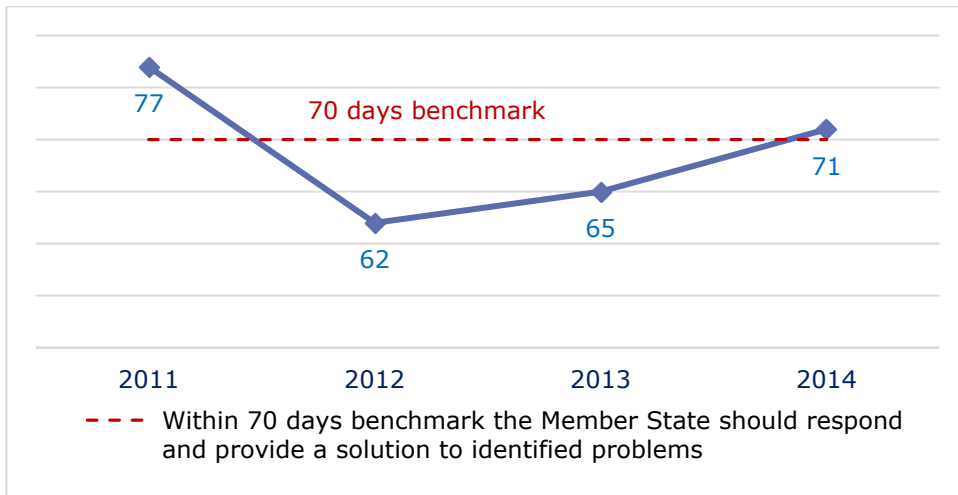


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

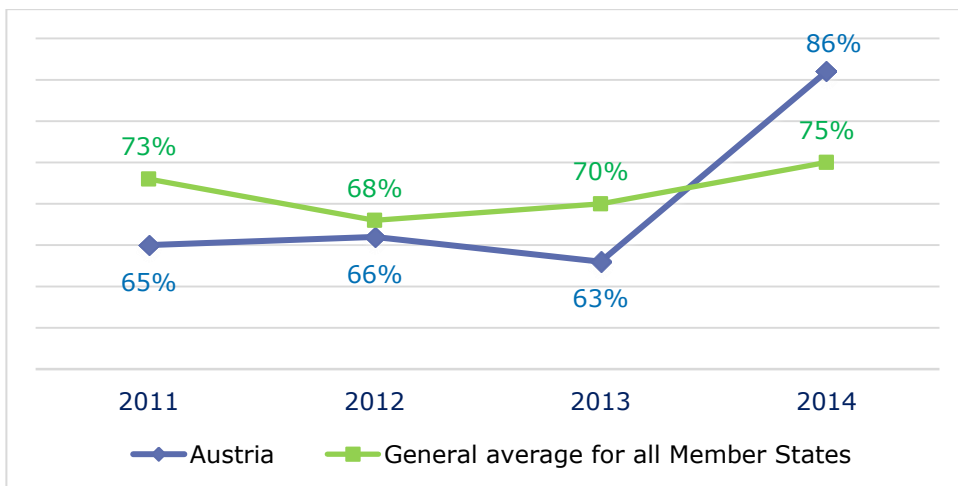
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

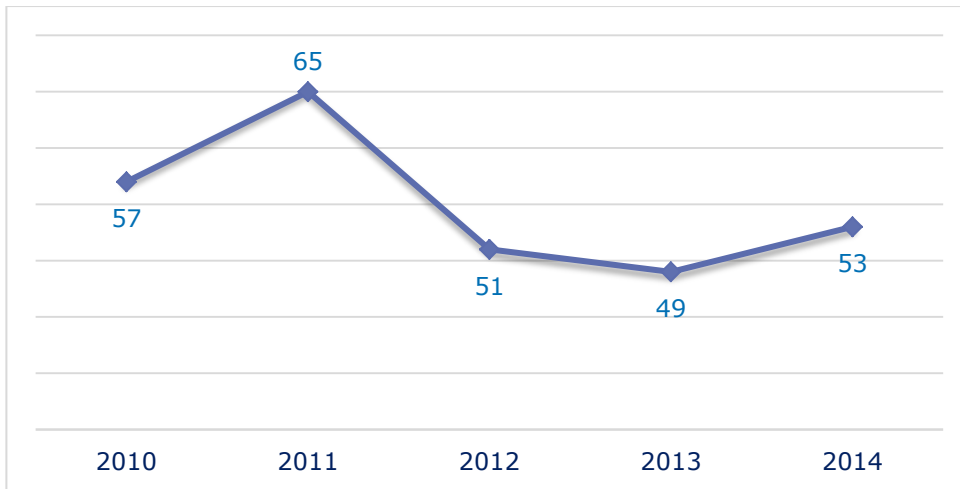


5. EU Pilot files: evolution of the resolution rate by Austria (2011-14)

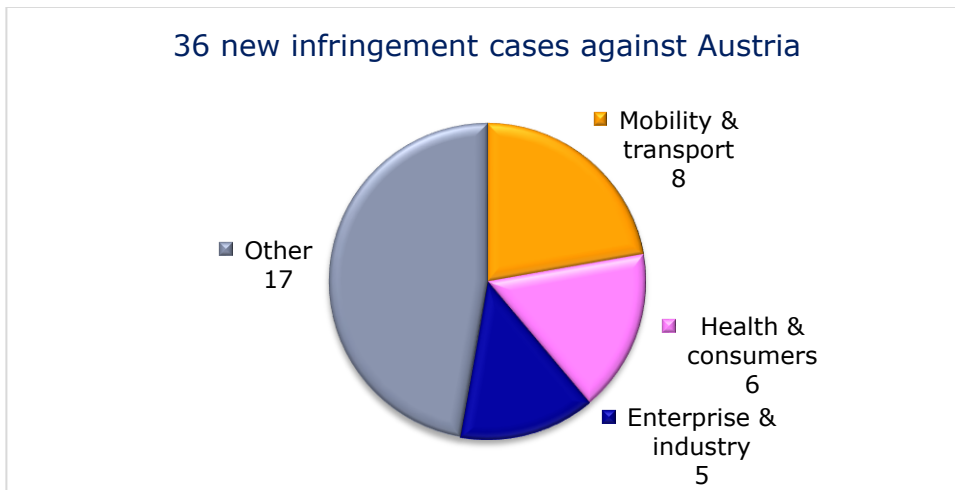


III. INFRINGEMENT CASES

1. Infringement cases against Austria open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 36 new infringement cases against Austria in 2014. These, and other major ongoing infringement cases, concern:
- the incompatibility of Austrian legislation with EU law² regarding questions related to who is responsible for the health and safety at work of school teachers in certain provinces;
 - Austria’s reservation of 75% of its study places for medical and dentistry studies for Austrian nationals;³
 - partial transposition of the Energy Performance of Buildings Directive;⁴
 - obstacles to distance sales of certain tobacco products within the EU;
 - non-communication of measures transposing three directives⁵ in the automotive sector;
 - non-compliance with the EU–Turkey association agreement (problems linked to the Austrian establishment and residence law

² Directive [89/391/EEC](#).

³ The infringement procedures have been suspended until the end of 2016 to allow Austria to provide evidence on whether the restrictive measures are necessary and proportionate to protect the Austrian health system. See [IP-12-1388](#).

⁴ Directive [2010/31/EU](#).

⁵ Directives [2012/46/EU](#), [2013/8/EU](#) and [2013/60/EU](#).

and its compliance with the rights of Turkish nationals and their families under the EU–Turkey association law and its standstill clauses);⁶

- non-transposition of the directive⁷ on free movement of EU nationals and their family members;
- obstacles to the free provision of services of ski instructors in Austria;
- non-communication of measures transposing the Capital Requirements Directive;⁸
- failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁰
- incorrect application of the regulation on the rights of bus and coach passengers;¹¹
- toll rates at Felbertauern crossing (non-discrimination);¹²
- separation of rail accounts;¹³
- failure to notify full implementation of the Cross-border Healthcare Directive.¹⁴

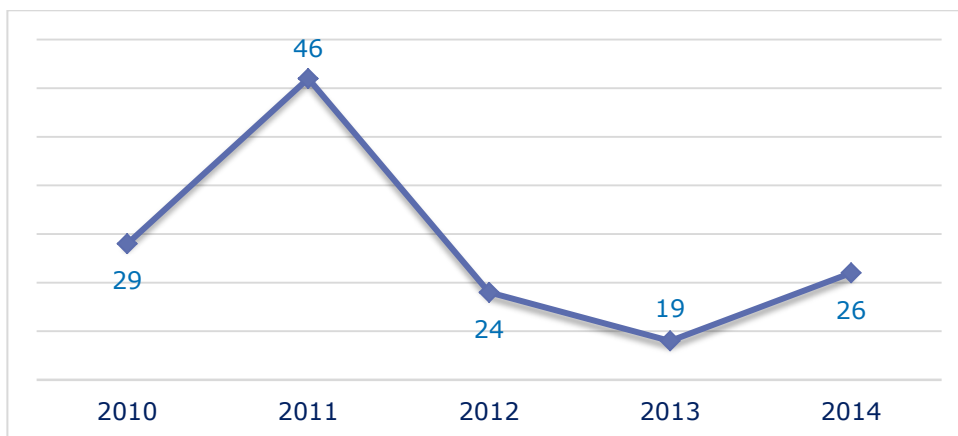
b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:

- a proposed hydro power plant which would cause serious deterioration in the quality of the Schwarze Sulm river in Styria;¹⁵
- failure to bring national rules into line with Directive 2004/49/EC on rail safety.¹⁶

c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Austria (2010-14)



⁶ [MEMO/14/589](#).

⁷ Directive [2004/38](#).

⁸ Directive [2013/36/EU](#).

⁹ Regulation (EC) No [550/2004](#).

¹⁰ [IP/14/818](#).

¹¹ Regulation (EU) No [181/2011](#), [MEMO/14/241](#).

¹² [MEMO/14/537](#).

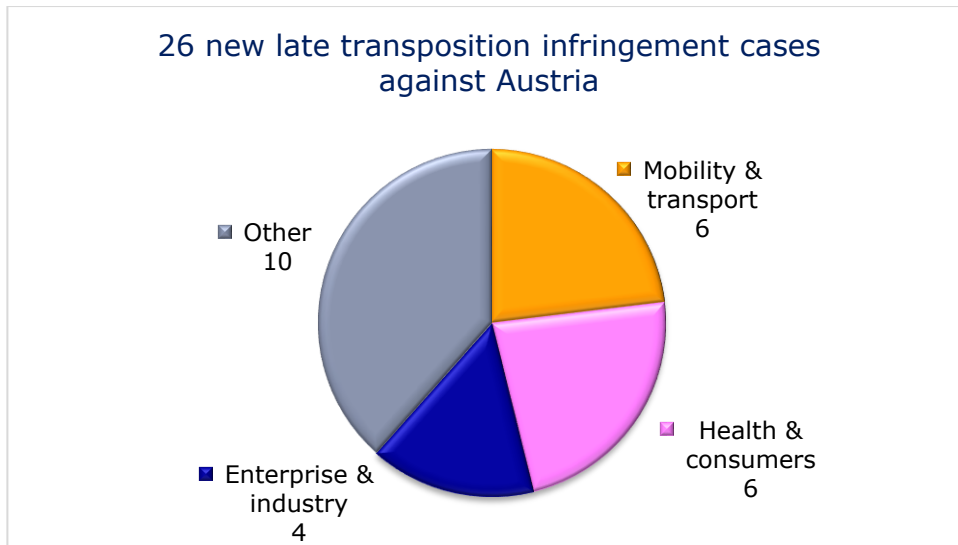
¹³ [IP-14-2132](#).

¹⁴ Directive [2011/24/EU](#), [MEMO/14/470](#).

¹⁵ Commission v Austria, [C-346/14](#), [IP/14/448](#).

¹⁶ Commission v Austria, [C-244/14](#), [IP/14/323](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- incomplete transposition of the Strategic Environmental Assessment Directive;¹⁷
- taxation of charities.¹⁸

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Austrian judiciary, the Court ruled that:

- Member States may impose the requirement that both the applicant and the spouse have reached the age of 21 by the time of their application for a residence permit for the purpose of family reunification, a measure to prevent forced marriages;¹⁹
- the demographic criteria applied in Austria for determining whether a need to establish a new pharmacy exists are contrary to the freedom of establishment.²⁰

¹⁷ Directive [2001/42/EC](#).

¹⁸ [MEMO/12/708](#).

¹⁹ Noorzia, [C-338/13](#) and Court press release No [108/14](#).

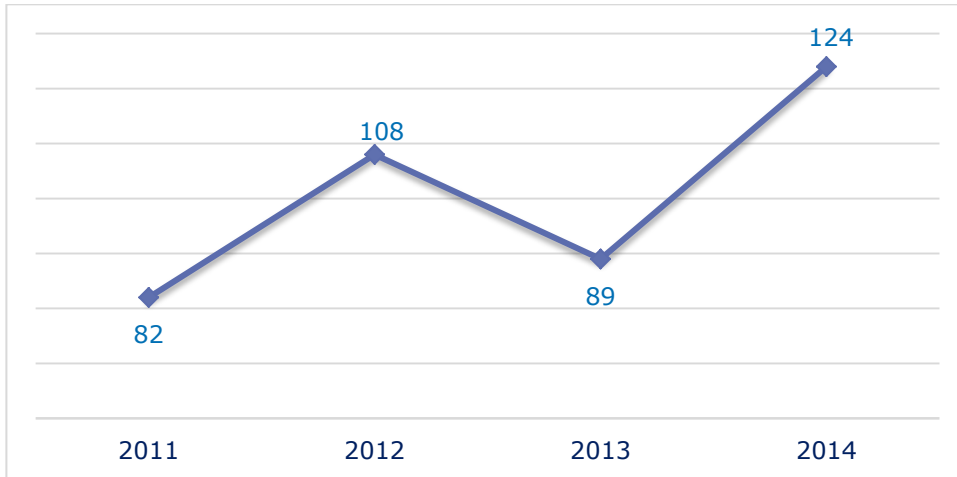
²⁰ Sokoll-Seebacher, [C-367/12](#) and Court press release No [19/14](#).

BELGIUM

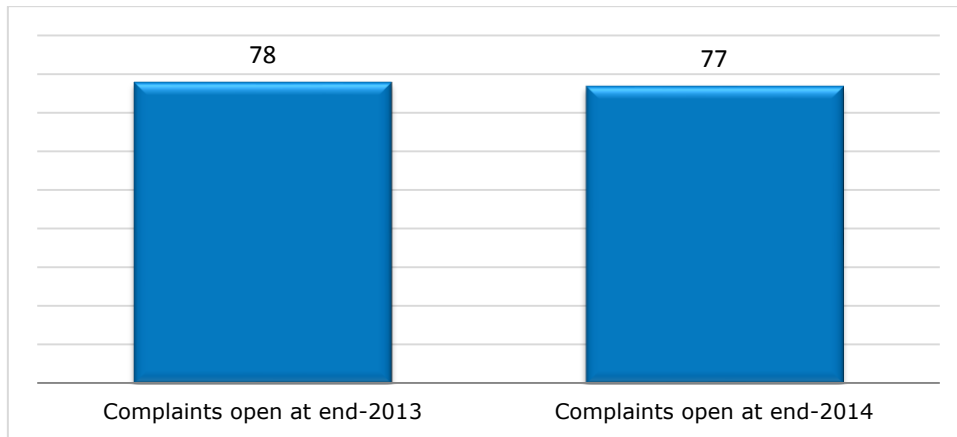
The number of new complaints made against Belgium increased considerably in 2014. After peaking in 2013, new EU Pilot files opened against Belgium fell slightly. Total pending infringement cases increased for the first time since 2010. New infringement cases involving late transposition significantly increased in 2014 for the first time since 2011.

I. COMPLAINTS

1. New complaints made against Belgium by members of the public (2011-14)



2. Evolution of complaints against Belgium

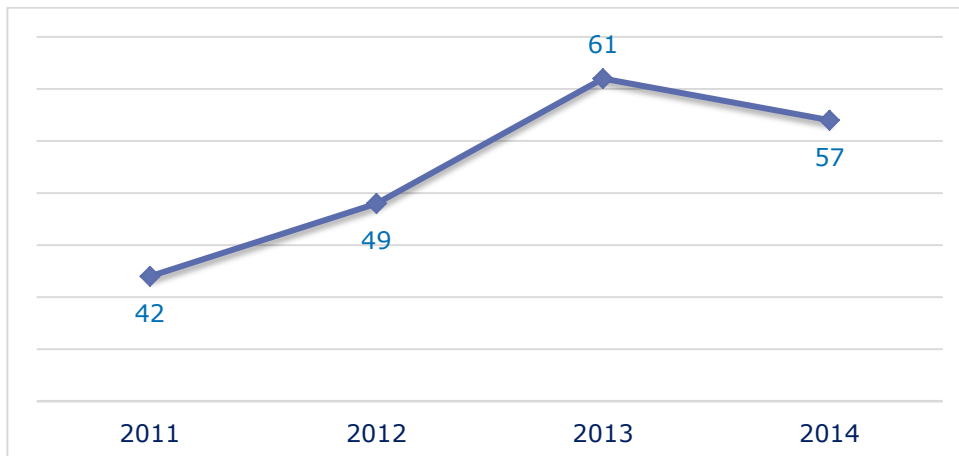


3. New complaints registered in 2014: main policy areas

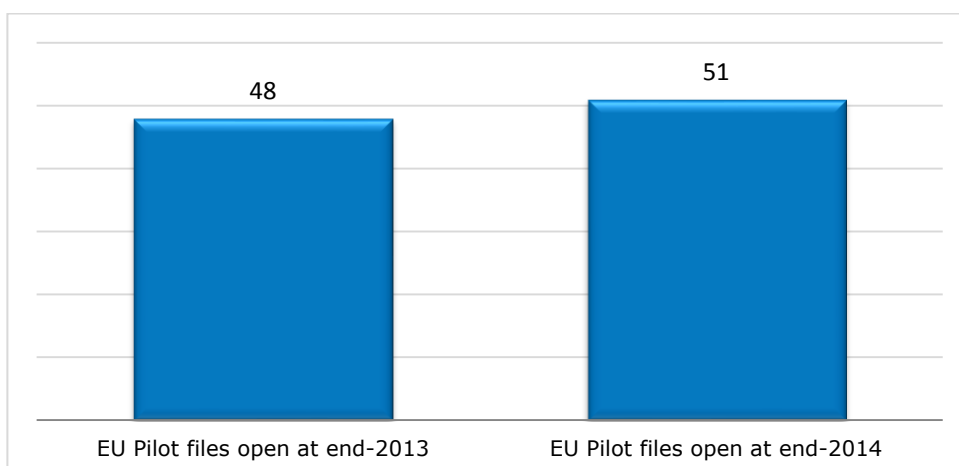


II. EU PILOT

1. New EU Pilot files opened against Belgium (2011-14)

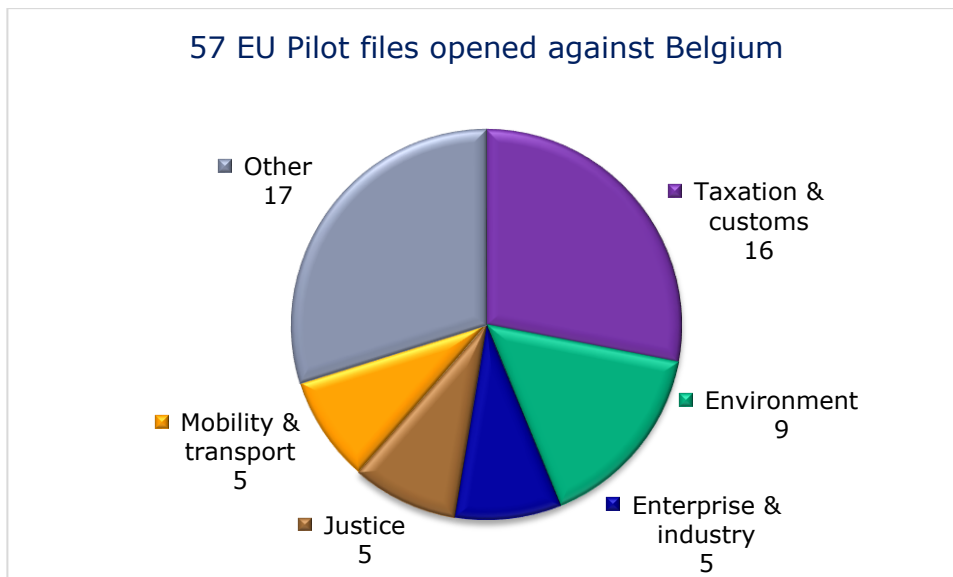


2. Evolution of files relating to Belgium open in EU Pilot¹

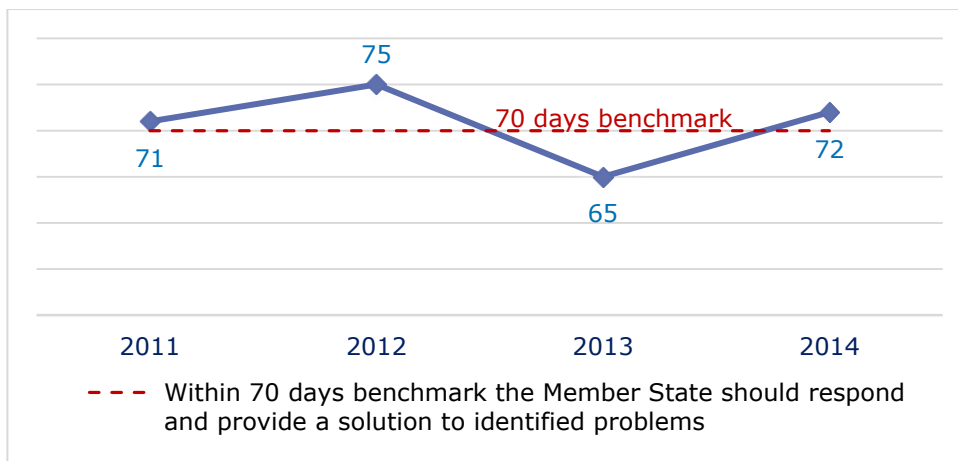


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

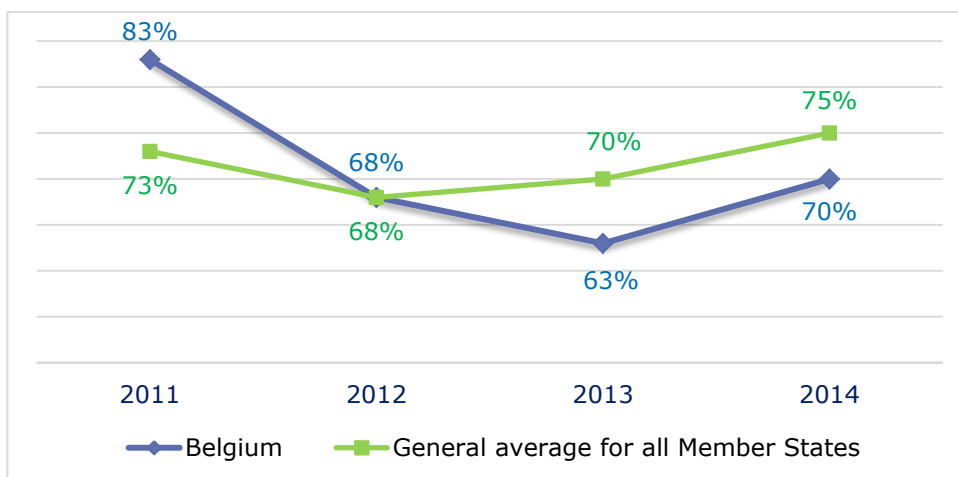
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

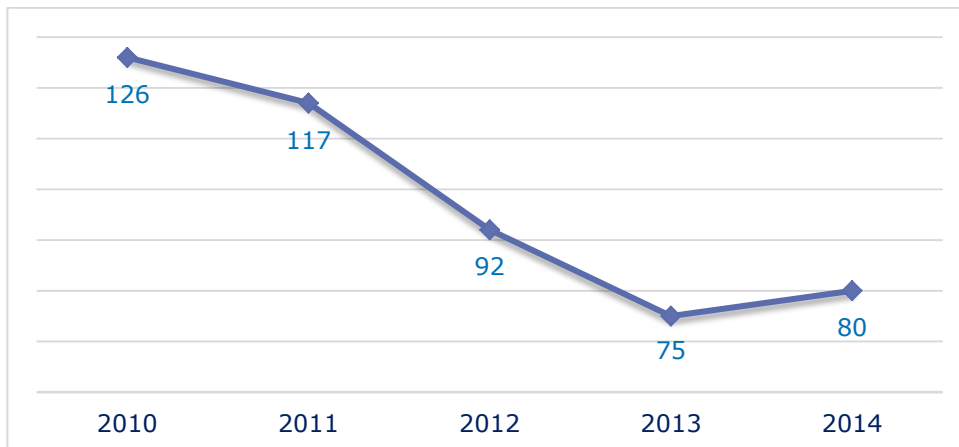


5. EU Pilot files: evolution of the resolution rate by Belgium (2011-14)

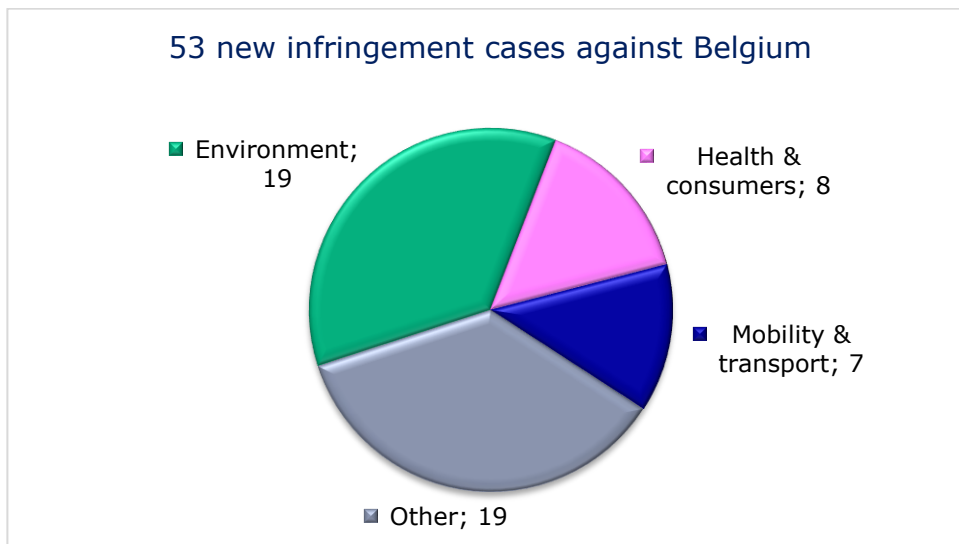


III. INFRINGEMENT CASES

1. Infringement cases against Belgium open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 53 new infringement cases against Belgium in 2014. These, and other major ongoing infringement cases, concern:
- limited access for non-Belgian residents to certain higher education courses in medicine; the procedure has been suspended until the end of 2016 to allow Belgium to prove that the restrictive measures are necessary and proportionate to protect the Belgian healthcare system;²
 - incorrect application of the regulations on the coordination of social security systems; these allow the Belgian authorities to subject someone to Belgian social security legislation even if he or she has a certificate issued by an institution of another Member State attesting that the legislation of the latter applies to that person;³
 - incorrect transposition of the Electricity and Gas Directives;⁴
 - failure to provide strict protection for the harbour porpoise as required under the Habitats Directive;⁵

² [IP/12/1388](#).

³ Regulation (EC) No [883/2004](#) and Regulation (EC) No [987/2009](#).

⁴ Directives [2009/72/EC](#) and [2009/73/EC](#).

- non-respect of EU air quality standards (PM₁₀ limit values)⁶ in several zones and agglomerations;⁷
 - the issue of visas and residence cards for non-EU family members of EU nationals and safeguards against the expulsion of EU nationals;⁸
 - restrictions on the principle of freedom of establishment as regards organisation of port labour;
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁰
 - failure to connect to RESPER, the EU driving licence network;¹¹
 - incorrect implementation of the directive¹² laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during part of their pregnancy;¹³
 - six requests by the national authorities to waive the collection of traditional own resources; the Commission is concerned that the authorities have not demonstrated that the entitlements were irrecoverable for reasons not attributable to them;
 - collection of interest due on the late payment of own resources in a procedure where the requested securities turned out to be insufficient to cover a customs debt;
 - late transposition of the Capital Requirements Directive, the Cross-border Healthcare Directive.¹⁴
- b) The Commission referred three cases to the Court under Article 258 TFEU. They concern:
- the requirement under Belgian legislation to prove language knowledge exclusively through a certificate issued by the Belgian authorities for posts in the local administrations of the French-, Flemish- and German-speaking regions;¹⁵ discriminatory treatment of foreign undertakings for collective investment in transferable securities. They have to pay a higher yearly tax rate (0.8%) than Belgian undertakings (0.01%);¹⁶
 - refusal to apply tax exemptions for electricity and gas consumption granted to European Union institutions, in breach of the Union's Protocol on Privileges and Immunities.¹⁷

⁵ Council Directive [92/43/EEC](#).

⁶ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

⁷ [MEMO/14/470](#).

⁸ [MEMO/13/122](#).

⁹ Regulation (EC) No [550/2004](#).

¹⁰ [IP/14/446](#).

¹¹ Directive [2006/126/EC](#).

¹² Directive [2008/120/EC](#).

¹³ [IP/13/135](#).

¹⁴ Directives [2013/36/EU](#), [2011/24/EU](#) and [2010/31/EU](#).

¹⁵ The Commission decided on 26 September 2013 to refer the case to the Court; the application was filed on 2 July 2014, Commission v Belgium [C-317/14](#).¹⁶ Commission v Belgium [C-130/14](#), [IP/14/1144](#).

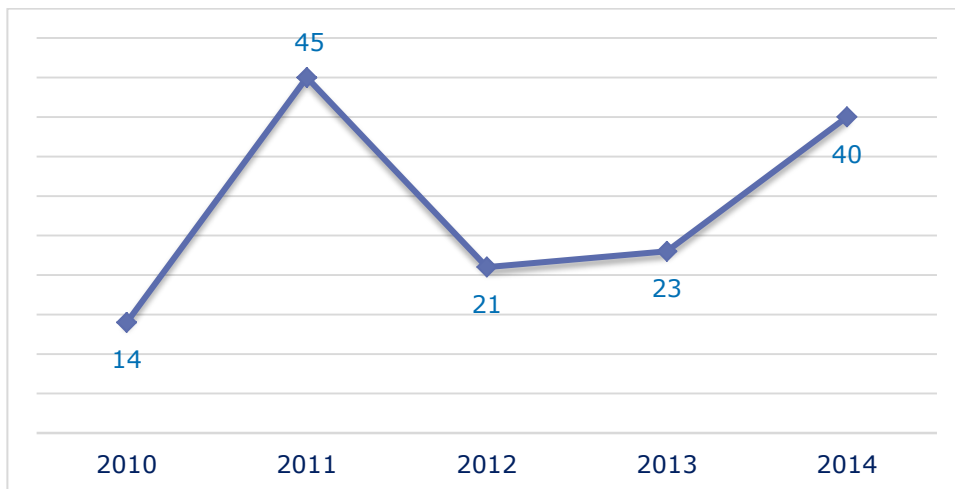
¹⁶ Commission v Belgium [C-130/14](#), [IP/14/1144](#).

¹⁷ The Commission decided on 17 October 2013 to refer the case to the Court; the application was filed on 4 April 2014, Commission v Belgium [C-163/14](#).

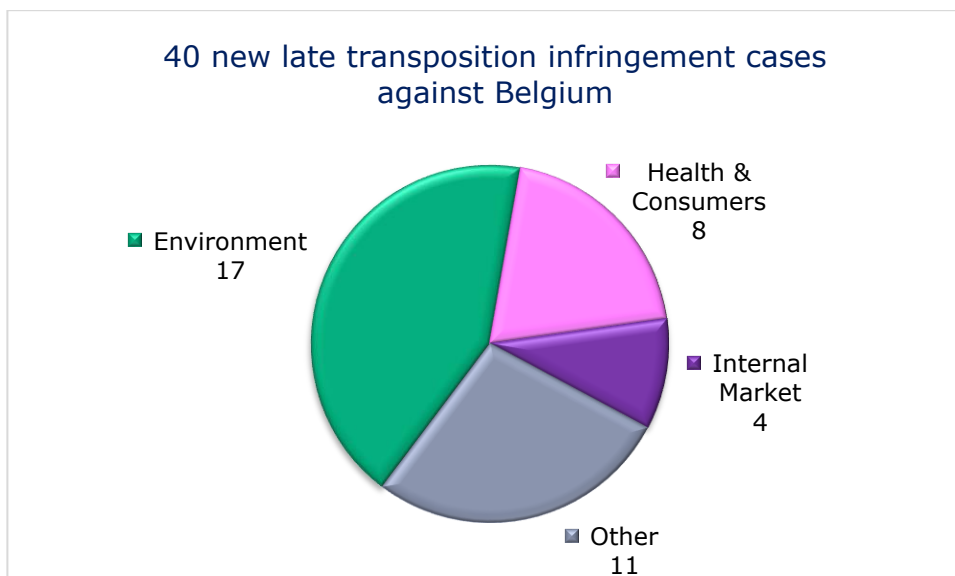
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Belgium (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission referred one case to the Court under Articles 258 and 260(3) TFEU. It concerns:

- failure to fully transpose the Energy Performance of Buildings Directive.¹⁸ The Commission proposed a daily penalty of 42 178.50 EUR.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- incompatibility of the working time of professional fire-fighters with the Working Time Directive;¹⁹

¹⁸ Directive [2010/31/EU](#). Commission v Belgium, [C-302/14, IP/14/447](#).

- non-communication of national measures transposing the Late Payment Directive;²⁰
- failure to fully transpose the directive improving and extending the EU greenhouse gas emission allowance trading scheme;²¹
- incorrect application of the directive on the development of EU railways²² by not keeping separate business accounts for provision of transport services and management of railway infrastructure;
- incorrect application of the regulation concerning the rights of bus and coach passengers²³ by not designating the enforcement body in the Brussels-Capital Region and by not setting up a penalty system for infringements of the regulation;
- non-ratification by Belgium of the Euro-Mediterranean Aviation Agreement with Morocco;
- discriminatory inheritance tax provisions in Walloon law which discourage Belgian residents from investing in foreign shares because their inheritance might be more heavily taxed;²⁴
- customs fees and opening hours of customs offices.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Belgium infringed EU law by excluding members of a profession (dentists and physiotherapists) from the scope of the law which transposes the Unfair Commercial Practices Directive²⁵, by imposing restrictive rules on the announcement of price reductions, and; by banning door-to-door sales for products above EUR 250;²⁶
- Belgium failed to ensure adequate collection and treatment of urban wastewater.²⁷

2. Preliminary rulings

In preliminary rulings addressed to the Belgian judiciary, the Court ruled that:

- Member States can impose a general tax on operators providing electronic communications networks or services on account of the presence on public and private property of cellular telephone communication masts, pylons or antennae which are necessary for their activity;²⁸
- Member States are not allowed to apply tax rules that provide for a different evaluation of methods of assessing the income from immovable property, if this results in higher taxation only because the comparable foreign income is evaluated at a higher value.²⁹
- under EU asylum law,³⁰ the interpretation to be given to the concept of 'internal armed conflict' must be independent of the definition used in international humanitarian law. An internal armed conflict exists where a State's armed forces confront one or more armed

¹⁹ Directive [2003/88/EC](#).

²⁰ Directive [2011/7/EU](#).

²¹ Directive [2009/29/EC](#).

²² Directive [91/440/EC](#).

²³ Regulation (EU) No [181/2011](#).

²⁴ [IP/13/871](#).

²⁵ Directive [2005/29/EC](#).

²⁶ Commission v Belgium, [C-421/12](#).

²⁷ Directive [91/271/EEC](#), Commission v Belgium, [C-395/13](#).

²⁸ Belgacom and Mobistar, joined cases [C-256/13](#) and [C-264/13](#).

²⁹ Verest and Gerards, [C-489/13](#).

³⁰ Council Directive [2004/83/EC](#).

groups or where two or more armed groups confront each other, regardless of the intensity of the confrontations, the level of organisation of the armed forces involved or the duration of the conflict;³¹

- protection for medical reasons is a form of humanitarian protection granted on a discretionary basis by Member States, and as such is excluded from the scope of the EU asylum *acquis*.³² Therefore, the rights and benefits available to beneficiaries of such a form of protection are to be decided exclusively under national legislation;³³
- Member States are obliged to cover the basic subsistence needs of non-EU nationals who are irregularly staying on their territory only in so far as this is necessary to ensure that emergency health care and essential treatment of illness are made available during the period in which their return cannot be carried out. For an appeal to be effective against a return decision whose enforcement may expose the non-EU national concerned to a serious risk of grave and irreversible deterioration in their state of health, that person must be able to avail himself, in such circumstances, of a remedy with suspensive effect.³⁴

³¹ Diakite, [C-285/12](#) and Court press release No [12/14](#).

³² Directive [2004/83/EC](#) in the meantime repealed by Directive [2011/95](#).

³³ Mbod'j, [C-542/13](#).

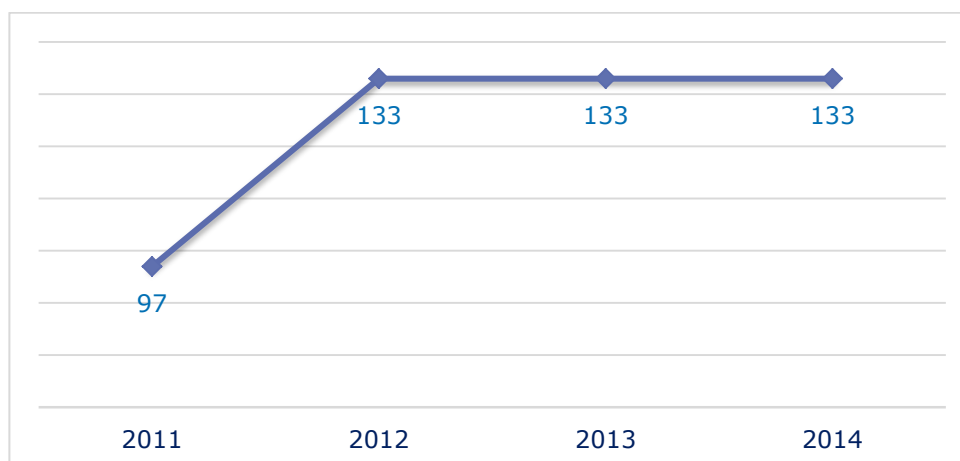
³⁴ Abdida, [C-562/13](#).

BULGARIA

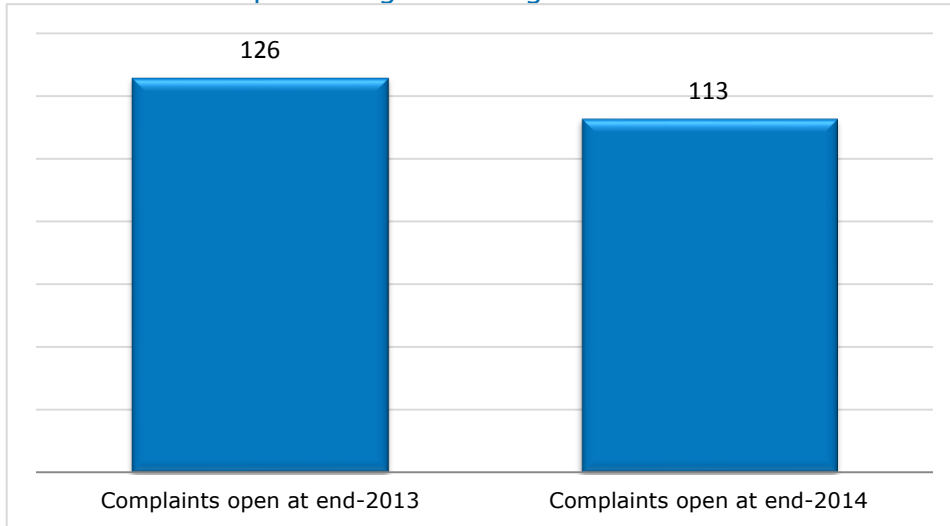
The number of new complaints made against Bulgaria has remained stable in recent years. After a peak in 2012, new EU Pilot files opened against Bulgaria fell in 2013 and remained at the same level in 2014. The overall number of pending infringement cases has not fluctuated much over the last five years. New infringement cases for late transposition increased significantly in 2014, taking the total to its highest level of the past five years.

I. COMPLAINTS

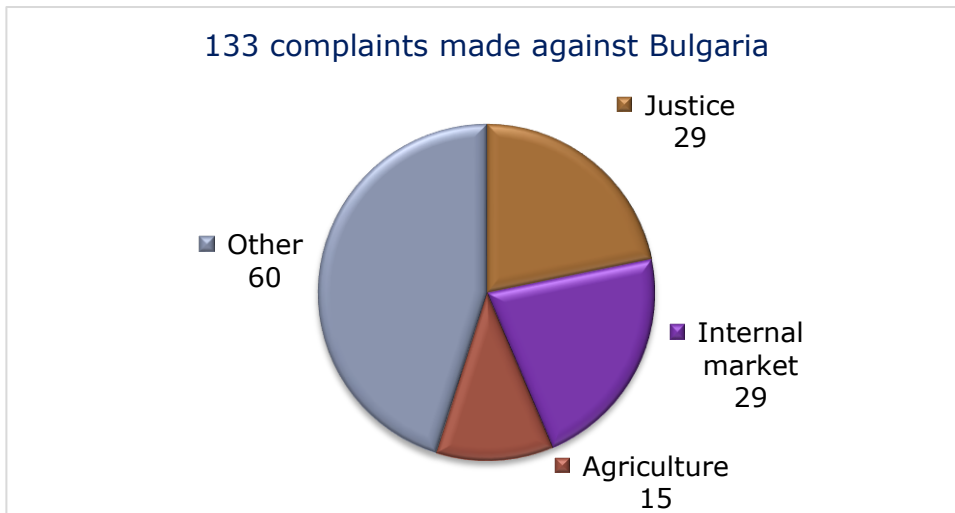
1. New complaints made against Bulgaria by members of the public (2011-14)



2. Evolution of complaints against Bulgaria

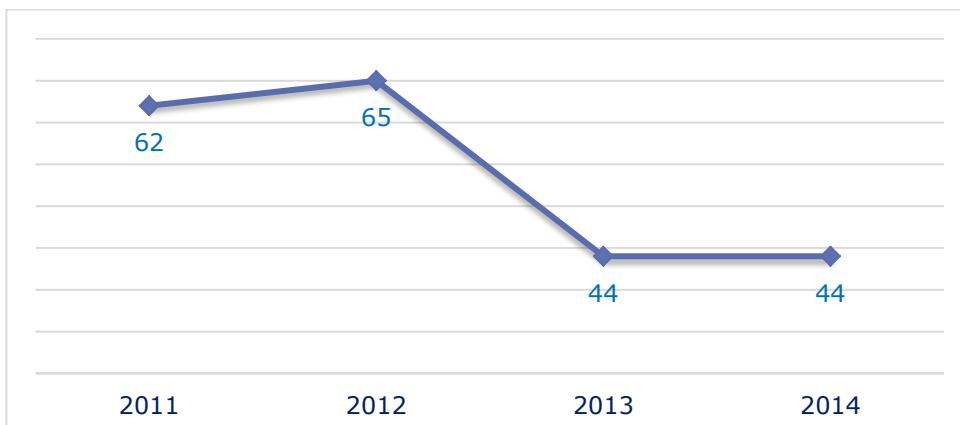


3. New complaints registered in 2014: main policy areas

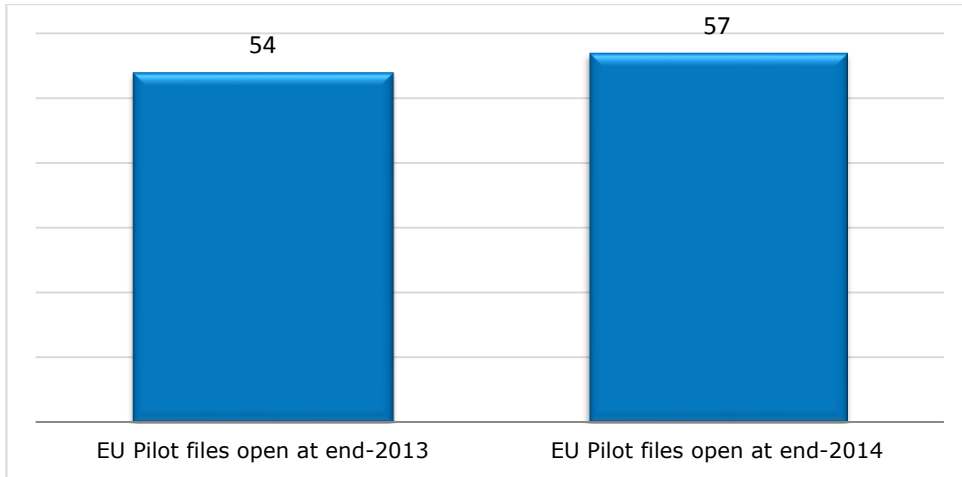


II. EU PILOT

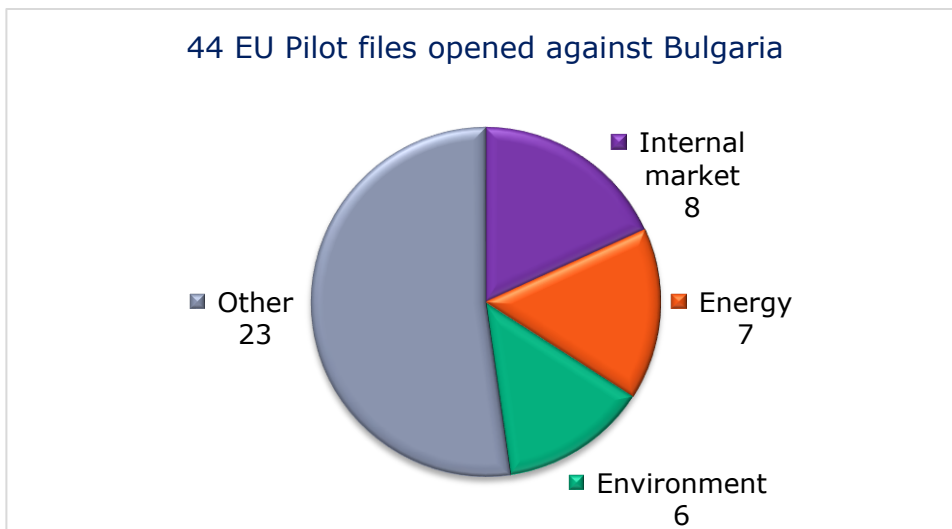
1. New EU Pilot files opened against Bulgaria (2011-14)



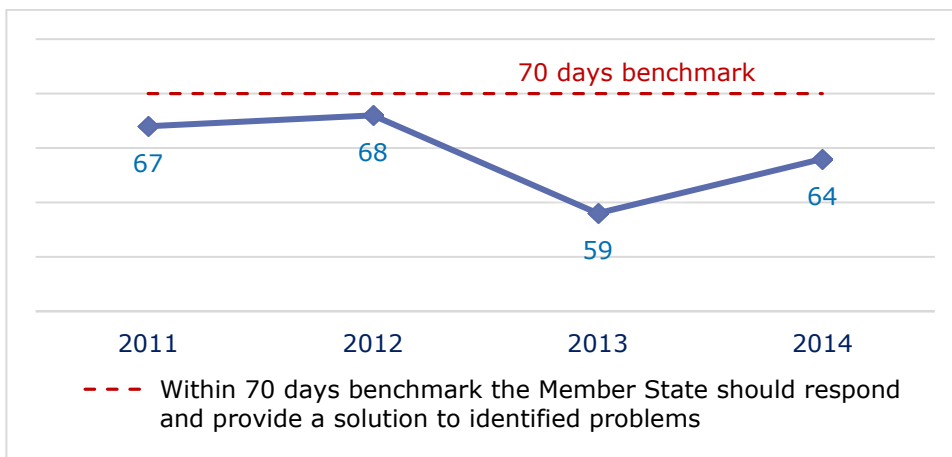
2. Evolution of files relating to Bulgaria open in EU Pilot¹



3. New EU Pilot files opened in 2014: main policy areas

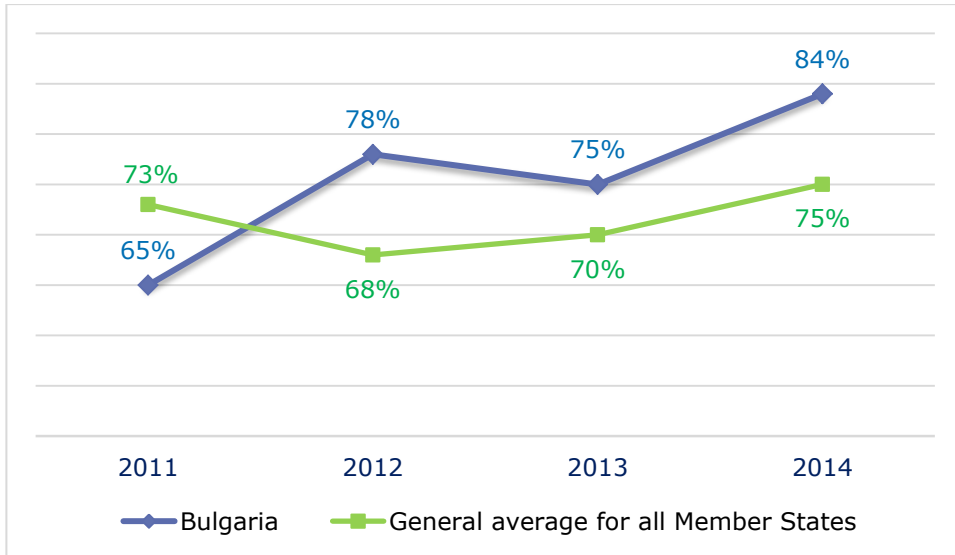


4. EU Pilot files: average response time in days (2011-14)



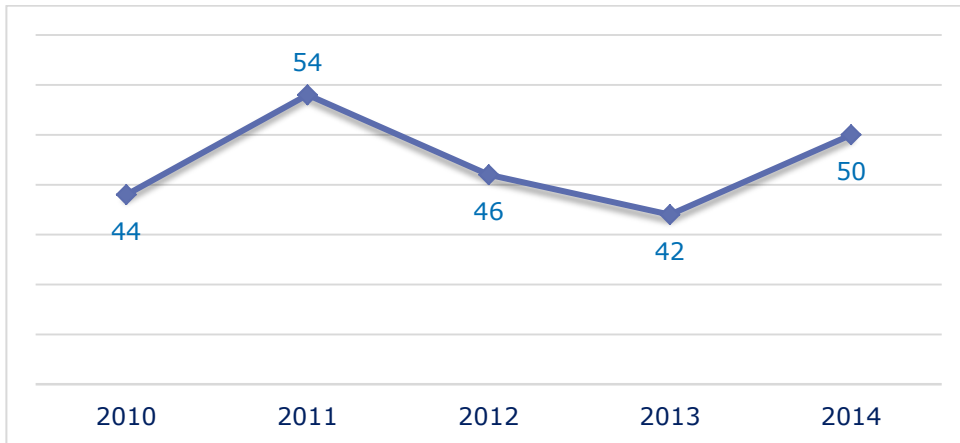
¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

5. EU Pilot files: evolution of the resolution rate by Bulgaria (2011-14)

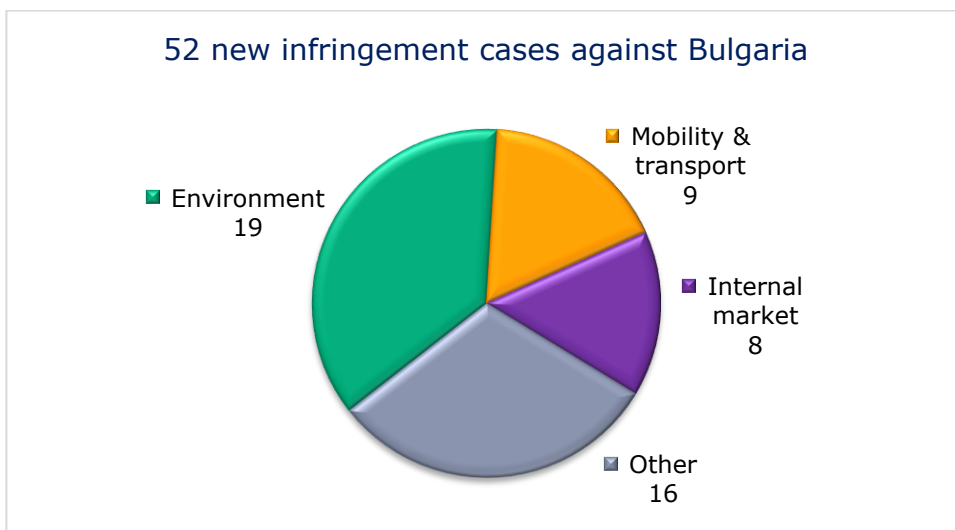


III. INFRINGEMENT CASES

1. Infringement cases against Bulgaria open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 52 new infringement cases against Bulgaria in 2014. These, and other major ongoing infringement cases, concern:

- incompatibility of the working conditions of Ministry of the Interior staff with the Working Time Directive;²
 - obstacles to the production and sale of cigarette tubes with filters;
 - non-respect of EU air quality standards (PM₁₀ limit values)³ in all air quality zones;⁴
 - non-respect of EU air quality standards (sulphur dioxide limit values) in one zone;⁵
 - incorrect transposition of the directive on deposit-guarantee schemes and disproportionate restriction of the free movement of capital.⁶ Two banks have been put into receivership with a complete suspension of payments and bank activities and depositors have not had access to their funds for three months;⁷
 - non-communication of measures transposing the Capital Requirements Directive;⁸
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁰
 - failure to connect to the EU driving licence network (RESPER);¹¹
 - failure to notify full transposition of the Cross-border Healthcare Directive.¹²
- b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:
- breach of the Landfill Directive by continuing to operate numerous non-compliant landfill sites;¹³
 - failure to protect unique habitats and endangered species.¹⁴
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

² Directive [2003/88/EC](#).

³ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

⁴ [MEMO/14/470](#).

⁵ [MEMO/14/2130](#).

⁶ Directive [94/19/EC](#).

⁷ [IP/14/1041](#).

⁸ Directive [2013/36/EU](#).

⁹ Regulation (EC) No [550/2004](#).

¹⁰ [IP/14/818](#).

¹¹ Directive [2006/126/EC](#).

¹² Directive [2011/24/EU](#), [MEMO/14/470](#).

¹³ Directive [1999/31/EC](#), Commission v Bulgaria, [C-145/14](#), [IP/14/47](#).

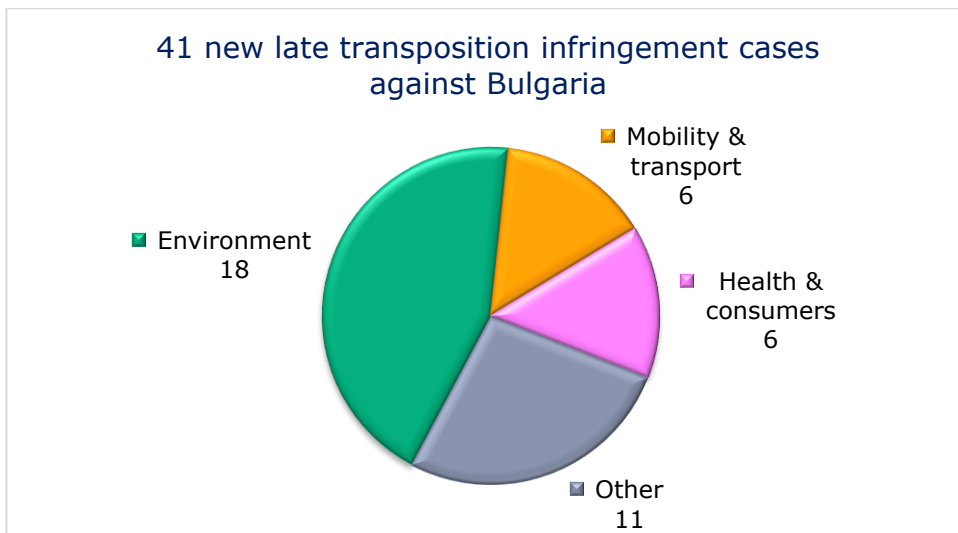
¹⁴ The Commission decided on 17 October 2013 to refer the case to the Court; the application was filed on 24 March 2014, [C-141/14](#), [IP/13/966](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Bulgaria (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to fully transpose the directive improving and extending the EU greenhouse gas emission allowance trading scheme;¹⁵
- illegal construction of ski resorts in the Rila Mountain;
- non-communication of national measures transposing the Industrial Emissions Directive and Laboratory Animals Directive;¹⁶
- right to deduct and refund of VAT.

¹⁵ Directive [2009/29/EC](#).

¹⁶ Directives [2010/75/EU](#) and [2010/63/EU](#).

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Bulgaria failed to comply with the provisions of the First Railway Package¹⁷. It included staff remuneration and social security contributions in the calculation of charges incurred for all of the minimum services and for access by the network to service infrastructure costs. However, staff remuneration and social security contributions cannot be considered to be directly incurred as a result of operating the train service.¹⁸

2. Preliminary rulings

In preliminary rulings addressed to the Bulgarian judiciary, the Court ruled that:

- the Return Directive¹⁹ for illegally staying non-EU nationals:
 - precludes, among other things, national measures that allow the extension of an initial six-month period of detention solely because the non-EU national concerned has no identity documents; instead, the referring court should carry out an evaluation of all the facts and circumstances on a case-by-case basis;
 - does not consider *per se* a non-EU national as showing 'lack of cooperation', if he failed to obtain an identity document making it possible for him to be removed from the Member State concerned;
 - does not require a Member State to issue an autonomous residence permit (or a similar document) to a non-EU national without identity documents; however, if a national court releases such a person concerned because there is no longer a reasonable prospect of his removal, the Member State must confirm the situation of this person in writing.²⁰

¹⁷ Directive [2001/14/EC](#).

¹⁸ Commission v Bulgaria, [C-152/12](#).

¹⁹ Directive [2008/115/EC](#).

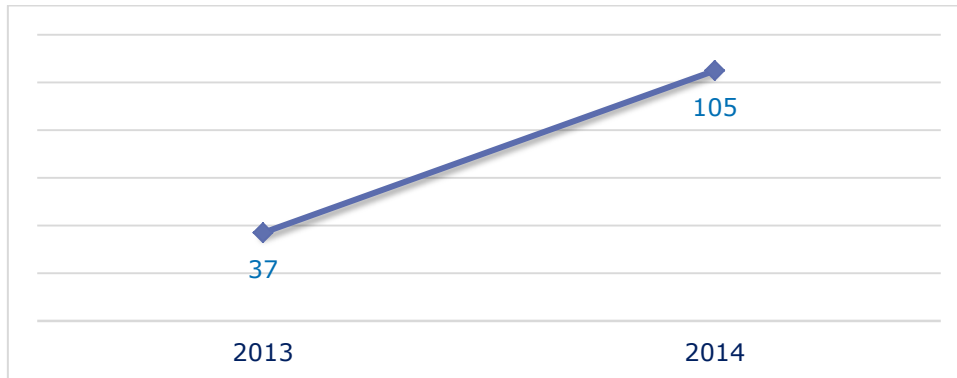
²⁰ Mahdi, [C-146/14 PPU](#) and Court press release No [80/14](#).

CROATIA

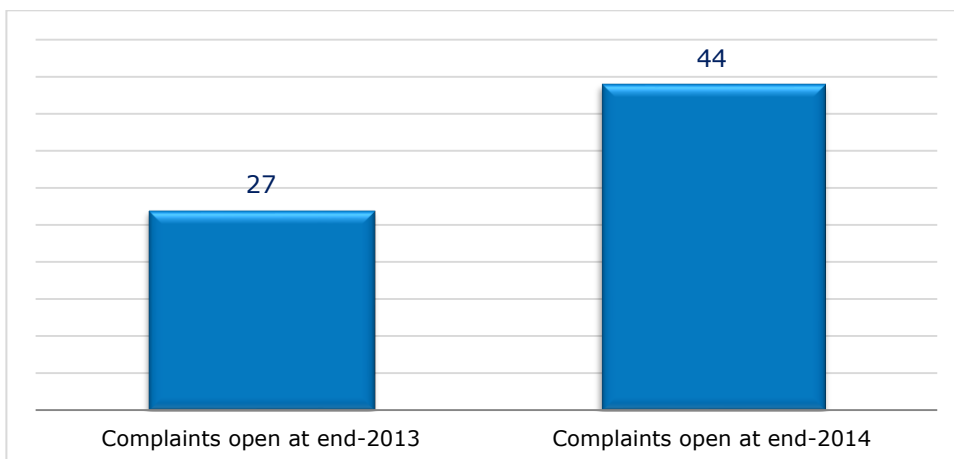
The number of new complaints made against Croatia increased significantly in 2014 from 2013, when Croatia joined the EU half way through the year. New EU Pilot files opened evolved in a similar manner. Ten infringement cases against Croatia were open on 31 December 2014. During the year the Commission launched 13 infringement cases against Croatia for late transposition.

I. COMPLAINTS

1. New complaints made against Croatia by members of the public (2013-14)¹

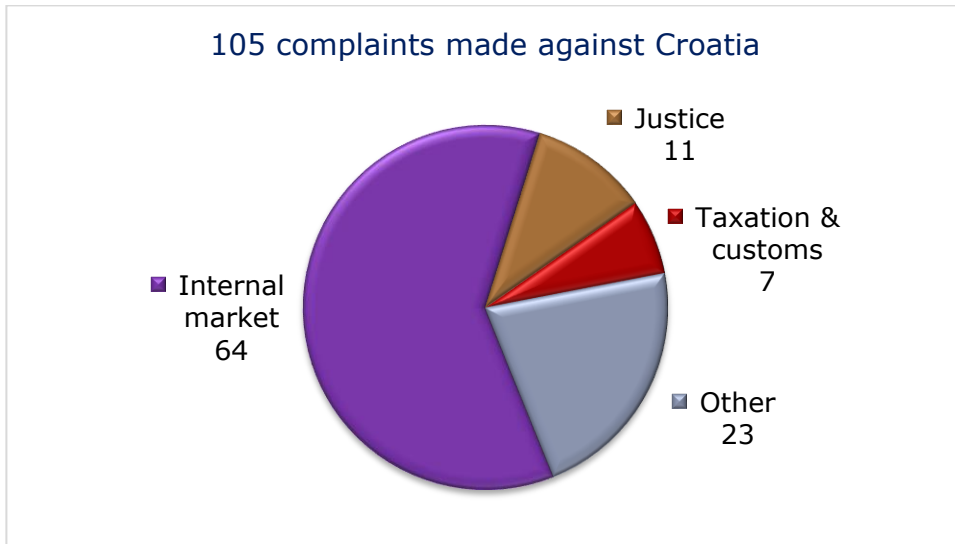


2. Evolution of complaints against Croatia



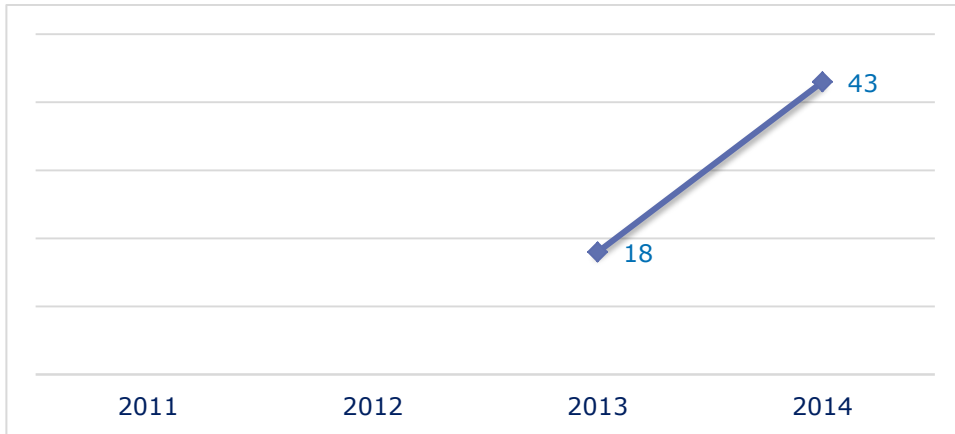
¹ Croatia joined the EU on 1 July 2013.

3. New complaints registered in 2014: main policy areas

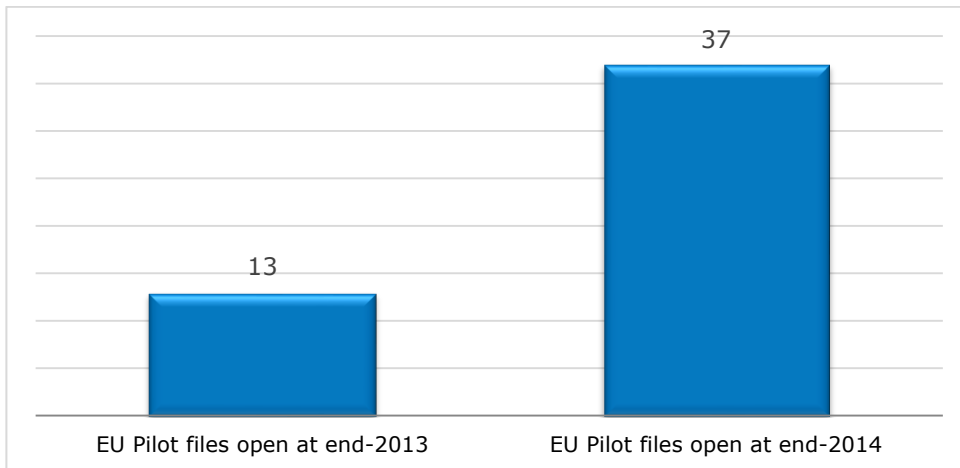


II. EU PILOT

1. New EU Pilot files opened against Croatia (2013-14)²



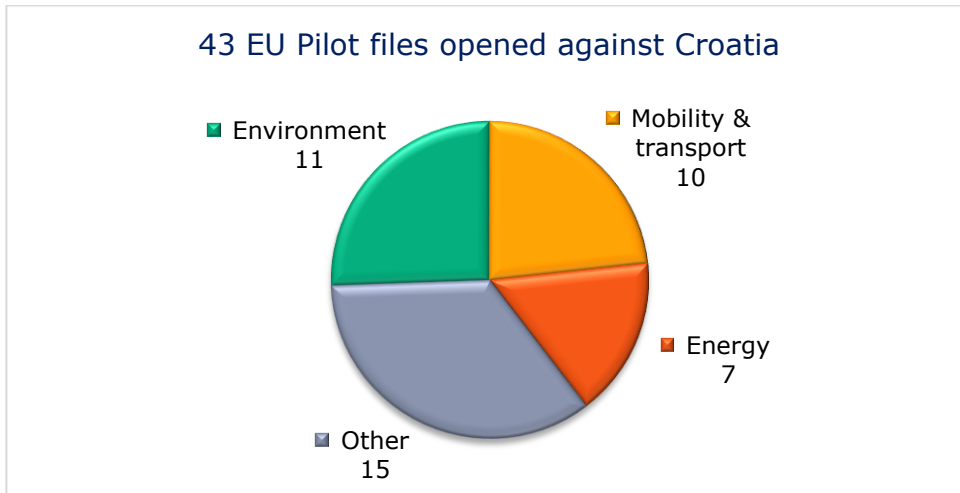
2. Evolution of files relating to Croatia open in EU Pilot³



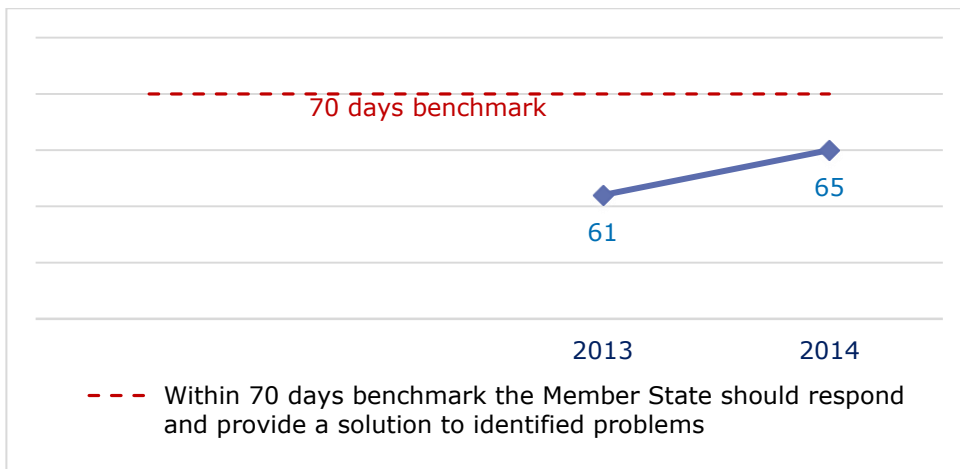
² Croatia joined the EU Pilot system in July 2013.

³ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

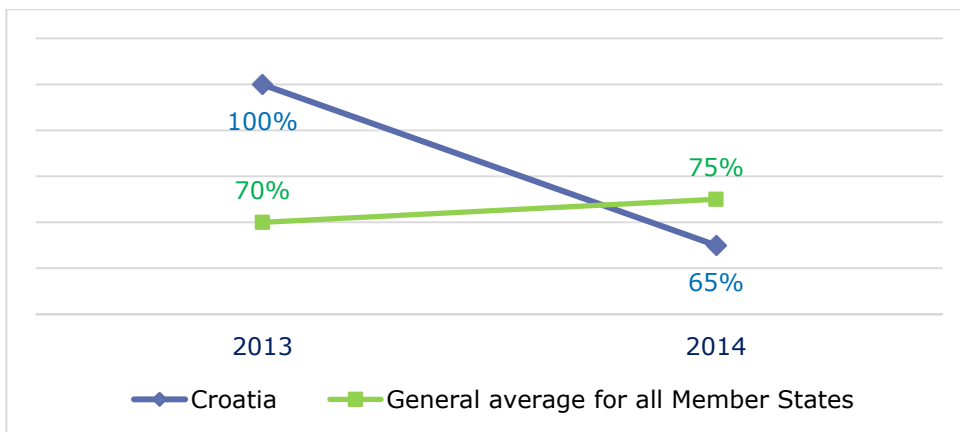
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)⁴



5. EU Pilot files: evolution of the resolution rate by Croatia (2011-14)⁵



III. INFRINGEMENT CASES

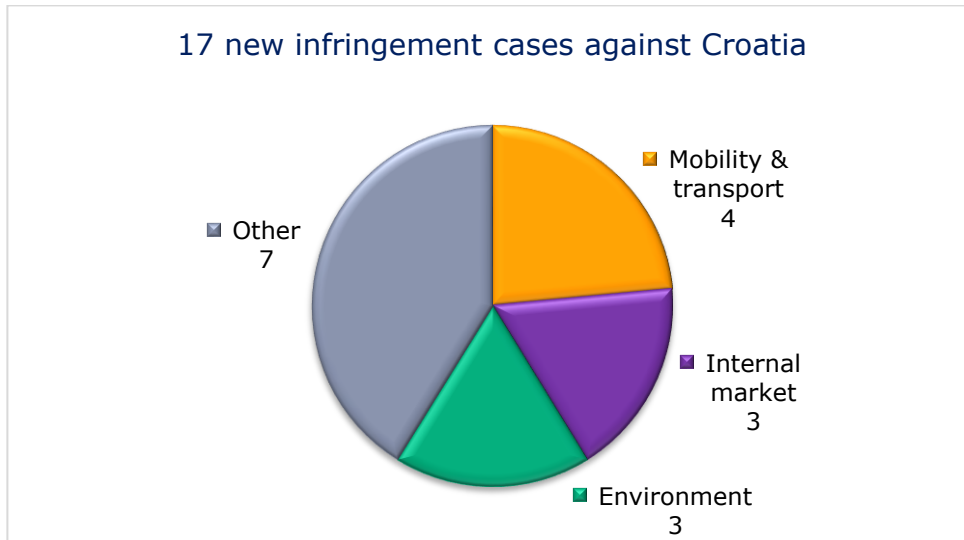
1. Infringement cases against Croatia open on 31 December (2010-14)

There were 10 infringement cases open against Croatia on 31 December 2014.

⁴ Croatia joined the EU Pilot system in July 2013.

⁵ Croatia joined the EU Pilot system in July 2013.

2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 17 new infringement cases against Croatia in 2014. These, and other major ongoing infringement cases, concern:
- the law on the privatisation of the *Industrija Nafta d.d. (INA)* energy company. This law grants the Croatian State significant special powers over INA that seem to be unjustified restrictions on the free movement of capital;
 - non-communication of measures transposing the Capital Requirements Directive;⁶
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁷ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁸
 - the discriminatory legal regime governing port charges in Croatia.
- b) The Commission did not refer any cases to the Court under Article 258 TFEU.
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Croatia (2010-14)

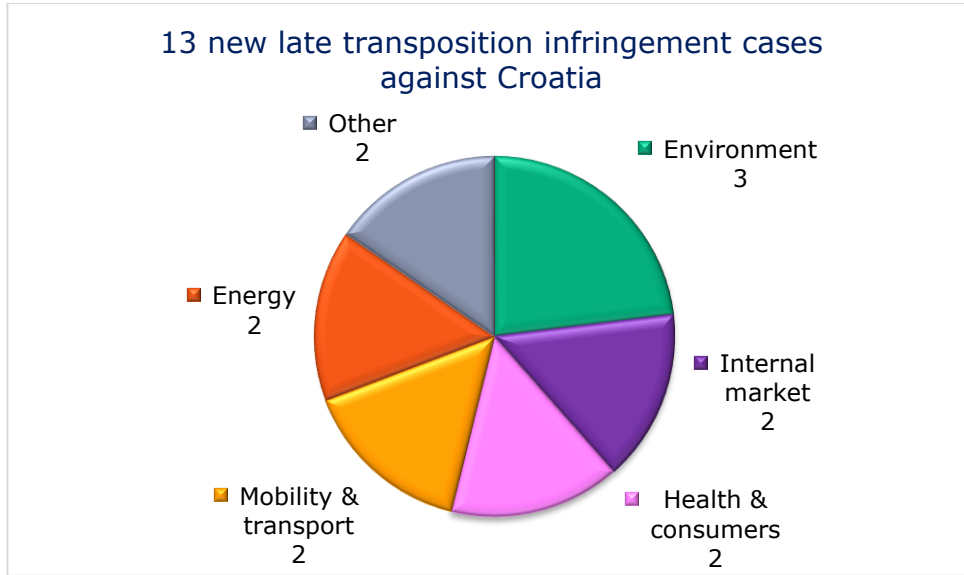
There were 13 late transposition infringement cases open against Croatia on 31 December 2014.

⁶ Directive [2013/36/EU](#).

⁷ Regulation (EC) No [550/2004](#).

⁸ [IP/14/818](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

The case concerned:

- non-communication of measures transposing the Directive on Waste Electrical and Electronic Equipment.⁹

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

No major preliminary rulings were addressed to the Croatian judiciary in 2014.

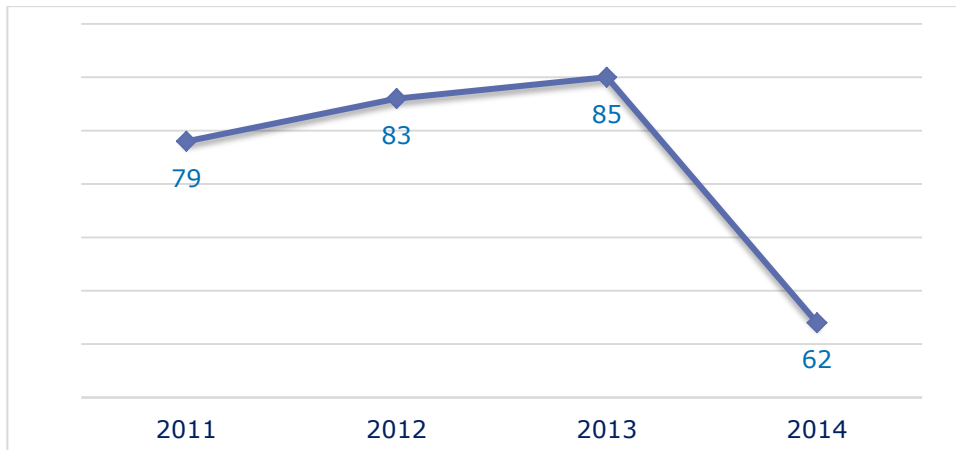
⁹ Directive [2012/19/EU](#).

CYPRUS

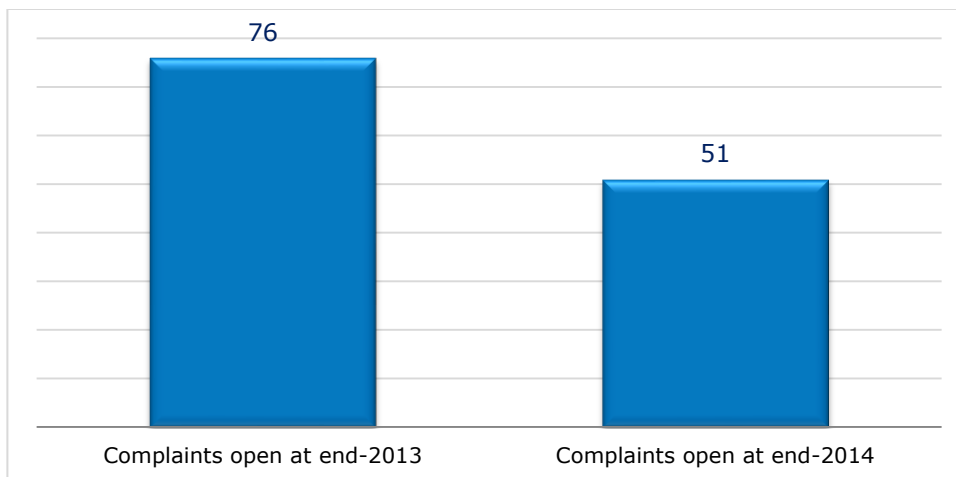
In 2014 the number of new complaints made against Cyprus fell to its lowest level in recent years. New EU Pilot files opened also dropped, to below the 2012 total. The overall number of pending infringement cases against Cyprus has not changed much over the last three years. The number of new cases registered in 2014 is the lowest of the last five years. New infringement cases for late transposition rose slightly for the second year running but remained well below the 2010 and 2011 levels.

I. COMPLAINTS

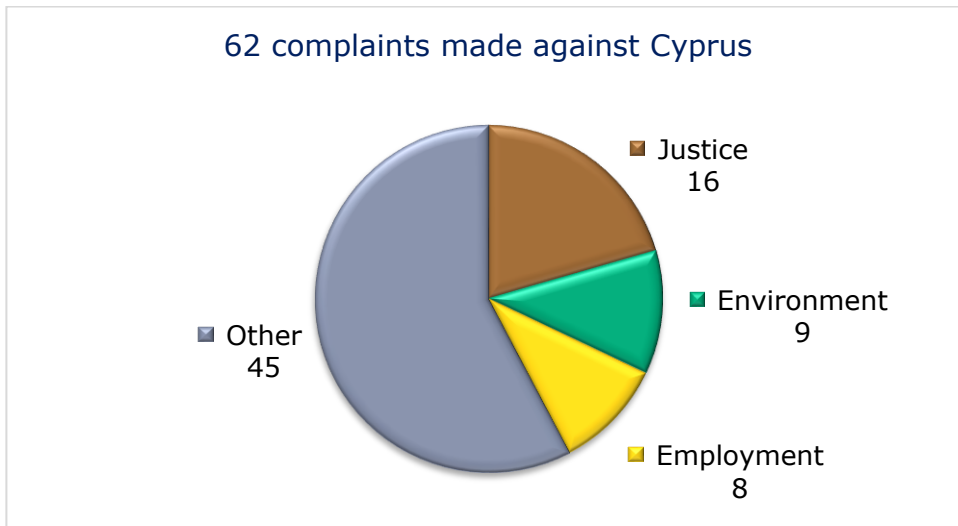
1. New complaints made against Cyprus by members of the public (2011-14)



2. Evolution of complaints against Cyprus

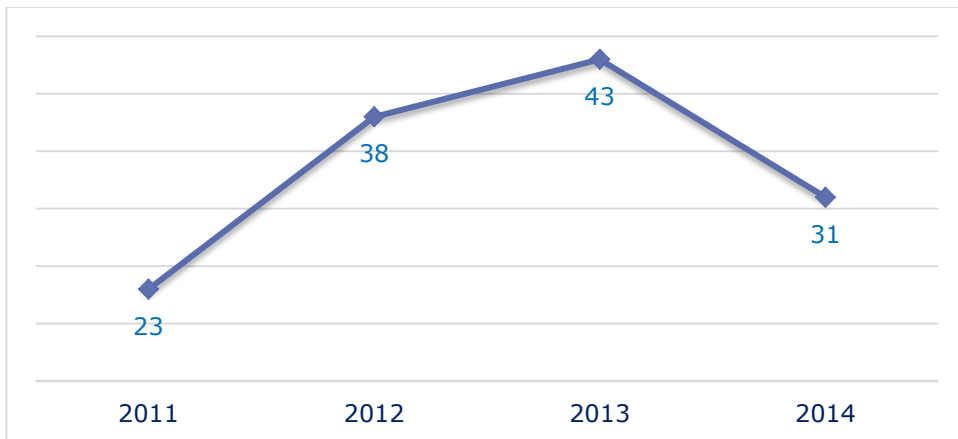


3. New complaints registered in 2014: main policy areas

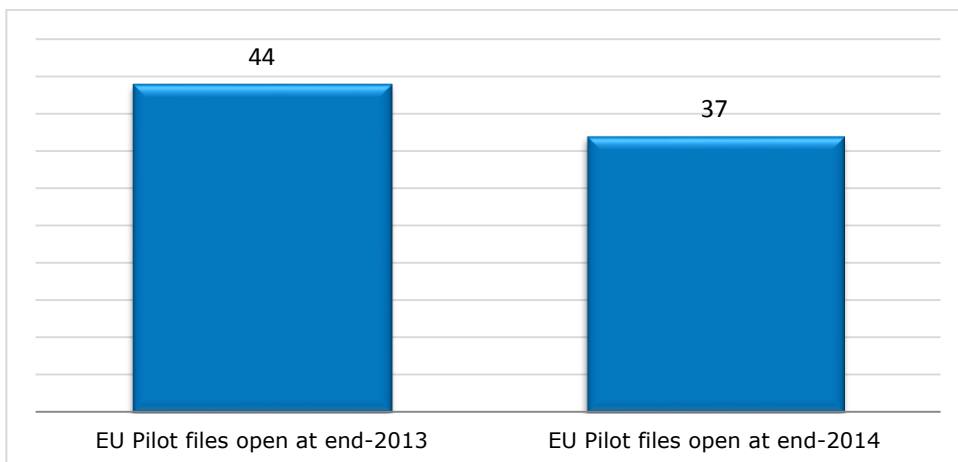


II. EU PILOT

1. New EU Pilot files opened against Cyprus (2011-14)

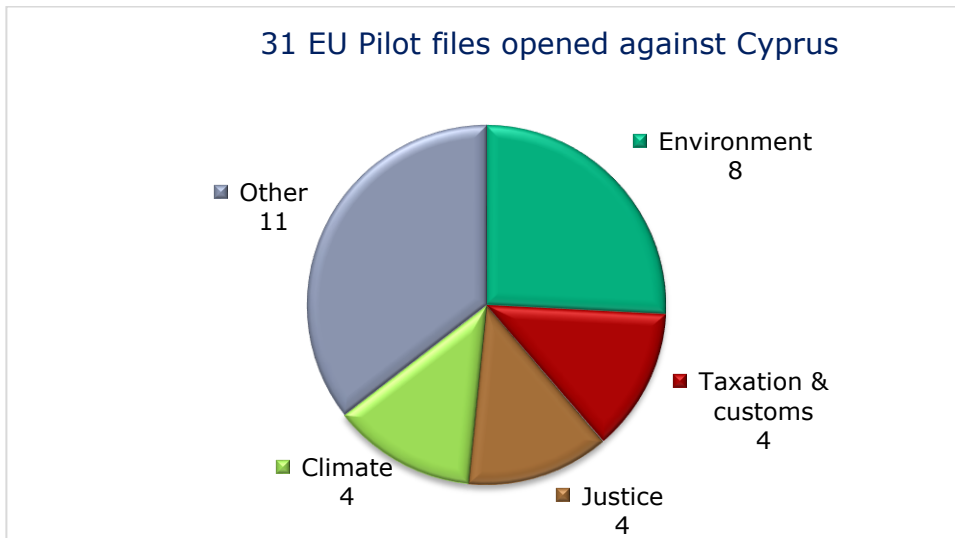


2. Evolution of files relating to Cyprus open in EU Pilot¹

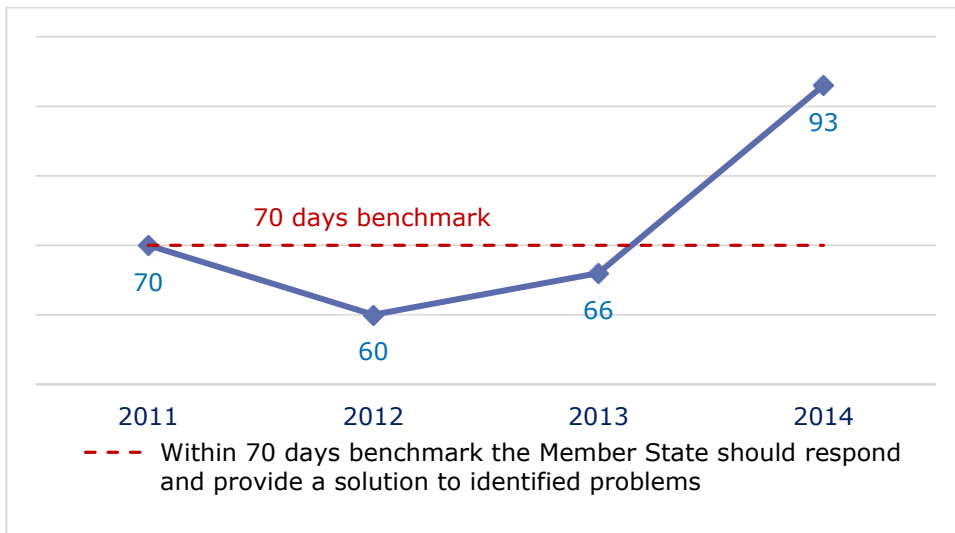


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

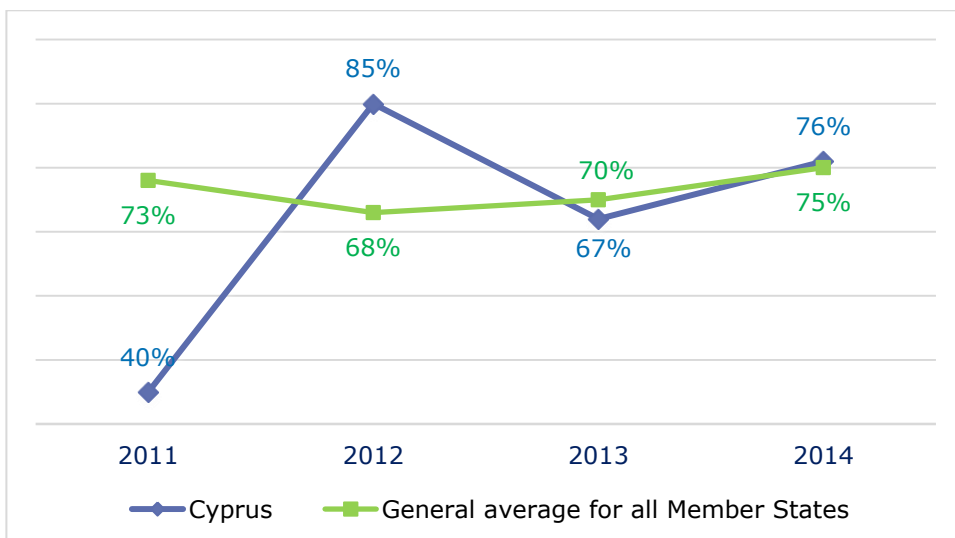
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

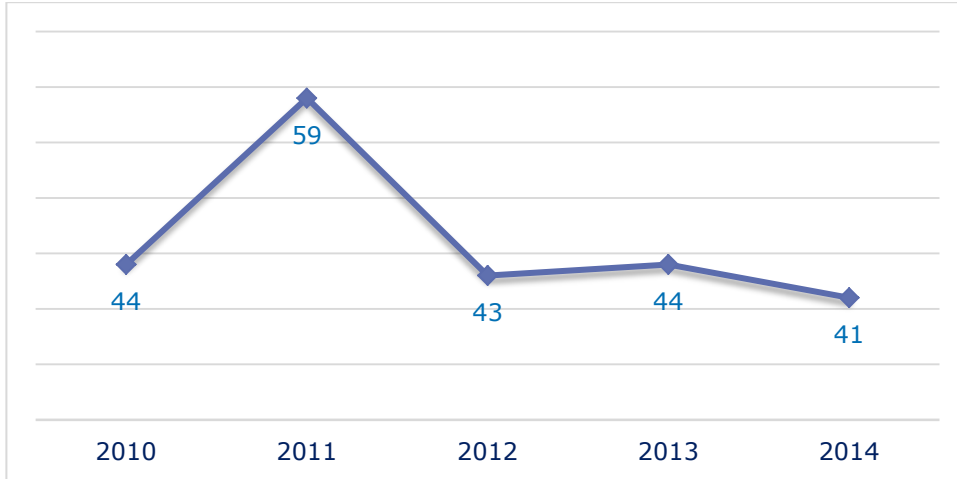


5. EU Pilot files: evolution of the resolution rate by Cyprus (2011-14)

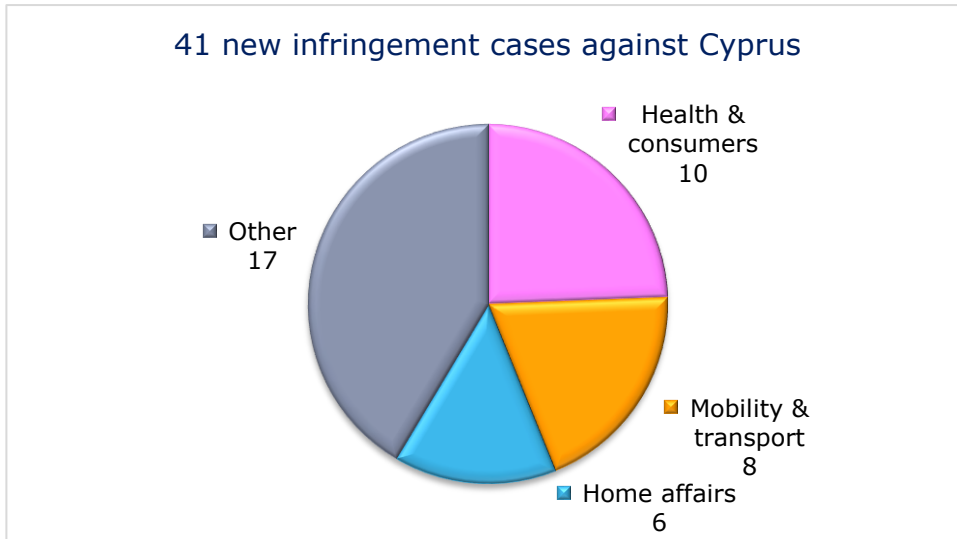


III. INFRINGEMENT CASES

1. Infringement cases against Cyprus open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 41 new infringement cases against Cyprus in 2014. These, and other major ongoing infringement cases, concern:
- obstacles to the registration of vehicles;
 - non-communication of measures transposing the directive on aerosol dispensers;²
 - incorrect application of the Unfair Commercial Practices Directive³ and the Directive on unfair terms⁴ in relation to the purchase of immovable property;
 - non-communication of measures transposing the Capital Requirements Directive;⁵
 - significant impact from a development project in the area of Limni and the lack of strict protection of the Caretta Caretta species of turtle;

² Directive [2013/10/EU](#).

³ Directive [2005/29/EC](#).

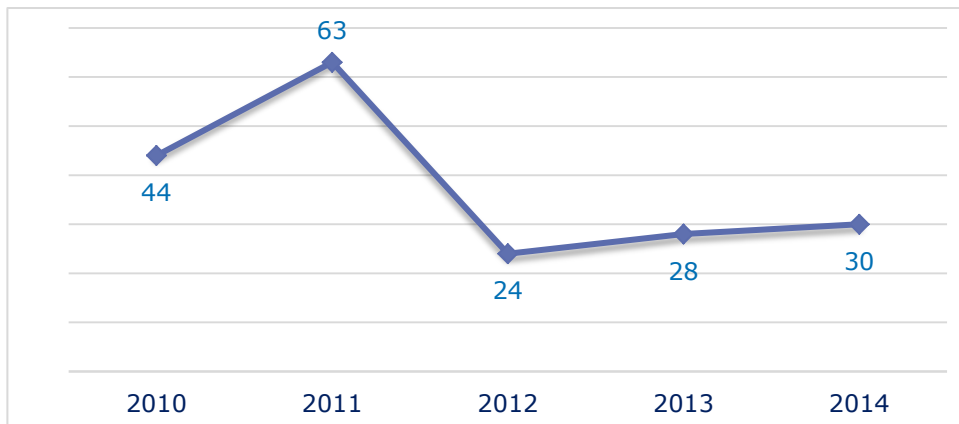
⁴ Directive [93/13/EEC](#).

⁵ Directive [2013/36/EU](#), [MEMO/14/589](#).

- the alleged systematic detention of certain categories of asylum applicants without properly assessing the need for detention, and the lack of an effective remedy against detention orders;⁶
 - the late transposition of the Directive on the Single Permit for non-EU nationals,⁷ of the directive on standards for the qualification of non-EU nationals or stateless persons as beneficiaries of international protection⁸ and of the directive on combating the sexual abuse and sexual exploitation of children and child pornography;⁹
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹⁰ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹¹
 - discrimination against non-Cypriot EU nationals in bus transport;
 - lack of connection to the EU driving licence network (RESPER);
 - incorrect implementation of the directive¹² laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during part of their pregnancy.¹³
- b) The Commission referred one case to the Court under Article 258 TFEU. It concerns:
- the incompatibility with EU law of Cyprus' pensions rights for Cypriot nationals under 45 years old working in the EU institutions;¹⁴
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Cyprus (2010-14)



⁶ In breach of Council Directives [2003/9/EC](#), [2005/85/EC](#) and Article 47 of the EU Charter of Fundamental Rights.

⁷ Directive [2011/98/EU](#).

⁸ Directive [2011/95/EU](#).

⁹ Directive [2011/92/EU](#).

¹⁰ Regulation (EC) No [550/2004](#).

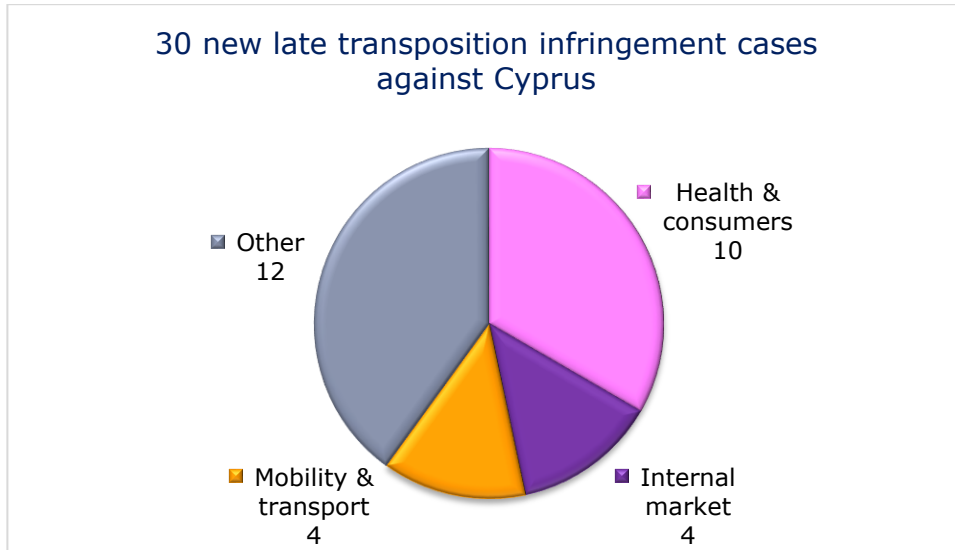
¹¹ [IP/14/818](#).

¹² Directive [2008/120/EC](#).

¹³ [MEMO/14/36](#).

¹⁴ The Commission decided on 26 September 2013 to refer the case to the Court; the application was filed on 14 November 2014, *Commission v Cyprus* [C-515/14](#), [IP/13/869](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to fully transpose the Oil Stocks Directive and the Renewable Energy Directive;¹⁵
- non-communication of measures transposing the Industrial Emissions Directive;¹⁶
- failure to fully transpose the directive on the geological storage of carbon dioxide;¹⁷
- late transposition of the directive on preventing and combating trafficking in human beings and protecting its victims;¹⁸
- late transposition of the 'Sharp injuries' Directive.¹⁹

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

No major preliminary rulings were addressed to the Cypriot judiciary in 2014.

¹⁵ [IP/14/156](#) and [IP/13/259](#).

¹⁶ Directive [2010/75/EU](#).

¹⁷ Directive [2009/31/EC](#).

¹⁸ Directive [2011/36/EU](#).

¹⁹ Directive [2010/32/EU](#).

CZECH REPUBLIC

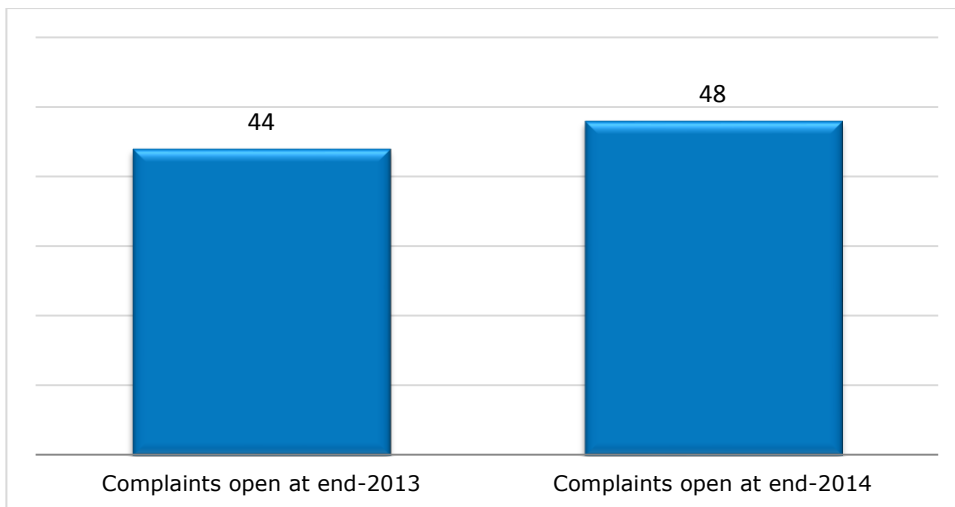
After a significant fall in 2012, the number of new complaints made against the Czech Republic has remained stable. New EU Pilot files opened against the Czech Republic fell from 2013's peak. The overall number of pending infringement cases has remained fairly steady since the big drop in 2012. New infringement cases for late transposition have fallen considerably since 2011.

I. COMPLAINTS

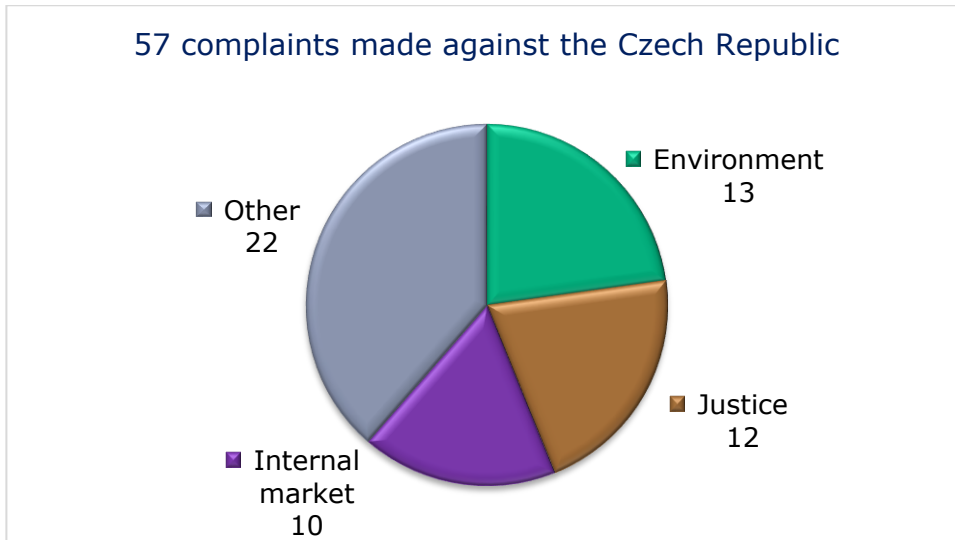
1. New complaints made against the Czech Republic by member of the public (2011-14)



2. Evolution of complaints against the Czech Republic

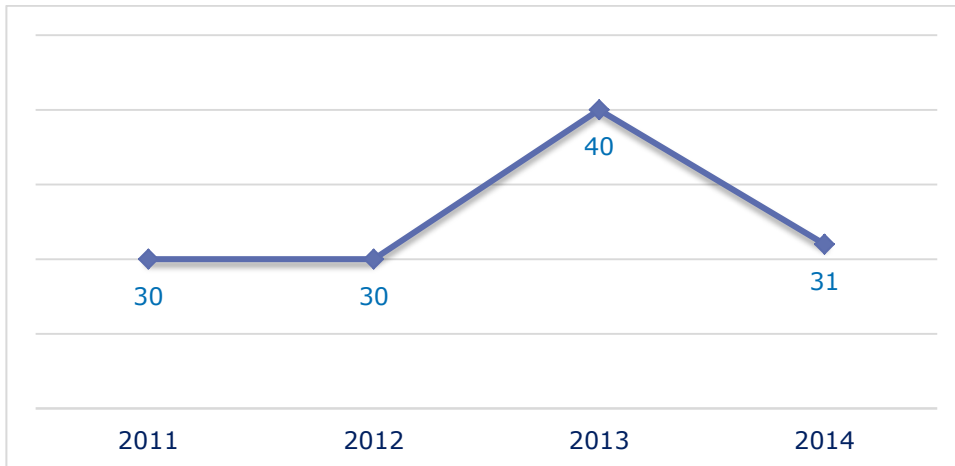


3. New complaints registered in 2014: main policy areas

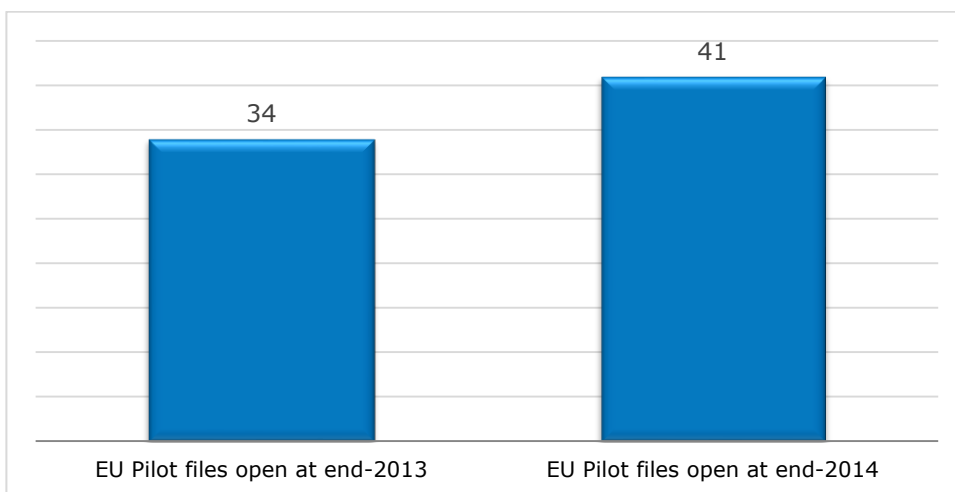


II. EU PILOT

1. New EU Pilot files opened against the Czech Republic (2011-14)

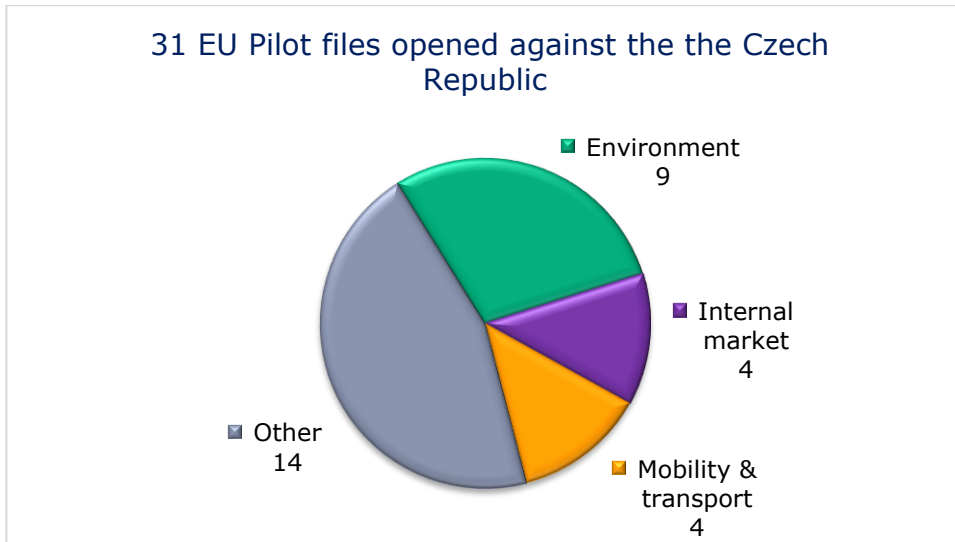


2. Evolution of files relating to the Czech Republic open in EU Pilot¹

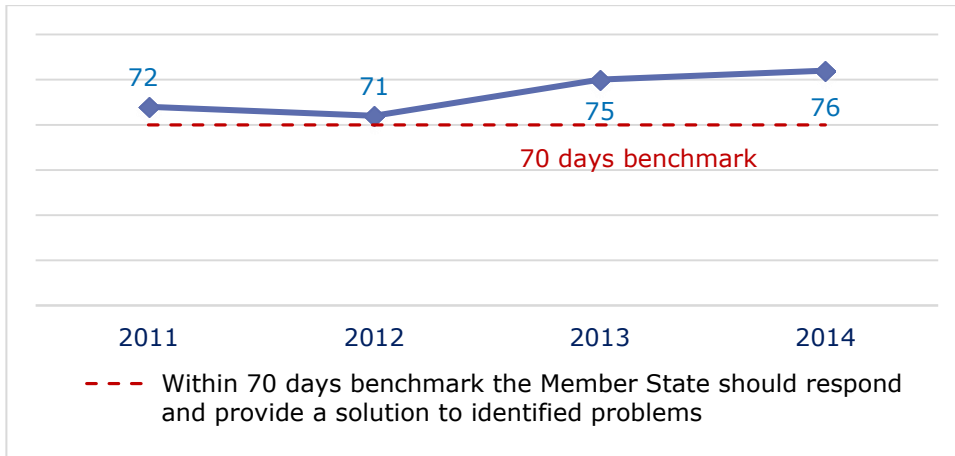


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

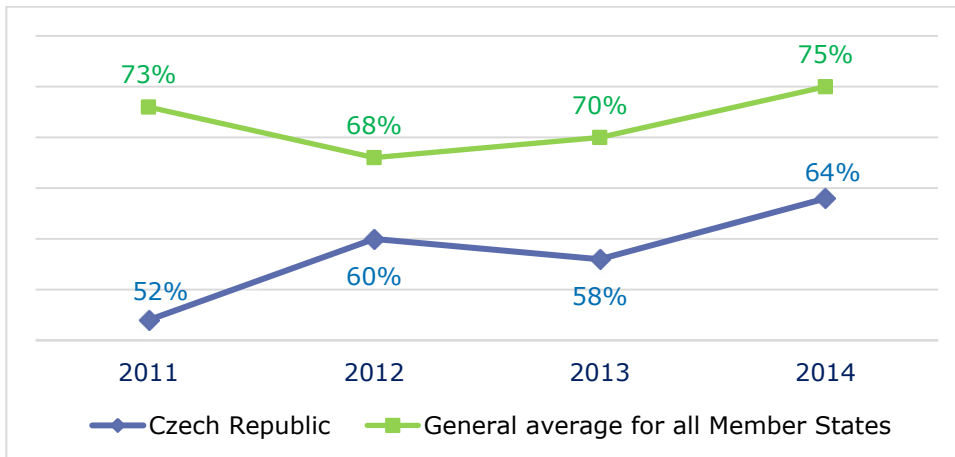
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

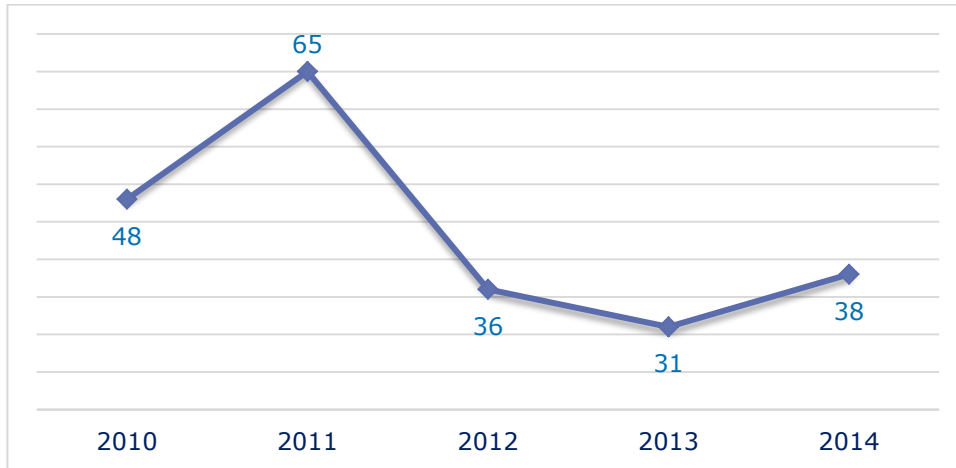


5. EU Pilot files: evolution of the resolution rate by the Czech Republic (2011-14)

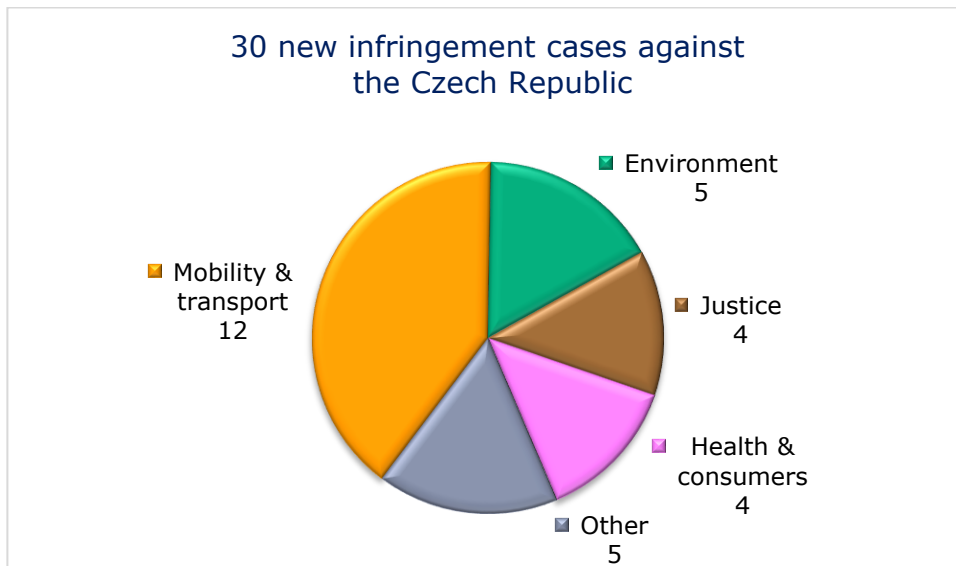


III. INFRINGEMENT CASE

1. Infringement cases against the Czech Republic open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 30 new infringement cases against the Czech Republic in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity with the Waste Directive;²
 - nonconformity with the Racial Equality Directive³ due to discrimination against Roma children by disproportionately and systematically placing them in special schools meant for children with disabilities;
 - implementation of the right to appeal against a visa refusal;⁴
 - the right of EU nationals to become members of a political party or to found one in the Member State of residence;⁵
 - transposition of the Free Movement Directive;⁶
 - requirement to have Czech nationality to work as notary;

² Directive [2008/98/EC](#).

³ Directive [2000/43/EC](#).

⁴ [MEMO/14/589](#).

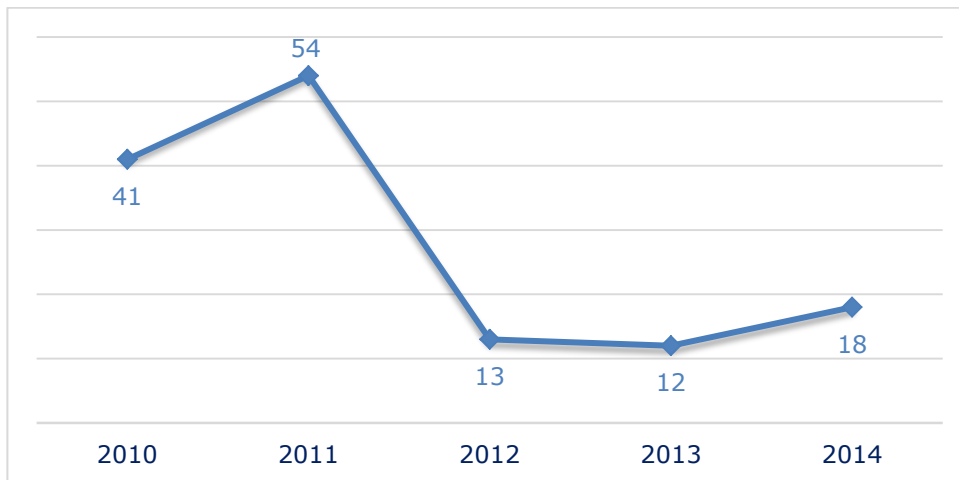
⁵ [MEMO/14/293](#).

⁶ Directive [2004/38/EC](#).

- late notification of measures transposing the Capital Requirements Directive;⁷
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁸ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁹
 - lack of a register of road transport undertakings and of a connection to the European system, and failure to fulfil preconditions necessary for the European Electronic Toll Service to function;
 - incomplete notification of measures transposing the Cross-border Healthcare Directive;¹⁰
- b) The Commission referred one case to the Court under Article 258 TFEU. It concerns:
- rules on the hallmarking of jewellery. The Czech Assay Office requires certain articles of jewellery imported from another EU country to be stamped with an additional national hallmark even when they have already been lawfully hallmarked and marketed in the EU.¹¹
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against the Czech Republic (2010-14)



⁷ Directive [2013/36/EU](#).

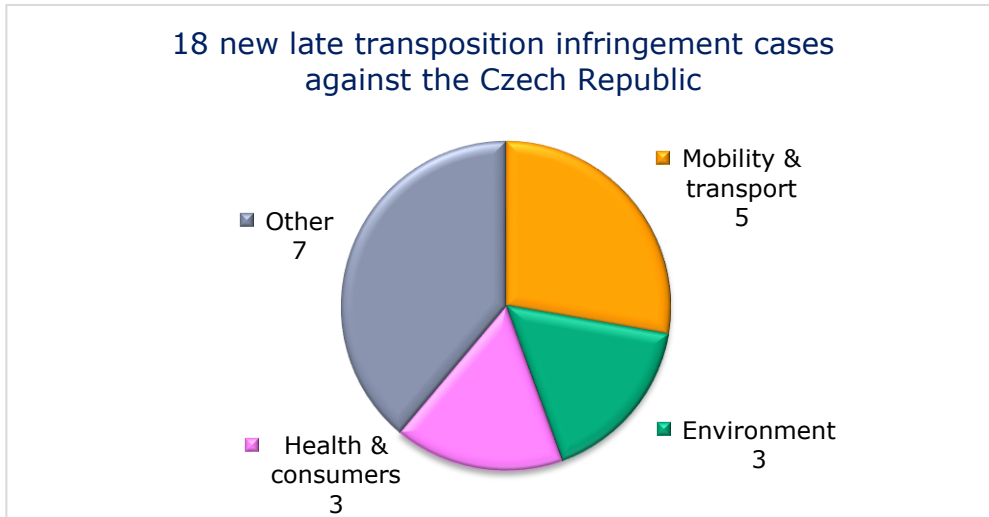
⁸ Regulation (EC) No [550/2004](#).

⁹ [IP/14/818](#).

¹⁰ Directive [2011/24/EU](#) and [MEMO/14/537](#).

¹¹ Commission v Czech Republic, [C-525/14](#), [IP/14/785](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- incorrect implementation of the First Railway Package;
- designation of national bodies and sanctions in relation to the protection of passenger rights;
- inspection of carriers in the area of aviation security.

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Czech judiciary, the Court ruled that:

- the EU Copyright Directive¹² does not allow health establishments to be exempted from the payment of copyright fees. The monopoly granted to the Czech copyright collecting society to collect fees for the use of composers' musical works is compatible with the freedom to provide services;¹³ Moreover, the grant of this territorial monopoly over the management of copyright is not, as such, contrary to competition rules either (Article 106 in conjunction with Article 102 TFEU);
- the operation of a camera system installed by an individual in his family home to protect the property and the health and life of the home owned, but which also monitors a public space, is not considered as processing for a purely personal or household activity and therefore falls within the scope of the Data Protection Directive.¹⁴

¹² Directive [2001/29/EC](#).

¹³ OSA, [C-351/12](#) Court press release No [23/14](#).

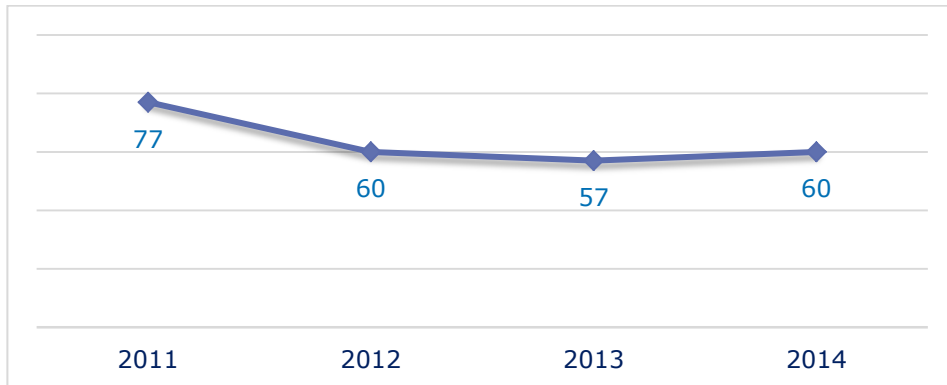
¹⁴ Rynes, [C-212/13](#) and Court press release No [175/14](#).

DENMARK

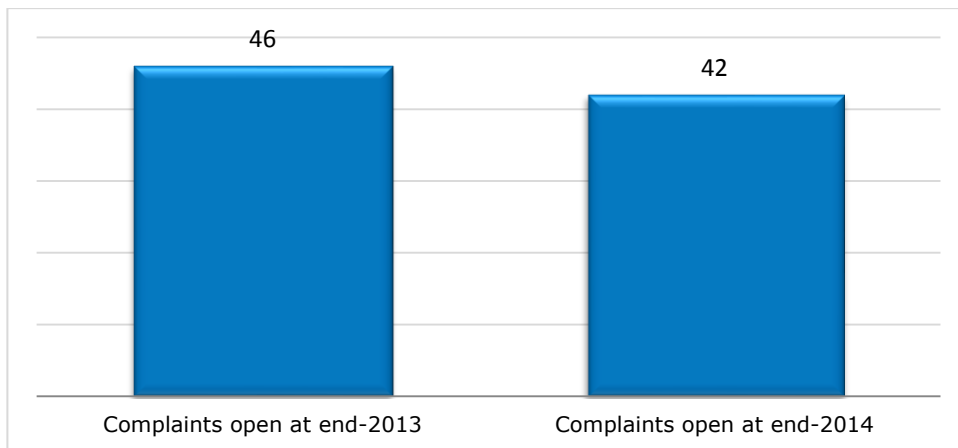
The number of new complaints made against Denmark has remained relatively stable over the last four years. After reaching a peak in 2013, new EU Pilot files opened against Denmark fell considerably in 2014. The overall number of pending infringement cases has not changed much over the last five years. However, infringement cases against Denmark for late transposition increased in 2014 for the first time since 2011.

I. COMPLAINTS

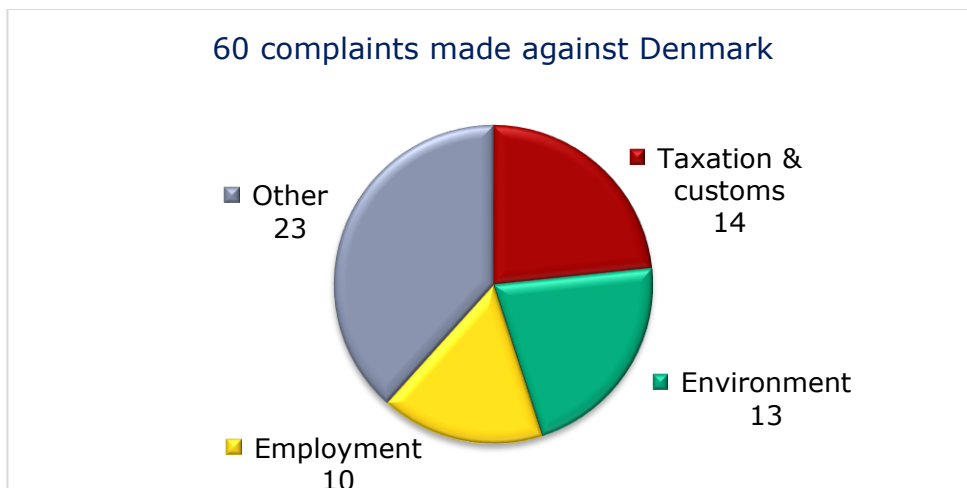
1. New complaints made against Denmark by members of the public (2011-14)



2. Evolution of complaints against Denmark

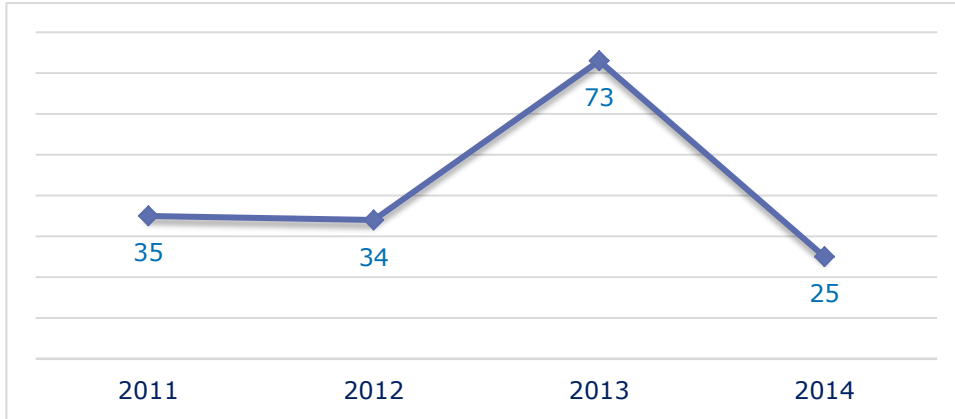


3. New complaints registered in 2014: main policy areas

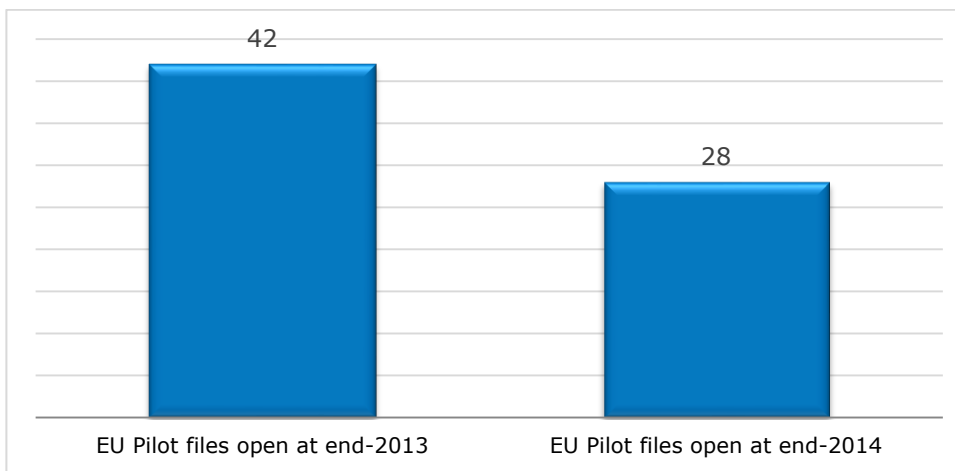


II. EU PILOT

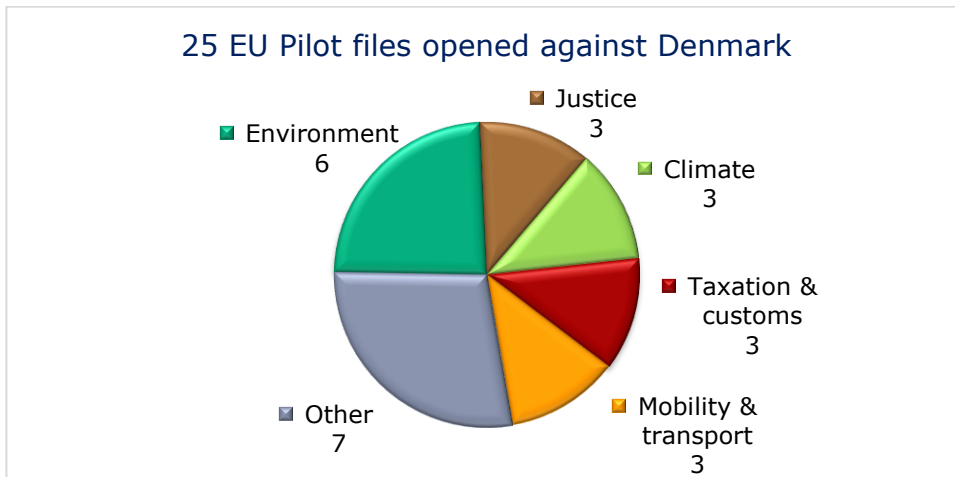
1. New EU Pilot files opened against Denmark (2011-14)



2. Evolution of files relating to Denmark open in EU Pilot¹

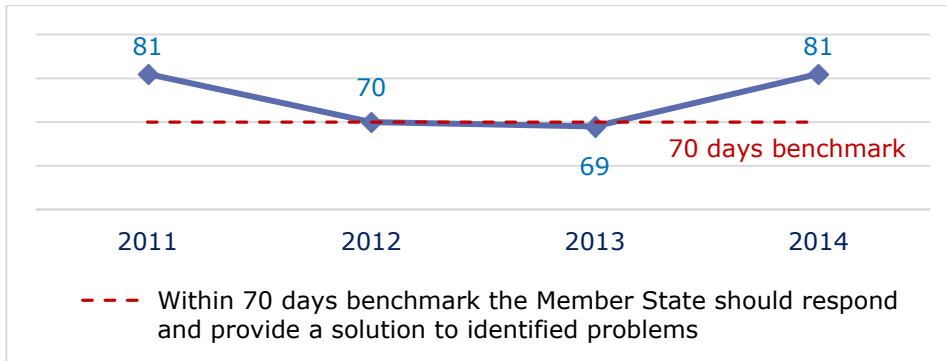


3. New EU Pilot files opened in 2014: main policy areas

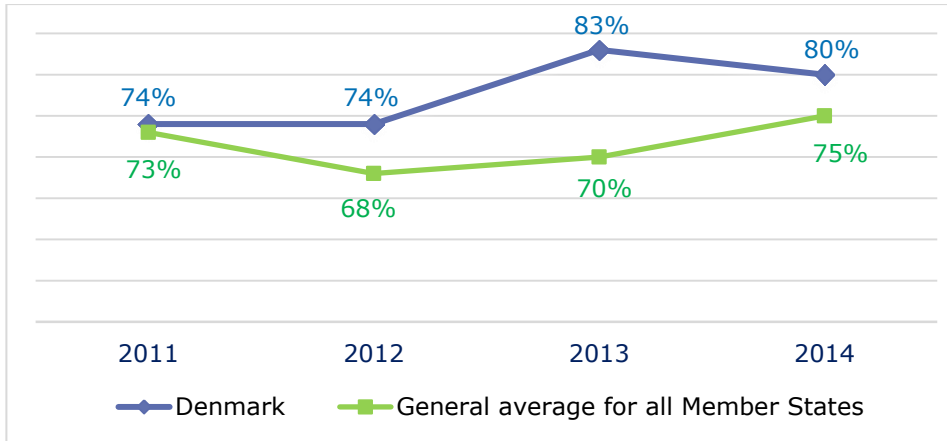


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

4. EU Pilot files: average response time in days (2011-14)

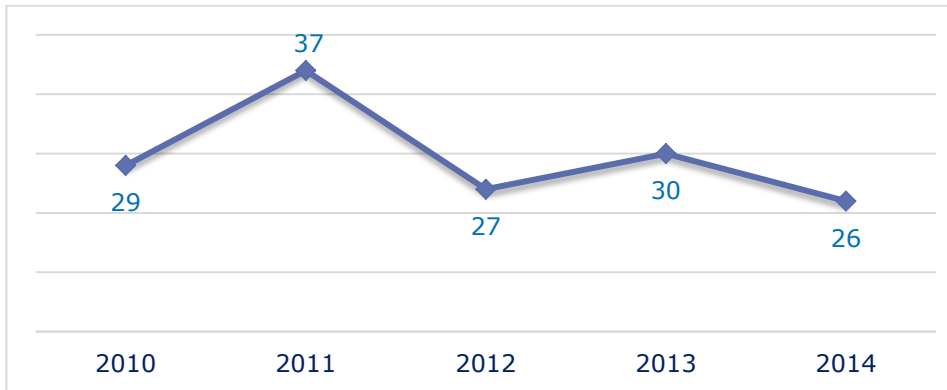


5. EU Pilot files: evolution of the resolution rate by Denmark (2011-14)

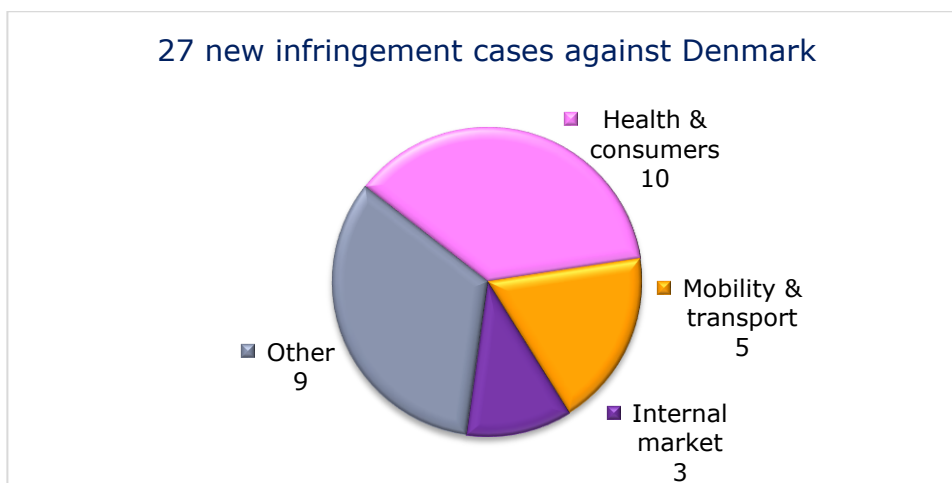


III. INFRINGEMENT CASES

1. Infringement cases against Denmark open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 27 new infringement cases against Denmark in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity of the National Holiday Act with Article 7 of the Working Time Directive by imposing a one-year delay between the accrual and exercise of annual leave rights;²
 - difference of treatment between permanent staff and part-time staff employed in the municipal education sector. Various collective agreements exclude part-time staff from a number of benefits that full-time employees receive. The directive on part-time work requires the equal treatment of part-time staff and permanent staff doing similar work;³
 - nonconformity of the national transposition measures with the Marine Strategy Framework Directive;⁴
 - non-communication of national measures transposing the Capital Requirements Directive;⁵
 - restrictions on non-resident hauliers' access to the Danish road transport market;⁶
 - incorrect application of the regulation on the rights of bus and coach passengers due to a lack of designated bus terminals for disabled passengers;⁷
 - nonconformity of the national transposition measures with the directive on railway safety;⁸
 - discriminatory taxation of foreign investment funds.⁹
- b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:
- Denmark's lack of river basin management plans, which are required under the Water Framework Directive;¹⁰
 - Denmark's failure to amend its national legislation to ban all forms of snus, an oral tobacco product sold both loose and in small sachets.

² Directive [2003/88/EC](#).

³ Directive [97/81/EC](#) and [MEMO/13/583](#).

⁴ Directive [2008/56/EC](#).

⁵ Directive [2013/36/EU](#).

⁶ Regulation (EC) No [1072/2009](#).

⁷ Regulation (EU) No [181/2011](#).

⁸ [MEMO/14/36](#).

⁹ [MEMO/13/375](#).

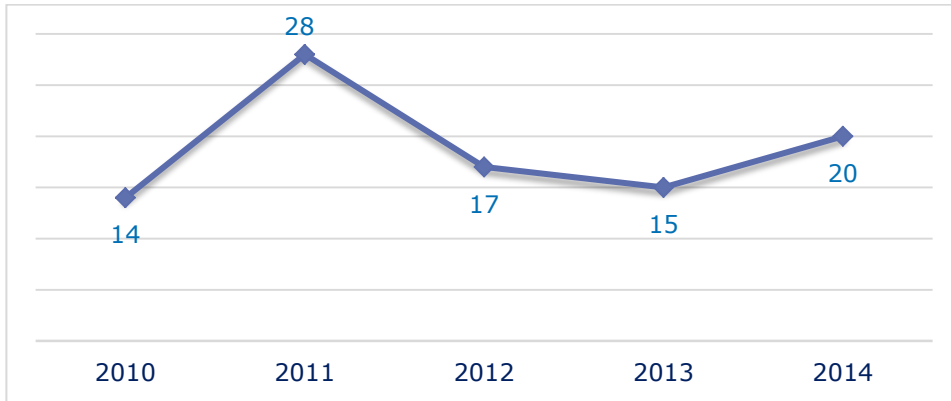
¹⁰ Commission v Denmark, [C-323/11](#) and [C-190/14](#), [IP/14/157](#).

All forms of snus are banned from sale in the EU, with the exception of Sweden.¹¹

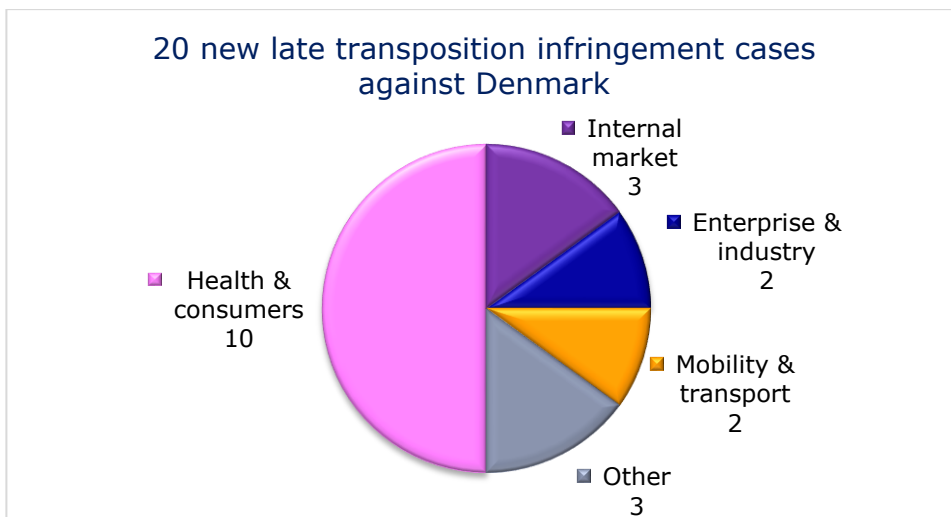
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Denmark (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to comply with the Competition Directive¹² by obliging property owners to become paying members of a particular local cable TV association;
- authorisations for mussel fishing in Natura 2000 sites;
- unjustified restrictions on non-resident hauliers transporting empty pallets and containers into and within Denmark;

¹¹ Commission v Denmark, [C-468/14](#), [IP/14/812](#).

¹² Directive [2002/77/EC](#).

- incorrect application of the directive laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during a part of their pregnancy.¹³

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Denmark failed to comply with Water Framework Directive by failing to adopt and notify the river basin management plans the directive requires.¹⁴

2. Preliminary rulings

In preliminary rulings addressed to the Danish judiciary, the Court ruled that:

- at the reasonable request of competing operators aiming to access and use specific network elements and facilities, the Danish national regulatory authority may oblige an electronic communications operator with significant power in a given market to install specific cables provided that this obligation is based on the nature of the problem identified, is proportionate and is justified under the Framework Directive. The fulfilment of these criteria is for the national court to verify.¹⁵ The Court has also taken into account the initial investment of the operator concerned and the price control mechanism that allows the recovery of installation costs;¹⁶
- the obesity of a worker can be a disability covered by the directive on employment equality¹⁷ if it hinders a person's full and effective participation in personal and professional life on an equal basis with other workers.¹⁸

¹³ Directive [2008/120/EC](#).

¹⁴ Commission v Denmark, [C-190/14](#).

¹⁵ Directive [2002/21/EC](#).

¹⁶ TDC A/S v Teleklagenævnet, [C-556/12](#).

¹⁷ Directive [2000/78/EC](#).

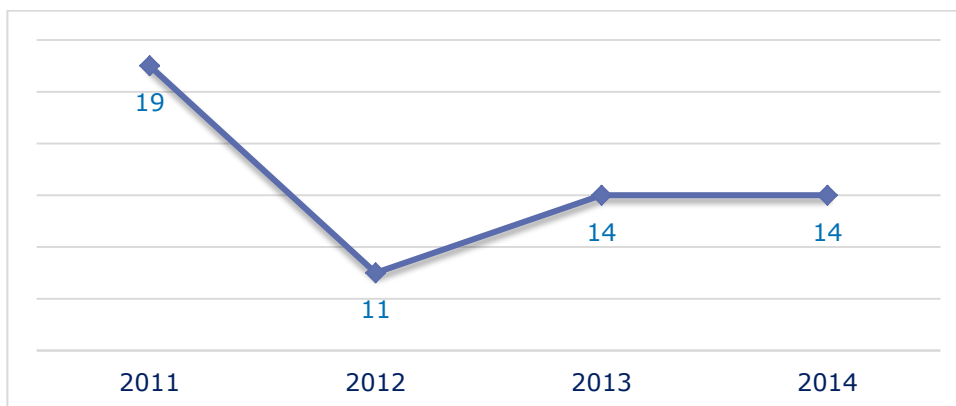
¹⁸ FOA, [C-354/13](#).

ESTONIA

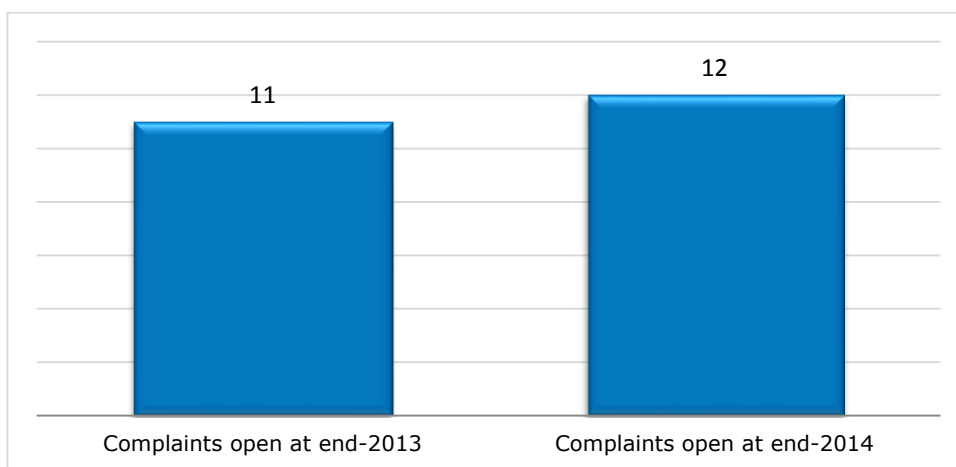
The number of new complaints made against Estonia has not varied greatly over the last four years, and new EU Pilot files opened against it have held relatively stable over the same period. The downward trend in the number of pending infringement cases continued in 2014. New infringement cases for late transposition also fell slightly.

I. COMPLAINTS

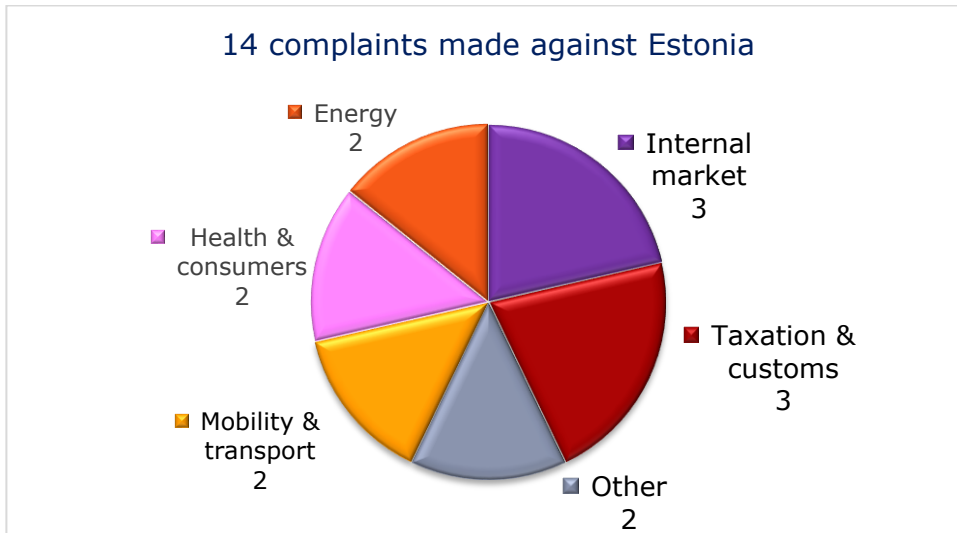
1. New complaints made against Estonia by members of the public (2011-14)



2. Evolution of complaints against Estonia

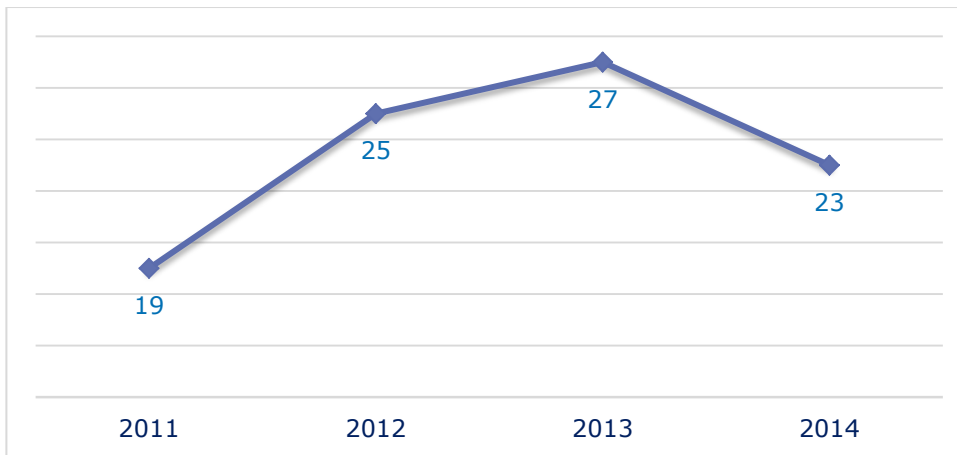


3. New complaints registered in 2014: main policy areas

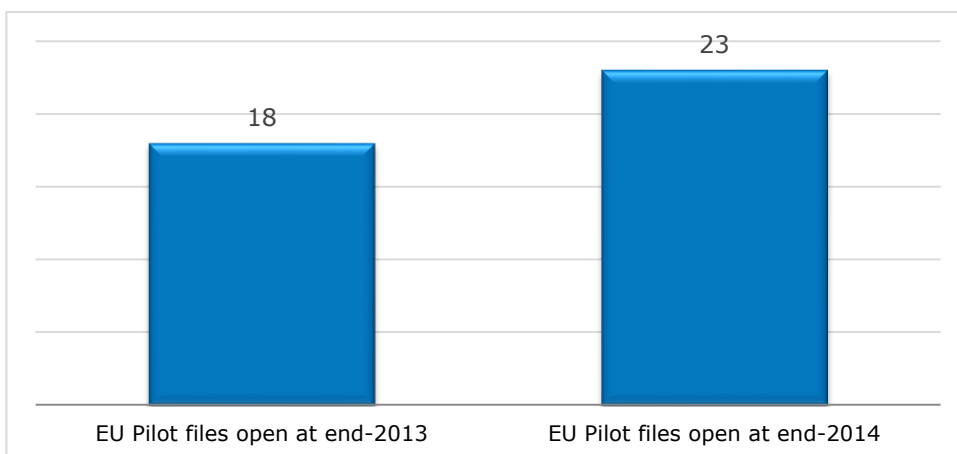


II. EU PILOT

1. New EU Pilot files opened against Estonia (2011-14)

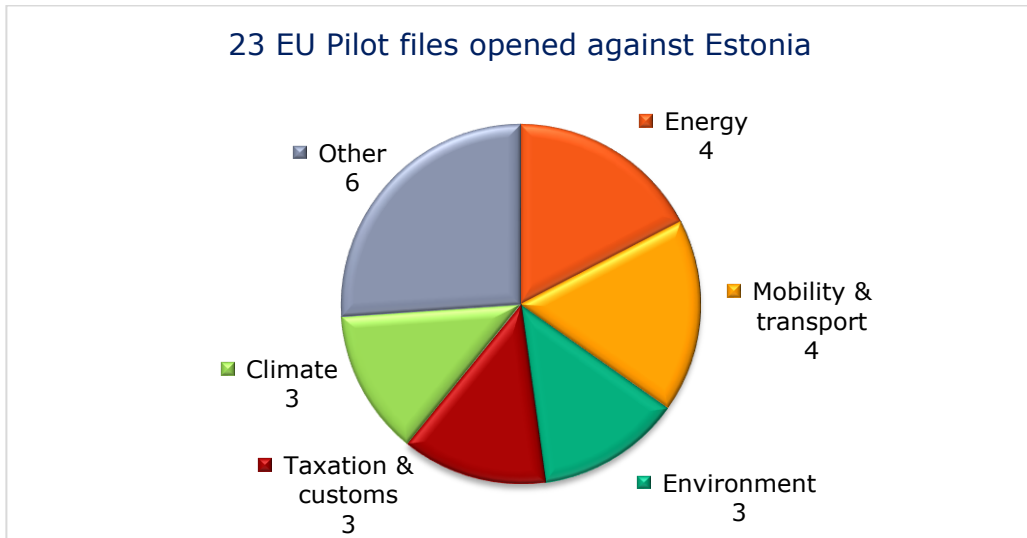


2. Evolution of files relating to Estonia open in EU Pilot¹

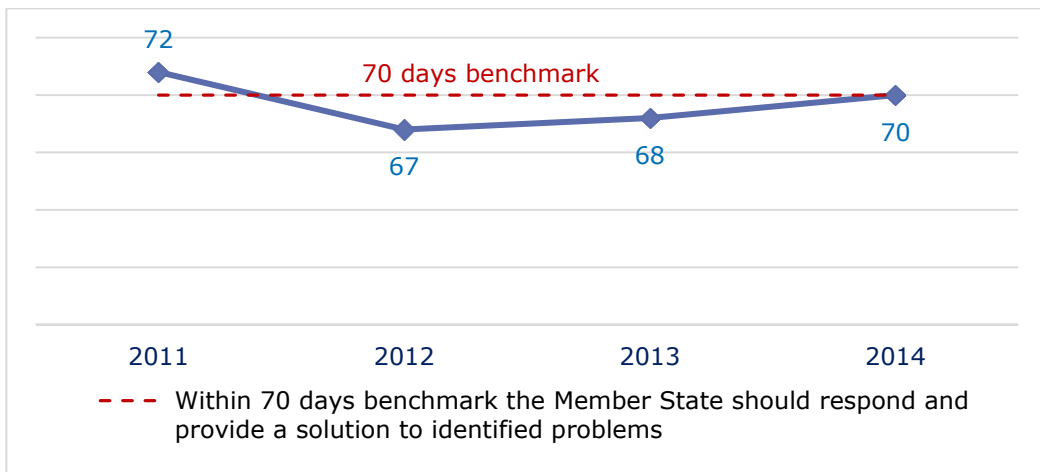


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

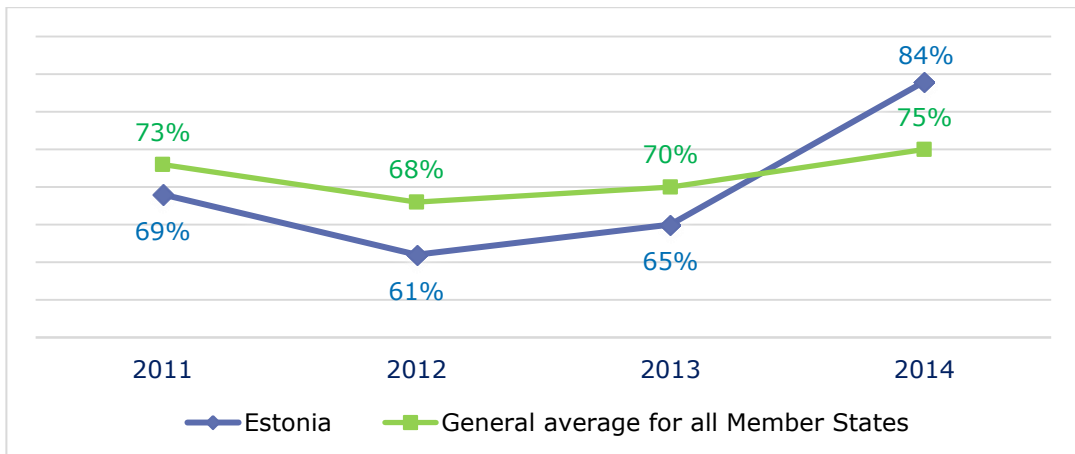
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

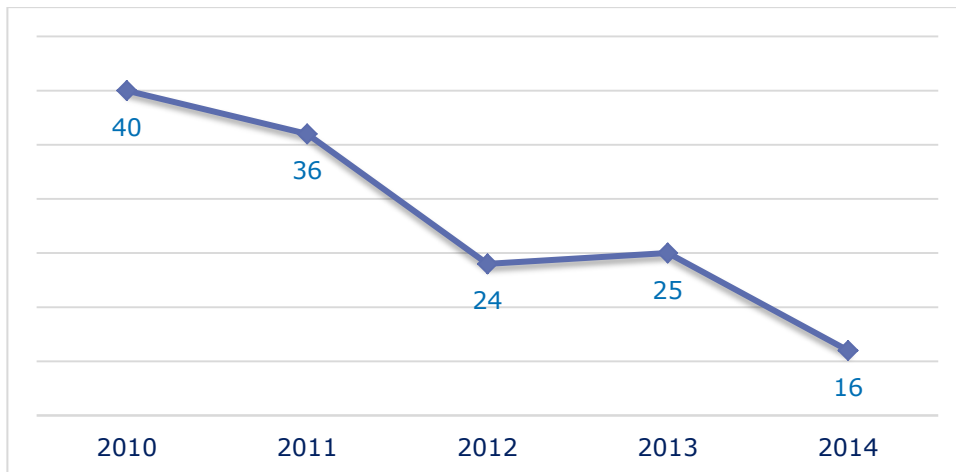


5. EU Pilot files: evolution of the resolution rate by Estonia (2011-14)

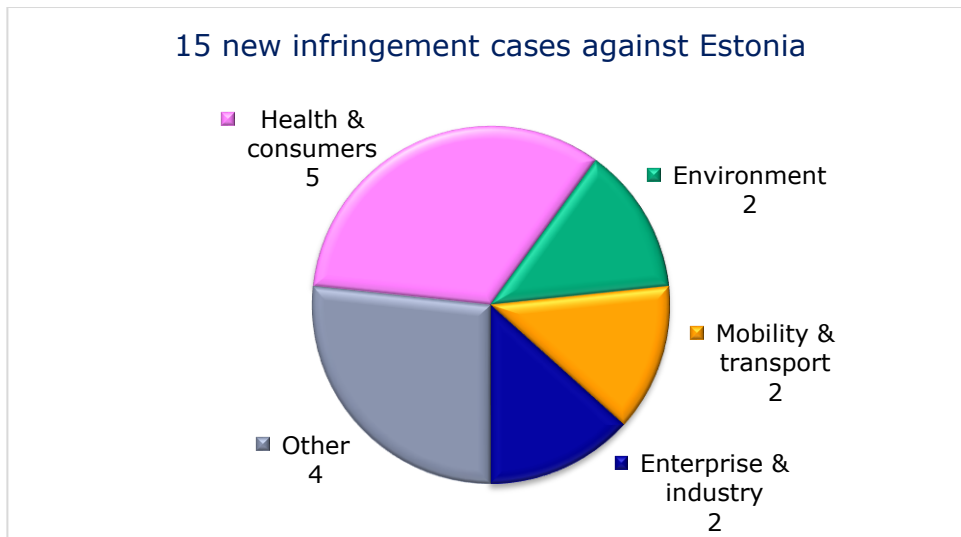


III. INFRINGEMENT CASES

1. Infringement cases against Estonia open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 15 new infringement cases against Estonia in 2014. These, and other major ongoing infringement cases, concern:
- obstacles to the parallel imports of pharmaceuticals;
 - restrictions on the marketing of cigarettes. In Estonia, a time limit for the sale of cigarettes is linked to the fiscal stamp on the packaging. Three months after a new tax marking design enters into force, cigarettes bearing the old marking are no longer allowed to be sold;²
 - incomplete transposition of the Marine Strategy Framework Directive;³
 - lack of effective judicial remedy against the refusal, annulment or revocation of a visa, in breach of the provisions of the Visa Code;⁴
 - non-communication of national measures transposing the Capital Requirements Directive;⁵

² [MEMO/14/537](#).

³ Directive [2008/56/EC](#).

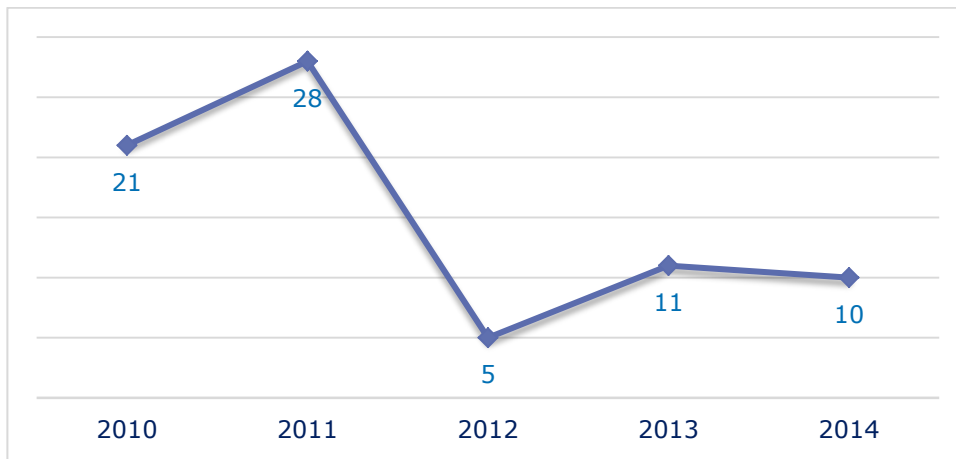
⁴ [MEMO/14/589](#).

⁵ Directive [2013/36/EU](#).

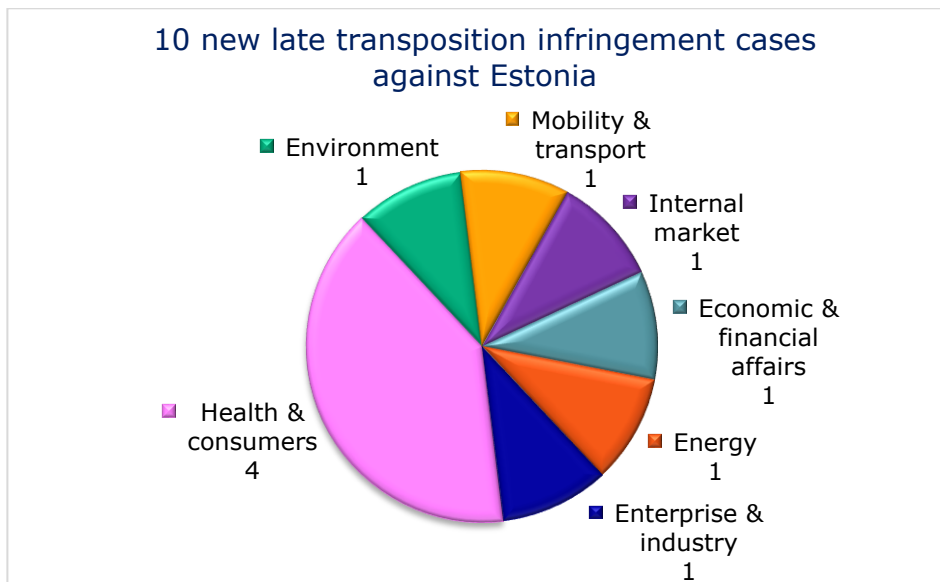
- failure to connect to and use the EU driving licence network (RESPER) under the directive on driving licences;⁶
 - incorrect transposition of the directive on railway safety;⁷
 - failure to notify full transposition of the Cross-border Healthcare Directive.⁸
- b) The Commission referred one case to the Court under Article 258 TFEU. It concerns:
- incorrect transposition of the directive on public access to environmental information.⁹
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Estonia (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



⁶ Directive [2006/126/EC](#).

⁷ [MEMO/14/537](#).

⁸ [MEMO/14/470](#).

⁹ Directive [2003/4/EC](#), Commission v Estonia, [C-206/14](#), [IP/14/158](#). Estonia subsequently adopted the necessary legislative amendments and the Commission withdrew the Court application.

3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- under national law, the Ministry of Economic Affairs and Communications carried out certain regulatory tasks, including managing radio frequency allocations and granting frequency authorisations. At the same time it controlled the largest TV and radio broadcast network operator in Estonia (the state-owned company Levira Ltd). These control tasks have been transferred to the Ministry of Finance, ensuring compliance with the Framework Directive for electronic communications networks and services;¹⁰
- failure to fully transpose the Electricity and Gas Directives;¹¹
- discriminatory taxation of foreign investment funds regarding income from real estate. While resident funds are entitled to a tax exemption for their real estate income, comparable funds established in other EU Member States and EEA countries are subject to tax.¹²

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Estonian judiciary, the Court ruled that:

- a programme manual adopted by a monitoring committee in the context of an operational programme established by two Member States and intended to promote European territorial cooperation, cannot prevent a decision of the monitoring committee rejecting an application for aid from being subject to appeal before a court of a Member State, as this would constitute a breach of Regulation (EC) No 1083/2006, read in conjunction with Article 47 of the Charter of Fundamental Rights of the European Union.¹³

¹⁰ Directive [2002/21/EC](#).

¹¹ Directives [2009/72/EC](#) and [2009/73/EC](#).

¹² [IP/11/718](#).

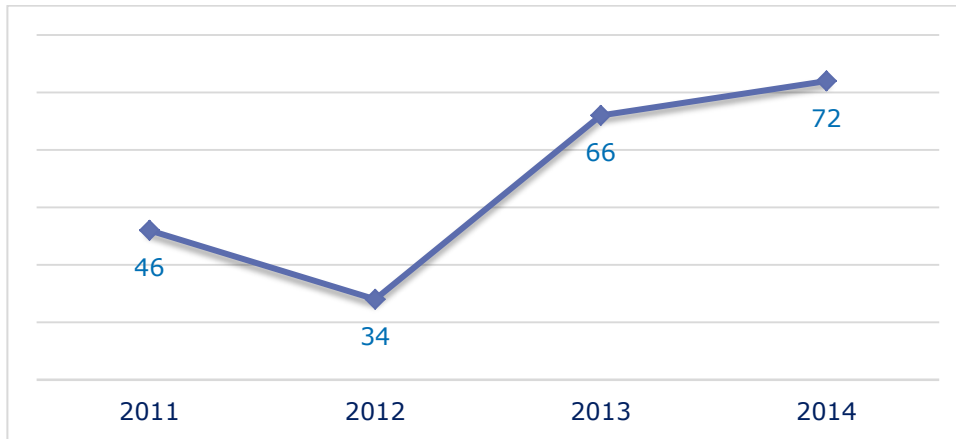
¹³ *Liivimaa Lihaveis MTÜ v Eesti-Läti programmi 2007-2013 Seirekomitee*, [C-562/12](#).

FINLAND

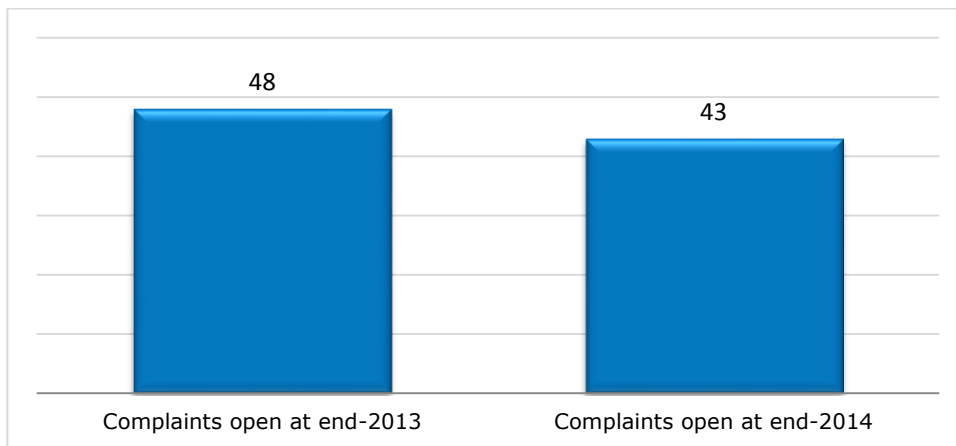
After falling in 2011 and 2012, the number of new complaints made against Finland increased in 2013 and 2014. However, new EU Pilot files opened against Finland showed a clear decline in 2014 after rising for three consecutive years. The number of pending infringement cases has fallen each year since 2011, while new infringement cases for late transposition held steady at less than one third of their 2011 peak.

I. COMPLAINTS

1. New complaints made against Finland by members of the public (2011-14)



2. Evolution of complaints against Finland

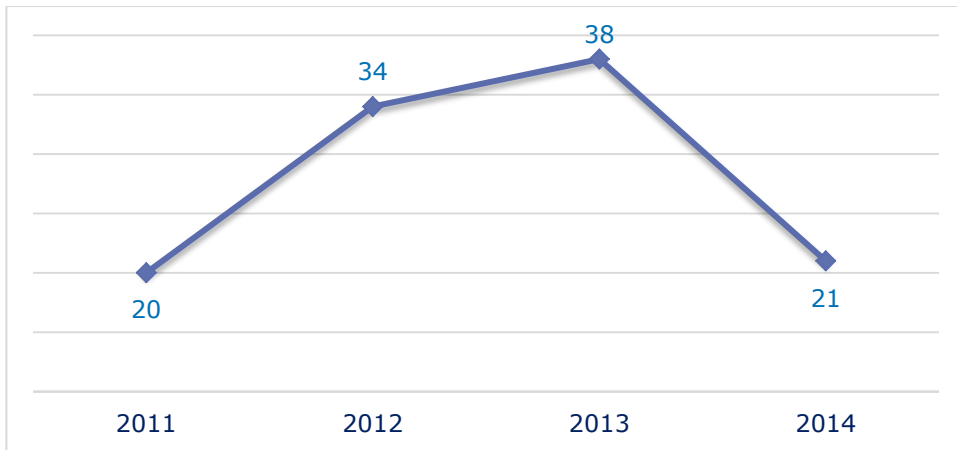


3. New complaints registered in 2014: main policy areas

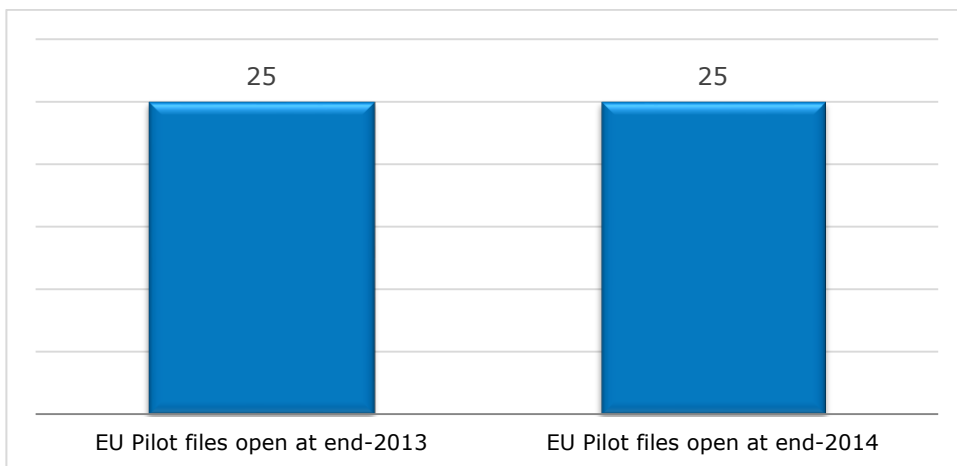


II. EU PILOT

1. New EU Pilot files opened against Finland (2011-14)

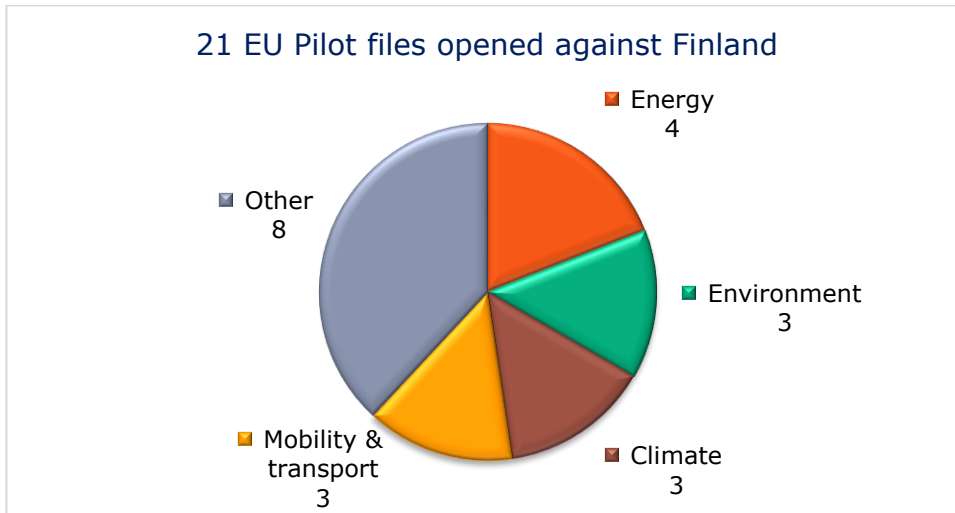


2. Evolution of files relating to Finland open in EU Pilot¹

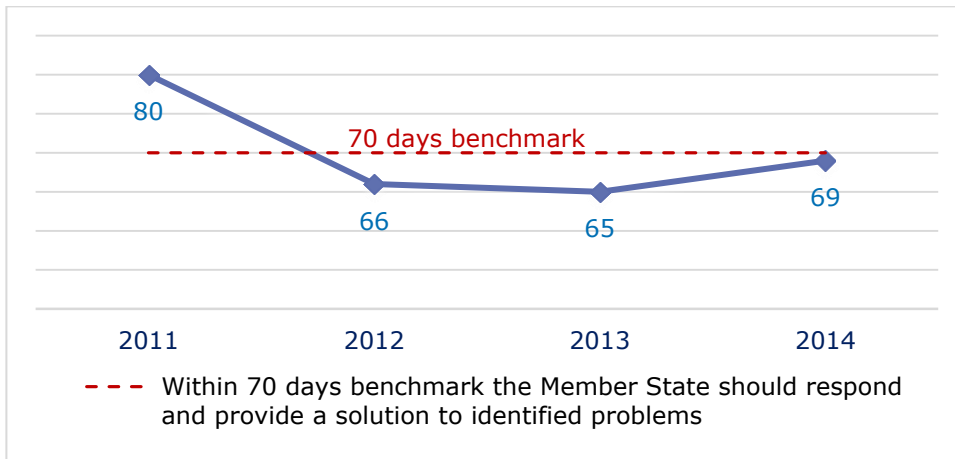


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

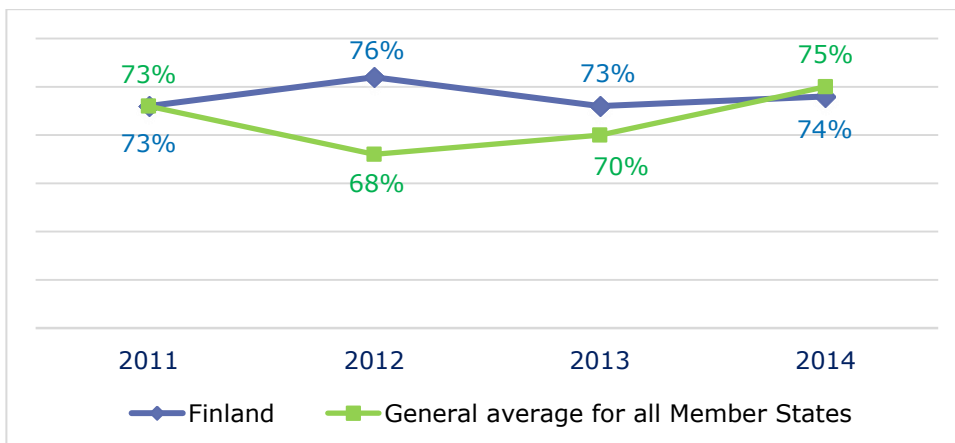
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

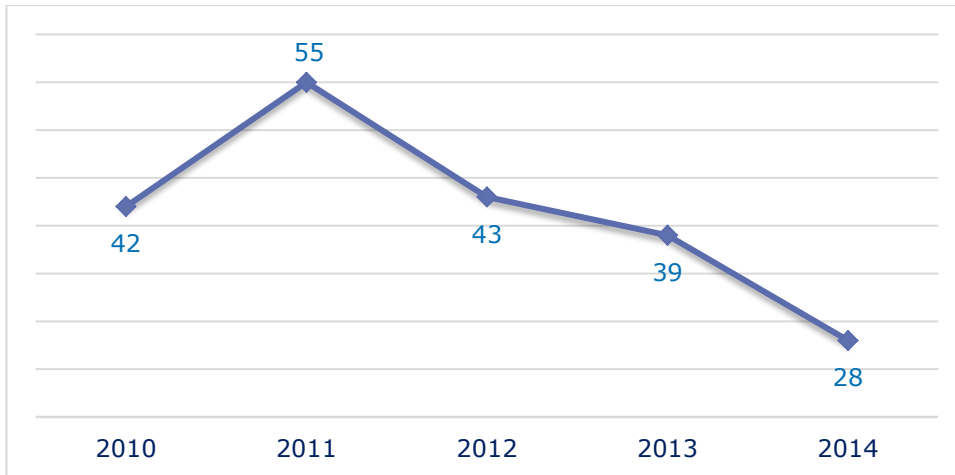


5. EU Pilot files: evolution of the resolution rate by Finland (2011-14)

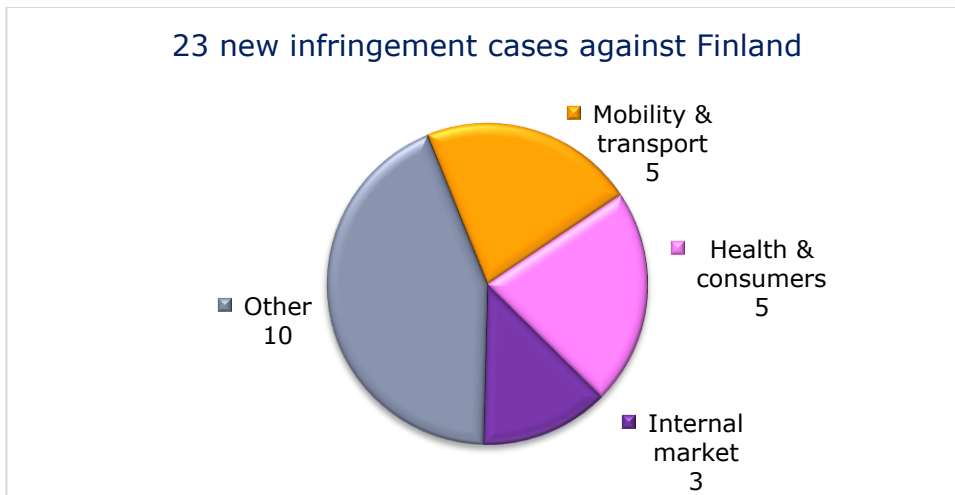


III. INFRINGEMENT CASES

1. Infringement cases against Finland open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 23 new infringement cases against Finland in 2014. These, and other major ongoing infringement cases, concern:
- implementation of the right to appeal against the refusal, annulment or revocation of a visa;²
 - non-communication of measures transposing the Capital Requirements Directive;³
 - maritime cabotage restrictions and discrimination against foreign companies;
 - nonconformity of road driving licences;
 - failure to notify full transposition of the Cross-border Healthcare Directive;⁴
 - incorrect transposition of the directive laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during part of their pregnancy.⁵

² [MEMO/14/2130](#).

³ Directive [2013/36/EU](#).

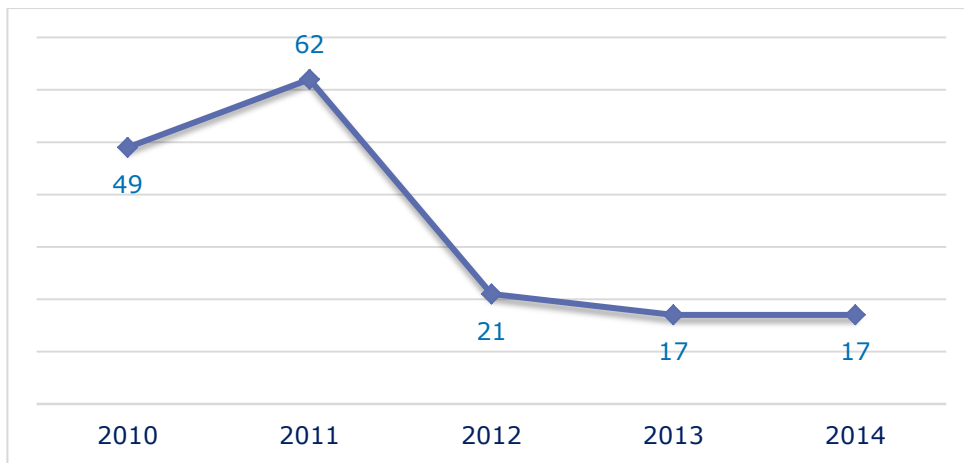
⁴ Directive [2011/24/EU](#), [MEMO/14/470](#).

⁵ Directive [2008/120/EC](#) and [MEMO/14/36](#).

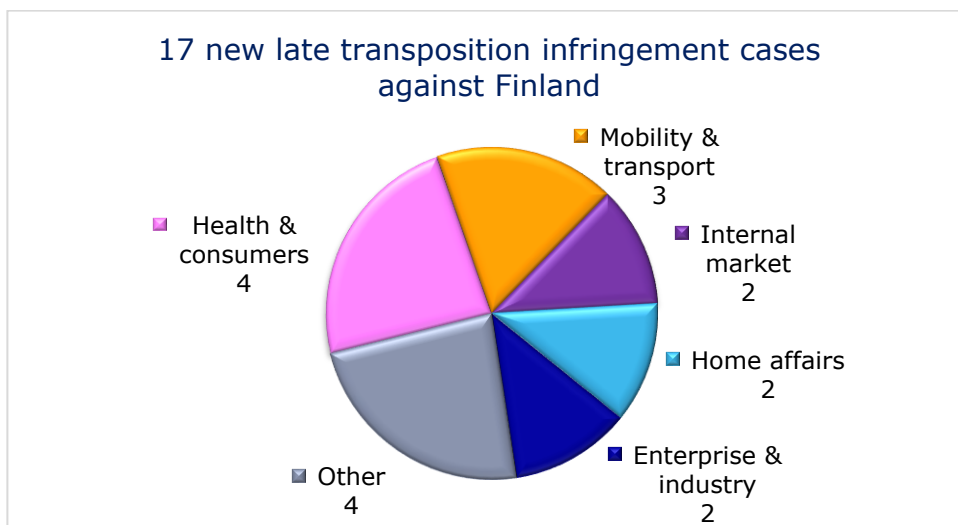
- b) The Commission referred one case to the Court under Article 258 TFEU. It concerns:
 - nonconformity with the Racial Equality Directive⁶, due to shortcomings in the competences of the national equality body which provides assistance to victims of discrimination.⁷
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Finland (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission referred one case to the Court under Articles 258 and 260(3) TFEU. This concerns:

- failure to fully transpose the Energy Performance of Buildings Directive.⁸ The Commission proposed a daily fine of EUR 19 178.25.

⁶ Directive [2000/43/EC](#).

⁷ The Commission decided on 14 July 2014 to refer the case to the Court; the application was filed on 26 November 2014, Commission v Finland, [C-538/14](#), [IP/14/811](#).

⁸ Directive [2010/31/EU](#), Commission v Finland, [C-329/14](#), [IP/14/447](#).

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to ensure adequate protection of the Saimaa ringed seal;
- incorrect transposition of the Mining Waste Directive;⁹
- discrimination in public transport in the Helsinki region;
- discriminatory taxation of legacies paid to non-resident non-profit organisations.

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Finnish judiciary, the Court ruled that:

- Member States are not allowed to take into account the different life expectancies of men and women when calculating the statutory benefit payable due to an accident at work.¹⁰

⁹ Directive [2006/21/EC](#).

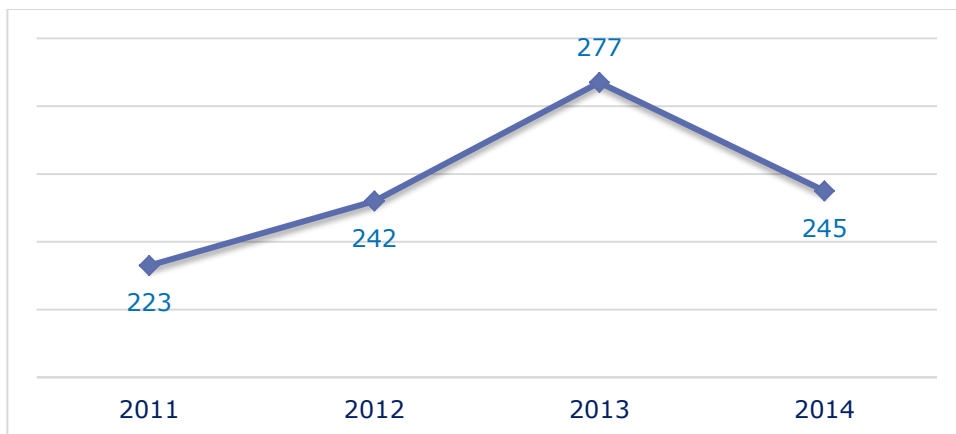
¹⁰ X., [C-318/13](#).

FRANCE

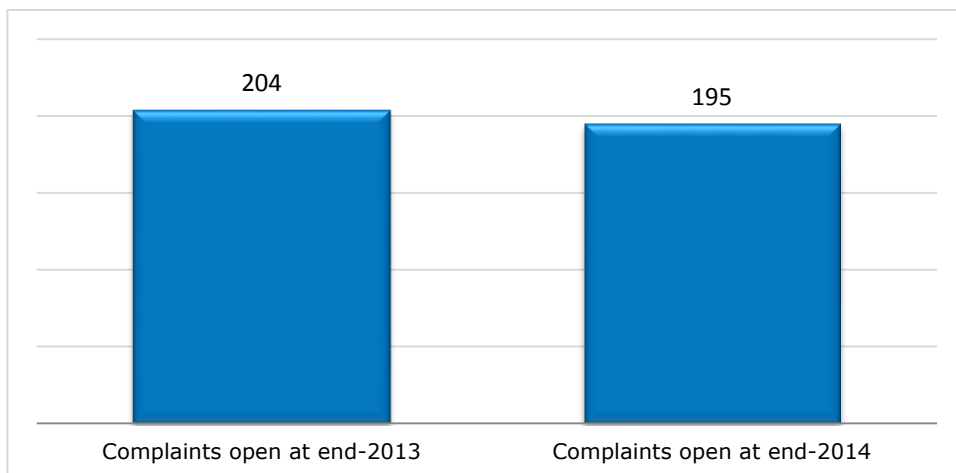
The number of new complaints made against France has remained relatively stable over the last four years. After a peak in 2013, the number of new cases opened declined in 2014. New EU Pilot files opened against France showed a clear fall from the two previous years. The number of pending infringement cases has been stable since 2013. There was a slight increase in the number of new infringement cases for late transposition, but the levels remains well below those of 2010 and 2011.

I. COMPLAINTS

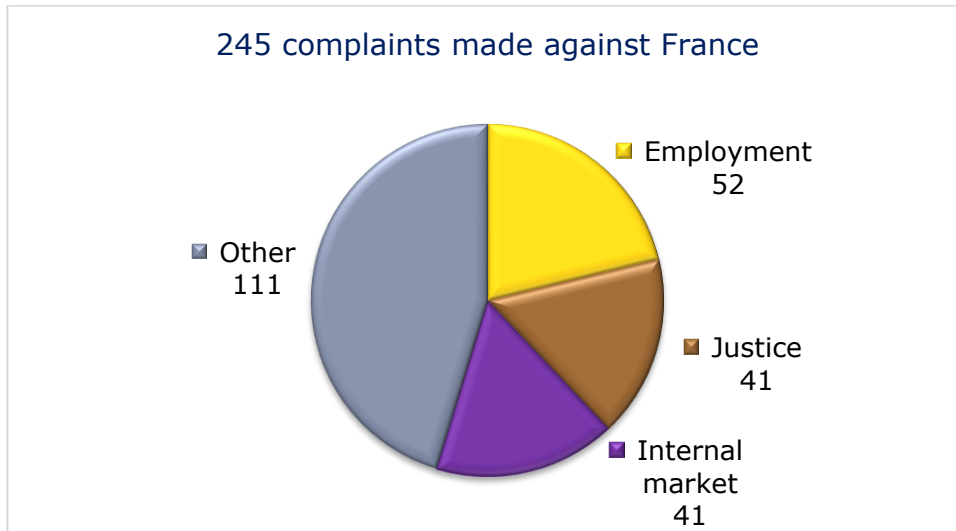
1. New complaints made against France by members of the public (2011-14)



2. Evolution of complaints against France



3. New complaints registered in 2014: main policy areas

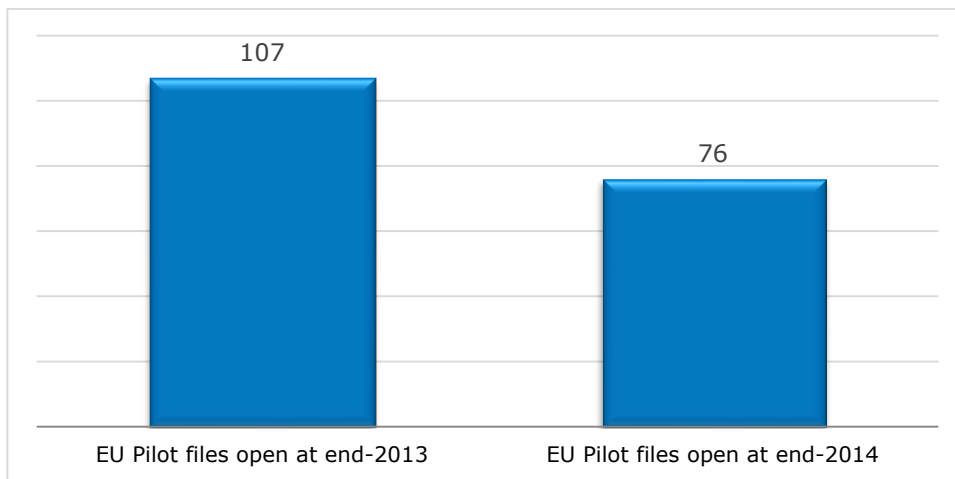


II. EU PILOT

1. New EU Pilot files opened against France (2011-14)

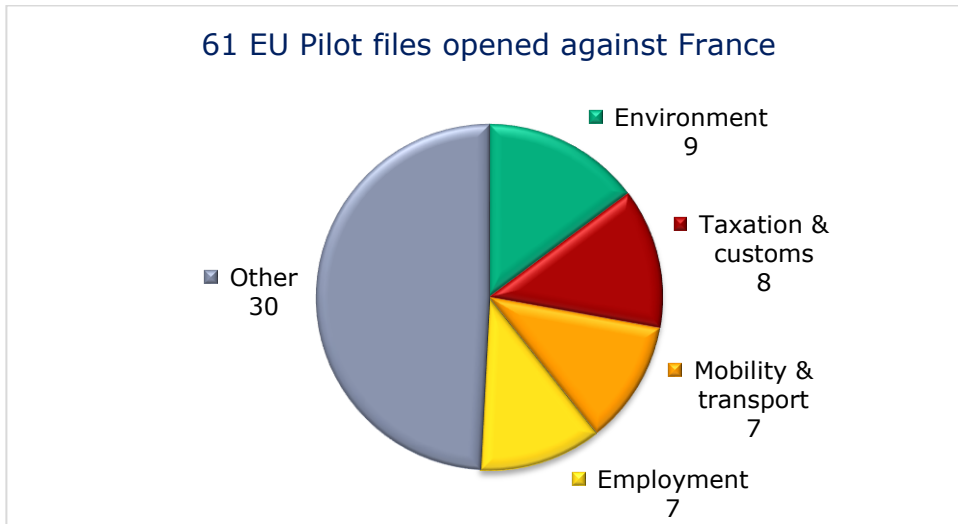


2. Evolution of files relating to France open in EU Pilot¹

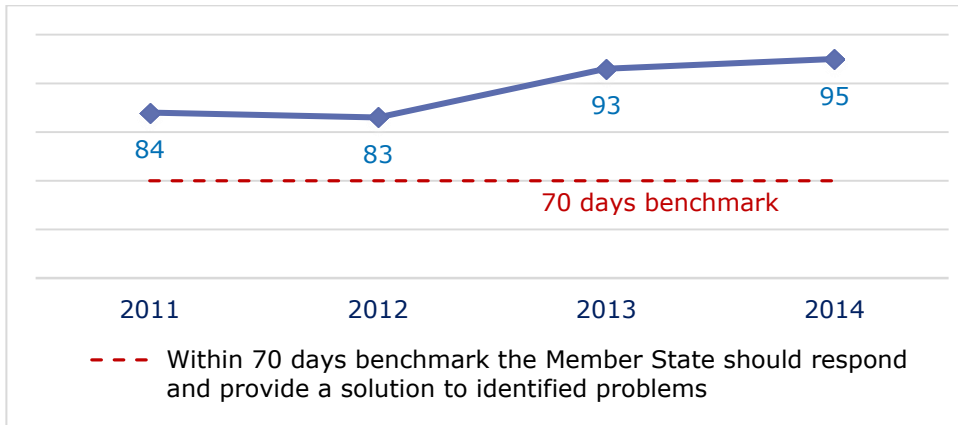


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

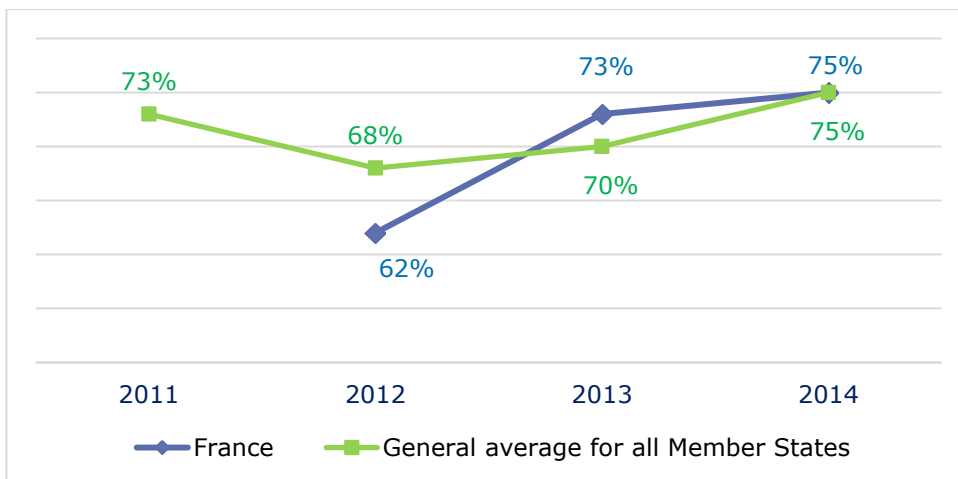
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)



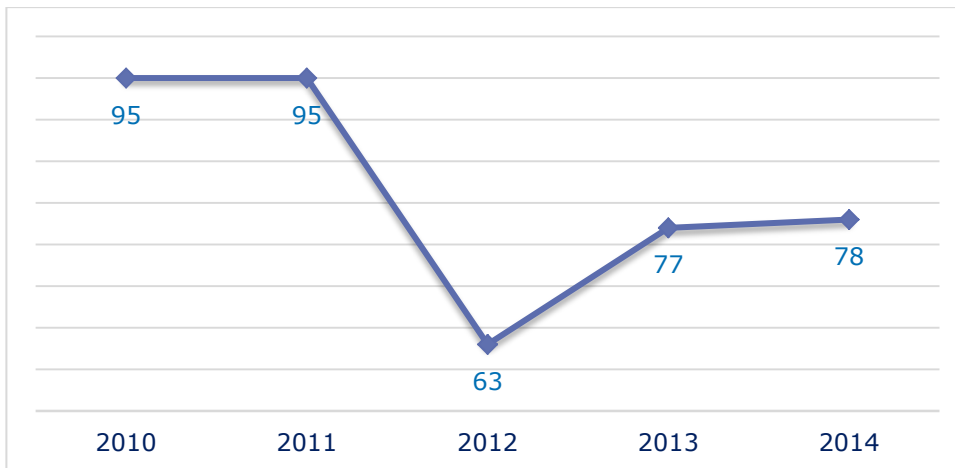
5. EU Pilot files: evolution of the resolution rate by France (2011-14)²



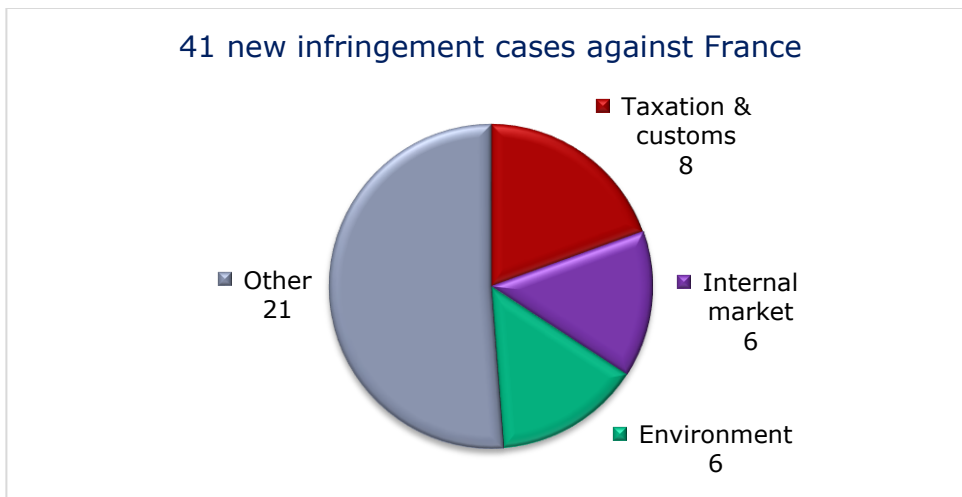
² No data on the resolution rate for 2011 are available since France joined the EU Pilot system only in September 2011.

III. INFRINGEMENT CASES

1. Infringement cases against France open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 41 new infringement cases against France in 2014. These, and other major ongoing infringement cases, concern:
- restricting the sale of alcohol test kits to those certified in France;³
 - restrictions to the importation of certified ambulances;
 - incorrect application of the directives on environmental impact assessment and strategic environmental assessment in relation to the Notre-Dame des Landes airport project;⁴
 - incorrect application of the Water Framework Directive in relation to the Sivens dam project;⁵
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁶ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁷

³ [MEMO/14/36](#).

⁴ Directives [2001/42/EC](#) and [2011/92/EU](#).

⁵ Directive [2000/60/EC](#).

⁶ Regulation (EC) No [550/2004](#).

⁷ [IP/14/446](#).

- lack of freedom to provide maritime cabotage services to Corsica;
- incorrect transposition of the First Railway package in the Channel Tunnel;⁸
- failure to notify full transposition of the Cross-border Healthcare Directive;⁹
- incorrect transposition of the directive¹⁰ laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during part of their pregnancy;¹¹
- incorrect transposition of the directive on unfair business-to-consumer commercial practices in the single market;¹²
- deficiencies in follow-up of the French Supreme Court decision after the CJEU case C-310/09 *Accor*;
- reduced VAT rate on digital publications;
- non-communication of national measures transposing the Capital Requirements Directive.¹³

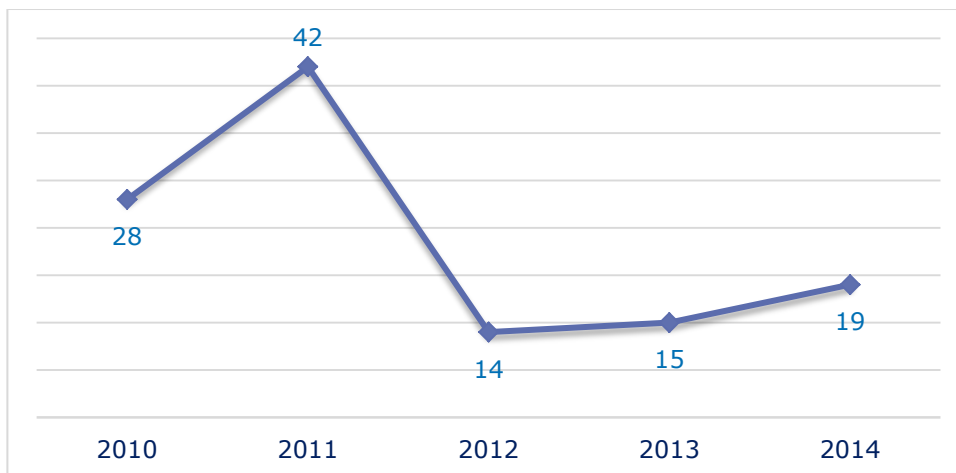
b) The Commission referred three cases to the Court under Article 258 TFEU. All three concern:

- discriminatory taxation of charities not established in France.¹⁴

c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against France (2010-14)



⁸ [MEMO/13/583, IP-13-357.](#)

⁹ Directive [2011/24/EU, MEMO/14/470.](#)

¹⁰ Directive [2008/120/EC.](#)

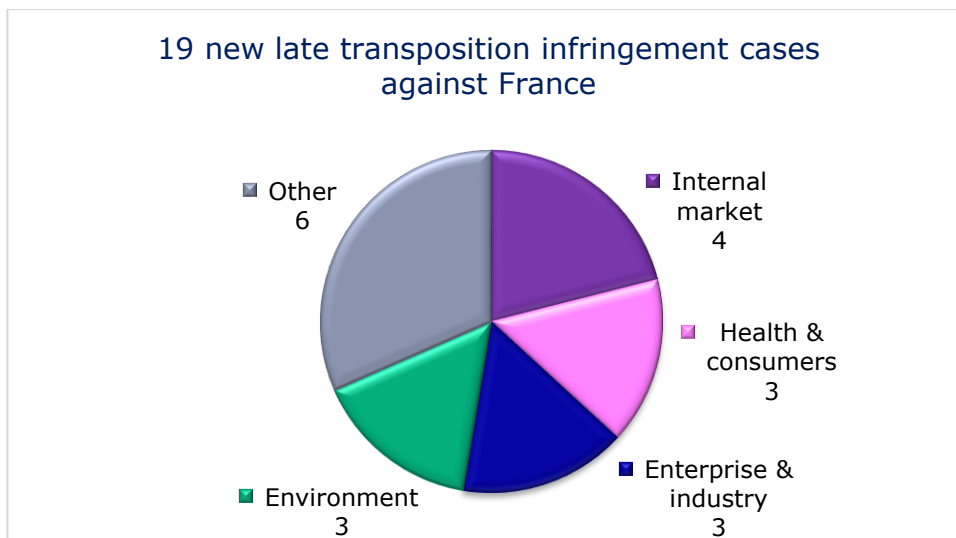
¹¹ [MEMO/14/36.](#)

¹² Directive [2005/29/EC.](#)

¹³ Directive [2013/36/EU.](#)

¹⁴ Commission v France, [C-485/14, IP/14/808](#) (the three infringement cases will be dealt with in a single Court procedure).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- incorrect application of the Competition Directive,¹⁵ Framework Directive¹⁶ and Authorisation Directive¹⁷ concerning electronic communications networks: incumbent national analogue broadcasters were granted 'bonus' frequencies while no procedure was in place for any other broadcasters to obtain similar frequencies;
- the existence of regulated gas prices for non-household customers, in breach of the Gas Directive;¹⁸
- the additional requirement for 'battery tests' on cars imported from another Member State where they had already been subject to a roadworthiness check;
- non-recognition of roadworthiness tests from another Member State;
- the freeze of military pensions provided to widows of former Moroccan soldiers who served in the French army. The complainant initiating the case finally withdrew the complaint following a settlement with the French authorities;
- non-communication of national measures transposing the Industrial Emissions Directive;¹⁹
- tax discrimination against railway services providers;
- incorrect transposition of the First Railway Package;
- passenger rights and designation of national bodies and sanctions when travelling by bus, coach and train;
- tobacco limitation (circulation and detention);
- reduced VAT rate for racehorses;
- VAT exemption for the hiring of sea-going vessels.

¹⁵ Commission Directive [2002/77/EC](#).

¹⁶ Directive [2002/21/EC](#).

¹⁷ Directive [2002/19/EC](#).

¹⁸ Directive [2009/73/EC](#).

¹⁹ Directive [2010/75/EU](#).

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- France failed to adequately implement the Nitrates Directive.²⁰

2. Preliminary rulings

In preliminary rulings addressed to the French judiciary, the Court ruled that:

- Treaty provisions on the free movement of goods preclude national legislation which allows parallel import authorisation to be refused for a plant protection product which does not have a marketing authorisation in the exporting Member State granted in accordance with Directive 91/414/EEC even though that product has a parallel import authorisation and may be regarded as identical to a product covered by a marketing authorisation granted in accordance with that directive in the importing Member State;²¹
- non-EU nationals who have been duly heard on the illegality of their stay need not necessarily be heard again before the adoption of a return decision;²²
- the extent of the right of illegally staying non-EU nationals to be heard.²³

²⁰ Directive [91/676/EEC](#), Commission v France, [C-237/12](#) and Commission v Poland, [C-356/13](#).

²¹ MAC GmbH v Ministère de l'Agriculture, de l'Agroalimentaire et de la Forêt, [C-108/13](#).

²² Mukarugeba v Préfet de police et Préfet de la Seine-Saint-Denis, [C-166/13](#).

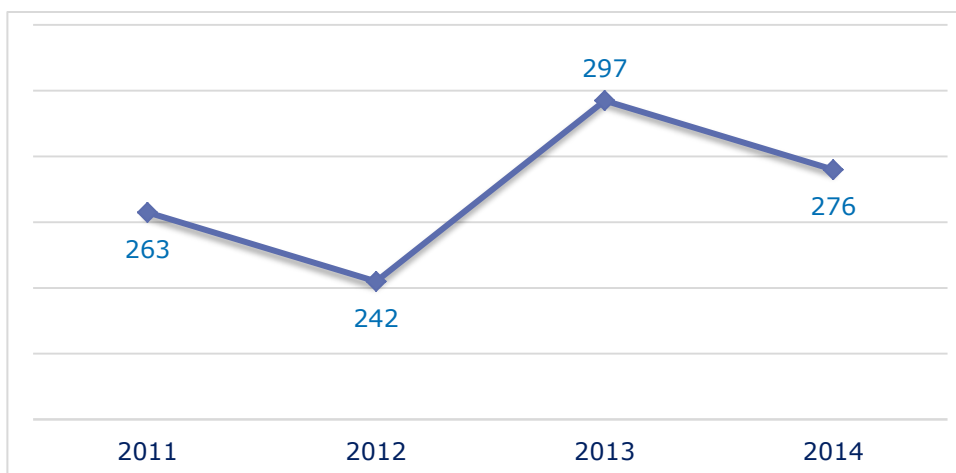
²³ Boudljida v Préfet des Pyrénées-Atlantiques, [C-249/13](#).

GERMANY

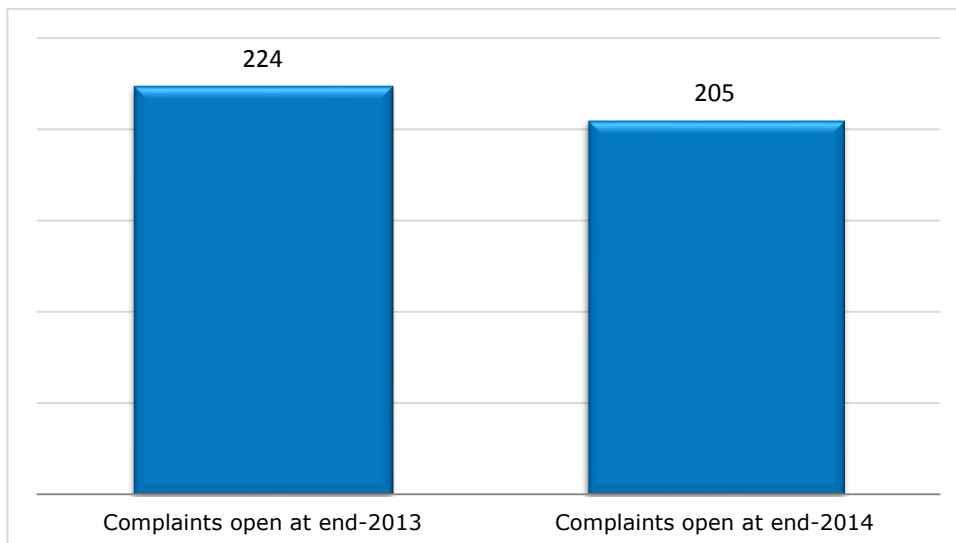
In 2014 the number of new complaints made against Germany fell from 2013's peak but was still above the 2011 and 2012 levels. New EU Pilot files opened against Germany rose very slightly, the fourth consecutive annual increase. The number of pending infringement cases and of new infringement cases for late transposition rose for the second year running but remained below their 2011 levels.

I. COMPLAINTS

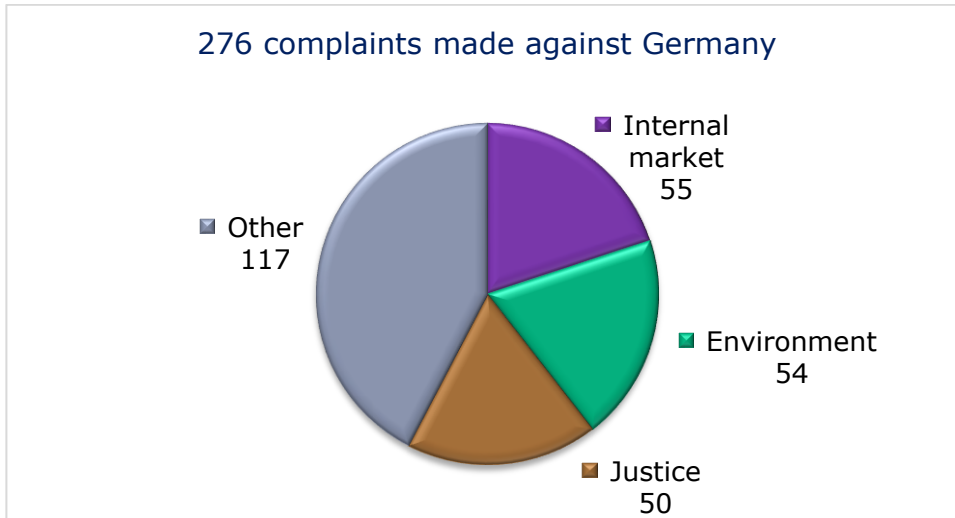
1. New complaints made against Germany by members of the public (2011-14)



2. Evolution of complaints against Germany

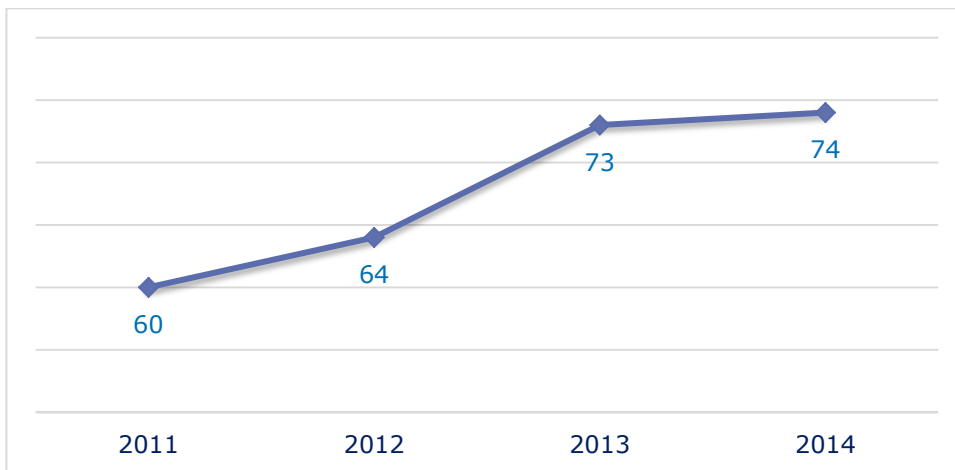


3. New complaints registered in 2014: main policy areas

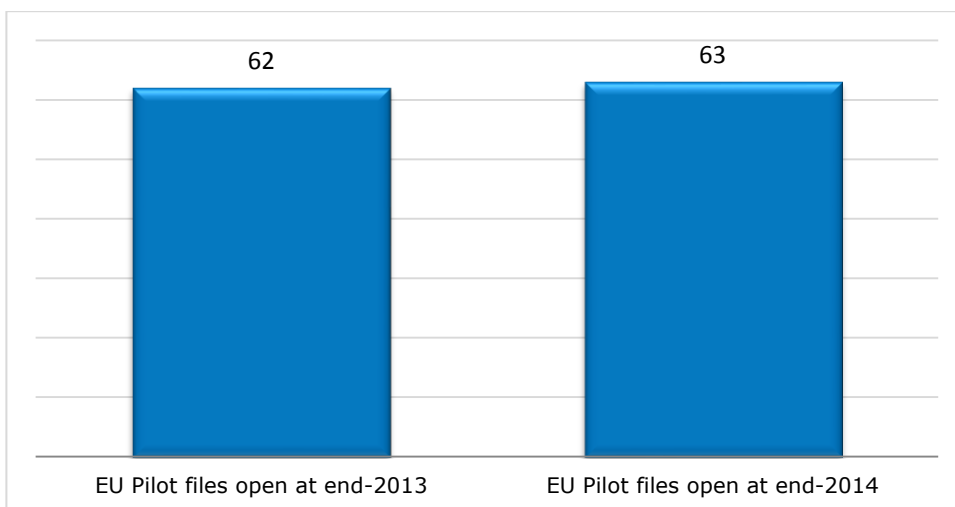


II. EU PILOT

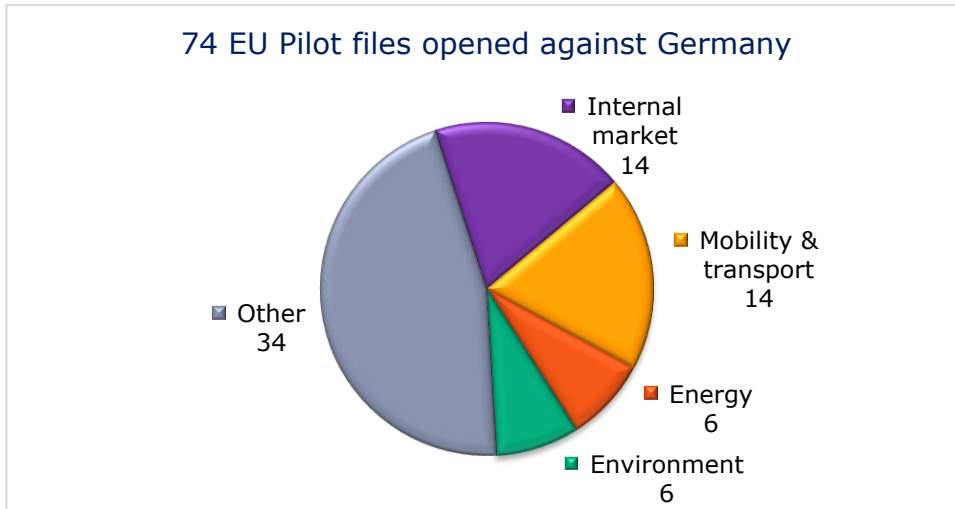
1. New EU Pilot files opened against Germany (2011-14)



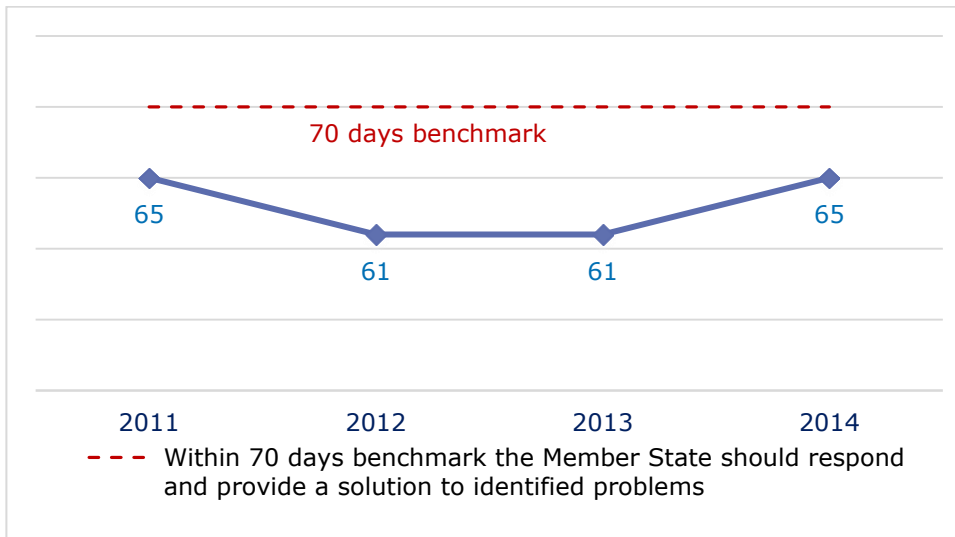
2. Evolution of files relating to Germany open in EU Pilot



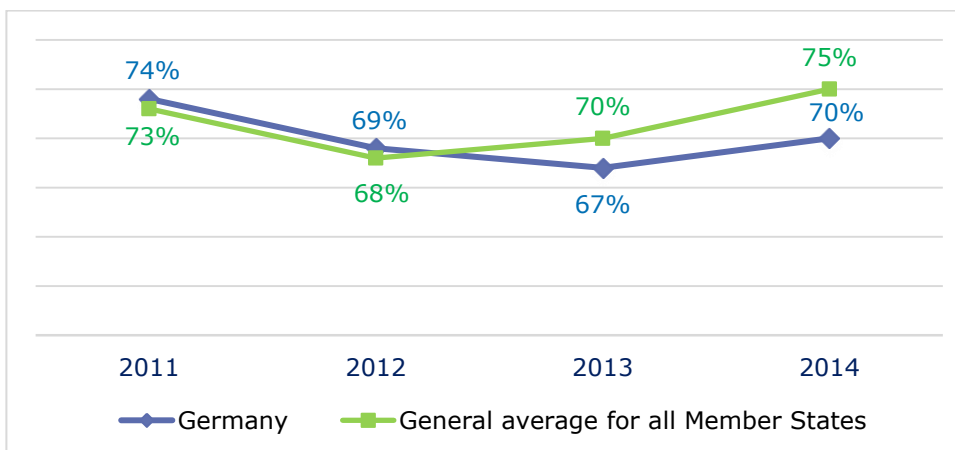
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

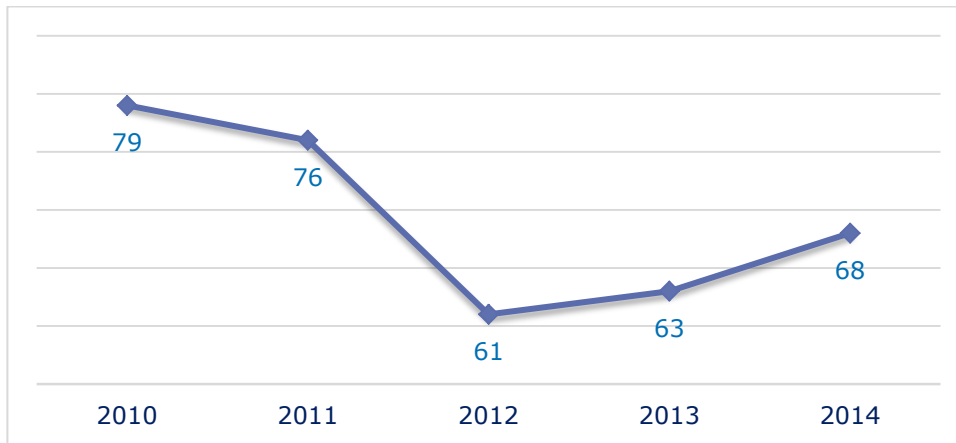


5. EU Pilot files: evolution of the resolution rate by Germany (2011-14)

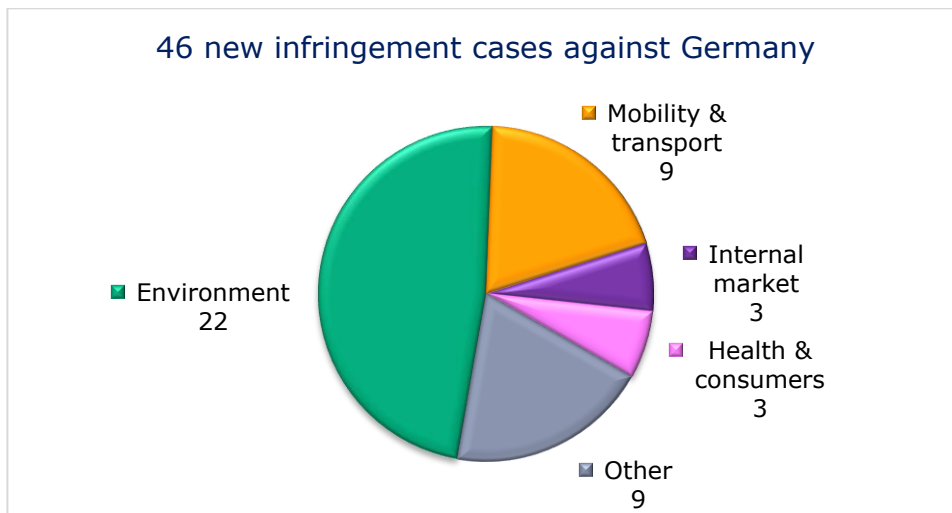


III. INFRINGEMENT CASES

1. Infringement cases against Germany open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 46 new infringement cases against Germany in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity with the directive on mobile air conditioning: German authorities allowed a German manufacturer to market vehicles in the EU in the first half of 2013 that did not comply with the directive, and decided not to impose any remedial measures on the manufacturer;¹
 - incomplete transposition of the Toy Safety Directive;²
 - obstacles to the marketing of pyrotechnic goods;³
 - untimely vehicle inspections;
 - restrictions on the establishment of commercial facilities;
 - the sale of building plots by municipalities to residents at lower prices than those paid by non-residents (*Einheimischenmodell*);
 - nonconformity of the national legislation with the Return Directive⁴ on aspects such as an effective forced-return monitoring system, criminalisation of irregular stay and detention and detention conditions;

¹ [MEMO/14/537](#).

² Directive [2009/48/EC](#), [MEMO/14/589](#).

³ Directive [2011/12/EU](#), [MEMO/14/36](#).

⁴ Directive [2008/115/EC](#).

- rules on integration requirements (language tests) for granting family reunification;
- nonconformity of German legislation on checks on persons at internal borders with the abolition of internal border controls (Articles 20 and 21 of the Schengen border code);⁵
- ban on online sales of UK veterinary products to customers located in Germany;
- incomplete transposition of the directive⁶ on free movement of EU nationals and their family members and violation of Article 21(1) TFEU;
- failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁷ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁸
- inadequate aviation security;⁹
- failure to notify full transposition of the Cross-border Healthcare Directive.¹⁰

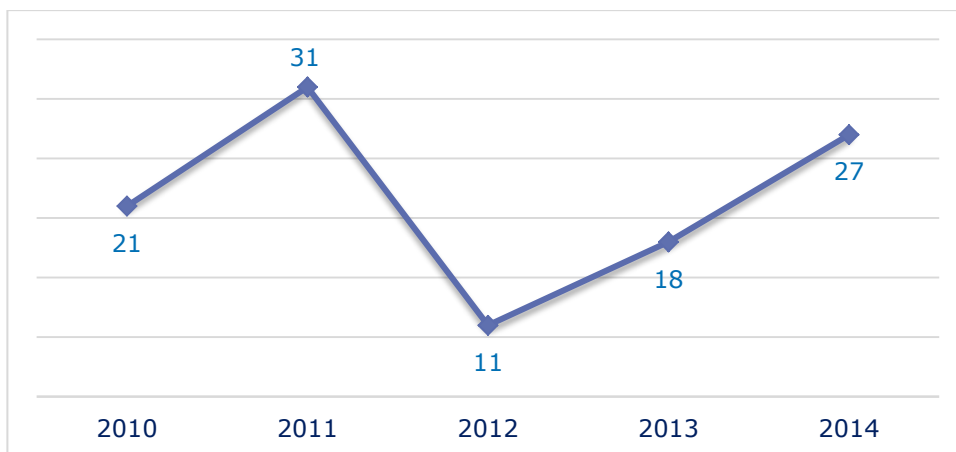
b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:

- nonconformity with EU law of the German legislation on access to justice in environmental matters;¹¹
- failure to separate financial flows between train operators and rail track managers in breach of Directive 91/440/EEC on the separation of accounts in the rail sector.¹²

c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Germany (2010-14)



⁵ Regulation (EC) No [562/2006](#).

⁶ Directive [2004/38](#).

⁷ Regulation (EC) No [550/2004](#).

⁸ [IP/14/446](#).

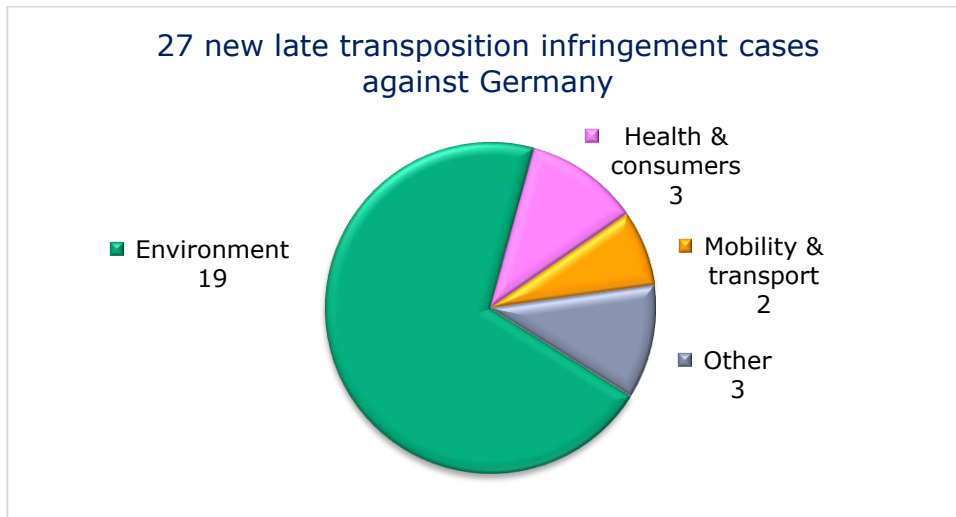
⁹ [MEMO/14/2130](#).

¹⁰ [MEMO/14/470](#).

¹¹ Directive [2003/35/EC](#). The Commission decided on 17 October 2013 to refer the case to the Court; the application was filed on 21 March 2014, *Commission v Germany*, [C-137/14](#), [IP/13/967](#).

¹² *Commission v Germany*, [C-482/14](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- the legislation concerning door-to-door sales. Germany modified its legislation so that consumers are now guaranteed effective protection in all cases covered by the directive to protect the consumer in respect of contracts negotiated away from business premises;¹³
- non-communication of national measures transposing the Late Payment Directive;¹⁴
- inadequate urban waste water treatment in small agglomerations;
- reduced VAT rate on works of art.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- the German action for annulment under Article 263 TFEU challenging the Council Decision of 18 June 2012 'establishing the position to be adopted on behalf of the European Union with regard to certain resolutions to be voted in the framework of the International Organisation for Vine and Wine (OIV)' is dismissed;¹⁵
- the German obligation for CE-marked construction products to meet supplementary national requirements for construction products (*Bauregellisten*) violates the EU rules on the free movement of goods;¹⁶
- Germany has not failed to fulfil its obligations under Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the

¹³ Council Directive [85/577/EC](#).

¹⁴ Directive [2011/7/EU](#).

¹⁵ Germany v Council, [C-399/12](#).

¹⁶ Commission v Germany, [C-100/13](#).

field of water policy, particularly Articles 2(38) and 9, by excluding certain services from the concept of 'water services';¹⁷

- Germany has to grant non-residents the same inheritance and gift tax allowances as if at least one of the people concerned were resident.¹⁸

2. Preliminary rulings

In preliminary rulings addressed to the German judiciary, the Court ruled that:

- the German monetary allowance for annual leave not taken when an employment relationship is terminated cannot be lost when termination comes about by a workers' death, on the basis of Article 7 of the Working Time Directive;¹⁹
- the pre-existing German 'special liability system' for pharmaceutical products can still be extended after the notification of Directive 85/374 without infringing the directive;²⁰
- consumers supplied with electricity and gas within the framework of a universal supply obligation must be informed, in good time before any price increase comes into effect, of the reasons and preconditions for the increase and its scope. By not providing for such information, the German legislation at issue does not comply with the Electricity and Gas Directives;²¹
- Member States are not obliged to grant social assistance benefits to people who do not meet the conditions for legal residence set out in the directive on the right of EU nationals and their family members to move and reside freely within the territory of the Member States;²²
- the requirement²³ that the spouse of a Turkish national residing in a Member State should prove the acquisition of basic knowledge of the official language of that State as a condition for issuing a visa for family reunification is incompatible with the standstill clause of the additional protocol to the EC-Turkey association agreement;²⁴
- Member States are obliged to admit to their territory non-EU nationals who wish to stay for more than three months for study purposes if they meet the conditions for admission listed in EU law²⁵ and if none of the grounds expressly listed by EU law as justification for refusing a residence permit are invoked;²⁶
- a Member State is required to detain non-EU nationals staying illegally for the purpose of removing them to a specialised detention facility of that State even if the Member State has a federal structure and the federated state competent to decide upon and carry out such detention under national law does not have such a detention facility;²⁷

¹⁷ Commission v Germany, [C-525/12](#).

¹⁸ Commission v Germany, [C-211/13](#) and [IP/12/1018](#) on the earlier referral decision.

¹⁹ Directive [2003/88/EC](#), Bollacke, [C-118/13](#).

²⁰ Novo Nordisk Pharma GmbH v S., [C-310/13](#).

²¹ Schulz & Egbringhoff, Joined cases [C-359/11](#) and [C-400/11](#) and Court press release No [140/14](#).

²² Directive [2004/38/EC](#), Dano, [C-333/13](#).

²³ That requirement is not compatible with the 'standstill clause' of the Association Agreement with Turkey.

²⁴ Dogan, [C-138/13](#) and Court press release No [96/14](#).

²⁵ Council Directive [2004/114/EC](#).

²⁶ Ben Alaya, [C-491/13](#) and Court press release No [120/14](#).

²⁷ Adala Bero v Regierungspräsidium Kassel, Ettayebi Bouzalmate v Kreisverwaltung Kleve, Thi Ly Pham v Stadt Schweinfurt, Amt für Meldewesen und Statistik, joint cases [C-473/13](#), [C-514/13](#) and [C-474/13](#).

- the Court does not have jurisdiction to interpret directly the 1951 Refugee Convention, although several pieces of EU legislation have been adopted in the field to which it applies as part of the implementation of EU asylum legislation;²⁸
- the Court upheld the validity of the enforcement condition in the "*ne bis in idem*" principle (Article 54 CISA) requiring that, upon conviction and sentencing, the penalty imposed 'has been enforced' or is 'actually in the process of being enforced';²⁹
- the immediate taxation of the underlying capital gains involved in a corporate restructuring operation, if the capital gains of the shares issued in exchange for the contribution and attributed to non-residents were not subject to German taxation, is justified for preserving the balanced allocation of the power to impose tax;³⁰
- it is compatible with the Treaty to reimburse the underlying corporation tax on dividends distributed by German subsidiaries to a German loss-making parent company, where these dividends represent taxable income, but to refuse reimbursement of the underlying corporation tax on dividends distributed by subsidiaries established in non-EU countries.³¹

²⁸ Qurbani, [C-481/13](#).

²⁹ Zoran Spasic, [C-129/14 PPU](#).

³⁰ DMC Beteiligungsgesellschaft mbH v Finanzamt Hamburg-Mitte, [C-164/12](#).

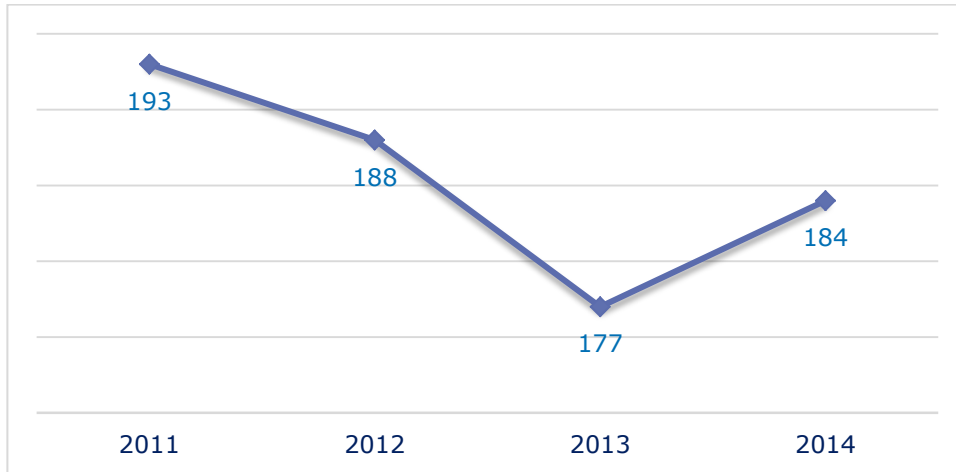
³¹ Kronos International Inc. v Finanzamt Leverkusen, [C-47/2014](#).

GREECE

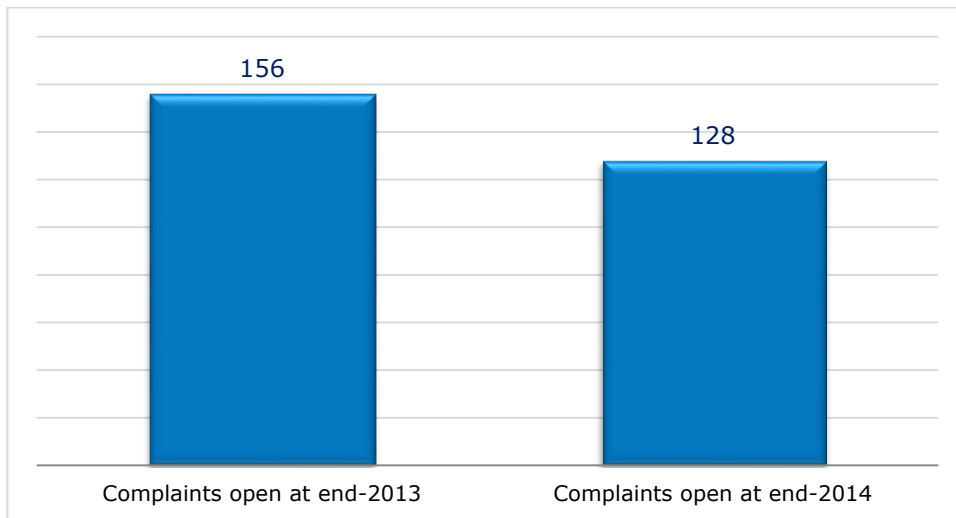
The number of new complaints made against Greece rose in 2014 after falling for two years. New EU Pilot files opened against Greece declined in both 2013 and 2014 from their peak in 2012. The number of pending infringement cases has remained relatively stable since 2012 at a level well below the previous years. New infringement cases for late transposition rose in 2014 but stayed below the 2011 level.

I. COMPLAINTS

1. New complaints made against Greece by members of the public (2011-14)



2. Evolution of complaints against Greece



3. New complaints registered in 2014: main policy areas

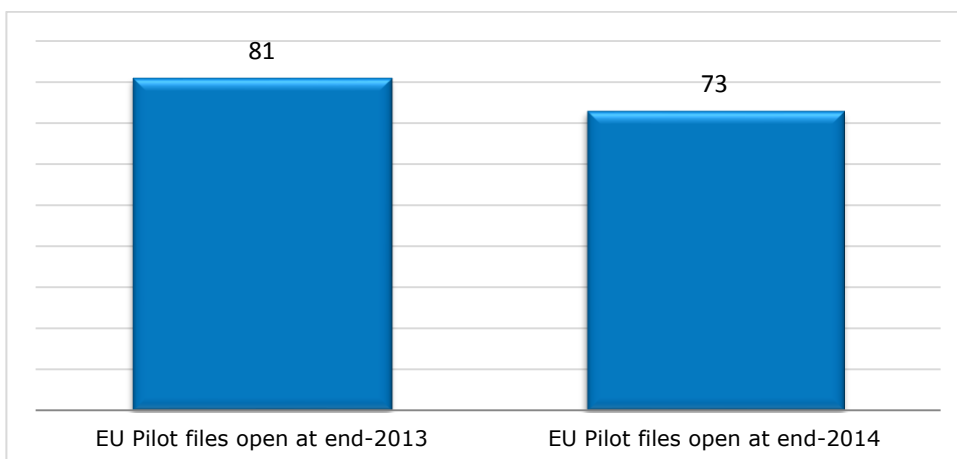


II. EU PILOT

1. New EU Pilot files opened against Greece (2011-14)

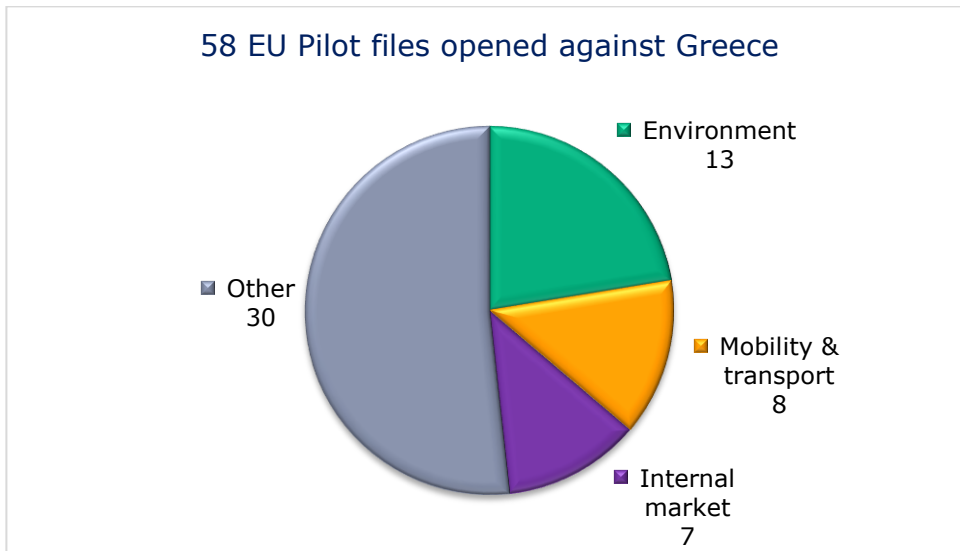


2. Evolution of files relating to Greece open in EU Pilot¹

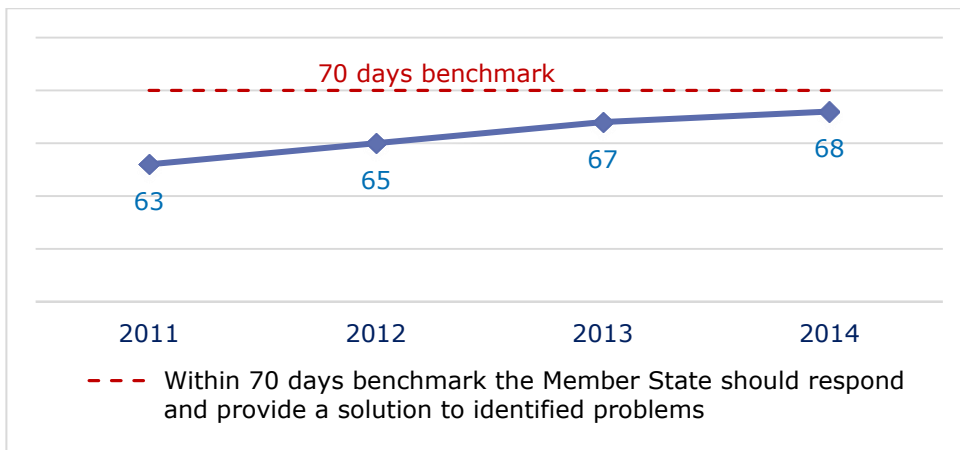


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

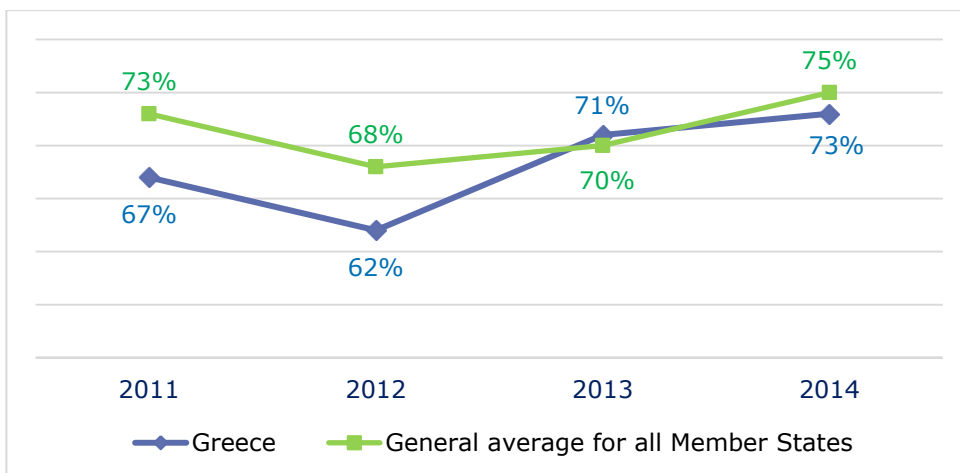
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

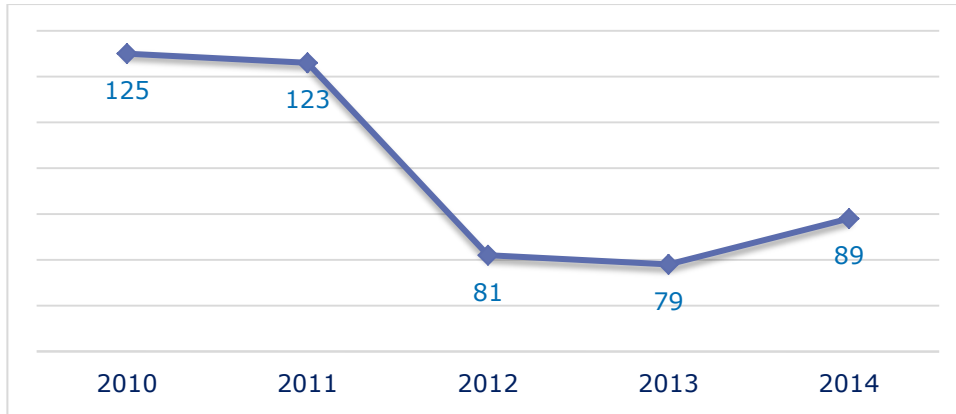


5. EU Pilot files: evolution of the resolution rate by Greece (2011-14)

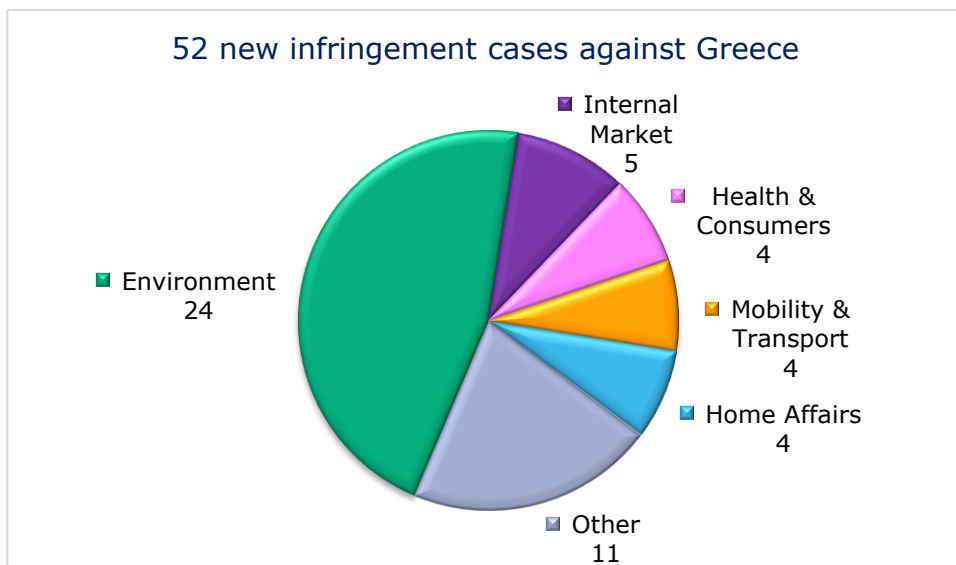


III. INFRINGEMENT CASES

1. Infringement cases against Greece open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 52 new infringement cases against Greece in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity of a national law from 1934 forcing all wine producers in Samos to be members of the local cooperative and deliver their entire production to it;
 - failure to comply with a Commission Decision² and the subsequent judgment of the Court of Justice³ under Article 108(2) TFEU on several aid measures in favour of Hellenic Shipyards SA that constitute incompatible aid and several aid measures approved by the Commission in the past that have been misused;
 - failure to comply with reporting obligations under the Energy Performance of Buildings Directive;⁴
 - failure to communicate to the Commission a long-term strategy for mobilising investment in renovating the national stock of residential and commercial buildings and its national energy efficiency action plan as required under the Energy Efficiency Directive;⁵

² Commission Decision [2009/610/EC](#).

³ Commission v Greece, [C-485/10](#).

⁴ Directive [2010/31/EU](#).

⁵ Directive [2012/27/EU](#).

- nonconformity of national legislation with the Return Directive⁶ on aspects such as an effective forced-return monitoring system, criminalisation of irregular stay and detention and detention conditions;
 - late transposition of the directive on the single permit for non-EU nationals⁷ and the directive on combating sexual abuse and sexual exploitation of children and child pornography;⁸
 - non-communication of measures transposing the Capital Requirements Directive;⁹
 - the shareholder agreement concluded in the framework of the sale of OTE shares to Deutsche Telekom and ratified by law, which provides for special rights of the Greek State that are considered to be incompatible with the free movement of capital and the freedom of establishment;¹⁰
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹¹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹²
 - incorrect transposition of the Court decision on the First Railway package;¹³
 - incorrect application of the regulation on the rights of bus and coach passengers;¹⁴
 - discriminatory airport charges;
 - failure to notify full transposition of the Cross-border Healthcare Directive;¹⁵
 - incorrect transposition of the directive¹⁶ laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during part of their pregnancy;¹⁷
 - excise duty and reduced taxation of spirit drinks;
 - discriminatory taxation of vessels with foreign flags;¹⁸
 - violation of statistical principles.
- b) The Commission referred three cases to the Court under Article 258 TFEU. They concern:
- incorrect application of the Working Time Directive¹⁹ as interpreted by the Court of Justice, particularly regarding the on-call time of doctors in rural public health services;²⁰
 - failure to designate a number of zones vulnerable to nitrate pollution and to adopt measures to effectively combat nitrate pollution in these zones;²¹

⁶ Directive [2008/115/EC](#).

⁷ Directive [2011/98/EU](#).

⁸ Directive [2011/92/EU](#).

⁹ Directive [2013/36/EU](#).

¹⁰ [IP-12-420](#).

¹¹ Regulation (EC) No [550/2004](#).

¹² [IP/14/818](#).

¹³ [IP-10-807](#).

¹⁴ Regulation (EU) No [181/2011](#), [MEMO/14/537](#).

¹⁵ [MEMO/14/470](#).

¹⁶ Directive [2008/120/EC](#).

¹⁷ [MEMO/14/36](#).

¹⁸ [MEMO/14/537](#).

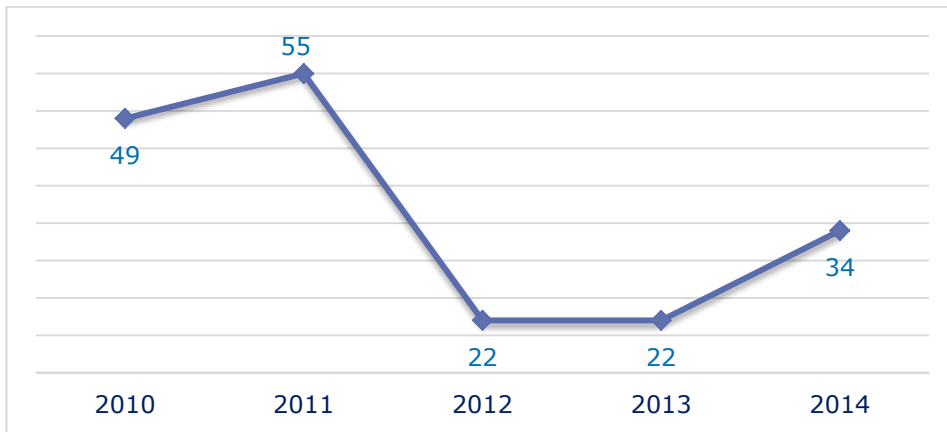
¹⁹ Directive [2003/88/EC](#).

²⁰ The Commission decided on 20 November 2013 to refer the case to the Court; the application was filed on 11 April 2014, Commission v Greece, [C-180/14](#), [IP/13/1108](#).

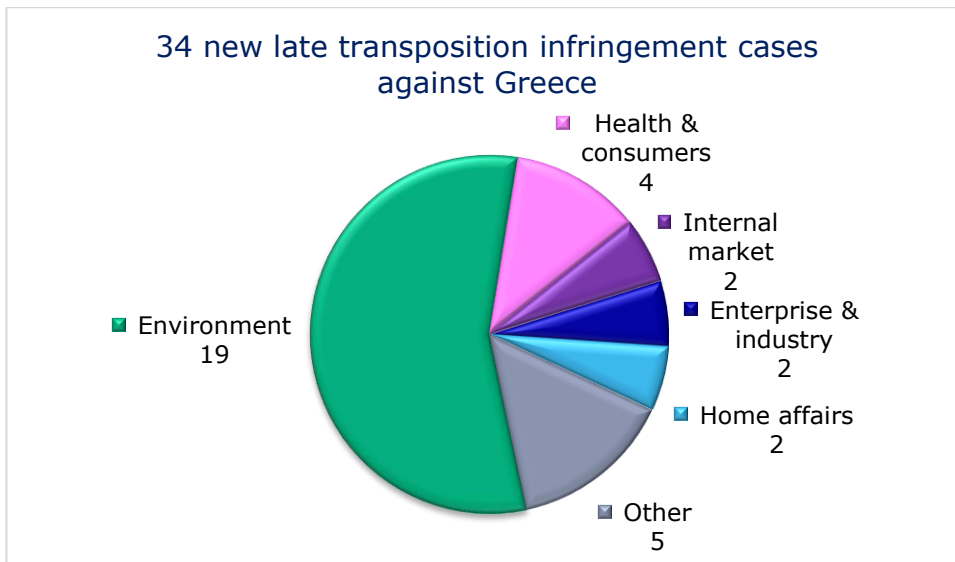
- failure to provide adequate protection for endangered sea turtles.²²
- c) The Commission referred one case to the Court under Article 260(2) TFEU. This concerns:
- failure to implement a judgment of the Court of Justice finding that Greece was failing in its obligation to treat and dispose of urban waste water adequately, with 23 agglomerations across the country lacking the necessary collection and treatment systems. The Commission proposed a lump sum penalty payment of EUR 11 514 081 and a daily penalty of EUR 47 462 until the obligations are fulfilled.²³

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Greece (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



²¹ Directive [91/676/EEC](#). The Commission decided on 20 June 2013 to refer the case to the Court; the application was filed on 31 March 2014, *Commission v Greece*, [C-149/14](#), [IP/13/576](#).

²² *Commission v Greece*, [C-504/14](#), [IP/14/324](#).

²³ The Commission decided on 20 November 2013 to refer the case to the Court; the application was filed on 9 April 2014, *Commission v Greece*, [C-167/14](#), [IP/13/1102](#).

3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- award of a contract for the provision of information technology services to the Social Insurance Foundation (IKA);
- public procurement restrictions on consultants based in Greece and domestic construction companies;
- obstacles to the importation of ice cream packs;
- restrictions on the marketing of plant propagating material;
- deficiencies in the system for training and certifying seafarers;
- lack of port security plans;
- ratification of the Convention on International Carriage by Rail;
- national income taxation of individuals and discrimination against non-residents with disabilities when applying car registration tax;
- notional income taxation of individuals;
- taxable value of second-hand vehicles;
- non-deductibility of payments to low-tax jurisdictions.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- the rearing of laying hens in cages does not comply with the requirements of the directive on the protection of laying hens;²⁴
- a General Court judgment annulling the Commission's 2008 decision, finding that Greece had infringed Article 106 TFEU in combination with Article 102 TFEU, should be overturned. The Commission's 2008 decision concerned lignite-exploitation rights giving the State-owned energy company privileged access to lignite, the cheapest source of electricity in Greece. The Commission decision has been referred back to the General Court to rule on outstanding arguments. However, the Court's judgment is a useful clarification as to the scope of application of Article 106 in combination with Article 102;
- Greece failed to fully comply with the 2005 judgment of the Court of Justice finding that it breached the Waste Directive by continuing to operate illegal landfill sites. In addition to a lump sum of EUR 10 million, the Court ordered Greece to pay a fine until the 2005 judgment is fully complied with. The amount of the fine will depend on the progress Greece makes, but in the absence of any progress it will be more than EUR 14 million for each six months of delay.²⁵

2. Preliminary rulings

No major preliminary rulings were addressed to the Greek judiciary in 2014.

²⁴ Directive [1999/74/EC](#) Commission v Hellenic Republic, [C-351/13](#).

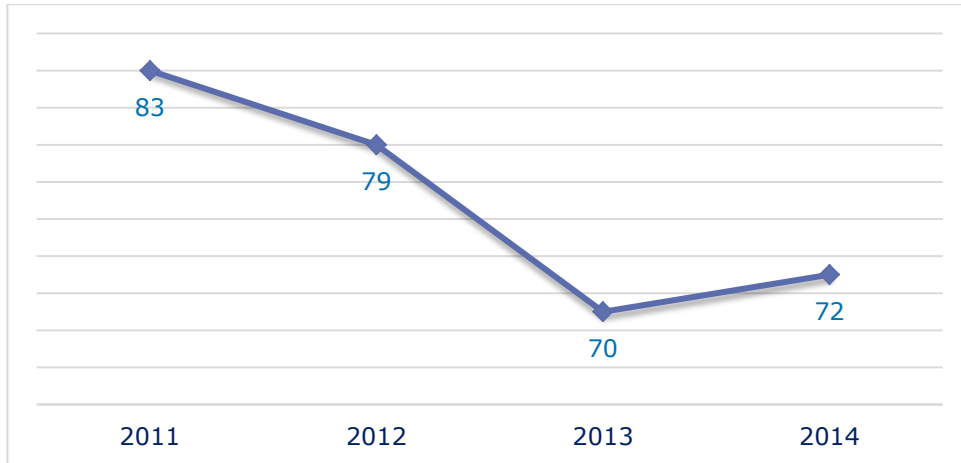
²⁵ Commission v Greece, [C-378/13](#) and Court press release No [164/14](#).

HUNGARY

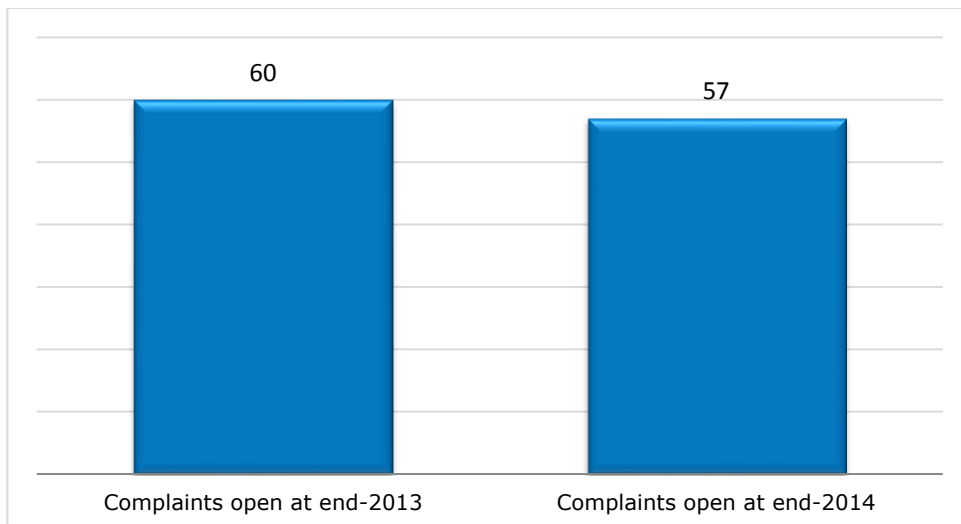
The number of new complaints made against Hungary rose slightly in 2014 after two years of decline. New EU Pilot files opened against Hungary fell for the second year running from their 2012 peak. The overall number of pending infringement cases has fluctuated to some extent over the last five years. New infringement cases for late transposition rose back to their 2012 level but were still considerably lower than in 2010 and 2011.

I. COMPLAINTS

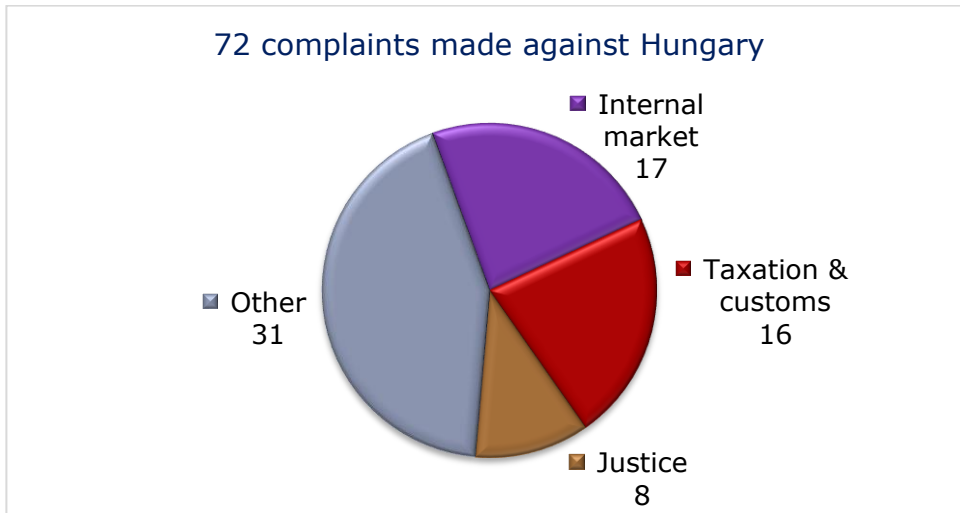
1. New complaints made against Hungary by members of the public (2011-14)



2. Evolution of complaints against Hungary

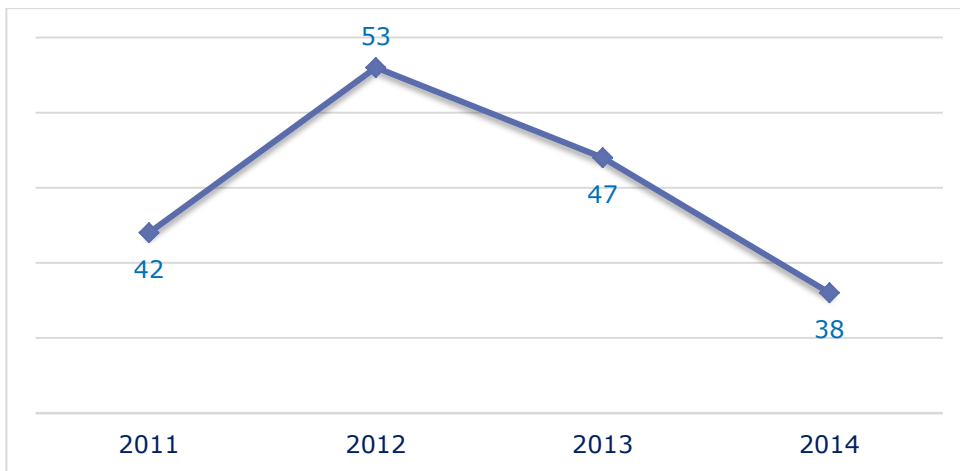


3. New complaints registered in 2014: main policy areas

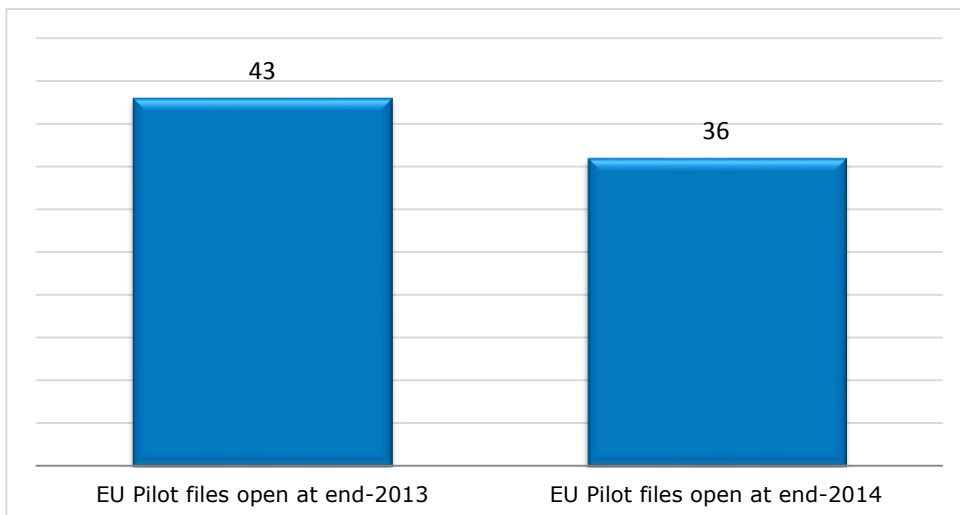


II. EU PILOT

1. New EU Pilot files opened against Hungary (2011-14)

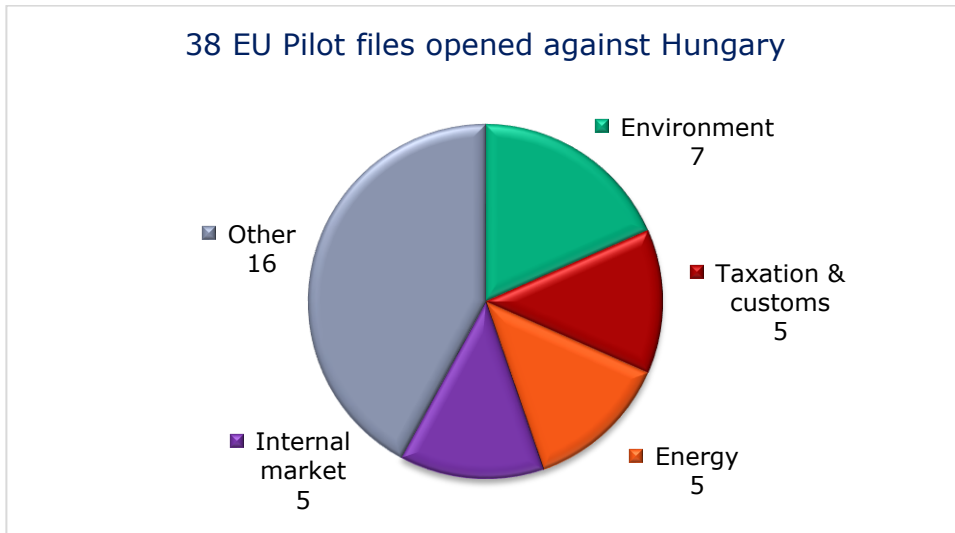


2. Evolution of files relating to Hungary open in EU Pilot¹

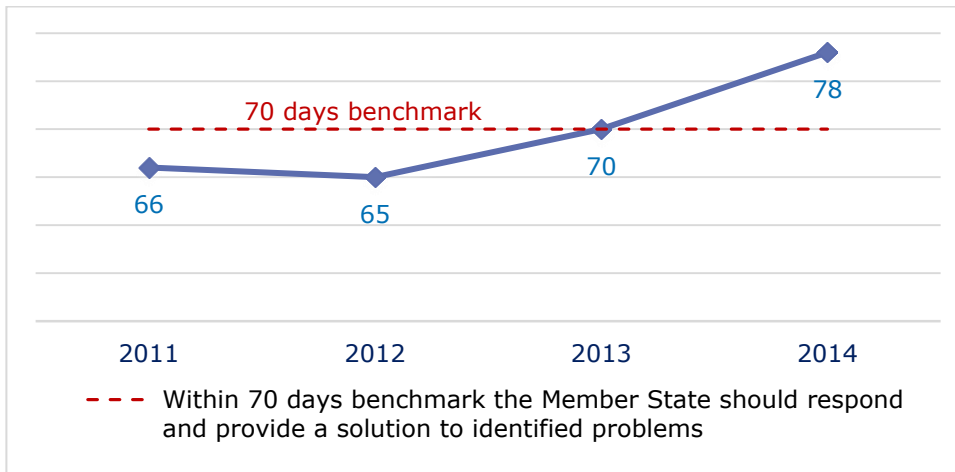


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

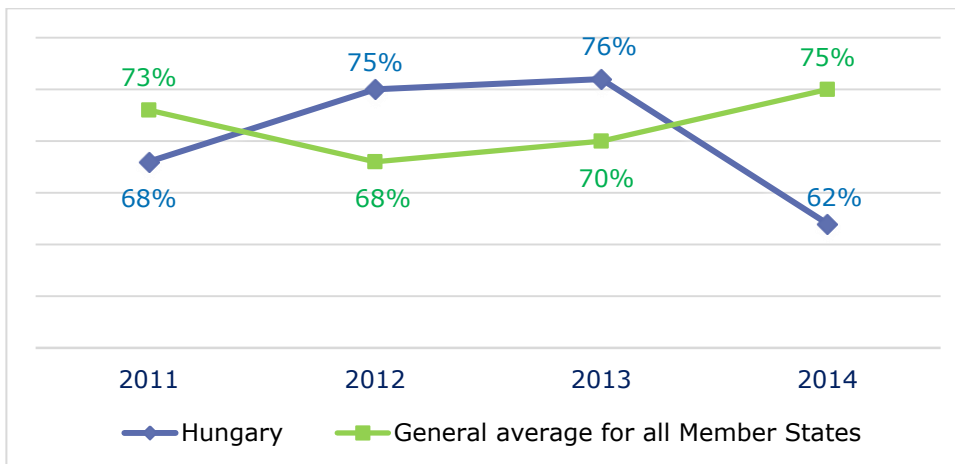
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

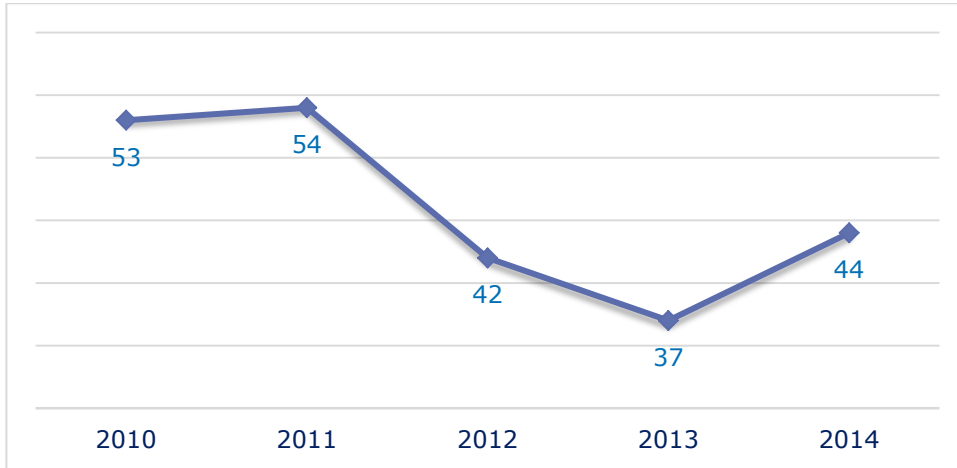


5. EU Pilot files: evolution of the resolution rate by Hungary (2011-14)

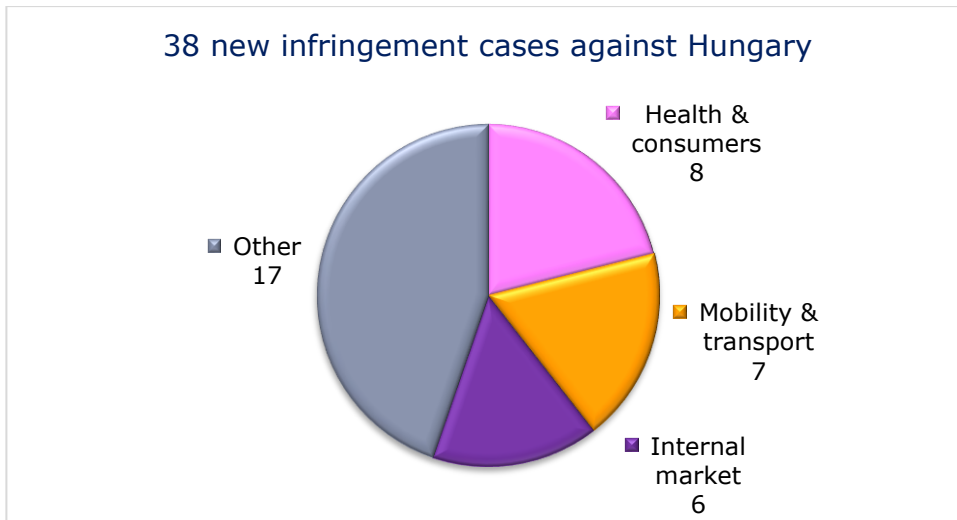


III. INFRINGEMENT CASES

1. Infringement cases against Hungary open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 38 new infringement cases against Hungary in 2014. These, and other major ongoing infringement cases, concern:
- a procedure in the National Media Act allows the assignment of 'temporary' licences to use radio spectrum for up to three years in certain cases. This might be disproportionate to the general objectives of the Authorisation Directive;²
 - a possible infringement of the general EU law principle of effectiveness³ and the regulation on the implementation of the competition rules⁴ through an amendment of the Act on Inter-branch Organisations concerning agricultural products, which restricts the power of the National Competition Authority;
 - absence of measures transposing the directive on aerosol dispensers;⁵
 - non-respect of EU air quality standards (PM₁₀ limit values)⁶ in several zones;⁷

² Directive [2002/20/EC](#).

³ Article 4(3) TEU.

⁴ Regulation (EC) No [1/2003](#).

⁵ Directive [2013/10/EU](#).

- the award of a contract for the development and operation of an e-tolling system on the Hungarian motorways without a prior competitive procedure;⁸
- the so-called 'Plaza Stop Law', which banned the construction and expansion of retail outlets larger than 300 m² from January 2012 until December 2014. A government decree introduced the possibility of requesting an exemption from this ban, but the criteria for granting an exemption were unclear and included a potential 'economic needs' test;
- national legislation adopted in December 2013 that on 1 May 2014 terminated all existing usufruct (the right to use land and profit from it) and use rights which had been granted for agricultural land by a contract between parties other than close relatives. This radically shortened the 20-year transitional period adopted in 2012 to four and a half months. The measure has affected people and businesses from other EU Member States that had acquired such rights for an unlimited period of time or that bought lifelong usufruct on small plots of land before 2002;⁹
- requirement to have Hungarian nationality to work as notary;
- late notification of measures transposing the Capital Requirements Directive;¹⁰
- failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹¹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹²
- incompatibility of working conditions of urban bus drivers with the Working Time Directive;¹³
- implementation of an earlier Court ruling on the First Railway Package;
- failure to establish the preconditions needed for the European Electronic Toll Service to function;
- in the area of taxation, discriminatory municipal taxation of non-residents, the application of two excise duty rates on ethyl alcohol¹⁴ and the sales restriction on tobacco products already released for consumption.¹⁵

b) The Commission referred one case to the Court under Article 258 TFEU. It concerns:

- the restrictive issuing conditions of meal and holiday vouchers under the new national legal framework.¹⁶

⁶ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

⁷ [MEMO/14/241](#).

⁸ For procedural reasons — complete execution of the contract in question — the Commission has decided to close the infringement case.

⁹ [IP/14/1152](#).

¹⁰ Directive [2013/36/EU](#).

¹¹ Regulation (EC) No [550/2004](#).

¹² [IP/14/818](#).

¹³ Directive [2003/88/EC](#).

¹⁴ [MEMO/14/293](#).

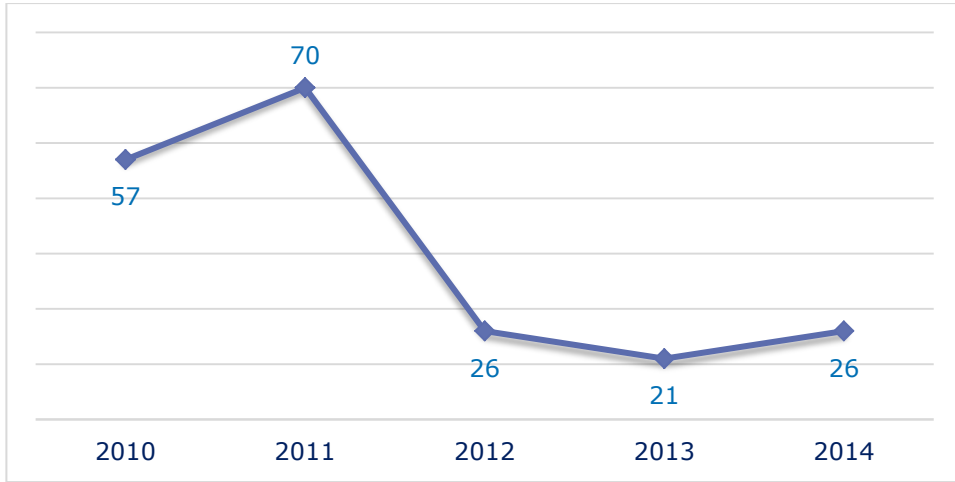
¹⁵ [MEMO/14/293](#).

¹⁶ The Commission decided on 20 June 2013 to refer the case to the Court; the application was filed on 10 April 2014, Commission v Hungary, [C-179/14](#), [IP/13/578](#).

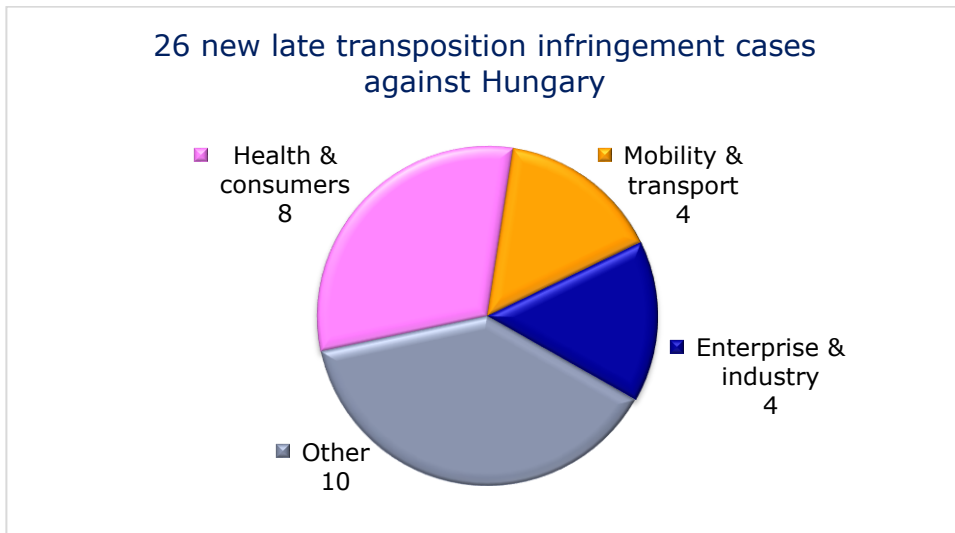
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Hungary (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to fully transpose the directive improving and extending the EU greenhouse gas emission allowance trading scheme and the directive on the geological storage of carbon dioxide;¹⁷
- completing the notification of national transposing measures under the Waste Electronic and Electrical Equipment Directive;¹⁸
- incorrect transposition of the right to appeal against decisions refusing, annulling or revoking visas;

¹⁷ Directives [2009/29/EC](#) and [2009/31/EC](#).

¹⁸ Directive [2012/19/EU](#).

- corrected nonconformities in the area of railway safety;
- access to the ground-handling market at Budapest airport.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Hungary infringed Union law by ending the term served by its data protection supervisor before the expiry of the term of office. The independence of the authorities responsible for data protection, as laid down in the Data Protection Directive¹⁹, requires Member States to allow them to serve their full term of office;²⁰
- EU law precludes exempting from excise duties fruit distillates (*pálinka*) produced under both contract and private distillation.

2. Preliminary rulings

In preliminary rulings addressed to the Hungarian judiciary, the Court ruled that:

- an import permit that does not comply with the conditions laid down in the regulation on the protection of species of wild fauna and flora by regulating trade in them is void only in respect of those animals that are actually affected by its invalidity.²¹ These animals are the only ones that may be seized and possibly confiscated by the competent authority of the Member State where they are situated. The national proceedings concerned Hungary's decision to invalidate the permits issued by Bulgaria on the import of animals and to confiscate the animals;²²
- excluding the participation in a tendering procedure of an economic operator who has committed an infringement of competition law established by a judicial decision is allowed under Directive 2004/18/EC; as a consequence such exclusion is also allowed under Articles 49 and 56 TFEU regarding public contracts which fall below the EU thresholds;²³
- the different tax treatment of a company belonging to a group can constitute indirect discrimination contrary to EU law if the companies affected by the highest band of the special retail tax are linked in the majority of cases to companies which have their registered office in another EU Member State.²⁴

¹⁹ Directive [95/46/EC](#).

²⁰ Commission v Hungary, [C-288/12](#) and Court press release No [53/14](#).

²¹ Regulation (EC) No [338/97](#).

²² Sofia Zoo, [C-532/13](#).

²³ Generali-Providencia Biztosító, [C-470/13](#).

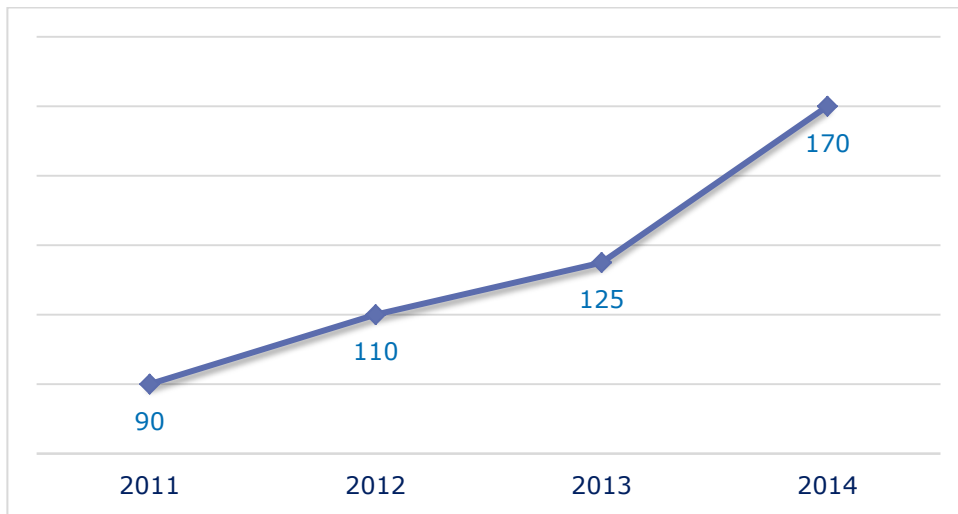
²⁴ Hervis Sport, [C-385/12](#).

IRELAND

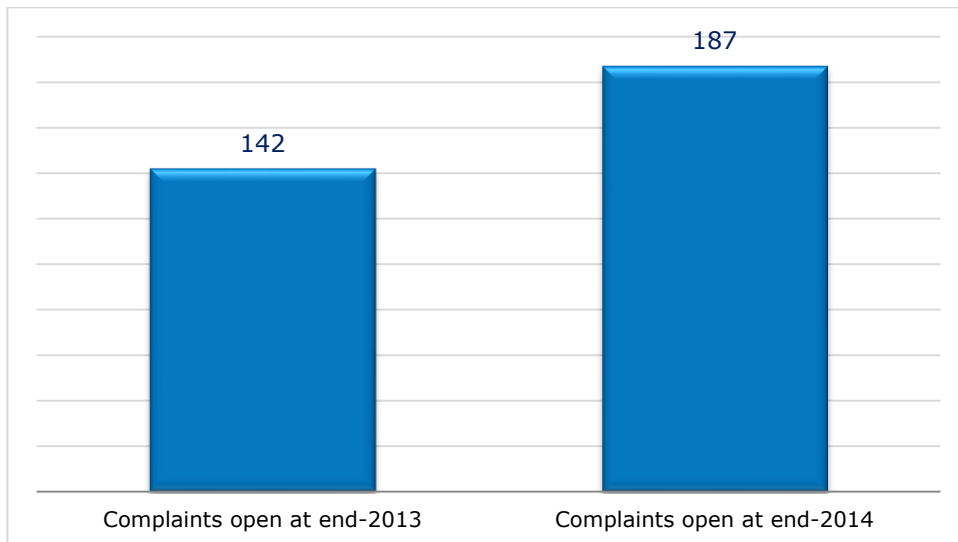
The number of new complaints made against Ireland has been constantly increasing and in 2014 approached double the 2011 level. However, new EU Pilot files opened against Ireland nearly halved from their 2013 peak. The overall number of pending infringement cases has not varied much over the last four years, with 2014 seeing a slight rise back to 2011 levels. New infringement cases for late transposition remained very low for the third year running, at less than one third of their levels in 2010 and 2011.

I. COMPLAINTS

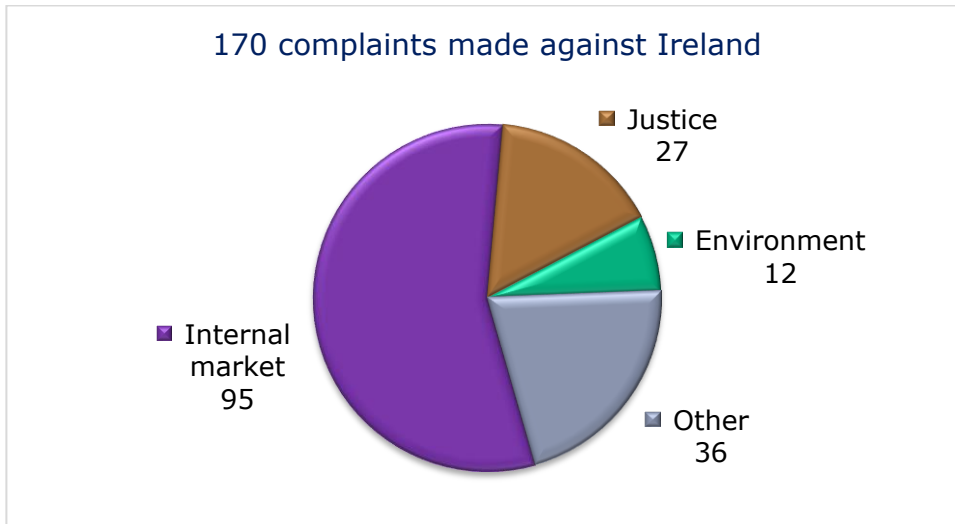
1. New complaints made against Ireland by members of the public (2011-14)



2. Evolution of complaints against Ireland



3. New complaints registered in 2014: main policy areas

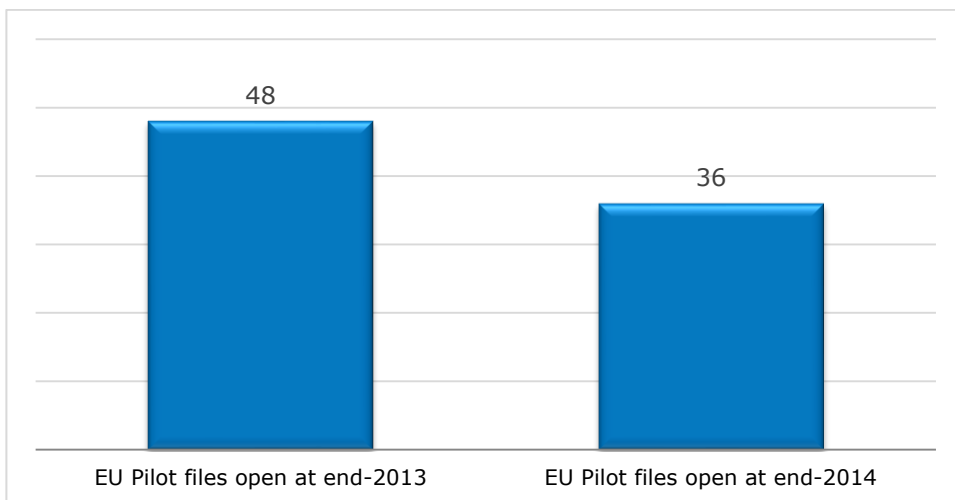


II. EU PILOT

1. New EU Pilot files opened against Ireland (2011-14)

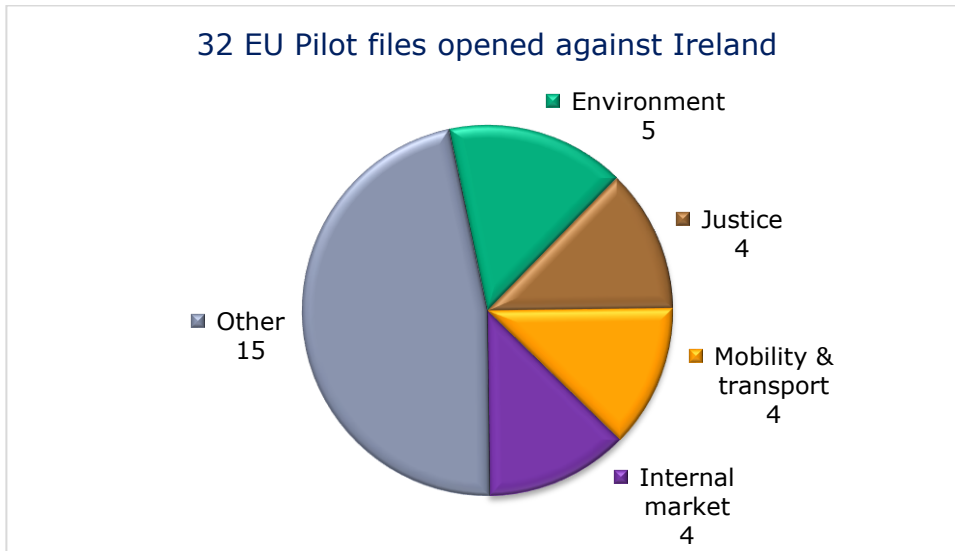


2. Evolution of files relating to Ireland open in EU Pilot¹

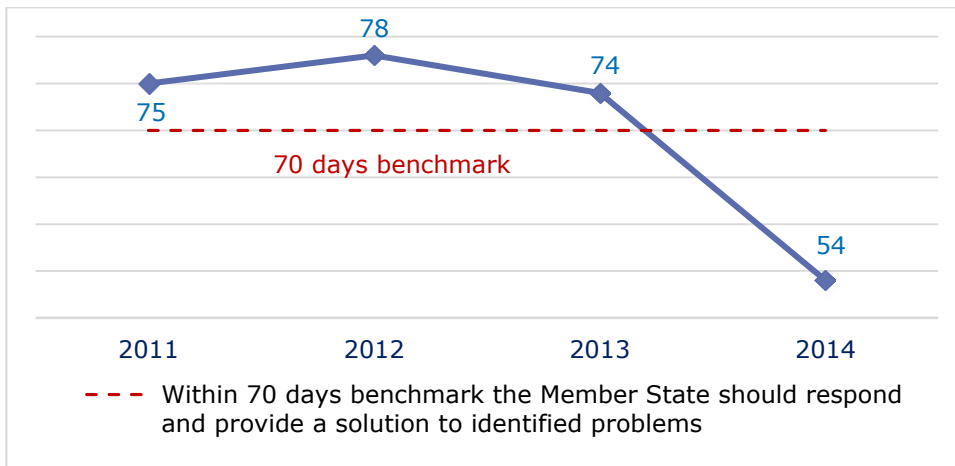


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

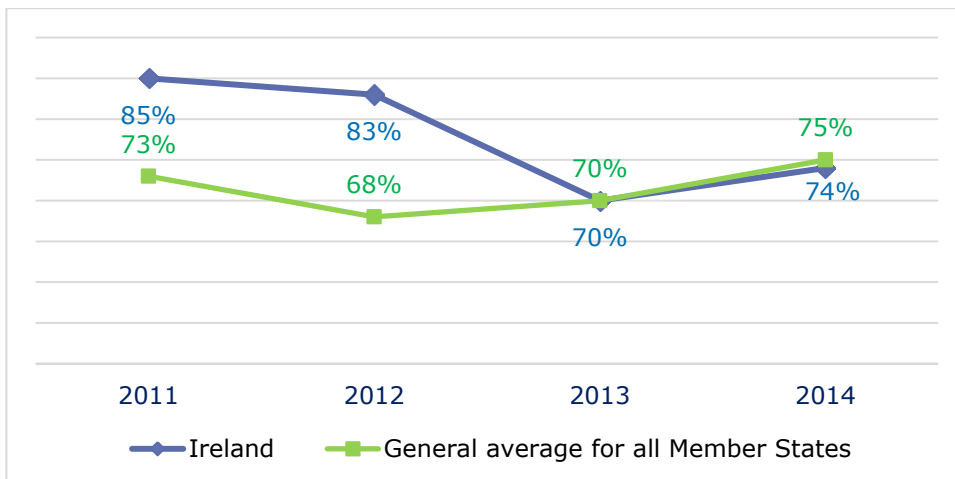
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

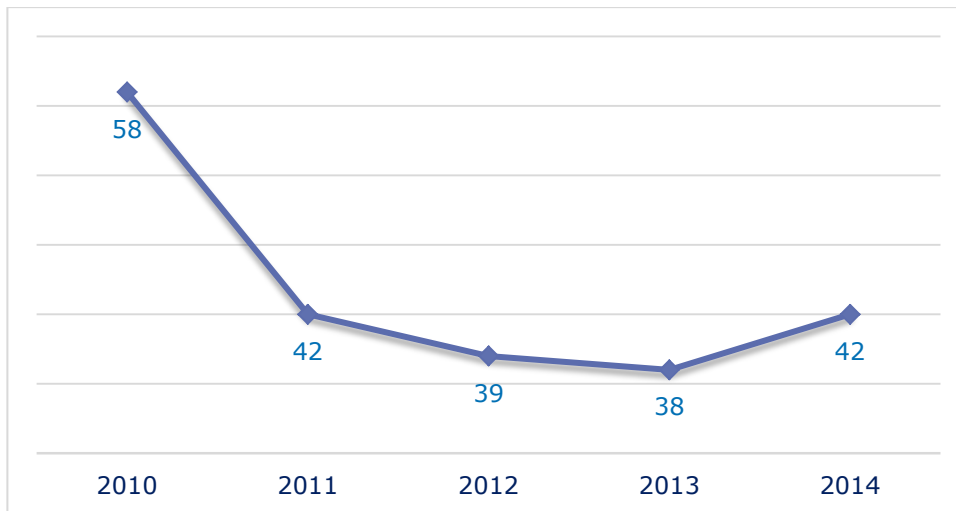


5. EU Pilot files: evolution of the resolution rate by Ireland (2011-14)

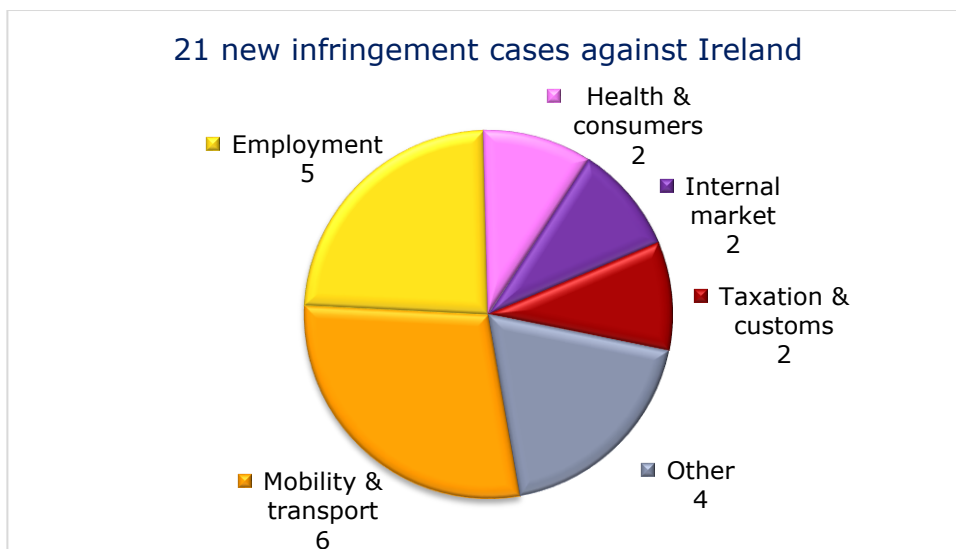


III. INFRINGEMENT CASES

1. Infringement cases against Ireland open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 21 new infringement cases against Ireland in 2014. These, and other major ongoing infringement cases, concern:
- the incompatibility of national provisions on annual leave with Working Time Directive as regards the carry-over period for leave not taken due to illness;²
 - incorrect application of the Working Time Directive by not counting the 'sleepover' hours of social care workers as working time and not granting them minimum daily and/or weekly rest periods or equivalent compensatory rest;
 - incorrect application of the Working Time Directive by applying the practice of 'rolled-up' holiday pay for part-time and fixed-term teachers;
 - late transposition of:
 - the directive implementing the Framework Agreement on prevention from sharp injuries in the hospital and healthcare sector concluded by the European Hospital and

² Directive [2003/88/EC](#).

- Healthcare Employers' association (HOSPEEM) and the European Federation of Public Service Unions (EPSU),³
- the Cross-border Healthcare Directive,⁴
 - the Capital Requirements Directive.⁵
- failure to protect peat land sites in breach of the Habitats Directive,⁶ the Environmental Impact Assessment Directive⁷ and Article 4(3) of the TFEU;
 - failure to accept applications for a residence card lodged by family members during their first three months of residence, in breach of the directive on the right of EU citizens and their family members to move and reside freely within the territory of the Member States;⁸
 - exempting the Voluntary Health Insurance Board from the application of the Non-life Insurance Directives,⁹ although the criteria for exemption are no longer met;
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹⁰ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹¹
 - failure to connect to RESPER, the EU driving licence network;¹²
 - non-ratification of the Convention concerning Internal Carriage by Rail as amended by the Vilnius Protocol of 3 June 1999, in breach of Article 4(3) of the TFEU.
- b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:
- failure to apply the rules of the Working Time Directive to doctors in training and other non-consultant hospital doctors;¹³
 - incorrect application of the rules on fiscal marking of gas oils and kerosene¹⁴ by allowing the use of marked fuel for the purposes of private pleasure craft.
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

³ Council Directive [2010/32/EU](#).

⁴ Directive [2011/24/EU](#).

⁵ Directive [2013/36/EU](#).

⁶ Directive [92/43/EEC](#).

⁷ Directive [85/337/EEC](#).

⁸ Directive [2004/38/EC](#).

⁹ Council Directive [73/239/EEC](#) and Council Directive [92/49/EEC](#).

¹⁰ Regulation (EC) No [550/2004](#).

¹¹ [IP/14/818](#).

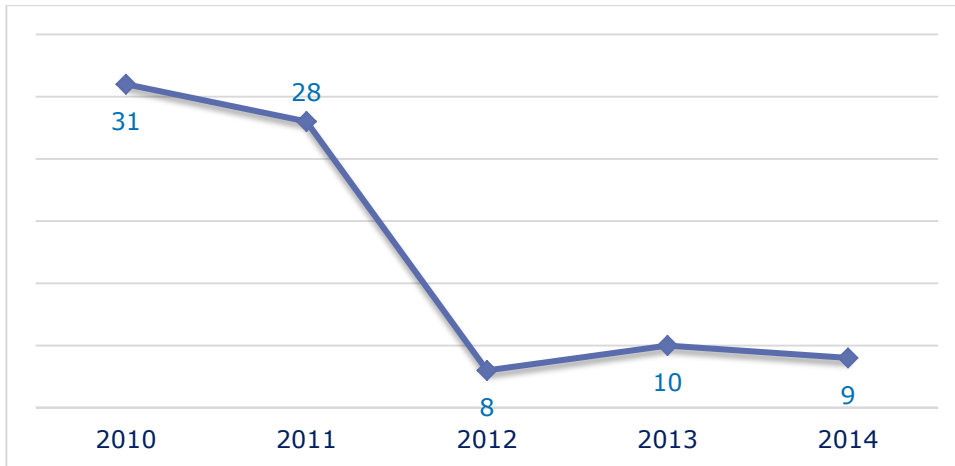
¹² Directive [2006/126/EC](#).

¹³ The Commission decided on 20 November 2013 to refer the case to the Court; the application was filed on 18 February 2014, Commission v Ireland, [C-87/14](#).

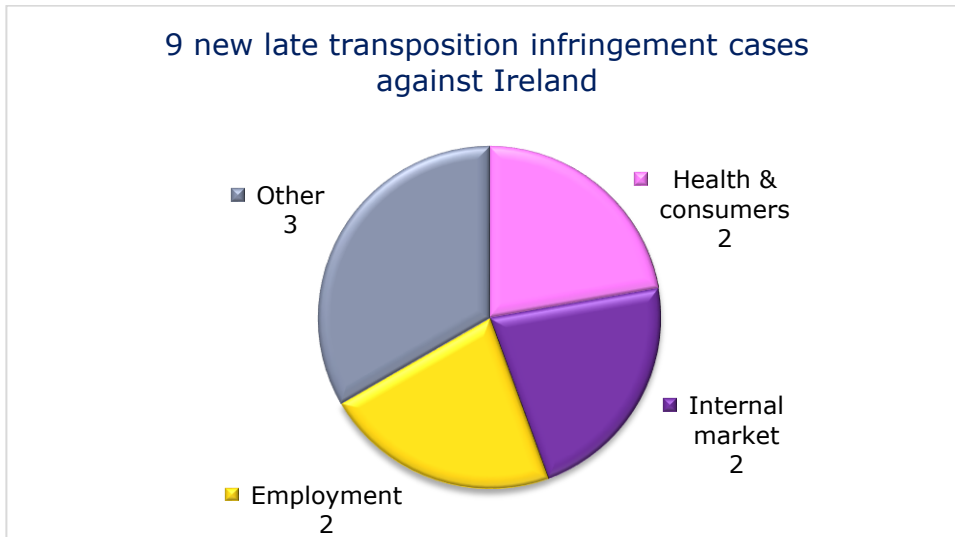
¹⁴ Council Directive [95/60/EC](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Ireland (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission referred two cases to the Court under Articles 258 and 260(3) TFEU. They concern:

- failure to fully transpose the Renewable Energy Directive. The Commission proposed a daily penalty of EUR 25 447.5;¹⁵
- partial transposition of the Electricity Directive. The Commission proposed a daily penalty of EUR 20 358.¹⁶

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- late transposition of the directive implementing the Framework Agreement on prevention from sharp injuries in the hospital and

¹⁵ Directive [2009/28/EC](#), Commission v Ireland, [C-236/14](#), [IP/14/44](#). Ireland subsequently adopted the necessary legislative amendments and the Commission withdrew the case from the Court.

¹⁶ Directive [2009/72/EC](#), Commission v Ireland, [C-217/14](#), [IP/14/155](#).

healthcare sector concluded by the European Hospital and Healthcare Employers' association (HOSPEEM) and the European Federation of Public Service Unions (EPSU);¹⁷

- incorrect transposition of the Late Payment Directive;¹⁸
- failure to fully transpose the directive on the geological storage of carbon dioxide;¹⁹
- absence of transposition of the directive on preventing and combating trafficking in human beings and protecting its victims;²⁰
- lack of sanctions for misuse of air slots in breach of the Slot Regulation;²¹
- exit taxation of companies;²²
- discriminatory treatment of taxpayers receiving termination payments for their employment with group companies when they started their employment in another Member State in comparison with taxpayers who started their employment in Ireland;
- late transposition of the Renewable Energy Directive;²³
- application of minimum and maximum prices on tobacco, which is in breach of the directive on taxes other than turnover taxes which affect the consumption of manufactured tobacco.²⁴

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Irish judiciary, the Court ruled that:

- Member States are not required to grant maternity leave or adoption leave to a female worker who as a commissioning mother had a baby through a surrogacy arrangement;²⁵
- the definitions of 'residence' and 'stay' for the purposes of applying Regulation (EC) No 883/2004 on the coordination of social security systems apply when someone is suddenly taken seriously ill while on holiday in another Member State and is compelled to remain in that Member State as a result of the illness;²⁶
- the Data Retention Directive²⁷ is invalid. The retention of data required by the directive might be considered appropriate to meet the objective of fighting organised crime and terrorism, and therefore of improving public security. However, the directive's wide-ranging and serious interference with the fundamental rights to respect of private life and to protection of personal data is not sufficiently limited to what is strictly necessary;²⁸
- the principles of effectiveness and the right to good administration under EU asylum law²⁹ allow Member States to apply national procedures under which an application for subsidiary protection is

¹⁷ Council Directive [2010/32/EU](#).

¹⁸ Directive [2011/7/EU](#).

¹⁹ Directive [2009/31/EC](#).

²⁰ Directive [2011/36/EU](#).

²¹ Regulation (EEC) No [95/93](#).

²² [IP/11/78](#) on the earlier reasoned opinion.

²³ Directive [2009/28/EC](#).

²⁴ Council Directive [95/59/EC](#).

²⁵ D., [C-167/12](#) and Court press release No [36/14](#).

²⁶ 'I', [C-255/13](#).

²⁷ Directive [2006/24/EC](#).

²⁸ Digital Rights Ireland and Seitlinger and Others, [C-293/12](#) and [C-594/12](#) and Court press release No [54/14](#).

²⁹ Directive [2004/83/CE in the meantime replaced by Directive 2011/95](#).

examined only after an application for refugee status has been refused, provided that it is possible to submit both applications at the same time and that the national rules do not make the procedure unreasonably long.³⁰

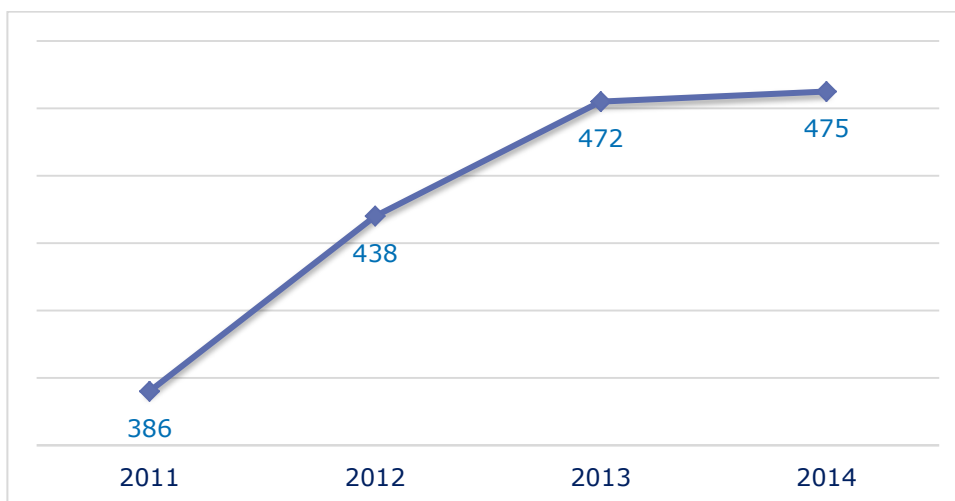
³⁰ H. N., [C-604/12](#).

ITALY

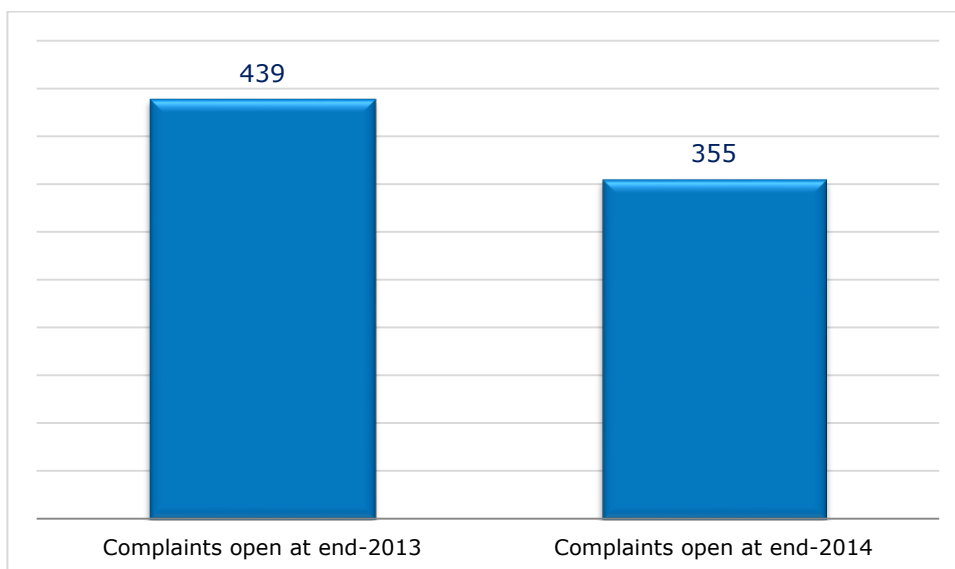
The number of new complaints made against Italy has stabilised over the past two years at a rather high level. After a clear decline in 2012, new EU Pilot files increased again in 2014 to above the 2011 level. By contrast, the overall number of pending infringement cases reached a five-year low in 2014. New infringement cases for late transposition also fell further in 2014, to their lowest level in five years.

I. COMPLAINTS

1. New complaints made against Italy by members of the public (2011-14)



2. Evolution of complaints against Italy

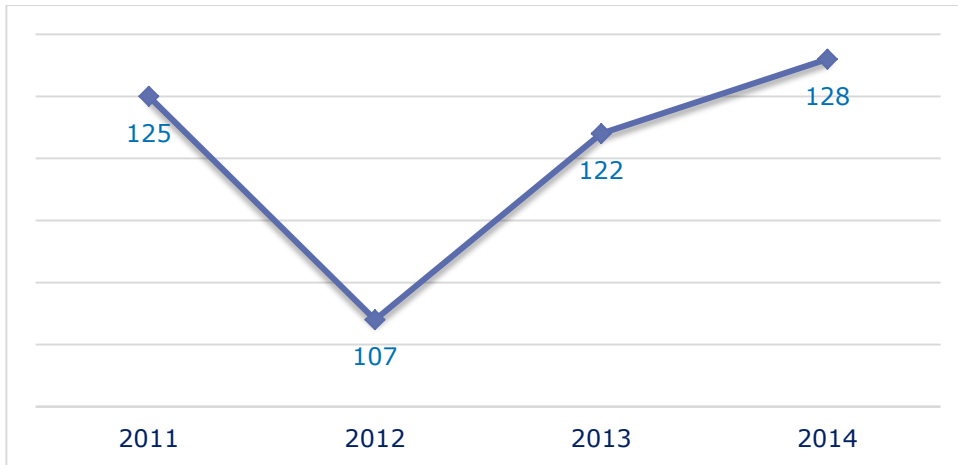


3. New complaints registered in 2014: main policy areas

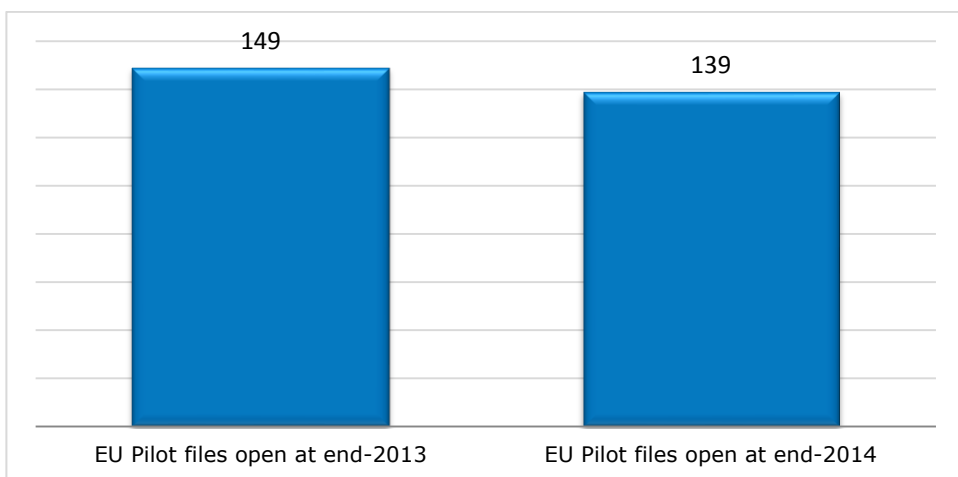


II. EU PILOT

1. New EU Pilot files opened against Italy (2011-14)

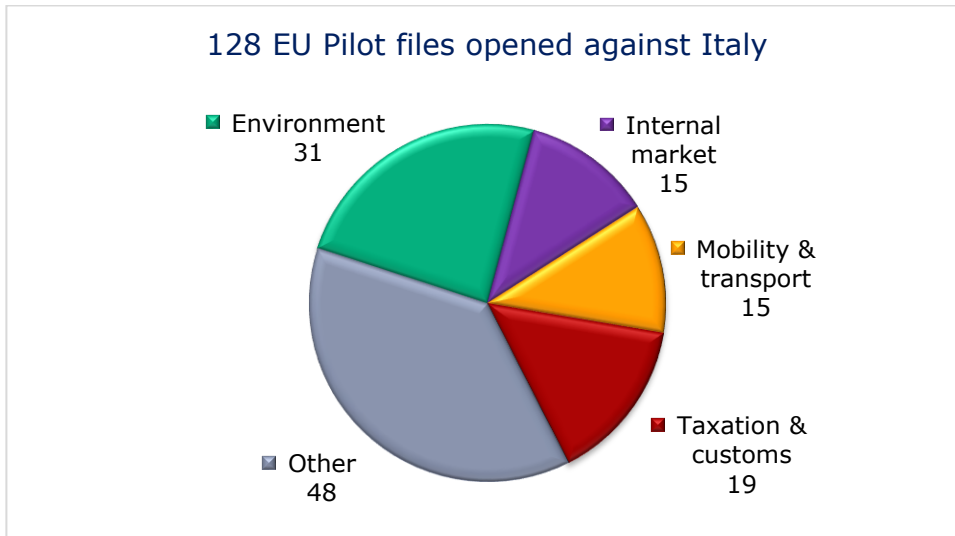


2. Evolution of files relating to Italy open in EU Pilot¹

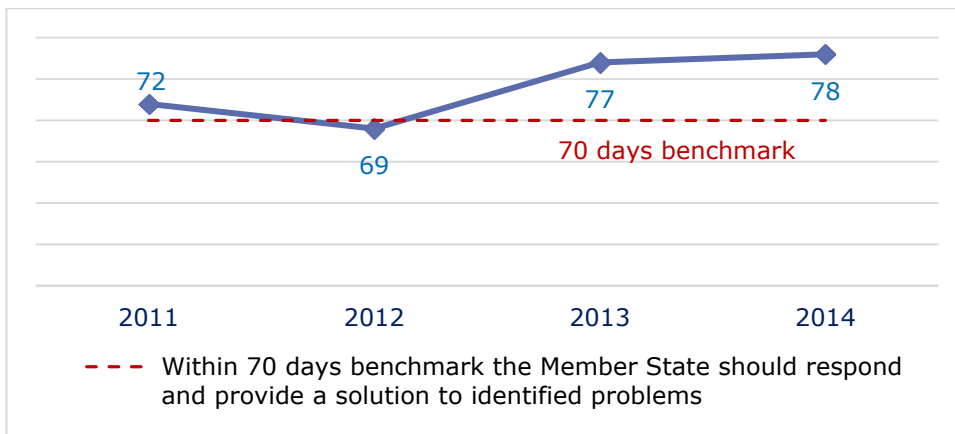


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

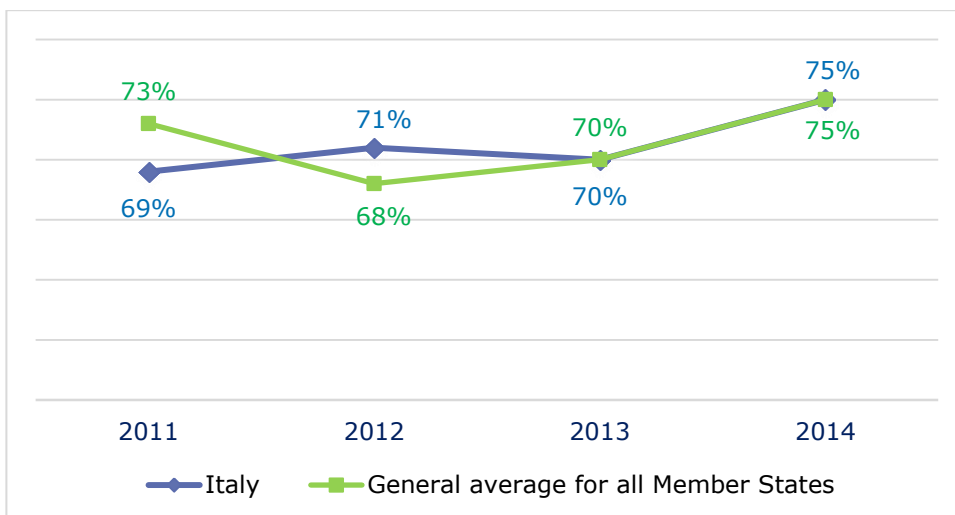
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

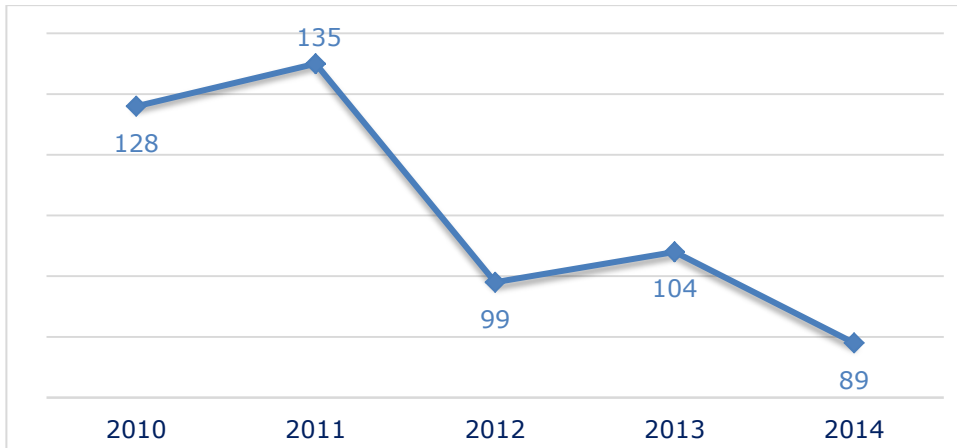


5. EU Pilot files: evolution of the resolution rate by Italy (2011-14)

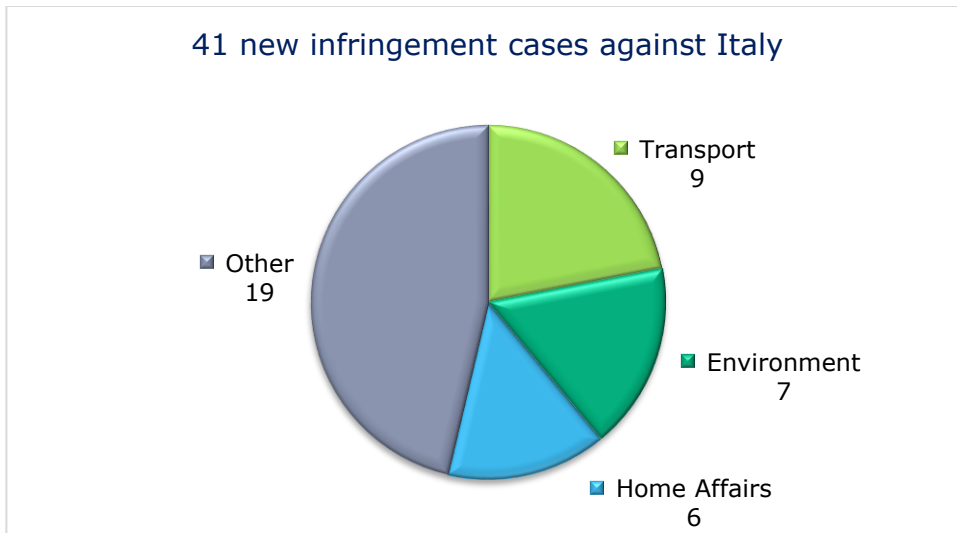


III. INFRINGEMENT CASES

1. Infringement cases against Italy open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 41 new infringement cases against Italy in 2014. These, and other major ongoing infringement cases, concern:
- failure to comply with the regulation establishing a common organisation of agricultural markets² by not imposing the necessary measures to effectively and efficiently recover levies owed by milk producers that exceeded their quota;³
 - the incorrect application of the Authorisation Directive⁴ by not respecting the obligation to make administrative charges and costs for electronic communications providers transparent. In addition, some of the charges on smaller operators are discriminatory and disproportionate;
 - failure to comply with a Commission Decision⁵ and the subsequent judgment of the Court of Justice⁶ under Article 108(2) on investment aid to the hotel industry in Sardinia;

² Council Regulation (EC) No [1234/2007](#).

³ [MEMO/14/470](#).

⁴ Directive [2002/20/EC](#).

⁵ Commission Decision [2008/854/EC](#).

⁶ Commission v Italy, [C-243/10](#).

- incompatibility of the working conditions of some public sector staff with the Fixed-Term Directive⁷; it appears that the salaries, paid leave linked to seniority and other entitlements of these staff are less generous than for permanent staff;
 - incorrect application of the Late Payment Directive;⁸
 - the trapping of birds with nets for use as live decoys;⁹
 - failure to comply with the Urban Waste Water Treatment Directive in 900 agglomerations across Italy;¹⁰
 - incorrect application of the Drinking Water Directive (arsenic and fluoride in drinking water);¹¹
 - nonconformity of the national legislation with the Return Directive¹² on aspects such as an effective forced-return monitoring system, criminalisation of irregular stay, detention and detention conditions;
 - alleged denial of access to the asylum procedure for migrants arriving from Greece¹³ and possibly in need of international protection (under the Dublin Regulation¹⁴);
 - late transposition of the Capital Requirements Directive;¹⁵
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹⁶ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements.¹⁷
- b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:
- the exclusion of National Health Service staff from certain rights under the Working Time Directive;¹⁸
 - nonconformity with the directive on compensation to crime victims;¹⁹ Italian legislation provides for compensation to victims of certain violent intentional crimes, such as terrorism and organised crime, but not for all of them.²⁰
- c) The Commission referred one case to the Court under Article 260(2) TFEU. This concerns:
- failure to recover illegal and incompatible State aid to companies in Venice and Chioggia. The Commission proposes a daily fine of EUR 24 578.40 for the period between the previous Court judgment (on 6 October 2011) and the judgment in this case; the Commission also proposes a higher daily fine if Italy does not comply with the judgment in this case within six months.²¹

⁷ Directive [1999/70/EC](#).

⁸ Directive [2011/7/EU](#), [IP/14/689](#).

⁹ [MEMO/14/2130](#).

¹⁰ Directive [91/271/EEC](#).

¹¹ Directive [98/83/EC](#), [IP/14/816](#).

¹² Directive [2008/115/EC](#).

¹³ In breach of Council Directive [2005/85/EC](#).

¹⁴ Council Regulation (EC) No [343/2003](#).

¹⁵ Directive [2013/36/EU](#).

¹⁶ Regulation (EC) No [550/2004](#).

¹⁷ [IP/14/818](#).

¹⁸ Directive [2003/88/EC](#), [C-124/14](#), [IP/14/159](#).

¹⁹ Council Directive [2004/80/EC](#).

²⁰ Commission v Italy, [C-601/14](#), [IP/14/1146](#).

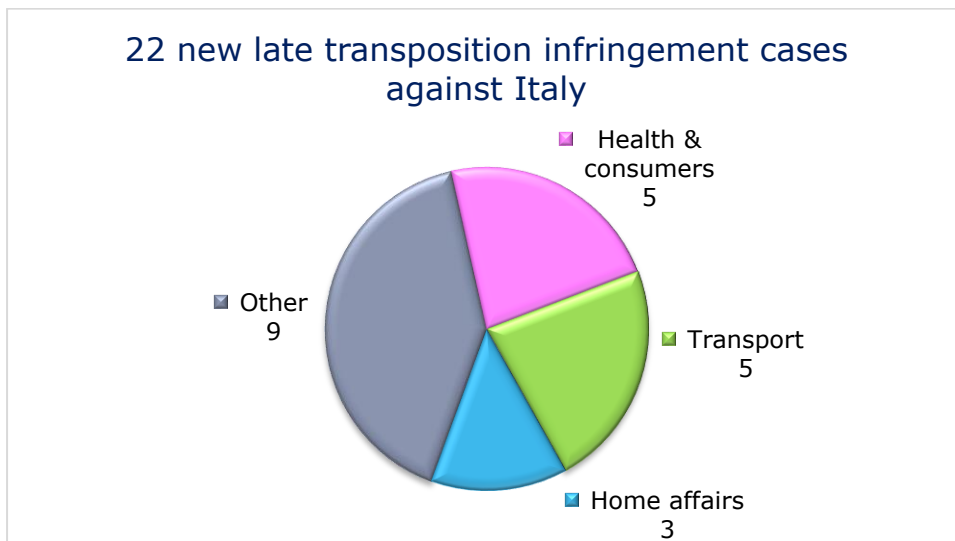
²¹ The Commission decided on 20 November 2013 to refer the case to the Court; the application was filed on 29 July 2014, Commission v Italy, [C-367/14](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Italy (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- late transposition of the directive implementing the Framework Agreement on prevention from sharp injuries in the hospital and healthcare sector concluded by the European Hospital and Healthcare Employers' association (HOSPEEM) and the European Federation of Public Service Unions (EPSU);²²
- late transposition of the Industrial Emissions Directive;²³
- incorrect transposition of the Environmental Liability Directive;²⁴

²² Council Directive [2010/32/EU](#).

²³ Directive [2010/75/EU](#).

²⁴ Directive [2004/35/EC](#).

- lack of controls on the illegal use of driftnets. Following a Court judgment in October 2009,²⁵ and in the context of an action plan, Italy agreed to give top priority to implementing additional measures to eradicate illegal driftnet activities. The Commission monitored Italy's implementation of the remedial actions included in the action plan over the first half of 2014;
- incorrect application of the Long-Term Residents Directive²⁶ by limiting some core social benefits to its nationals and totally or partially excluding non-EU nationals who are long-term residents;
- several fishing agreements concluded by Italy with third countries in breach of the EU's exclusive competence in the field of fisheries; the Italian authorities subsequently provided evidence that the agreements have been terminated;
- the authorities' refusal to recognise that holders of Italy's *Maturita magistrale* diploma were fully qualified to exercise the profession of primary school teacher in Italy. As a result, holders of this diploma could not work in any other Member State;
- incorrect application of the directive on the minimum level of training of seafarers²⁷ due to several shortcomings in Italy's system for training and certifying them;
- incorrect application of the regulation on rail passengers' rights and obligations;²⁸
- discriminatory airport charges for non-EU carriers.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that Italy:

- did not implement the 2007 judgment of the Court of Justice establishing its failure to fulfil obligations under the waste directives. The Court ordered Italy to pay a lump sum EUR 40 million and a penalty of 42.8 million for each six-month period of delay in implementing the measures necessary for compliance;²⁹
- failed to ensure adequate treatment of waste landfilled in Malagrotta and in other Lazio landfills;³⁰
- failed to ensure adequate collection and treatment of urban wastewaters;³¹
- failed to comply with the directive on the protection of laying hens by not ensuring that they are no longer reared in unenriched cages;³²
- Italy's appeals against two Commission decisions under the European Regional Development Fund are unfounded. One, involving a 10% flat-rate reduction in financial assistance, concerned the Apulia region³³ and the other, involving the non-admission of interim payment applications, concerned the Campania region.³⁴

²⁵ *Commission of the European Communities v Italian Republic*, [C-249/08](#).

²⁶ Council Directive [2003/109/EC](#).

²⁷ Directive [2008/106/EC](#).

²⁸ Regulation (EC) No [1371/2007](#), [IP/14/325](#). Italy subsequently adopted the necessary legislative amendments and the Commission withdrew the Court application.

²⁹ *Commission v Italy*, [C-196/13](#) and Court press release No [163/14](#).

³⁰ *Commission v Italy*, [C-323/13](#).

³¹ Directive [91/271/EEC](#), *Commission v Italy*, [C-85/13](#) and *Commission v Belgium*, [C-395/13](#).

³² Directive [1999/74/EC](#), and *Commission v Italy*, [C-339/13](#) and *Commission v Greece*, [C-351/13](#).

³³ *Italy v Commission*, [T-117/10](#).

³⁴ *Italy v Commission*, [C-385/13 P](#).

2. Preliminary rulings

In preliminary rulings addressed to the Italian judiciary, the Court ruled that:

- the Fixed-Term Work Directive precludes national rules that authorise the renewal of fixed-term contracts to fill vacant posts, pending the recruitment of tenured school staff, without stating a definite deadline for the completion of these recruitment processes and without providing compensation for damage suffered due to such unlimited renewals;³⁵
- the Part-Time Work Directive does not always require an employer to obtain a worker's consent before changing his part-time contract into a full-time one;³⁶
- if a site of EU importance has lost its ecological value due to natural causes and not because a Member State has failed to protect it, the Member State is required to propose to the Commission that the site be declassified;³⁷
- the conclusion of international agreements about the recognition by Member States of guarantees of origin issued by non-EU countries is liable to affect the correct functioning of the harmonised certification mechanism established by the Renewable Energy Directive and the objectives it pursues. This is therefore an exclusive EU external competence;³⁸
- to be able to acquire the long-term resident status provided for under EU law, non-EU nationals must personally be legally and continuously resident in the host Member State for five years before submitting their application. Family members of a long-term resident may not be exempted from this condition;³⁹
- a national of a Member State who qualifies as a lawyer in another Member State has the right to work as a lawyer in his own Member State;⁴⁰
- the notion of "final judgment" under the "*ne bis in idem*" principle (Article 54 of the Convention implementing the Schengen Agreement (CISA)) includes an order making a finding that there is no ground to refer a case to a trial court which precludes, in the State in which that order was made, to bring new criminal proceedings in respect of the same acts against the person to whom that finding applies, unless new facts and/or evidence against that person come to light; such an order precludes new proceedings against the same person in respect of the same acts in another State;⁴¹
- Member States are not allowed to reserve the position of President of a Port Authority for its nationals;⁴²
- national laws that levy income tax on winnings gained in casinos in other Member States are not compatible with Treaty rules on the freedom to provide services (Articles 52 and 56 TFEU) if those winnings would be exempt from tax if gained in casinos within the national territory.⁴³

³⁵ Mascolo [C-22/13](#) and Court press release No [161/14](#).

³⁶ Mascellani [C-221/13](#).

³⁷ Cascina Tre Pini, [C-301/12](#).

³⁸ Green Network SpA/Autorità per l'energia elettrica e il gas, [C-66/13](#).

³⁹ Tahir, [C-469/13](#) and Court press release No [106/14](#).

⁴⁰ Torresi, [C-58/13](#) and Court press release No [59/14](#).

⁴¹ M., [C-398/12](#).

⁴² Haralambidis, [C-270/13](#).

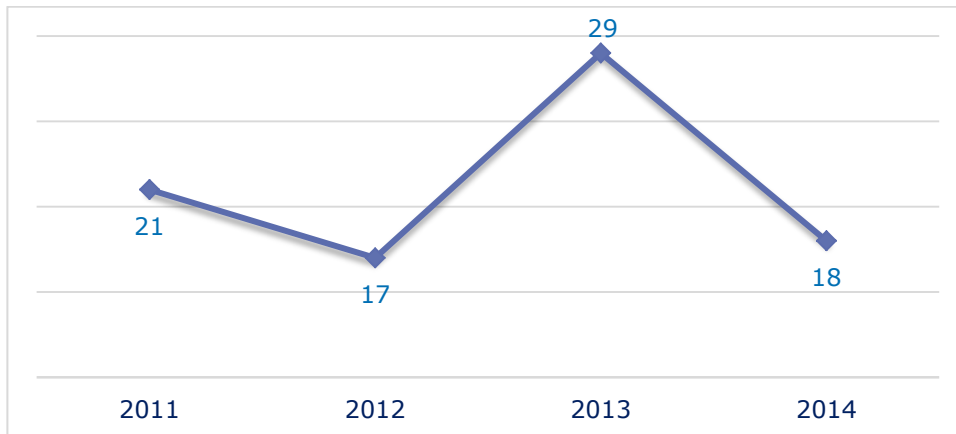
⁴³ Blanco and Fabretti, [joined cases C-344/13 and C-367/13](#) and Court press release No [139/14](#).

LATVIA

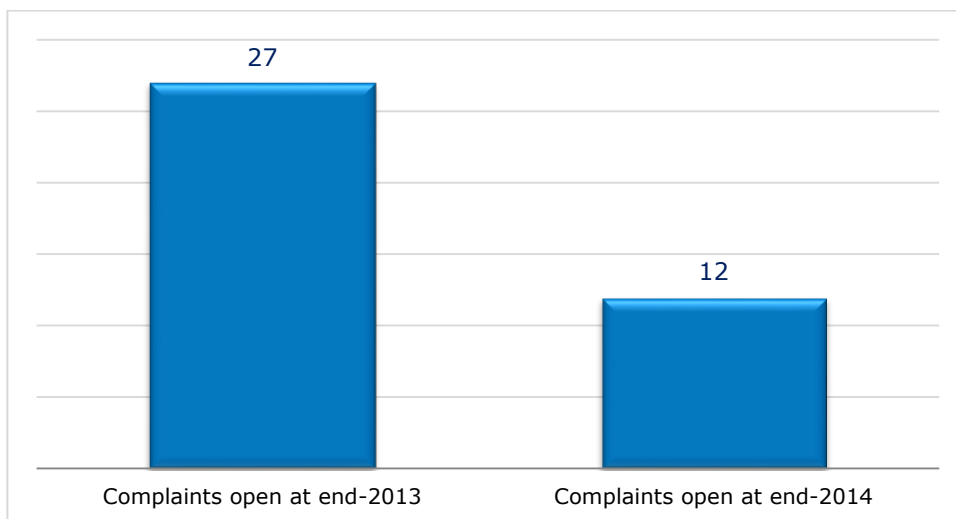
The number of new complaints made against Latvia fell markedly in 2014 from 2013's peak. New EU Pilot files opened against Latvia also continued the decline recorded in 2013. However, the number of pending infringements increased for the first time since 2010 after falling for two years. New infringement cases for late transposition have shown little change over the last three years.

I. COMPLAINTS

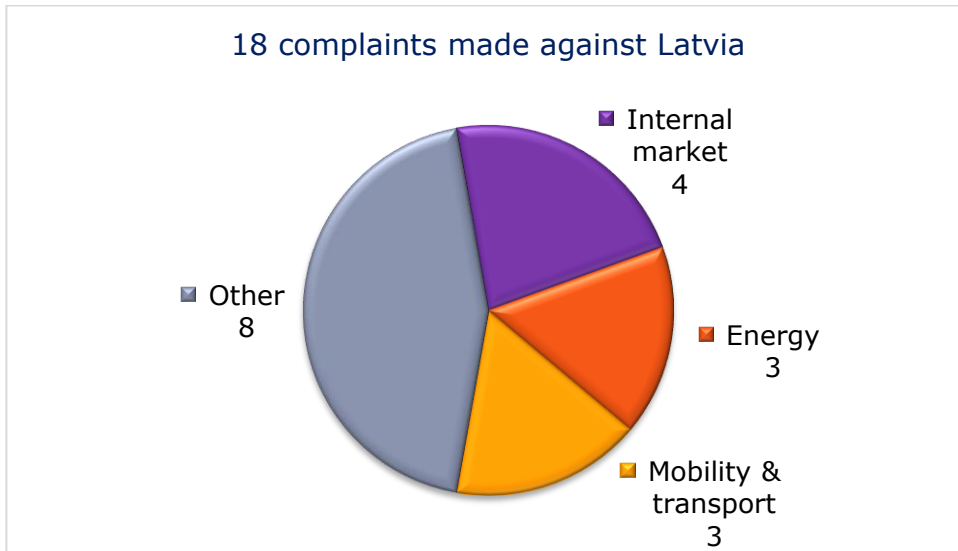
1. New complaints made against Latvia by the members of the public (2011-14)



2. Evolution of complaints against Latvia

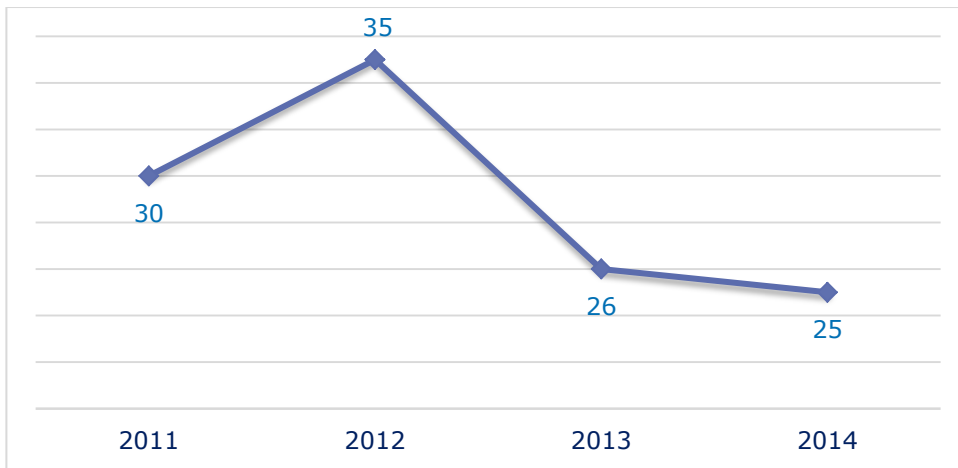


3. New complaints registered in 2014: main policy areas

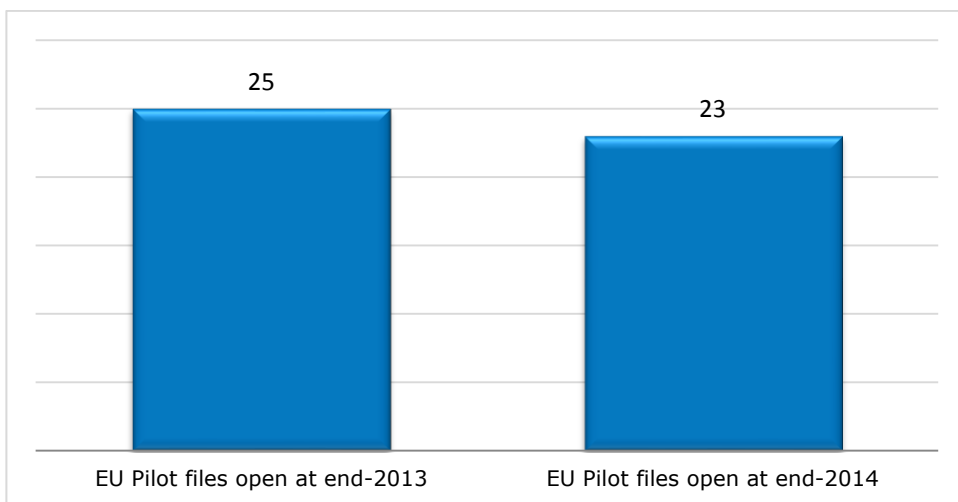


II. EU PILOT

1. New EU Pilot files opened against Latvia (2011-14)

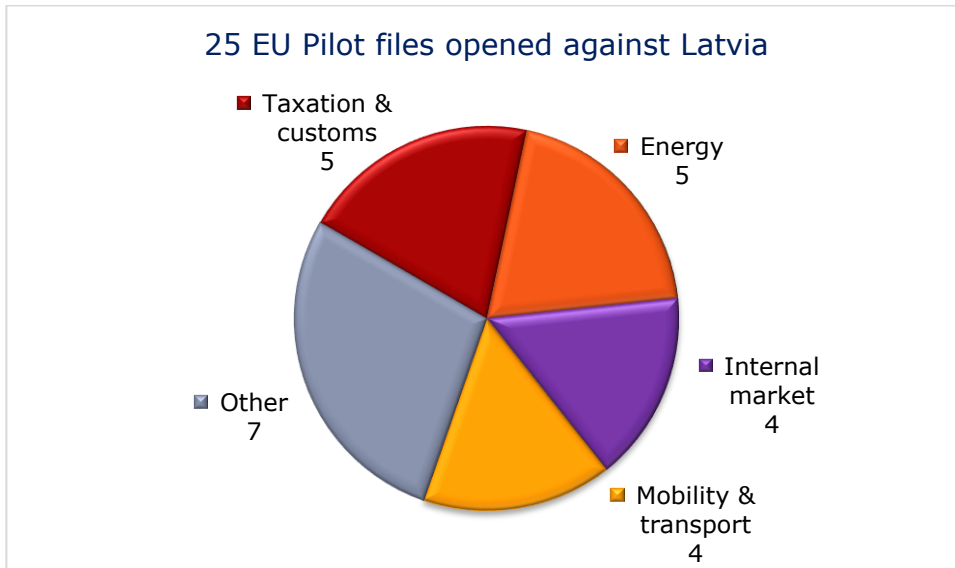


2. Evolution of files relating to Latvia open in EU Pilot¹

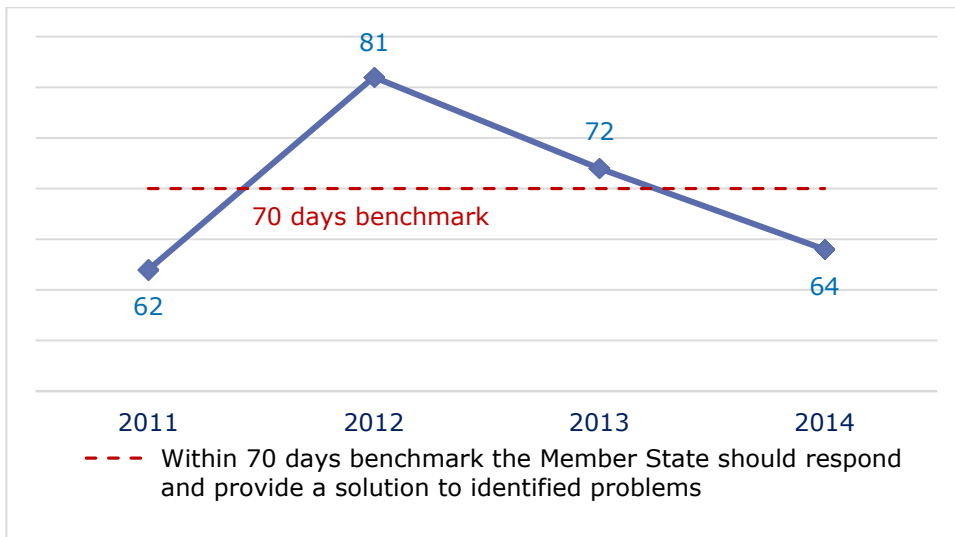


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

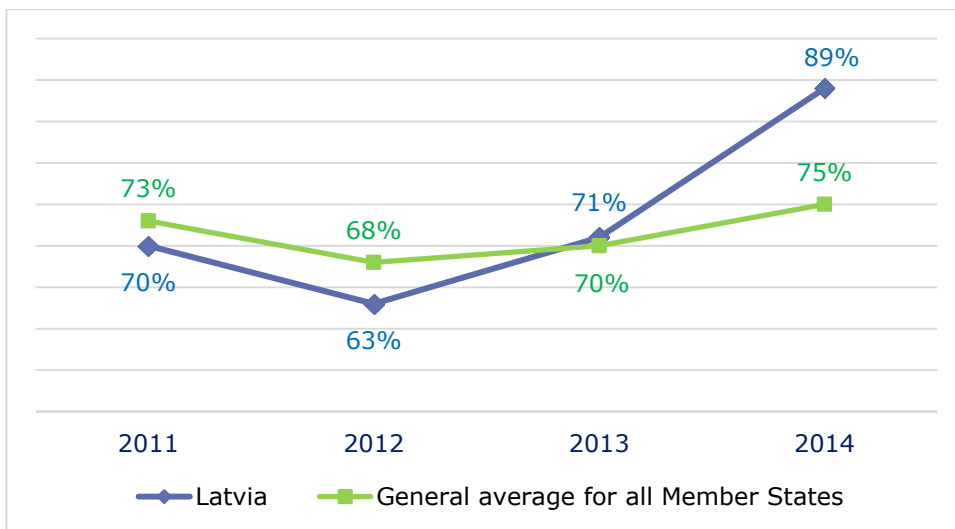
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

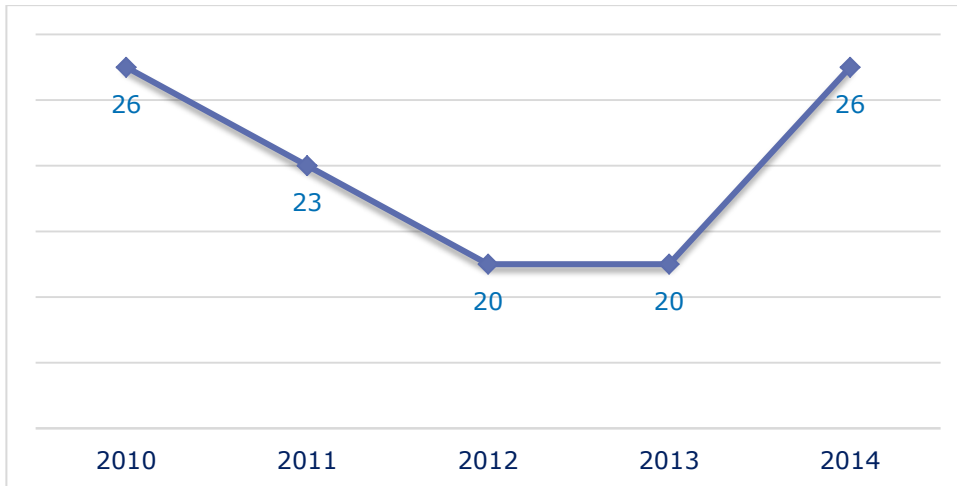


5. EU Pilot files: evolution of the resolution rate by Latvia (2011-14)

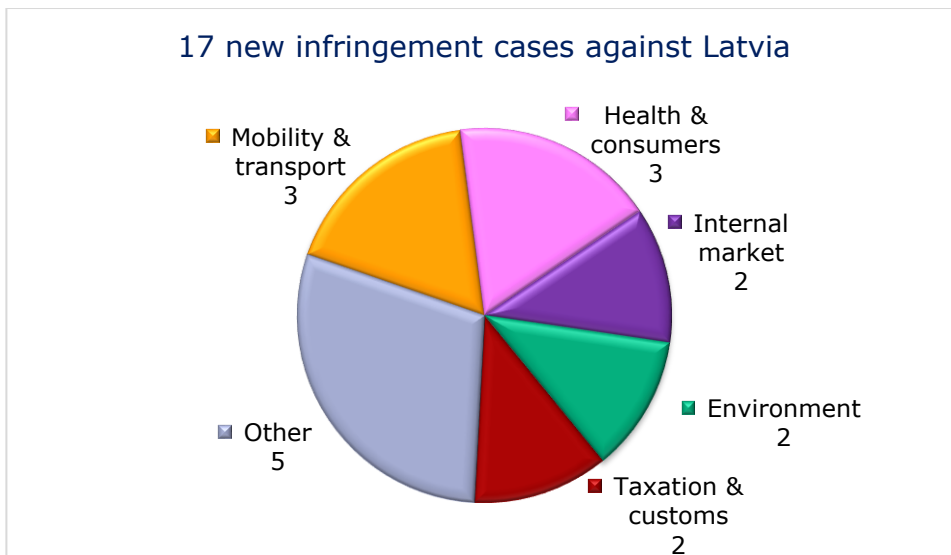


III. INFRINGEMENT CASES

1. Infringement cases against Latvia open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 17 new infringement cases against Latvia in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity of the national legislation with the Audiovisual Media Services Directive.² Under Latvian law, any sign of disrespect to Latvia's national values in audiovisual commercial communications is prohibited. This prohibition goes beyond the provisions of the directive, in particular in light of the freedom of expression enshrined in the Charter of Fundamental Rights of the European Union;
 - non-respect of EU air quality standards (maximum PM₁₀ limit values)³ in one agglomeration;⁴
 - restrictions on the right of EU nationals to become members of a political party or to found one in the Member State of residence;⁵

² Directive [2007/65/EC](#).

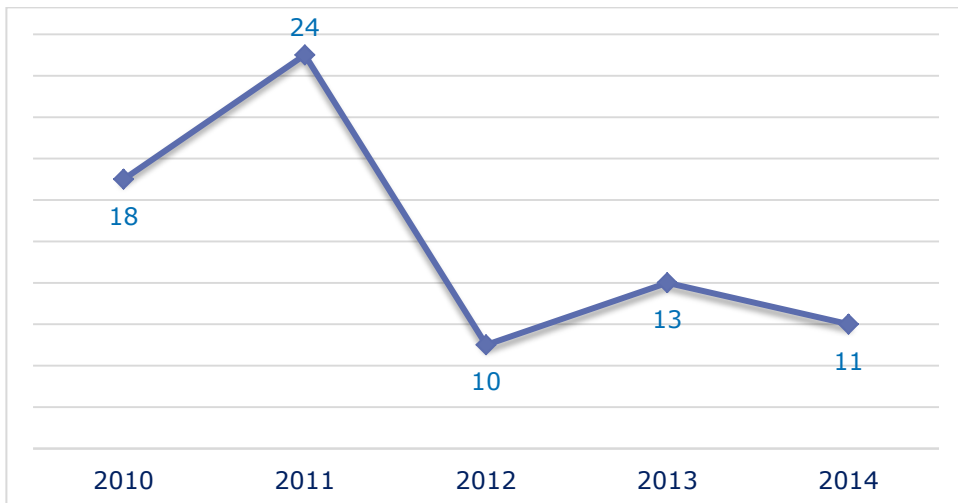
³ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

⁴ [IP/13/47](#).

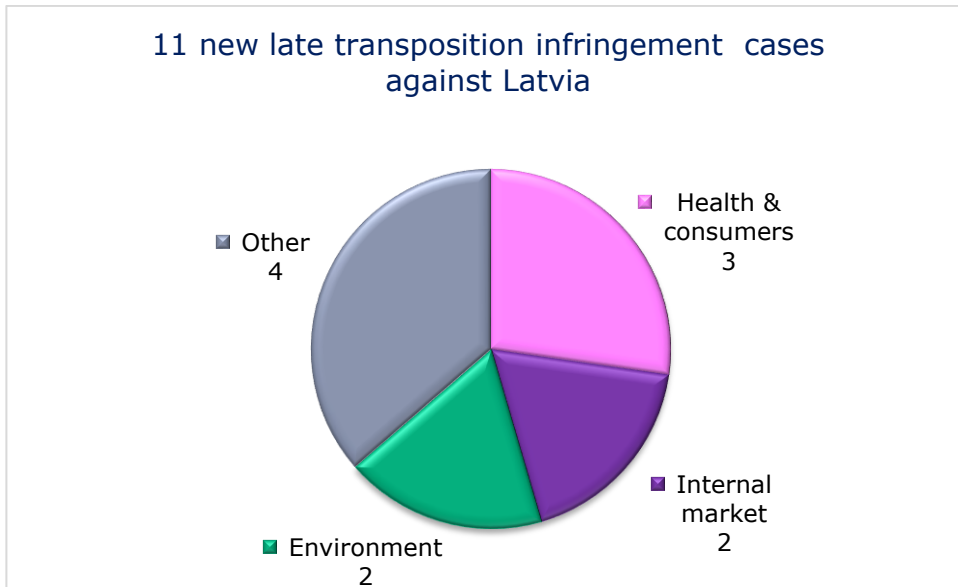
- non-communication of national measures transposing the Capital Requirements Directive⁶ and one directive concerning the automotive sector;⁷
 - incorrect transposition of the European Electronic Toll Service Directive.⁸
- b) The Commission referred one case to the Court under Article 258 TFEU. This concerns:
- the requirement to have Latvian nationality to work as a notary.⁹
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Latvia (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



⁵ [MEMO/14/293](#).

⁶ Directive [2013/36/EU](#); [MEMO/14/589](#).

⁷ Directive [2012/46/EU](#).

⁸ Directive [2004/52/EC](#).

⁹ Commission v Latvia, [C-151/14](#), [IP/14/48](#).

3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- incorrect transposition of the Mining Waste Directive;¹⁰
- nonconformity of the national transposition measures with the Railway Safety Directive and the directive on separation of accounts in rail.¹¹

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings, the Court ruled that:

- a programme manual adopted by a monitoring committee in the context of an operational programme established by two Member States and intended to promote European territorial cooperation, cannot prevent a decision of the monitoring committee rejecting an application for aid from being subject to appeal before a court of a Member State, as this would constitute a breach of Regulation (EC) No 1083/2006, read in conjunction with Article 47 of the Charter of Fundamental Rights of the European Union.¹²

¹⁰ Directive [2006/21/EC](#).

¹¹ Directive [2004/49/EC](#) and Directive [91/440/EEC](#).

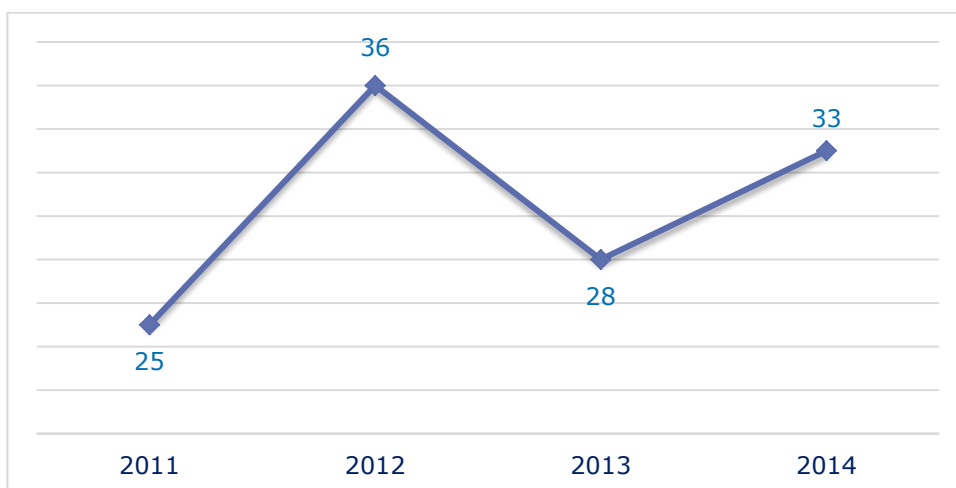
¹² *Liivimaa Lihaveis MTÜ v Eesti-Läti programmi 2007-2013 Seirekomitee*, [C-562/12](#).

LITHUANIA

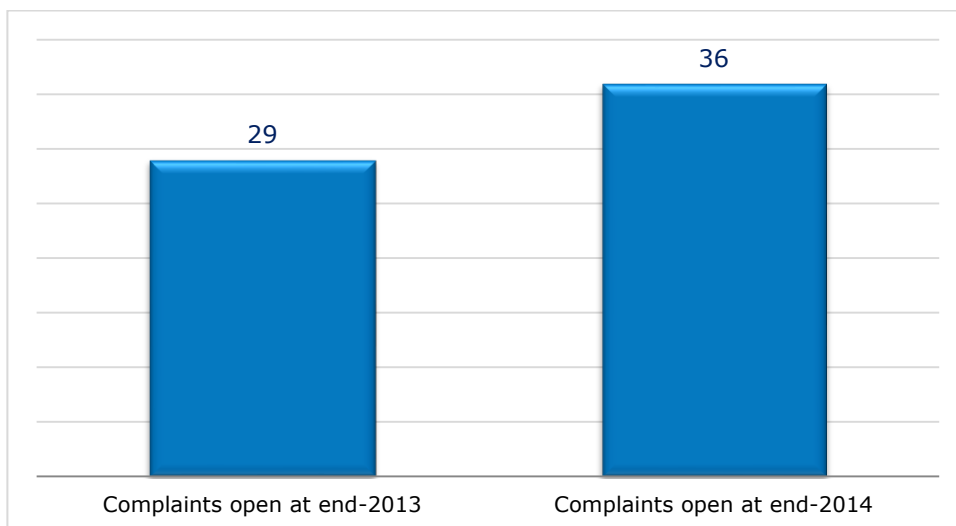
The number of new complaints made against Lithuania has hardly changed over the last four years. However, new EU Pilot files opened against Lithuania fell visibly in 2014 from their 2013 peak. The number of pending infringement cases rose slightly but remained far below the 2011 level. New infringement cases for late transposition fell marginally and were well below half the total in 2011.

I. COMPLAINTS

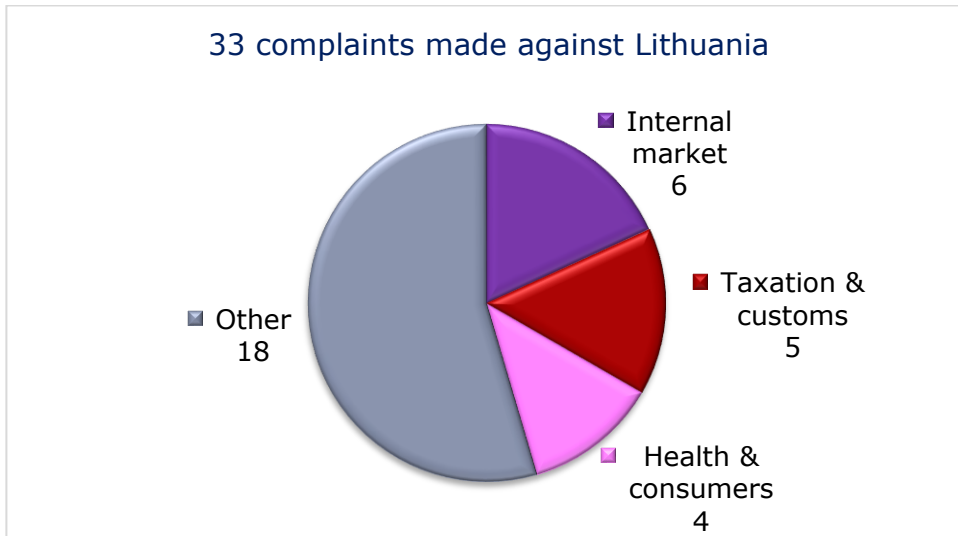
1. New complaints made against Lithuania by members of the public (2011-14)



2. Evolution of complaints against Lithuania

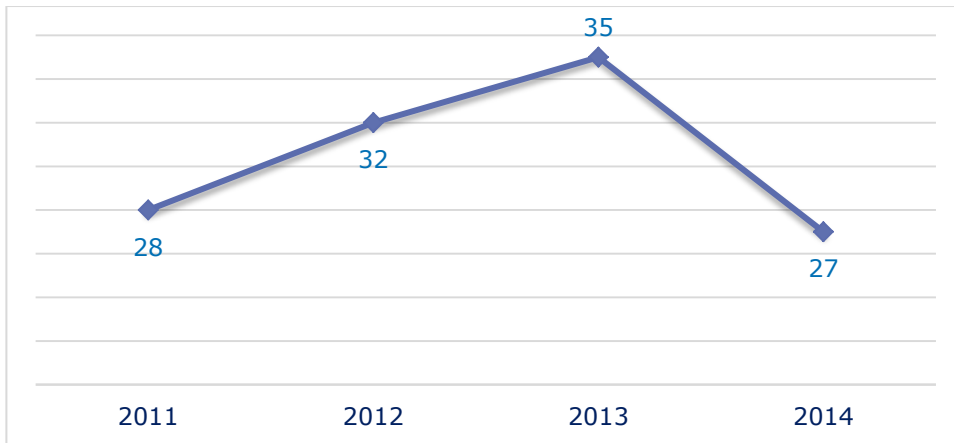


3. New complaints registered in 2014: main policy areas

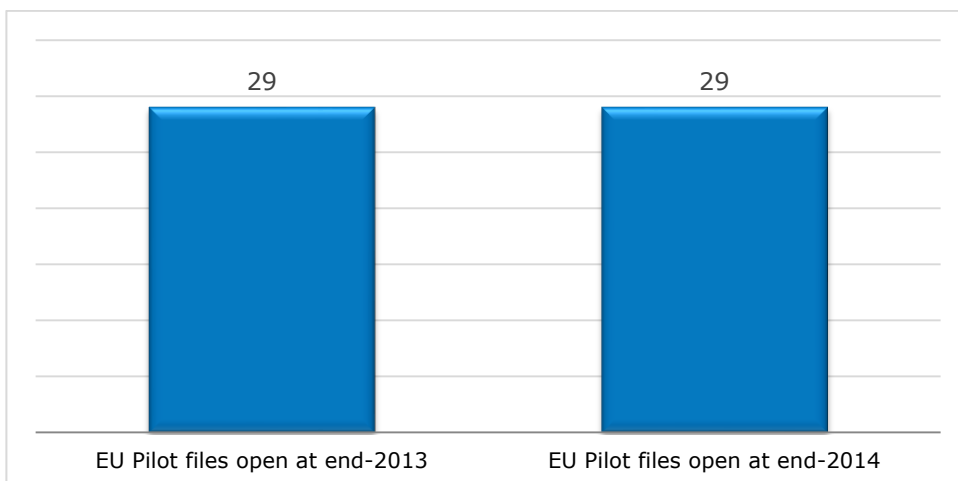


II. EU PILOT

1. New EU Pilot files opened against Lithuania (2011-14)

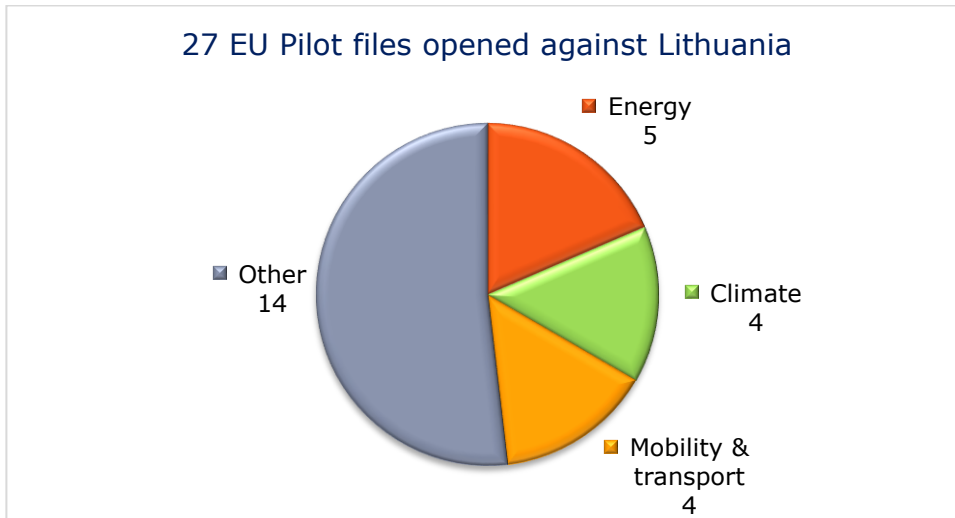


2. Evolution of files relating to Lithuania open in EU Pilot¹

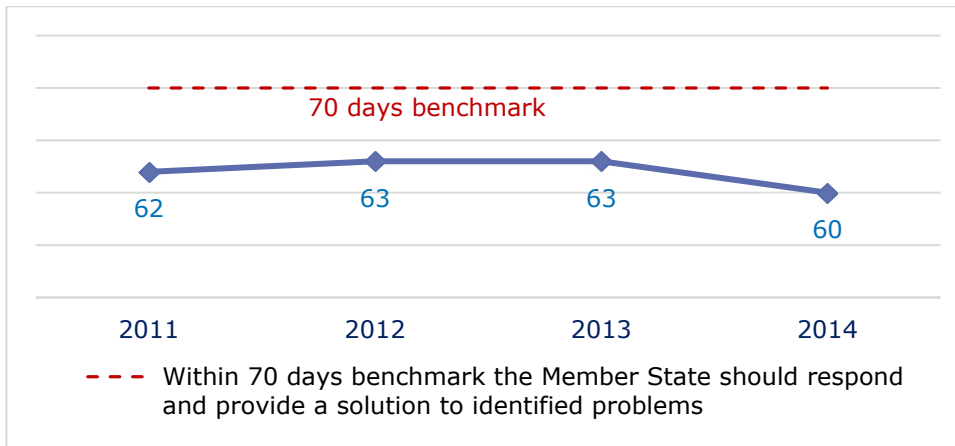


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

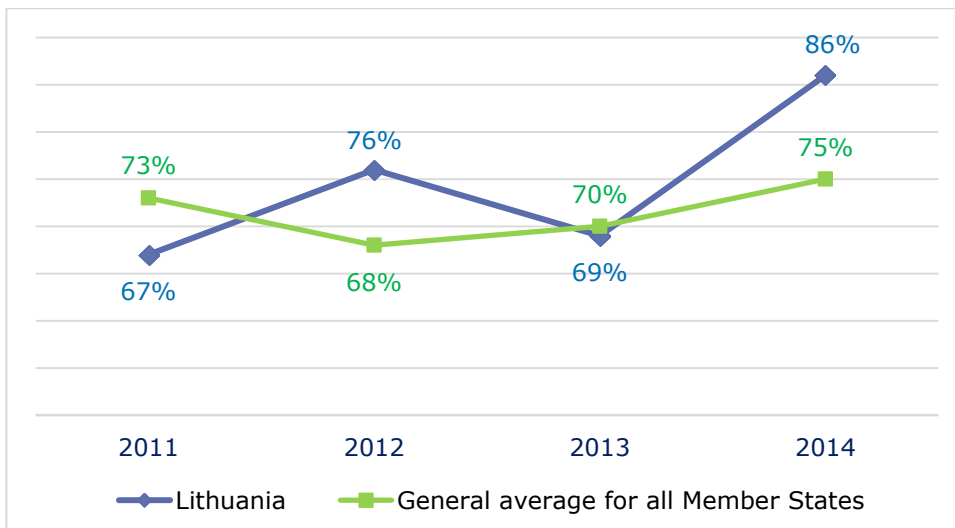
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

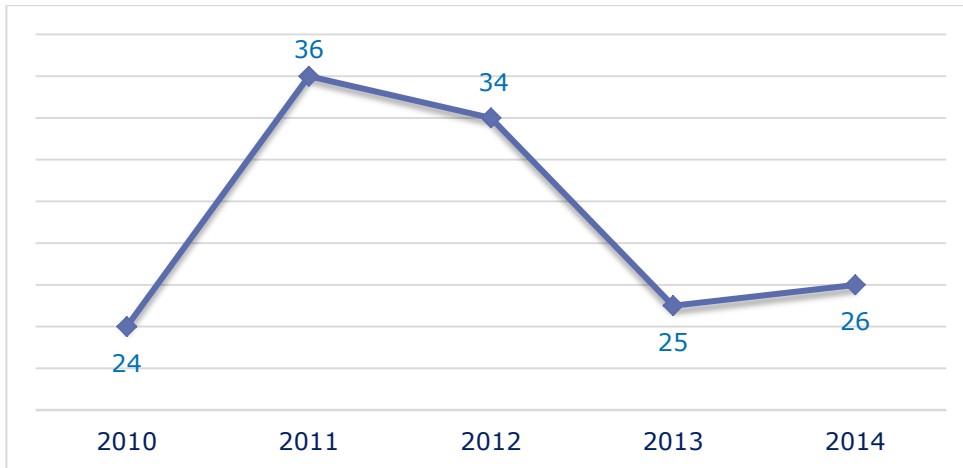


5. EU Pilot files: evolution of the resolution rate by Lithuania (2011-14)

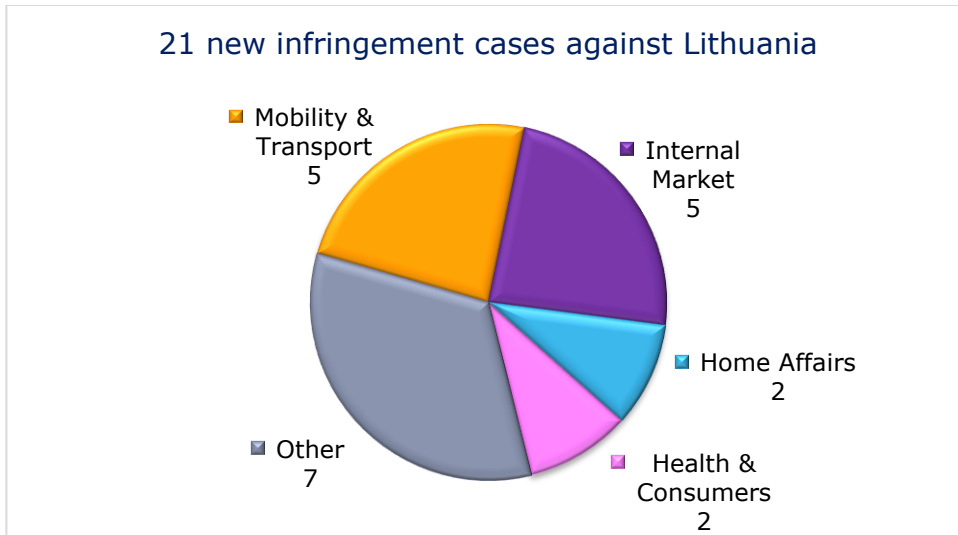


III. INFRINGEMENT CASES

1. Infringement cases against Lithuania open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 21 new infringement cases against Lithuania in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity of the national legislation with the Audiovisual Media Services Directive.² Under Lithuanian law, television broadcasts from another Member State may be suspended if they contain information on gay marriage or homosexual couples starting families. This restriction could go beyond the scope of the derogations contained in the directive regarding the protection of minors;
 - incorrect application of the rule in the Fuel Quality Directive requiring Member States to ensure that the ethanol content of petrol placed on the market within their territory is below 10%;³
 - non-communication of national measures transposing the Capital Requirements Directive,⁴ the Industrial Emissions Directive⁵ and one directive concerning the automotive sector;⁶

² Directive [2010/13/EU](#).

³ Directive [2009/30/EC](#).

⁴ Directive [2013/36/EU](#); [MEMO/14/589](#).

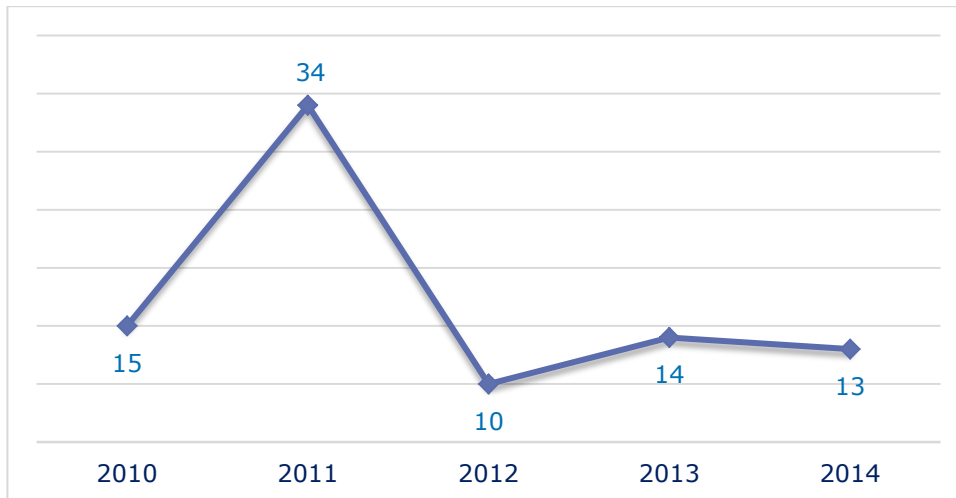
⁵ Directive [2010/75/EU](#).

⁶ Directive [2013/60/EU](#).

- violation of the principle of free movement of goods by requiring articles of precious metal imported from another EU country to be stamped with an additional national hallmark even when they have already been lawfully hallmarked and marketed in the EU;
 - restrictions on the right of EU nationals to become members of a political party or to found one in the Member State of residence;
 - nonconformity of national legislation with the directive on free movement and residence rights of EU citizens and their family members;⁷
 - violation of the principle of freedom to provide services in the port of Klaipeda;⁸
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁰
 - nonconformity of national legislation with the Railway Safety Directive.¹¹
- b) The Commission did not refer any cases to the Court under Article 258 TFEU.
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Lithuania (2010-14)



⁷ Directive [2004/38/EC](#).

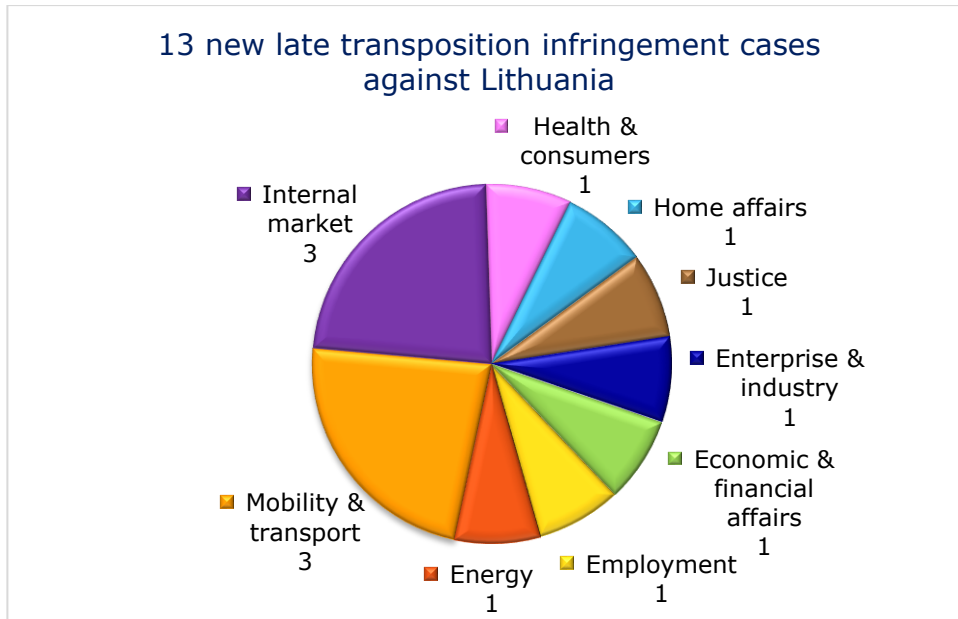
⁸ [MEMO/14/2130](#).

⁹ Regulation (EC) No [550/2004](#).

¹⁰ [IP/14/818](#).

¹¹ Directive [2004/49/EC](#); [MEMO/14/470](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- non-communication of national transposition measures concerning the End-of-Life Vehicles Directive;¹²
- incorrect application of the Wild Birds Directive due to the insufficient designation of Special Protection Areas;¹³
- nonconformity of national measures with the directive on separation of accounts in the rail sector.¹⁴

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- the obligation imposed by Lithuanian law to move the steering wheel of right-hand drive vehicles to the left-hand side for road safety reasons infringes EU law.¹⁵

2. Preliminary rulings

In preliminary rulings addressed to the Lithuanian judiciary, the Court ruled that:

- the free movement of goods principle does not permit national legislation that requires precious metal articles to be controlled and stamped again when they have been imported from another Member State where they have already been authorised to be put on the

¹² Directive [2013/28/EU](#).

¹³ Directive [2009/147/EC](#).

¹⁴ Directive [91/440/EEC](#).

¹⁵ Commission v Lithuania, [C-61/12](#) and Court press release [No 37/14](#).

market and stamped with a hallmark in accordance with that Member State's legislation;¹⁶

- the national legislation stipulating that a hot water meter that satisfies all the requirements of the directive on measuring instruments¹⁷ and is connected to a remote data-transmission device cannot be used for its intended purpose if it has not undergone a metrological verification as a measuring system infringes the free movement of goods principle.¹⁸

¹⁶ UAB 'Juvelta' v VĮ 'Lietuvos prabavimo rūmai', [C-481/12](#).

¹⁷ Directive [2004/22/EC](#).

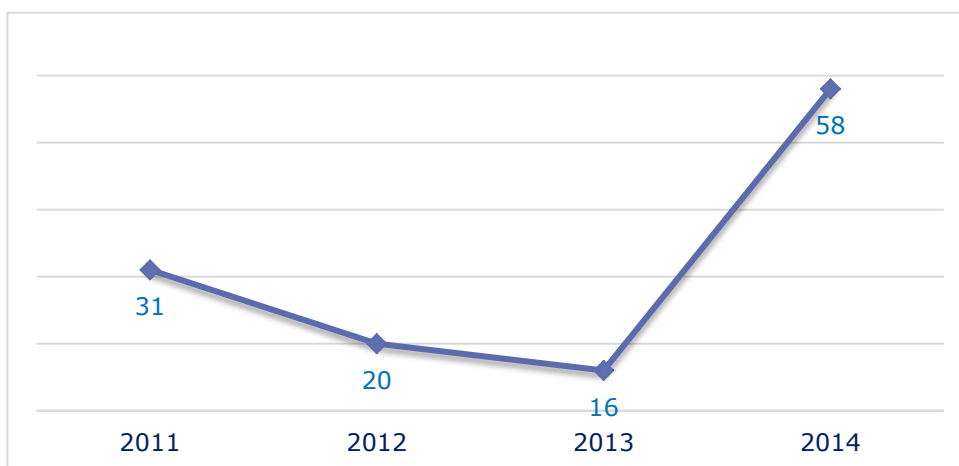
¹⁸ UAB Vilniaus energija, [C-423/13](#).

LUXEMBOURG

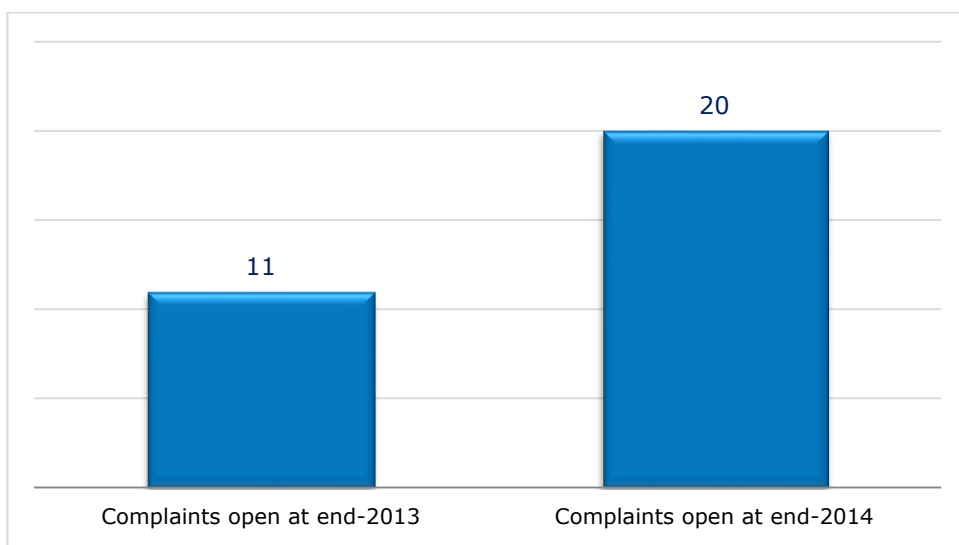
The number of new complaints made against Luxembourg increased considerably in 2014 but new EU Pilot files opened against it fell from 2013's peak. The overall number of pending infringement cases has not fluctuated greatly over the last five years. New infringement cases for late transposition fell, holding well below the 2010 and 2011 levels.

I. COMPLAINTS

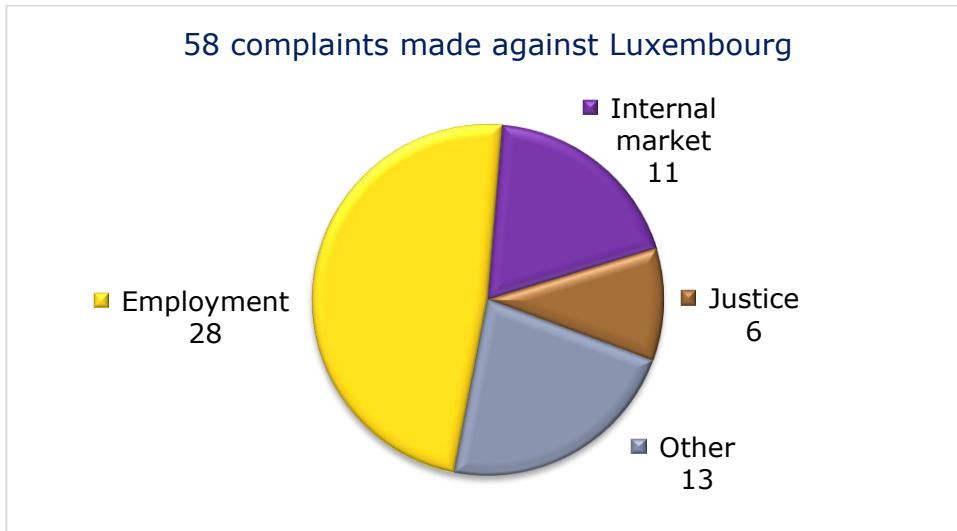
1. New complaints made against Luxembourg by members of the public (2011-14)



2. Evolution of complaints against Luxembourg



3. New complaints registered in 2014: main policy areas

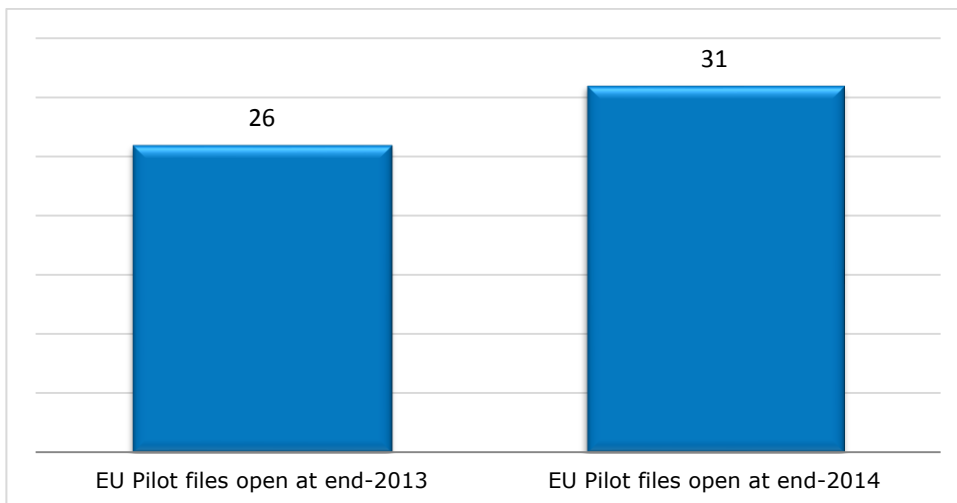


II. EU PILOT

1. New EU Pilot files opened against Luxembourg (2011-14)¹

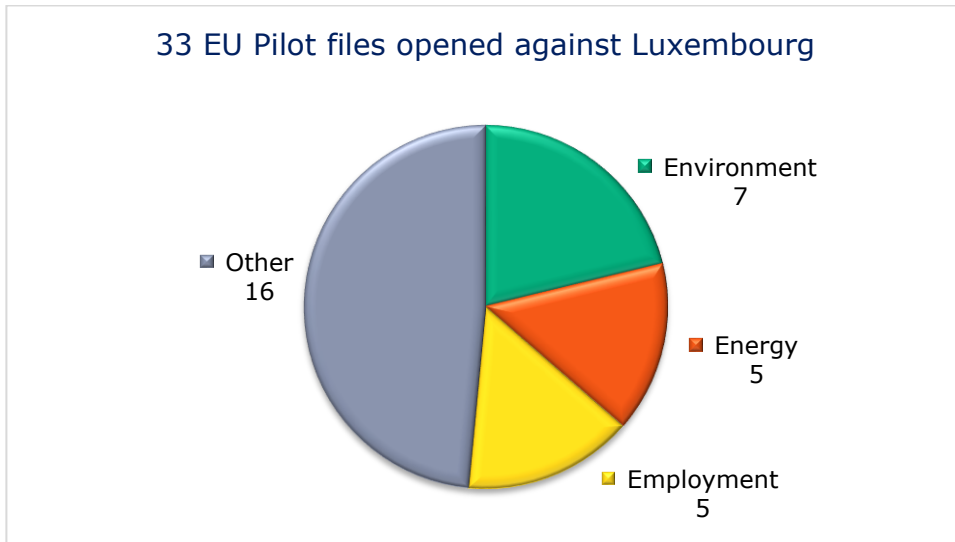


2. Evolution of files relating to Luxembourg open in EU Pilot

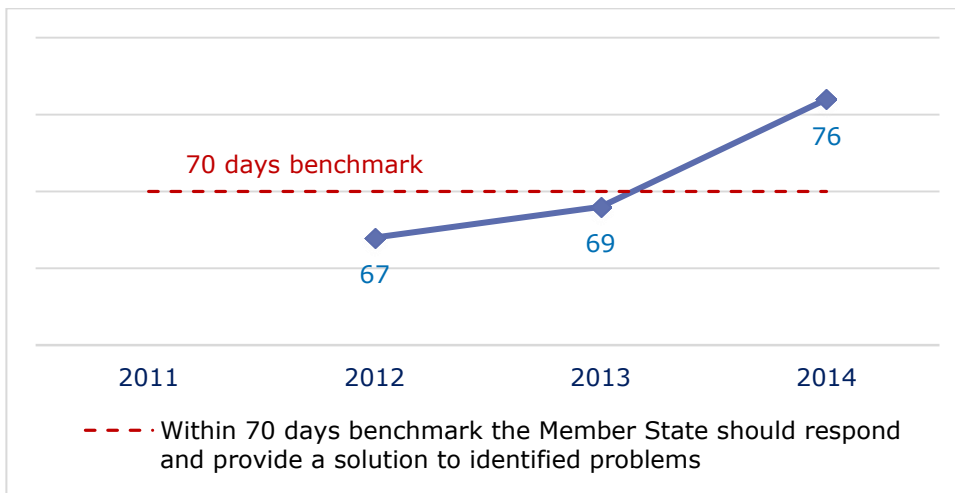


¹ No data for 2011 are available as Luxembourg joined the EU Pilot system only in June 2012.

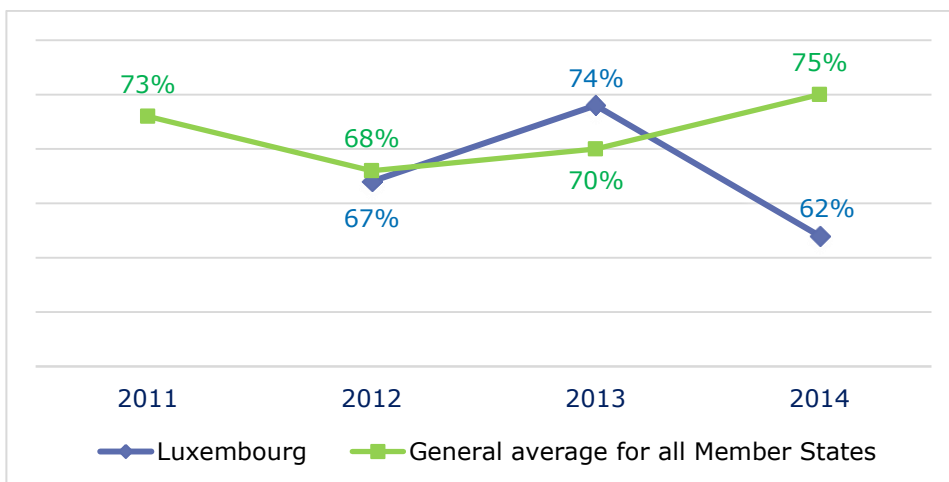
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)²



5. EU Pilot files: evolution of the resolution rate by Luxembourg (2011-14)³

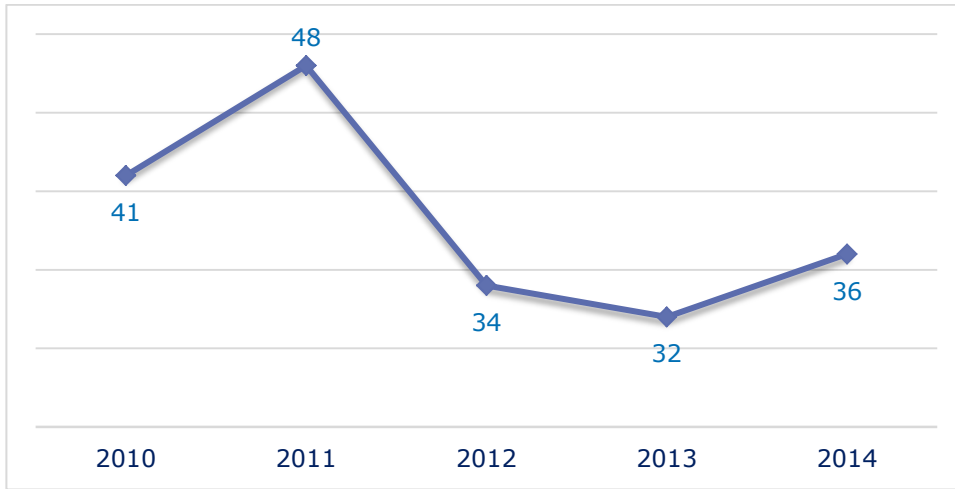


² No data for 2011 are available as Luxembourg joined the EU Pilot system only in June 2012.

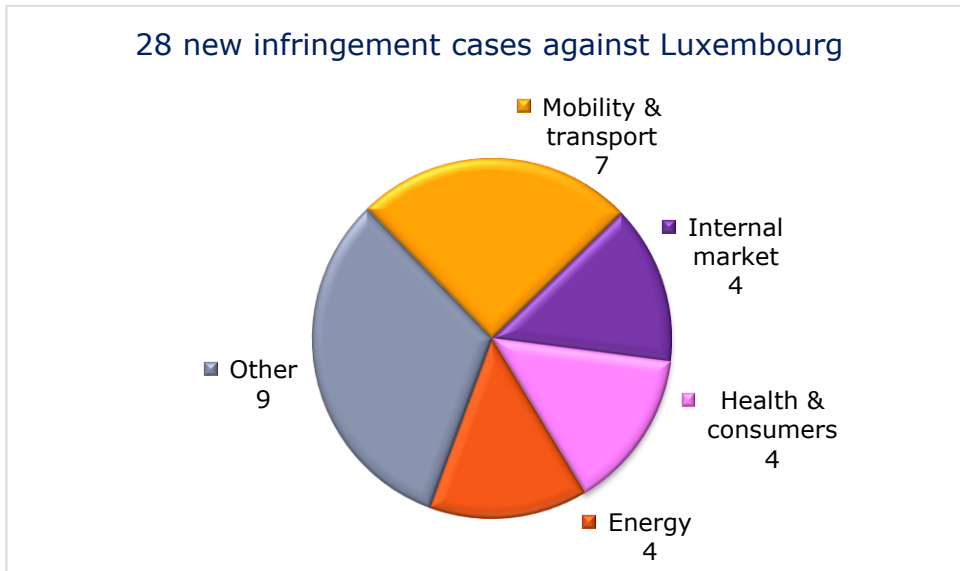
³ No data for 2011 are available as Luxembourg joined the EU Pilot system only in June 2012.

III. INFRINGEMENT CASES

1. Infringement cases against Luxembourg open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 28 new infringement cases against Luxembourg in 2014. These, and other major ongoing infringement cases, concern:
- non-compliance with the information injunctions⁴ in the context of tax ruling and patent box enquiries based on the State aid Procedural Regulation;⁵
 - incorrect transposition of the Working Time Directive⁶ as regards the annual leave of civil servants;⁷
 - incorrect transposition of the Electricity and Gas Directives;⁸
 - failure to communicate to the Commission its long-term strategy for mobilising investment in renovating the national stock of residential

⁴ [IP/14/309](#).

⁵ Council Regulation (EC) No [659/1999](#).
Directive [2003/88/EC](#).

⁷ [IP/14/160](#).

⁸ Directives [2009/72/EC](#) and [2009/73/EC](#).

- and commercial buildings and its national energy efficiency action plan, as required under Energy Efficiency Directive;⁹
- inadequate treatment of urban waste water;¹⁰
 - the incorrect application of the regulation on the rights of bus and coach passengers¹¹ by not setting up a penalty system for infringements of the regulation;¹²
 - incorrect transposition of the Railway Interoperability Directive¹³ due to shortcomings in safety management, the validity of safety certificates, the independence, tasks and decision-making of the safety authority and the independence of the investigating body;¹⁴
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹⁵ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁶
 - incomplete transposition of the Capital Requirements Directive¹⁷ and of the Cross-border Healthcare Directive.¹⁸
- b) The Commission referred three cases to the Court under Article 258 TFEU. They concern the following:
- the national regulatory authority (the *Institut Luxembourgeois de Régulation*) had failed to carry out a timely analysis of the relevant markets for fixed access to the public telephone network and for leased lines, in breach of EU telecoms rules;¹⁹
 - the Labour code's incompatibility with the Fixed-Term Work Directive²⁰ regarding the advertising of vacancies and workers in casual employment in show business;²¹
 - the VAT system applied to independent groups of people: the services provided by an independent group to its members are free of VAT provided that the members' taxed activities do not exceed 30% (or 45% under certain conditions) of their annual turnover. This is not compatible with the EU's VAT rules.²²
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

⁹ Directive [2012/27/EU](#).

¹⁰ Commission v Luxembourg, [C-576/11](#).

¹¹ Regulation (EU) No [181/2011](#).

¹² [MEMO/14/537](#).

¹³ Directive [2004/49/EC](#).

¹⁴ [MEMO/14/470](#).

¹⁵ Regulation (EC) No [550/2004](#).

¹⁶ [IP/14/446](#).

¹⁷ Directive [2013/36/EU](#).

¹⁸ Directive [2011/24/EU](#).

¹⁹ Commission v Luxembourg, [C-536/14](#), [IP/14/1147](#).

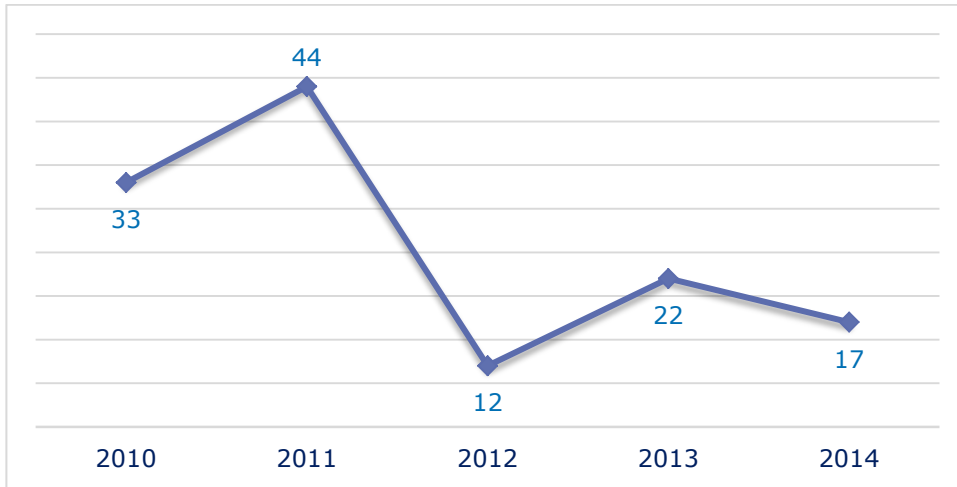
²⁰ Directive [1999/7/EC](#).

²¹ Commission v Luxembourg, [C-238/14](#), [IP/160/14](#).

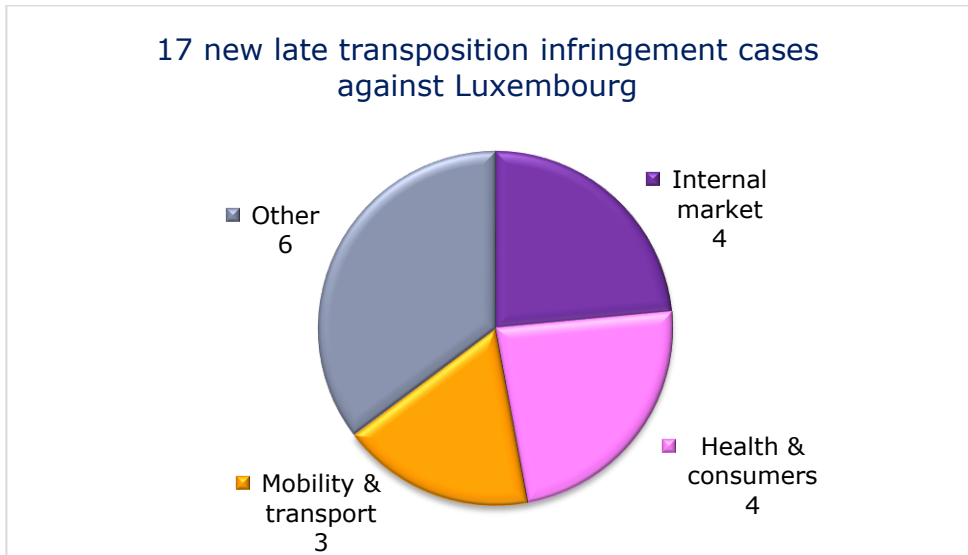
²² Directive [2006/112/EC](#), [IP/14/161](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Luxembourg (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- late transposition of the Industrial Emissions Directive;²³
- various aspects of exit taxation affecting individuals and companies.

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

²³ Directive [2010/75/EU](#).

2. Preliminary rulings

In preliminary rulings addressed to the Luxembourgish judiciary, the Court ruled that:

- to calculate the supplementary family benefits to which a migrant worker is entitled in his/her Member State of employment, the latter should take into account only the same family benefits the worker received in their Member State of residence.²⁴

²⁴ Wiering, [C-347/12](#).

MALTA

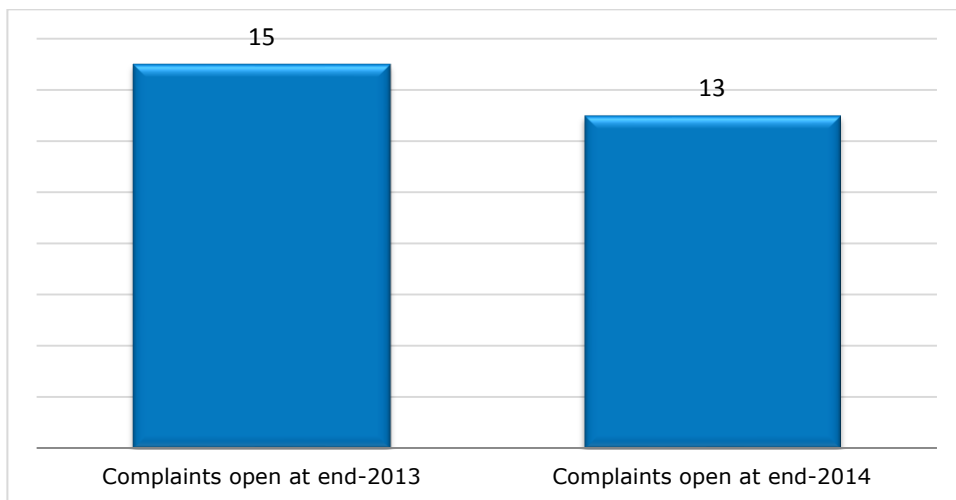
The number of new complaints made against Malta increased in 2014 after two years of decline but remained well below the 2011 and 2012 totals. New EU Pilot files opened against Malta fell considerably from 2013's peak to a level almost identical with 2012. The downward trend in the overall number of pending infringements continued in 2014, taking open cases against Malta on 31 December 2014 to the lowest level of the last five years. New infringement cases for late transposition held unchanged at their lowest level since 2010.

I. COMPLAINTS

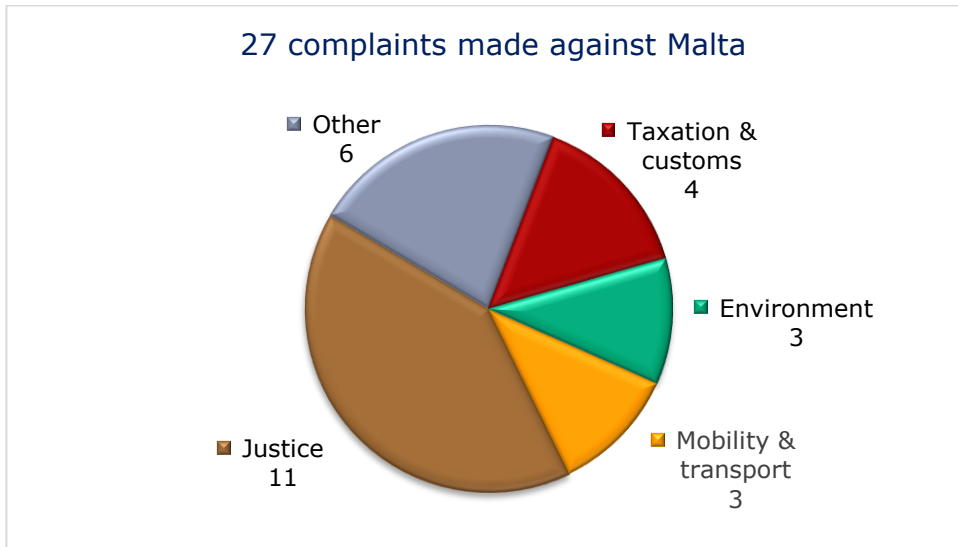
1. New complaints made against Malta by members of the public (2011-14)



2. Evolution of complaints against Malta

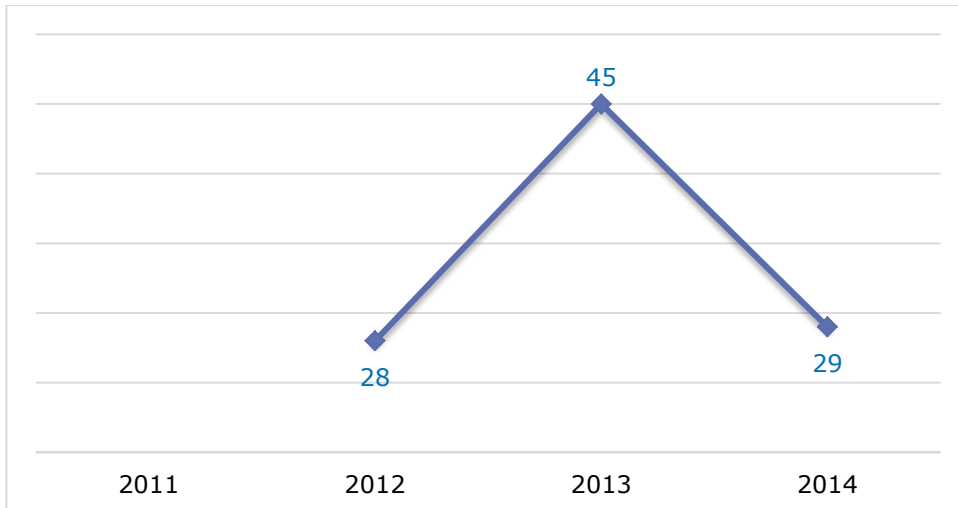


3. New complaints registered in 2014: main policy areas

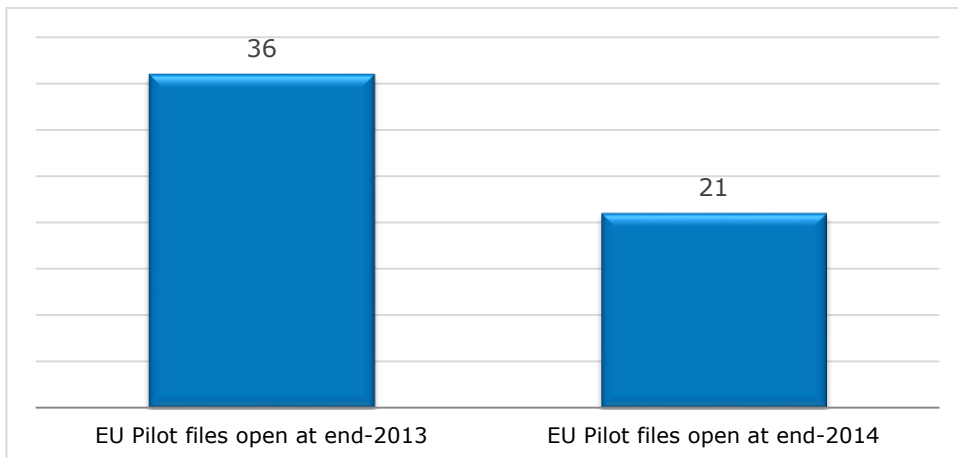


II. EU PILOT

1. New EU Pilot files opened against Malta (2011-14)¹

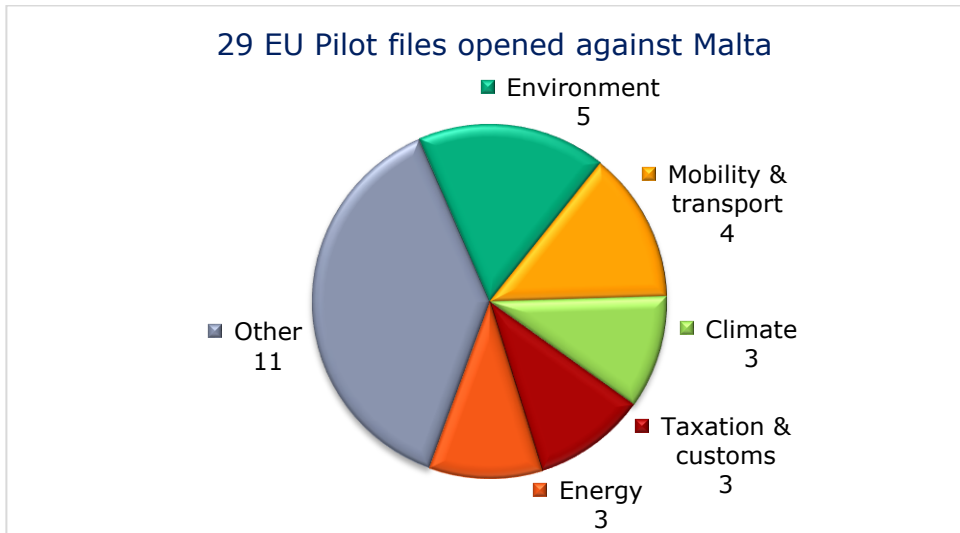


2. Evolution of files relating to Malta open in EU Pilot

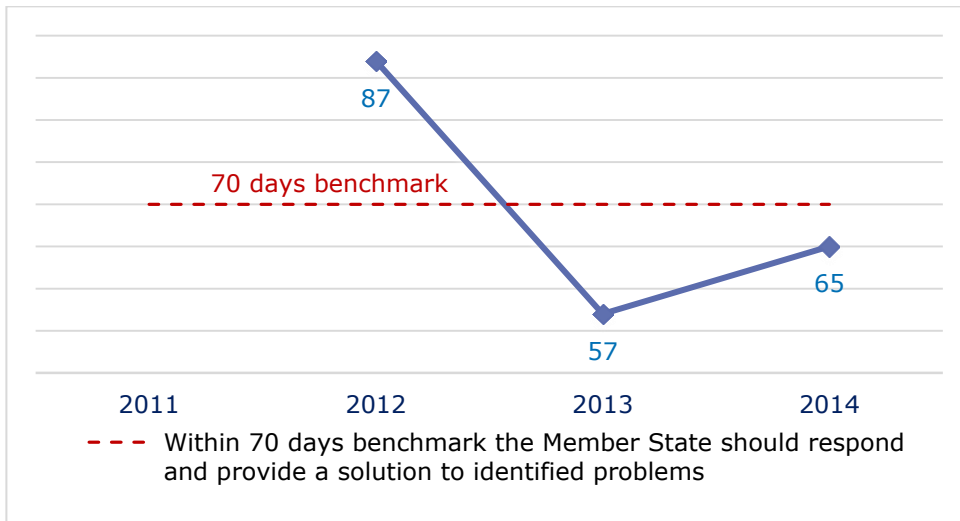


¹ No data are available for 2011 as Malta joined the EU Pilot system only in June 2012.

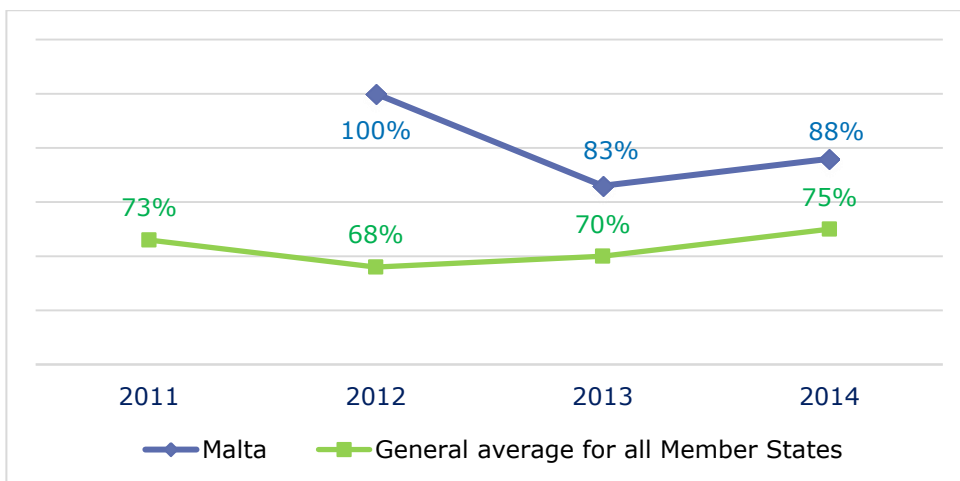
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)²



5. EU Pilot files: evolution of the resolution rate by Malta (2011-14)³

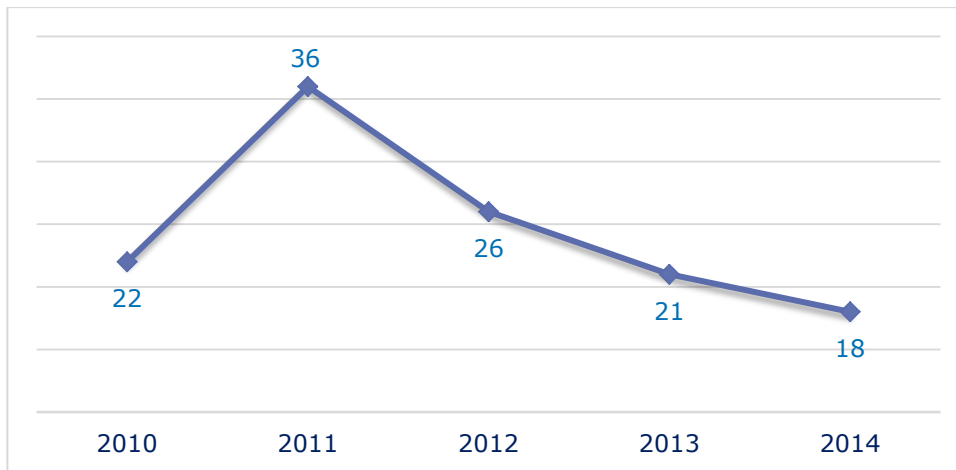


² No data are available for 2011 as Malta joined the EU Pilot system only in June 2012.

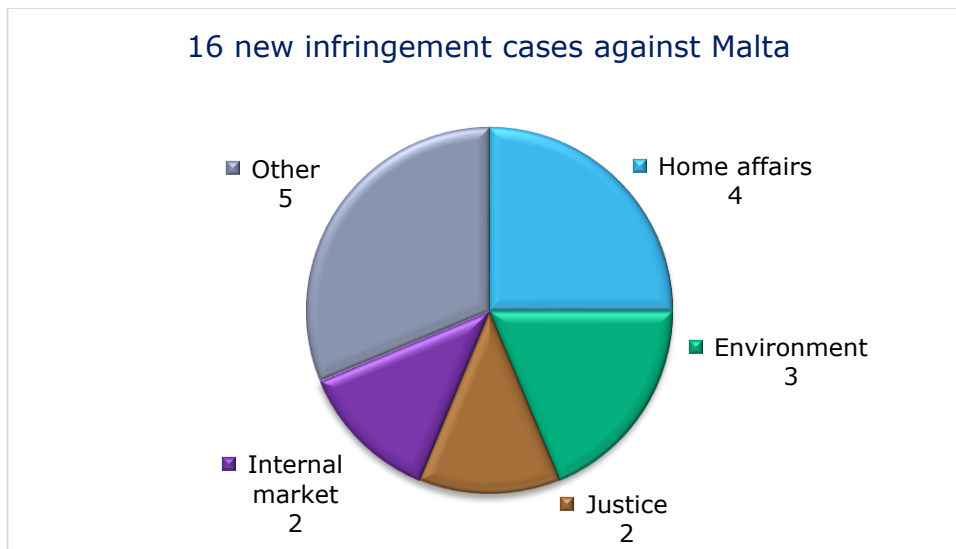
³ No data are available for 2011 as Malta joined the EU Pilot system only in June 2012.

III. INFRINGEMENT CASES

1. Infringement cases against Malta open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 16 new infringement cases against Malta in 2014. These, and other major ongoing infringement cases, concern:
- finch-trapping, which is prohibited under EU legislation on the conservation of wild birds;⁴
 - non-communication of measures transposing the Capital Requirements Directive;⁵
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁶ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements.⁷
- b) The Commission referred one case to the Court under Article 258 TFEU. This concerns:

⁴ [IP/14/1154](#).

⁵ Directive [2013/36/EU](#).

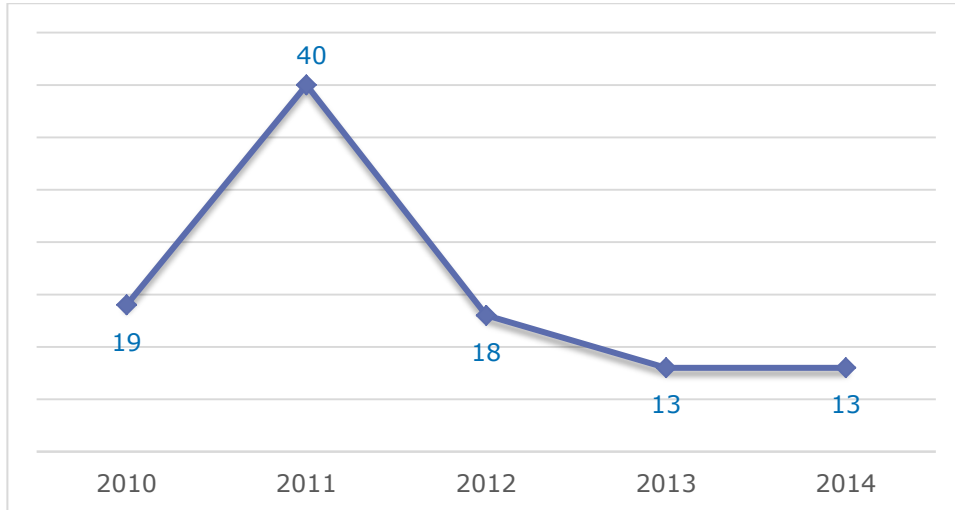
⁶ Regulation (EC) No [550/2004](#).

⁷ [IP/14/818](#).

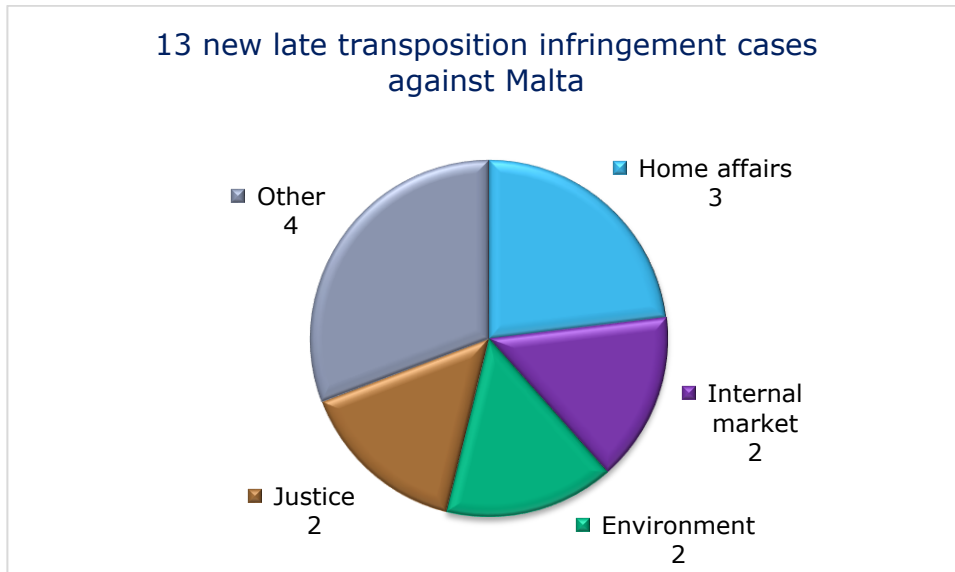
- the situation of some Maltese nationals who previously worked under the UK civil servant scheme and whose UK pensions are deducted from their Maltese retirement pensions.⁸
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Malta (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

⁸ The Commission decided on 21 March 2013 to refer the case to the Court; the application was filed on 14 January 2014, Commission v Malta [C-12/14](#), [IP/13/249](#).

- nonconformity with EU law of the Maltese legislation on access to justice in environmental matters;⁹
- incomplete transposition of the directive on preventing and combating trafficking in human beings and protecting its victims;¹⁰
- discriminatory bus fares for non-residents compared to those for residents.

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

No major preliminary rulings were addressed to the Maltese judiciary in 2014.

⁹ Directive [2003/35/EC](#).

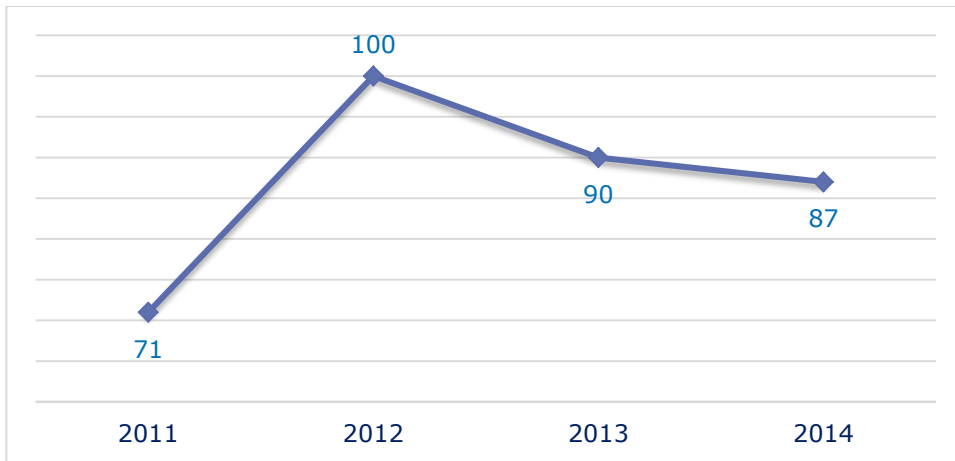
¹⁰ Directive [2011/36/EU](#).

NETHERLANDS

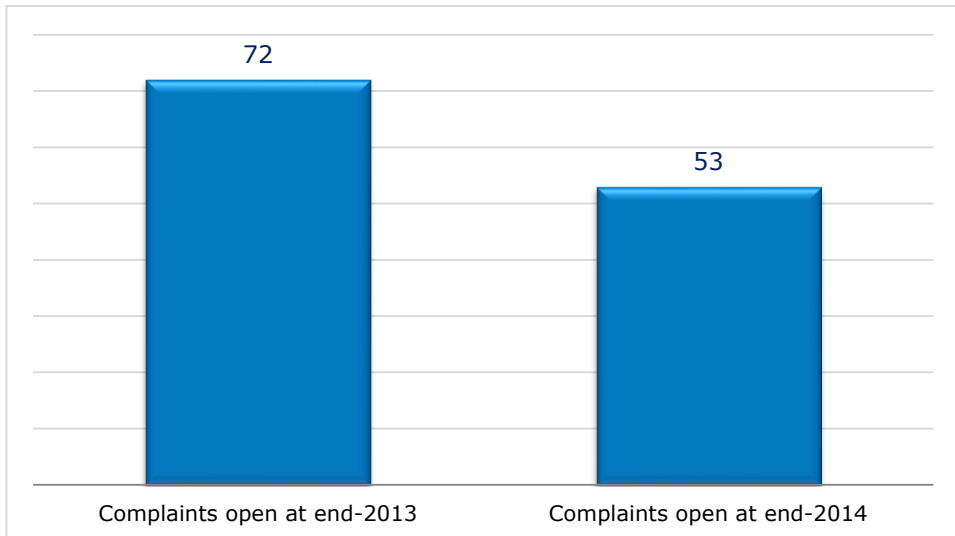
In 2014 the number of new complaints made against the Netherlands continued falling from its 2012 peak and new EU Pilot files opened against it declined considerably. The overall number of pending infringement cases in 2014 was the lowest for five years. New infringement cases for late transposition remained stable after the big drop seen in 2012.

I. COMPLAINTS

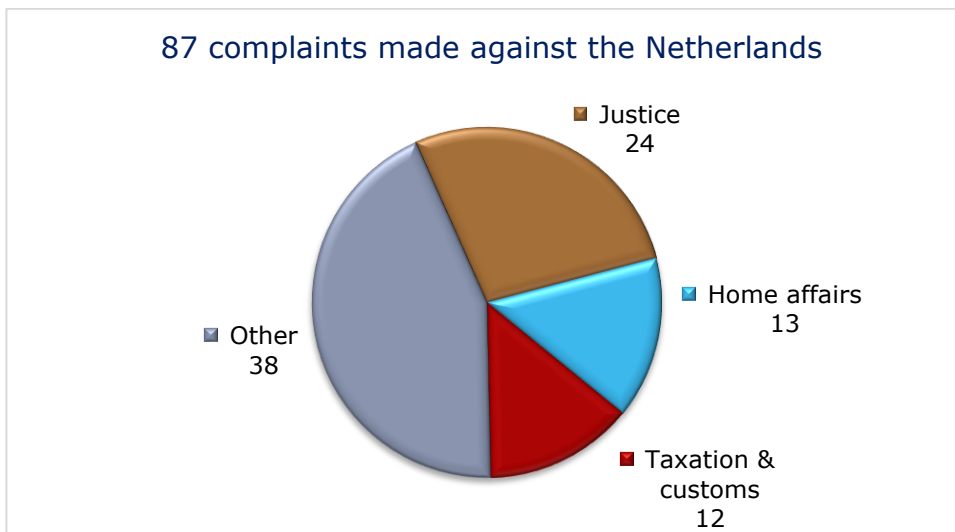
1. New complaints made against the Netherlands by members of the public (2011-14)



2. Evolution of complaints against the Netherlands

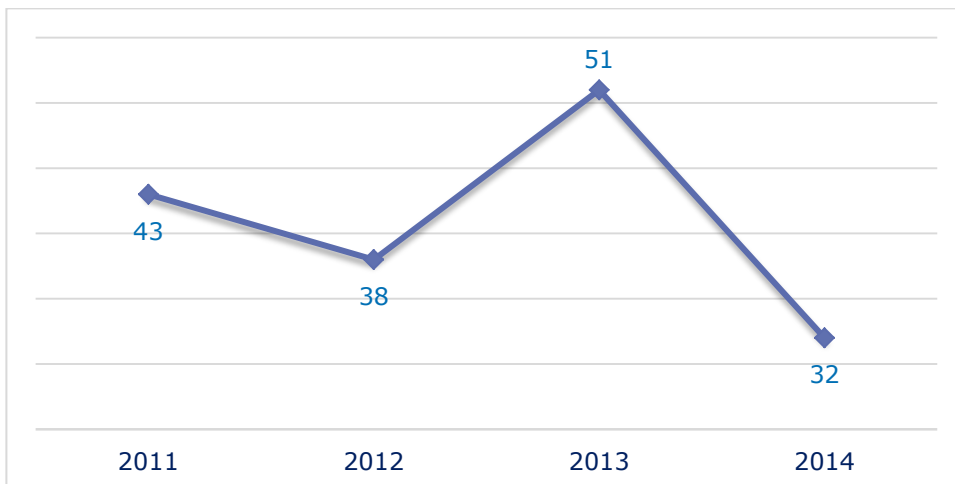


3. New complaints registered in 2014: main policy areas

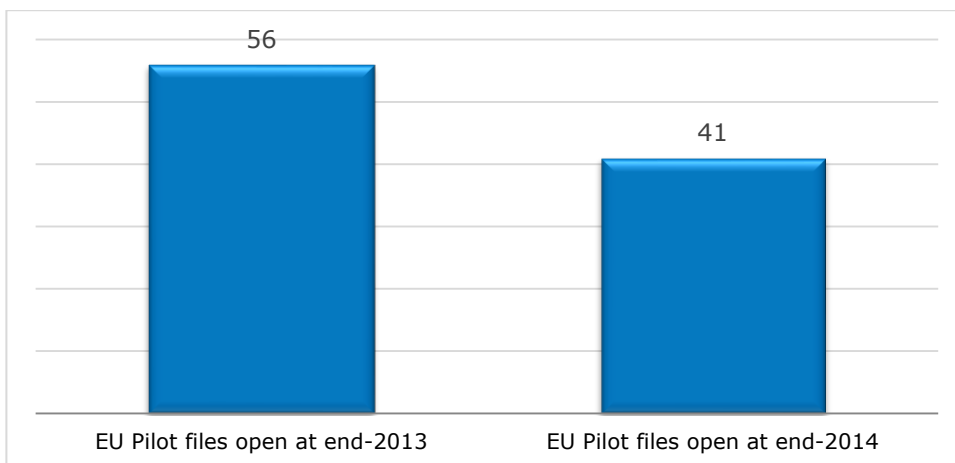


II. EU PILOT

1. New EU Pilot files opened against the Netherlands (2011-14)

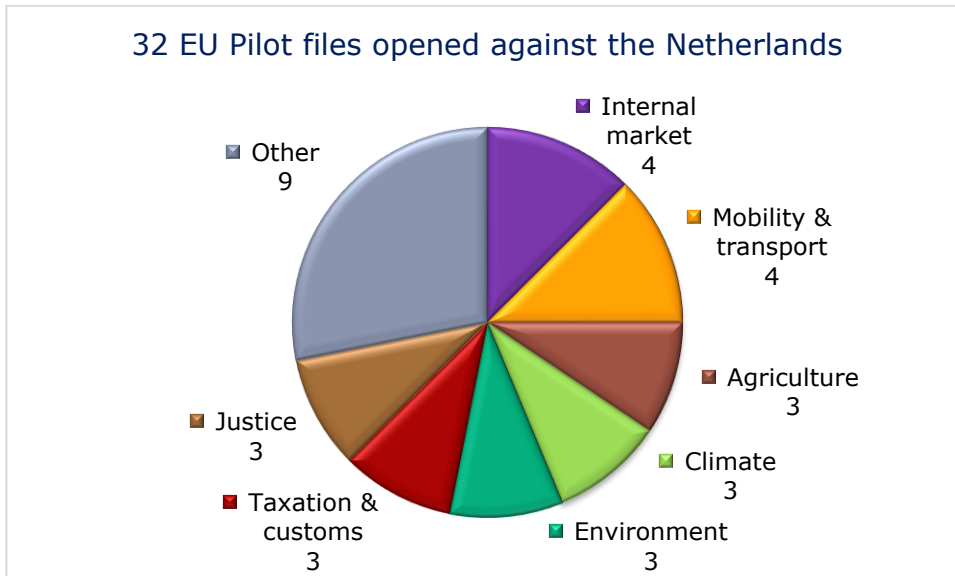


2. Evolution of files relating to the Netherlands open in EU Pilot¹

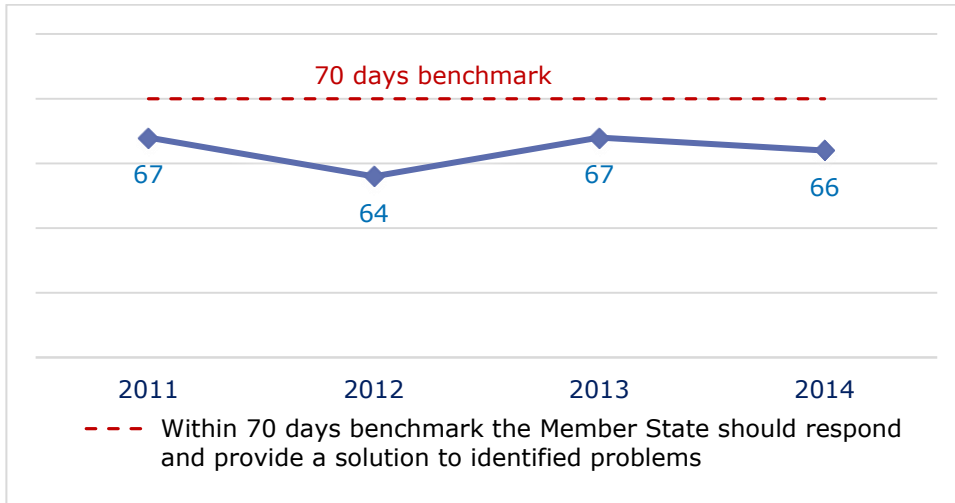


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

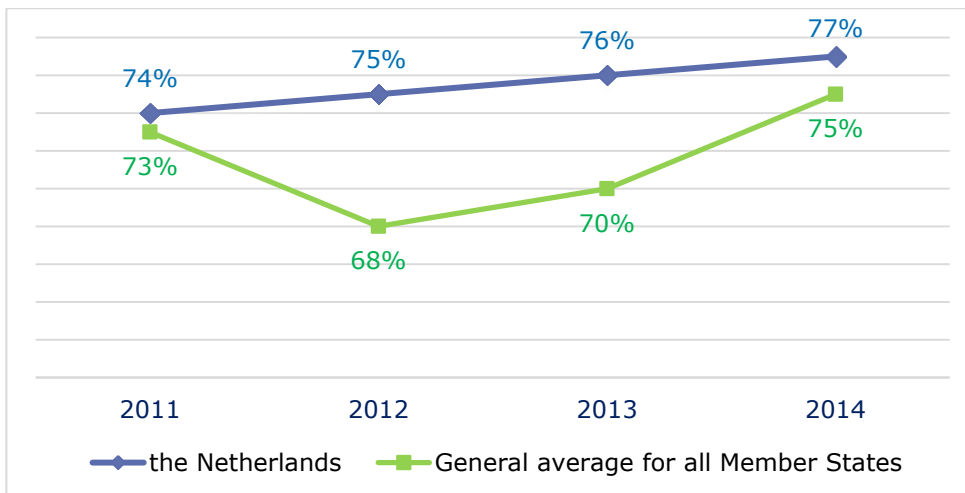
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

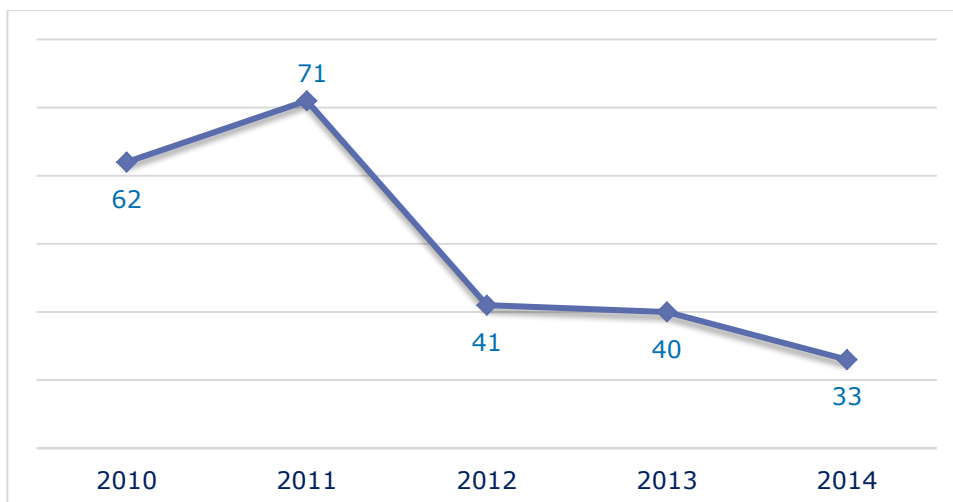


5. EU Pilot files: evolution of the resolution rate by the Netherlands (2011-14)

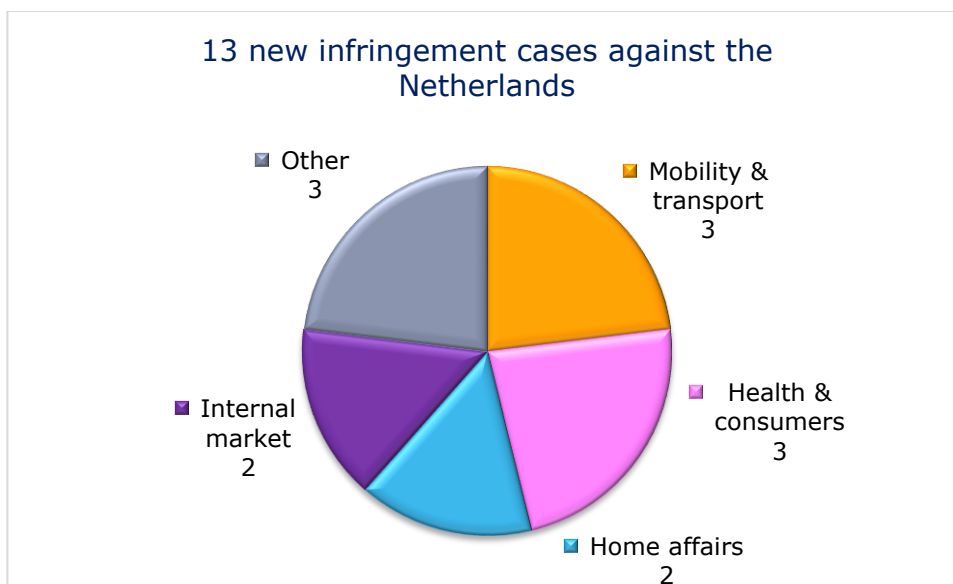


III. INFRINGEMENT CASES

1. Infringement cases against the Netherlands open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 13 new infringement cases against the Netherlands in 2014. These, and other major ongoing infringement cases, concern:
- the amount of a survivor's benefits, work incapacity benefits and supplementary allowances will be reduced when exported to a recipient residing outside the EU/EEA area and Switzerland, if the cost of living is lower in this country than in the Netherlands. This is in breach of the EU-Turkey Association Council Decision No 3/80;
 - failure to halt ongoing deterioration of the Westerschelde 'Natura 2000' site as required by the Habitats Directive;²
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,³ national air traffic control

² Directive [92/43/EEC](#).

³ Regulation (EC) No [550/2004](#).

organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁴

- incorrect transposition of the directive on the initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods or passengers.⁵ Drivers born before 1 July 1955 are wrongly exempted from the periodic training requirements stipulated in the directive;
- incorrect application of the Railway Safety Directive;⁶
- incomplete transposition of the Capital Requirements Directive⁷ and the Cross-border Healthcare Directive;⁸
- discriminatory taxation of outbound dividends received by insurance companies. Only dividends paid on shares held by Dutch insurance companies are actually tax exempt;
- incorrect application of the directive on cross-border mergers of limited liability companies.⁹ Dutch law does not require the set-up of a Special Negotiating Body whose task is to discuss employee participation rights.

- b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:
- the refusal to allow Erasmus students and students from other Member States who are not economically active in the Netherlands or have not obtained a permanent right of residence to benefit from the reduced transport fares granted to Dutch students;¹⁰
 - failure to fully comply with EU rules on VAT exemptions for water sport activities. The Netherlands grants a VAT exemption if the water sport organisations only employ volunteers to supply sport or physical education services and an exemption on the letting of berths and moorings for vessels provided by water sport organisations, even when they are not linked to sport activities.¹¹
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

⁴ [IP/14/446](#).

⁵ Directive [2003/59/EC](#).

⁶ Directive [2004/49/EC](#).

⁷ Directive [2013/36/EU](#).

⁸ Directive [2011/24/EU](#).

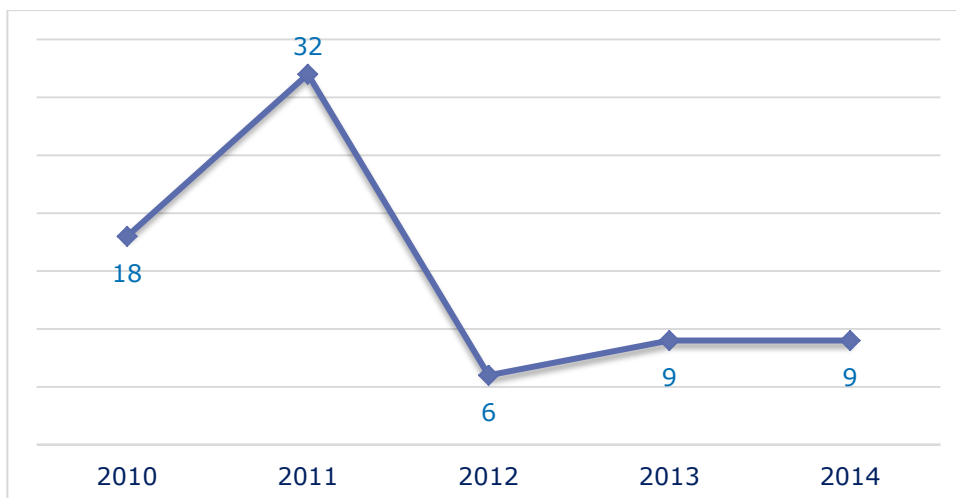
⁹ Directive [2005/56/EC](#).

¹⁰ The Commission decided on 20 June 2013 to refer the case to the Court; the application was filed on 13 May 2014, Commission v Netherlands, [C-233/14](#), [IP/13/574](#).

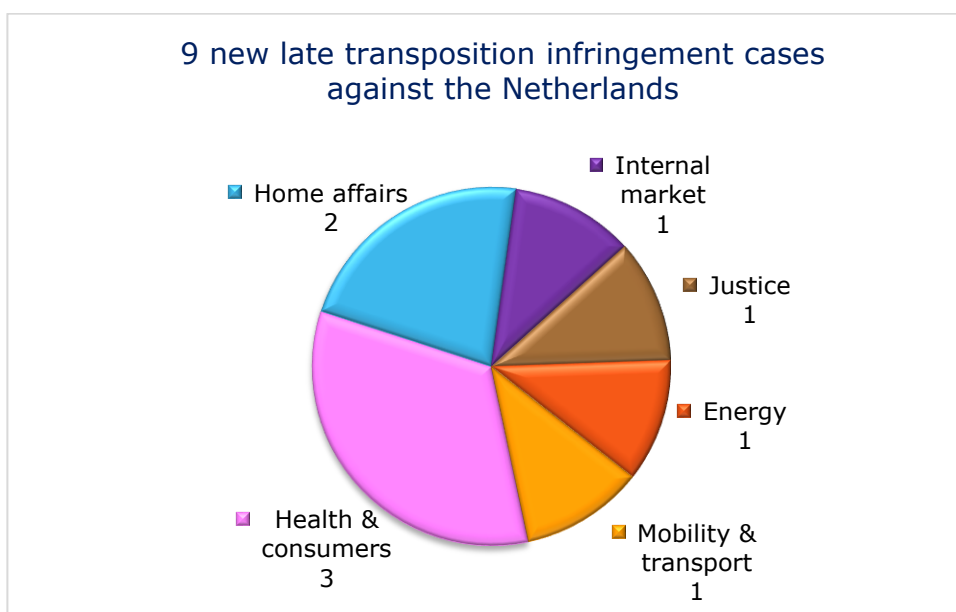
¹¹ Directive [2006/112/EC](#), [IP/14/1040](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against the Netherlands (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any case to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- restrictions on importing and possessing airsoft devices;
- non-communication of national measures transposing the directive on preventing and combating trafficking in human beings and protecting its victims;¹²

¹² Directive [2011/36/EU](#).

- incorrect application of the Long-Term Residents Directive¹³ by requiring disproportionate fees for processing applications for long-term residence status;
- incorrect application of the regulation on the rights of bus and coach passengers¹⁴ by not designating bus terminals where disabled people are entitled to receive assistance, not designating a national enforcement body and not setting up a penalty system for infringements of the regulation.

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Dutch judiciary, the Court ruled that:

- a Member State is required to recalculate a farmer's payment entitlements under the regulation laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system;¹⁵
- the directive on approximating national legislation on protecting employees in the event of their employer's insolvency must be interpreted as prohibiting national legislation which treats a non-EU national who is not legally resident in the Member State concerned as not being an employee with the right to an insolvency benefit even if recognised under Member State law as having the status of an 'employee';¹⁶
- a plan or project that has negative implications for a natural habitat present on a 'Natura 2000' site and that provides for the creation of an area of equal or greater size of the same natural habitat type within the same site has an effect on the integrity of that site. Protective measures that are provided for in a project and are aimed at compensating for its negative effects on a Natura 2000 site cannot be taken into account in the assessment of the project's implications. Such measures can be categorised as 'compensatory measures' within the meaning of the Habitats Directive if the conditions it sets out are met;¹⁷
- national authorities must ensure the respect of fundamental rights when assessing the credibility of the declared sexual orientation of applicants for asylum. This excludes intrusive and humiliating medical or pseudo-medical tests, intrusive questioning and requiring photographic or video evidence of sexual practices. The assessment cannot be based on stereotyped notions and should always take full account of the individual situation and personal circumstances of the applicant;¹⁸
- data about an applicant for a residence permit that are contained in an administrative document (including the data in the document's legal analysis) are personal data within the meaning of the Data

¹³ Council Directive [2003/109/EC](#).

¹⁴ Regulation (EU) No [181/2011](#).

¹⁵ Regulation [796/2004](#), Vonk Noordegraaf, [C/105/13](#).

¹⁶ Directive [80/987](#), Turner [C-311/13](#).

¹⁷ Directive [92/43/EEC](#), Briels and Others, [C-521/12](#).

¹⁸ Joined cases A, B, C, [C-148/13](#) to [C-150/13](#) and Court press release No [162/14](#).

Protection Directive.¹⁹ The person whose data have been processed can request a full summary of the data in an intelligible form;²⁰

- the provisions of the Free Movement of Citizens Directive²¹ apply to a EU national who has created or strengthened a family life with a non-EU national during genuine residence in another Member State and when he returns with that family member to his Member State of origin;²²
- a resident parent company should be allowed to form a single tax entity with a resident sub-subsidiary even when the latter is not permanently established in that Member State. Sister companies resident in one Member State with a parent company resident in another Member State should also be allowed to form a fiscal unit;²³
- a person's right to be heard before Member State authorities adopt any decision under the Community Customs Code may be relied on directly by individuals before national courts.²⁴

¹⁹ Directive [95/46/EC](#).

²⁰ YS and others, joined cases [C-141/12](#) and [C-372/12](#).

²¹ Directive [2004/38/EC](#).

²² O., [C-456/12](#) and Court press release No [32/14](#).

²³ SCA Group Holding and Others, joined cases [C-39/13](#), [C-40/13](#) and [C-41/13](#).

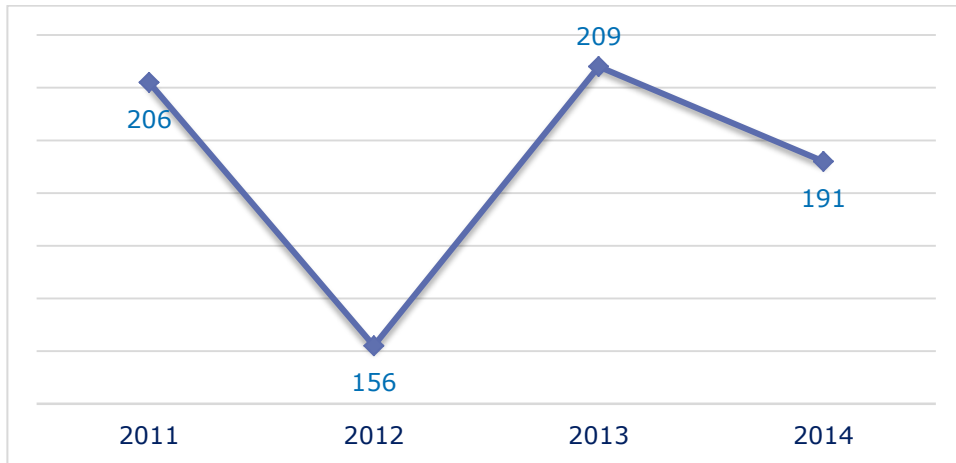
²⁴ Kamino International Logistics BV and Datema Hellmann Worldwide Logistics BV, Joined Cases [C-129/13](#) and [C-130/13](#).

POLAND

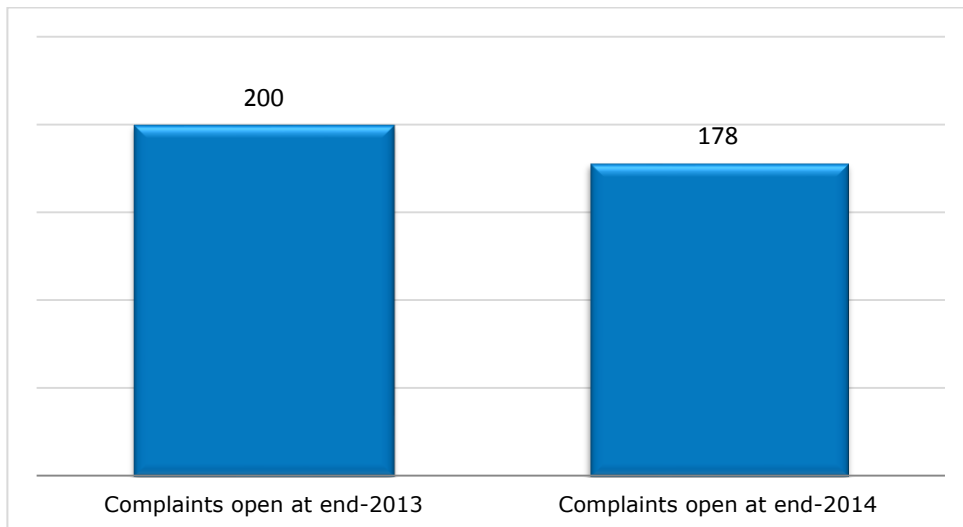
In 2014 the number of new complaints made against Poland fell slightly from 2013's peak. New EU Pilot files opened against Poland remained stable after the sharp fall recorded in 2012. The overall number of pending infringement cases increased for the first time since 2011, while new infringement cases for late transposition were broadly stable at the much lower level registered in 2012.

I. COMPLAINTS

1. New complaints made against Poland by members of the public (2011-14)



2. Evolution of complaints against Poland



3. New complaints registered in 2014: main policy areas

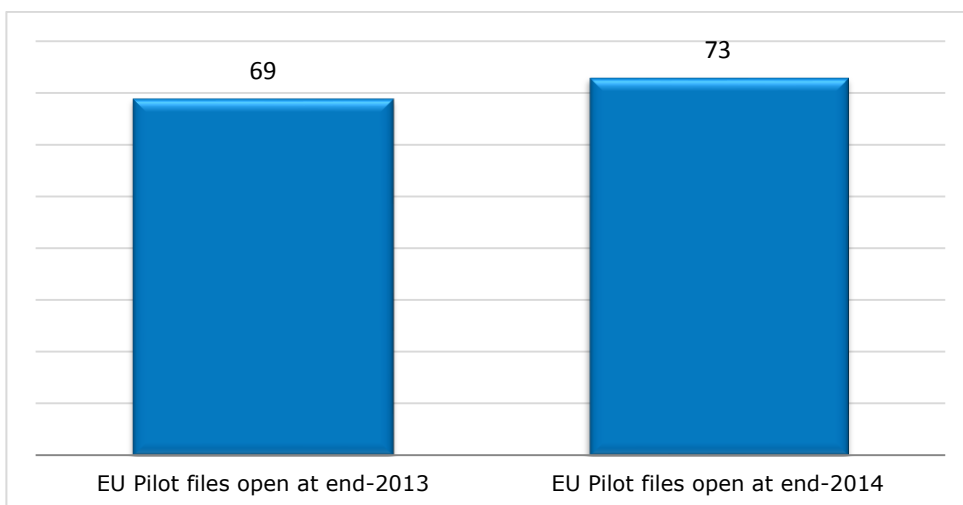


II. EU PILOT

1. New EU Pilot files opened against Poland (2011-14)

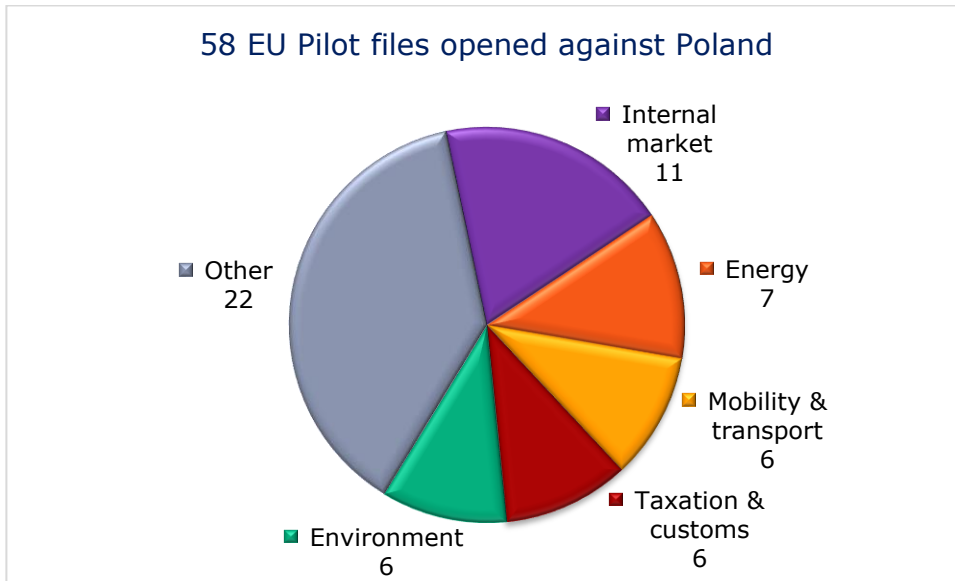


2. Evolution of files relating to Poland open in EU Pilot¹

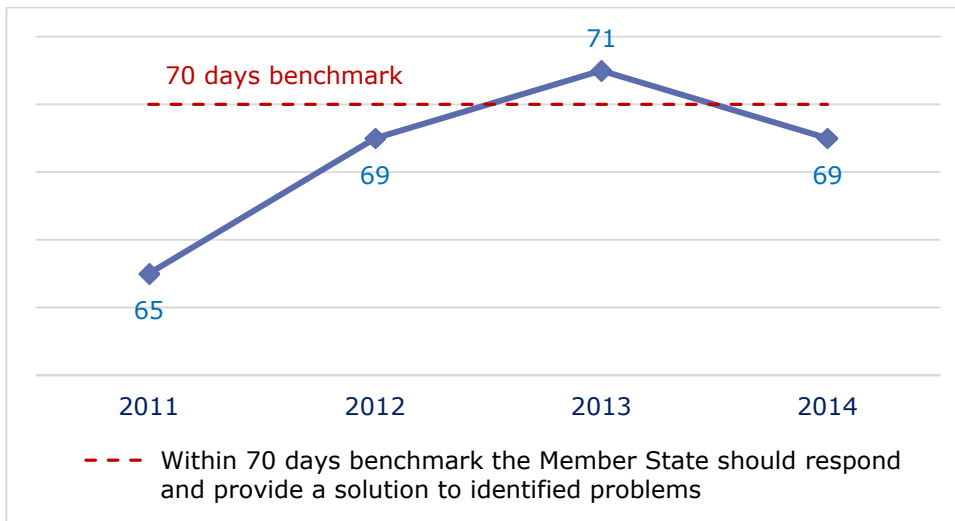


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

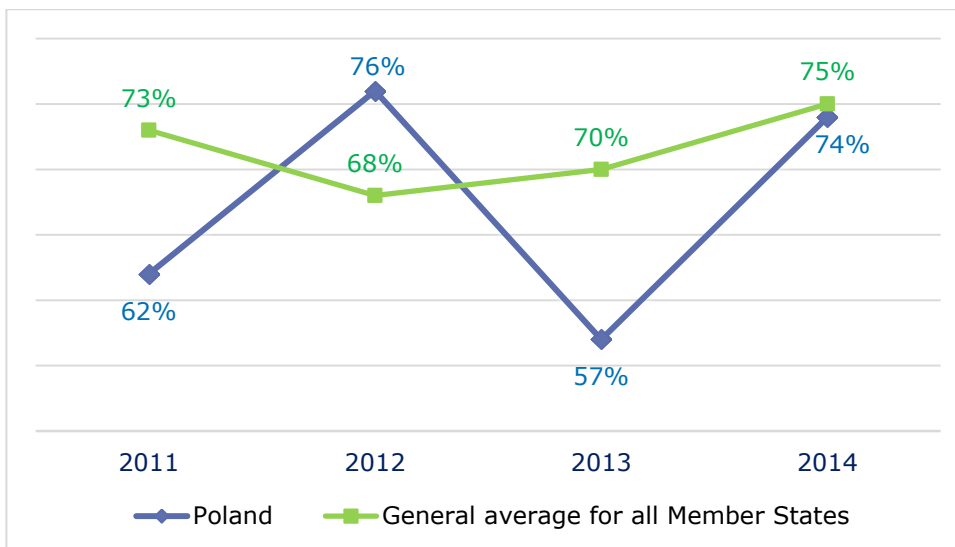
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

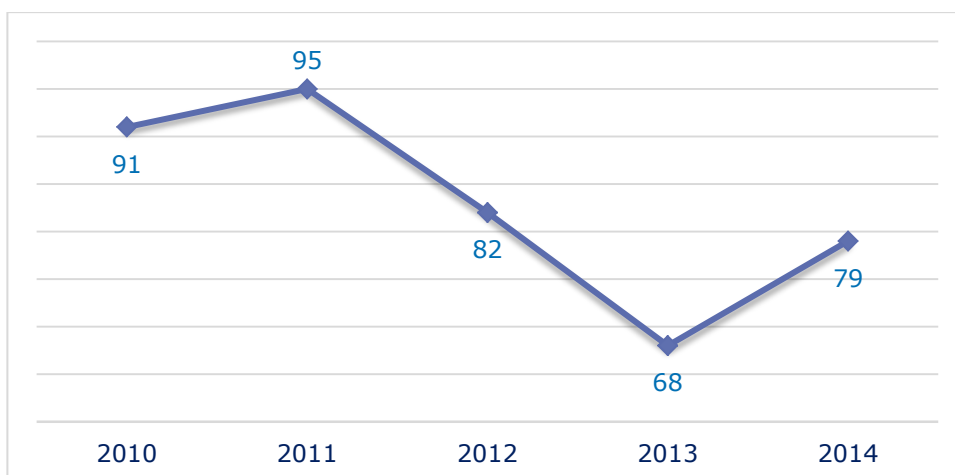


5. EU Pilot files: evolution of the resolution rate by Poland (2011-14)

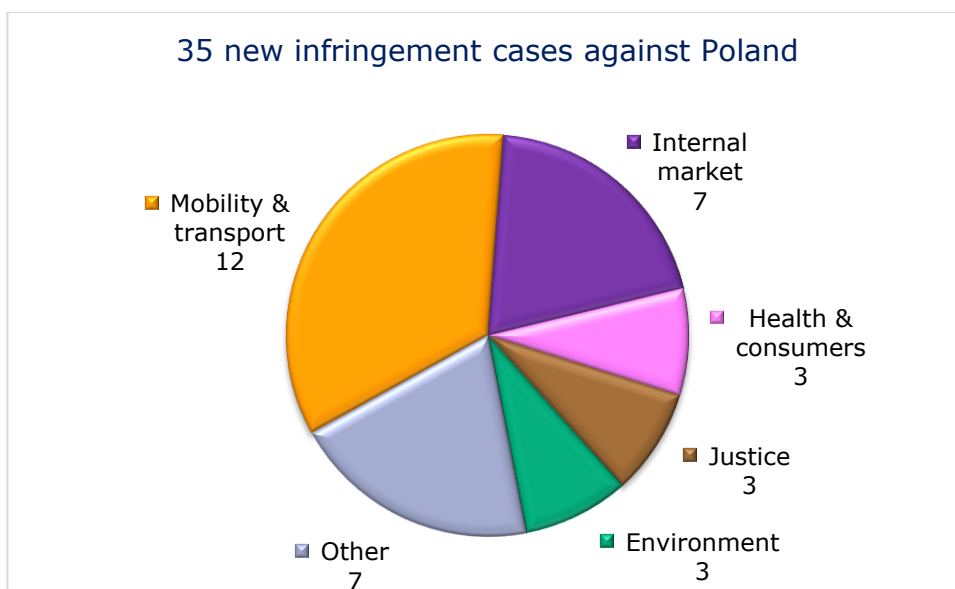


III. INFRINGEMENT CASES

1. Infringement cases against Poland open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 35 new infringement cases against Poland in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity of national rules with the Fixed-Term Work Directive;²
 - exclusion of certain biofuels(HVO) from the Polish biofuels market and counting towards the national target in violation of the Renewable Energy Directive;³
 - granting of a building permit for two new units of a coal-fired power station without having carried out the assessment for retrofitting of CO₂ capture prescribed by the Large Combustion Plants Directive;⁴
 - inadequate river basin management plans, which are required under the Water Framework Directive;⁵

² Directive [1999/70/EC](#).

³ Directive [2009/28/EC](#).

⁴ Directive [2001/80/EC](#).

⁵ Directive [2000/60/EC](#).

- incorrect transposition of the Environmental Impact Assessment Directive⁶ with regard to mining activities;
 - incorrect transposition of the right to appeal against decisions refusing, annulling or revoking visas;⁷
 - the right of EU nationals to become members of a political party or to found one in the Member State of residence;⁸
 - incomplete transposition of the Free Movement Directive;⁹
 - failure to notify measures transposing the Capital Requirements Directive;¹⁰
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹¹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements
 - award of land lease contracts in the Port of Gdansk in breach of the principle of freedom of establishment;¹²
 - non-implementation of an earlier Court ruling on the First Railway Package;
 - lack of a national enforcement body, of sanctions and of designated bus terminals for disabled bus and coach passengers;¹³
 - late notification of measures transposing the Cross-border Healthcare Directive;¹⁴
- b) The Commission pursued before the Court four cases under Article 258 TFEU. They concern:
- failure to notify the Commission of the penalties put in place to deal with cases where the EU rules for companies and personnel working with fluorinated gases are not followed;¹⁵
 - national legislation specifying grounds for exclusion from tenders that differ from those provided for by the Public Procurement Directive.¹⁶ The exclusion concerned cases in which economic operators who had been awarded a contract had failed to perform it correctly and in which the contract had terminated due to circumstances for which they were responsible;¹⁷
 - failure to comply with EU legislation on the quality and safety of human tissues and cells;¹⁸
 - Poland's system of regulated gas prices for non-household customers in violation of the Gas Directive.¹⁹

⁶ Directive [85/337/EEC](#).

⁷ [MEMO/14/589](#).

⁸ [MEMO/14/293](#).

⁹ Directive [2004/38/EC](#).

¹⁰ Directive [2013/36/EU](#).

¹¹ Regulation (EC) No [550/2004](#).

¹² [IP/14/818](#).

¹³ [MEMO/14/470](#).

¹⁴ Directive [2011/24/EU](#) and [MEMO/14/470](#).

¹⁵ Commission v Poland, [C-303/14](#), [IP/14/449](#).

¹⁶ Directive [2004/18/EC](#).

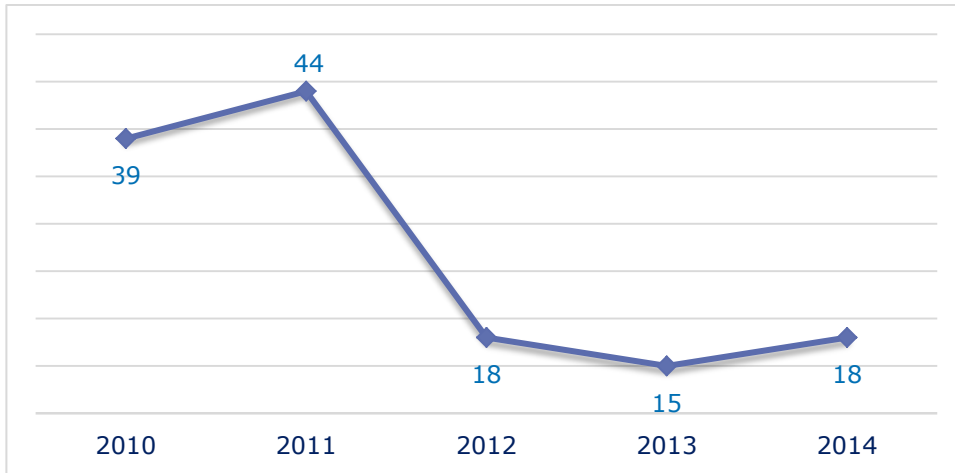
¹⁷ The Commission decided on 17 October 2013 to refer the case to the Court; the application was filed on 4 April 2014, Commission v Poland, [C-162/14](#), [IP/13/965](#).

¹⁸ The Commission decided on 26 September 2013 to refer the case to the Court; the application was filed on 21 January 2014, Commission v Poland, [C-29/14](#), [IP/13/873](#).

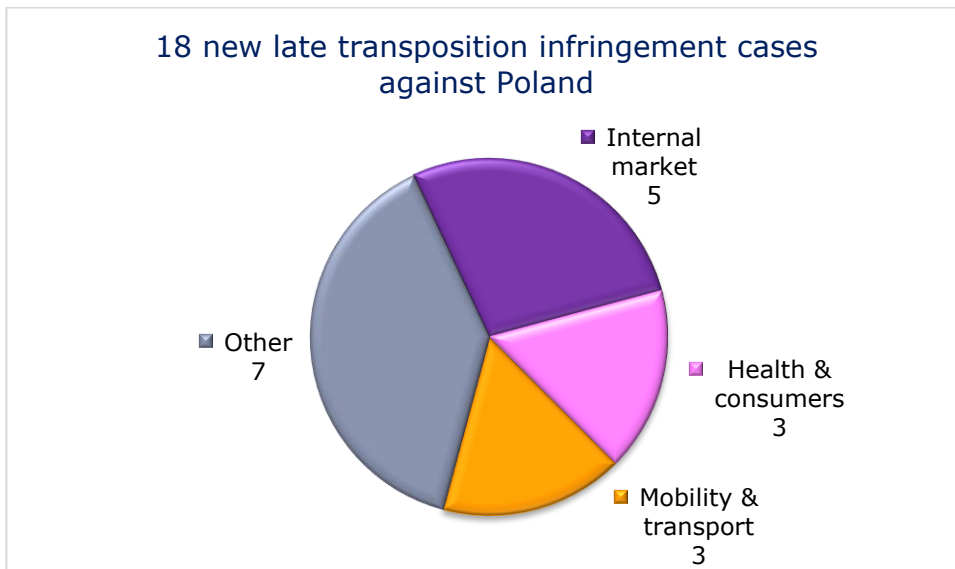
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Poland (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- transposition of the Mining Waste Directive;²⁰ Poland is now in compliance;
- the award of land lease contracts in the Port of Gdansk in breach of the principle of freedom of establishment.

²⁰ Directive 2006/21/EC.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- the Polish requirement that the steering wheel of right-hand drive vehicles must be moved to the left-hand side for road safety reasons infringes Union law since this cannot be considered necessary to achieve the stated goal;²¹
- Poland was in breach of the directive on the deliberate release of GMOs into the environment because producers were not legally obliged to inform the authorities if they cultivated genetically modified crops and no register was set up to list the locations where such crops were grown;²²
- Poland's designation of nitrate vulnerable zones was insufficient and so were the measures contained in the action programmes;²³
- Poland failed to adequately implement the Nitrates Directive.²⁴

2. Preliminary rulings

In preliminary rulings addressed to the Polish judiciary, the Court ruled that:

- the non-discrimination rule in the Fixed-Term Work Directive also applies to notice periods;²⁵
- the taxation of non-EU investment funds receiving dividends from Polish companies must be the same as that of similar domestic funds, provided that the fund's State of residence is bound by an obligation under a convention on mutual administrative assistance. This convention must enable the Polish tax authorities to verify any information which may be provided by the investment fund.²⁶

²¹ Commission v Poland, [C-639/11](#) and Commission v Lithuania, [C-61/12](#), [CJE/14/37](#).

²² Commission v Poland, [C-478/13](#) and Directive 2001/18/EC.

²³ Commission v Poland, C-356/13.

²⁴ Directive [91/676/EEC](#), Commission v France, [C-237/12](#) and Commission v Poland, [C-356/13](#).

²⁵ Nierodzik, [C-38/13](#).

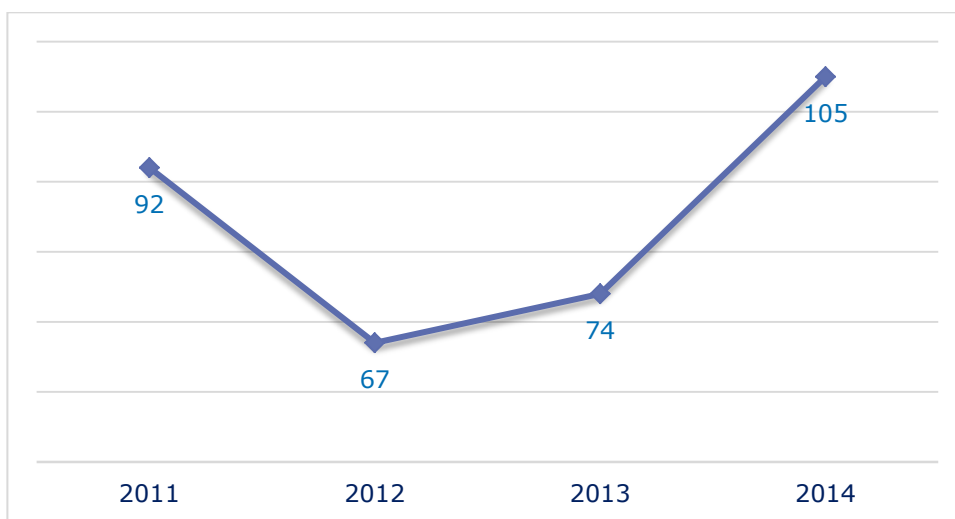
²⁶ Emerging Markets, C-190/12.

PORTUGAL

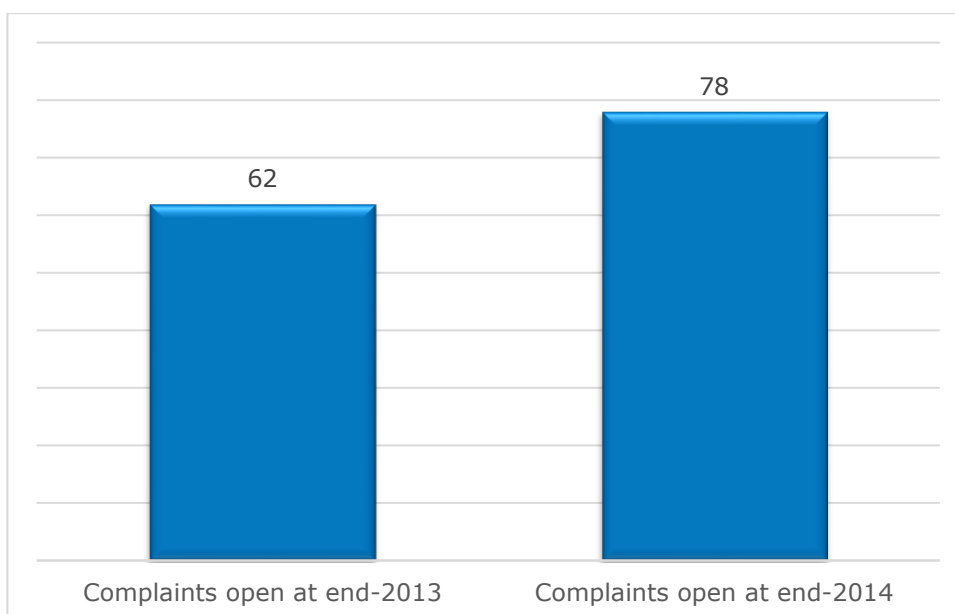
The number of new complaints made against Portugal continued to increase and reached in 2014 the highest level in the last four years. The number of new EU Pilot files opened against Portugal fluctuated over the last years. In 2014, this number was higher than in 2013, but nonetheless lower than in 2012. As regards the overall number of pending infringements, the descending trend registered over the last years was discontinued in 2014, when the number of cases very slightly increased as compared to the previous year. In the area of transposition of directives, the positive trend noted in the last years continued in 2014. The number of new late transposition infringement cases against Portugal was in 2014 the smallest over the last five years.

I. COMPLAINTS

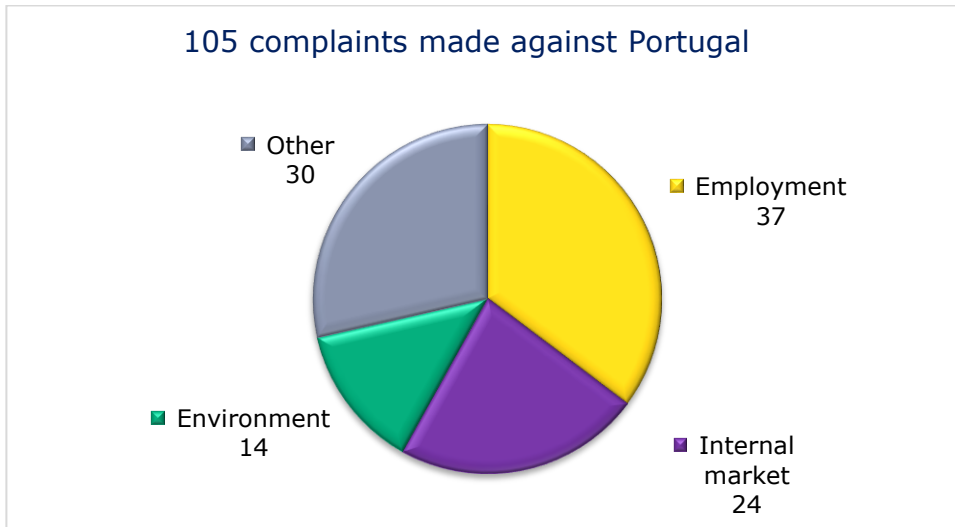
1. New complaints made against Portugal by members of the public (2011-14)



2. Evolution of complaints against Portugal



3. New complaints registered in 2014: main policy areas

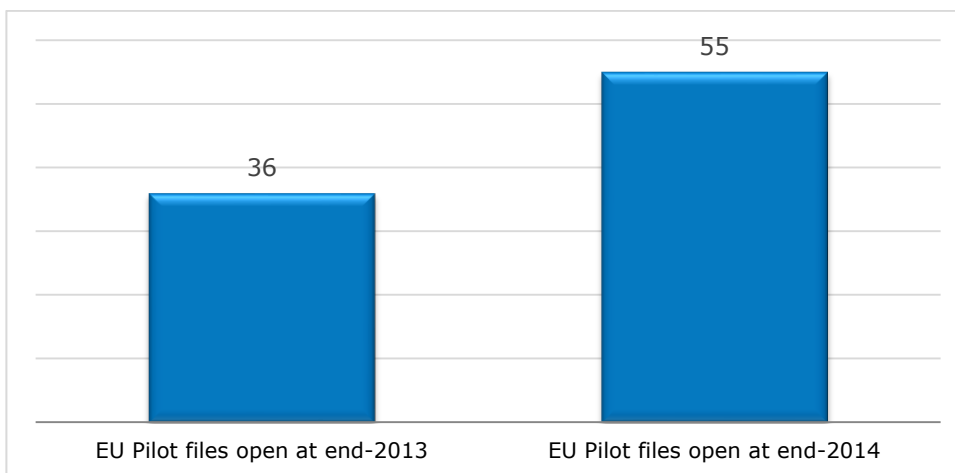


II. EU PILOT

1. New EU Pilot files opened against Portugal (2011-14)

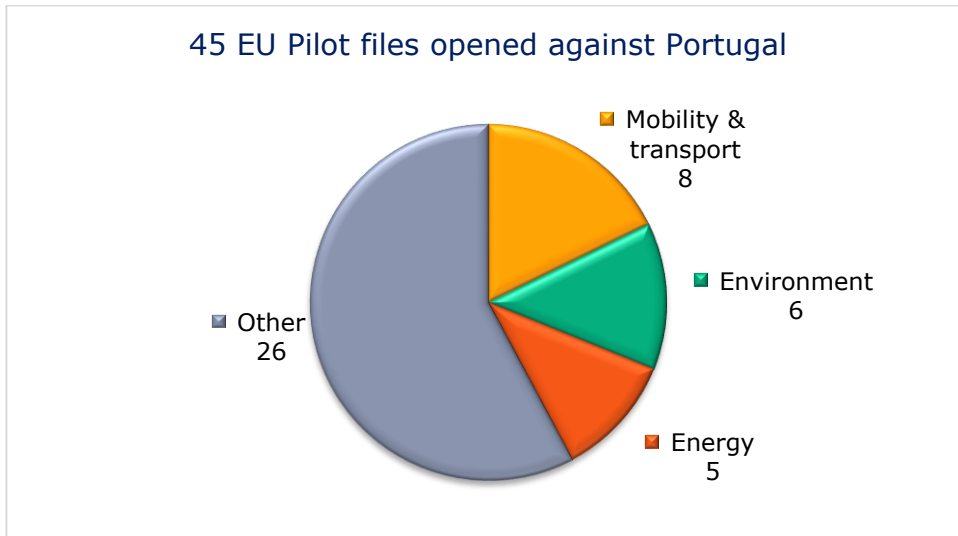


2. Evolution of files relating to Portugal open in EU Pilot¹

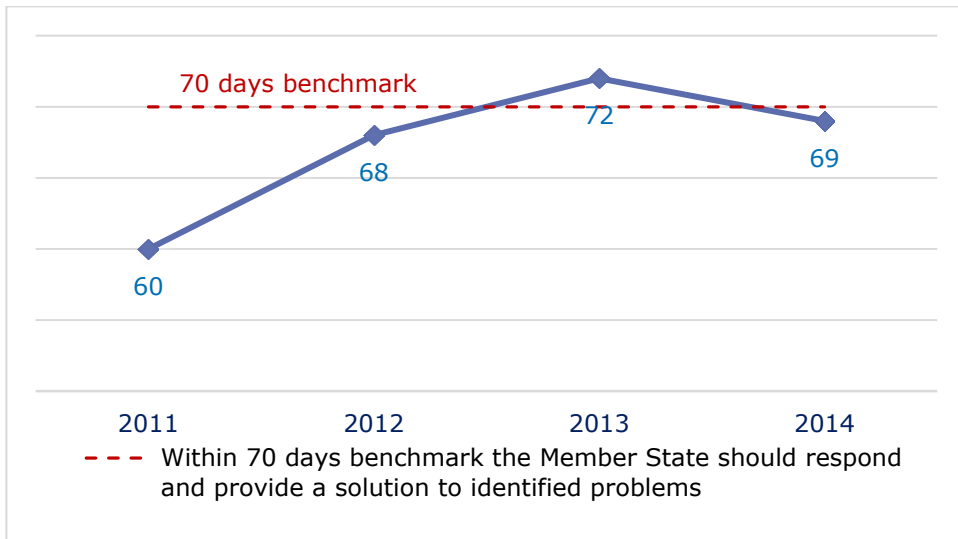


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

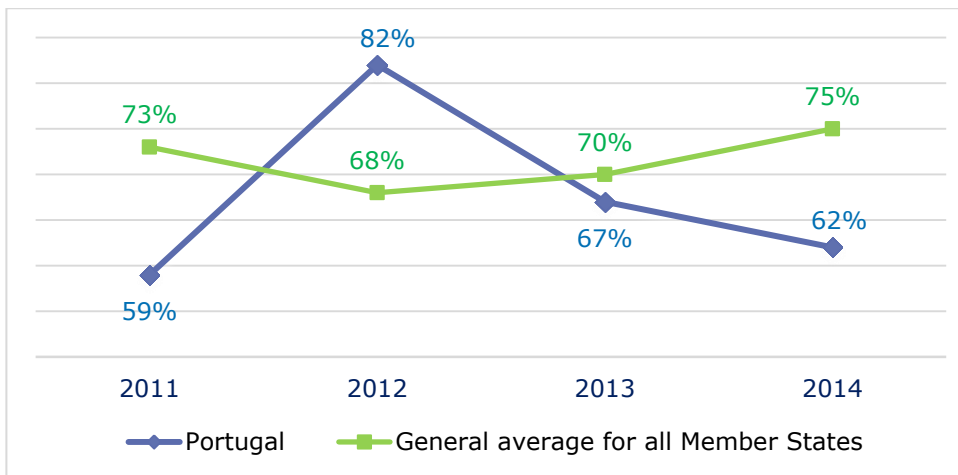
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

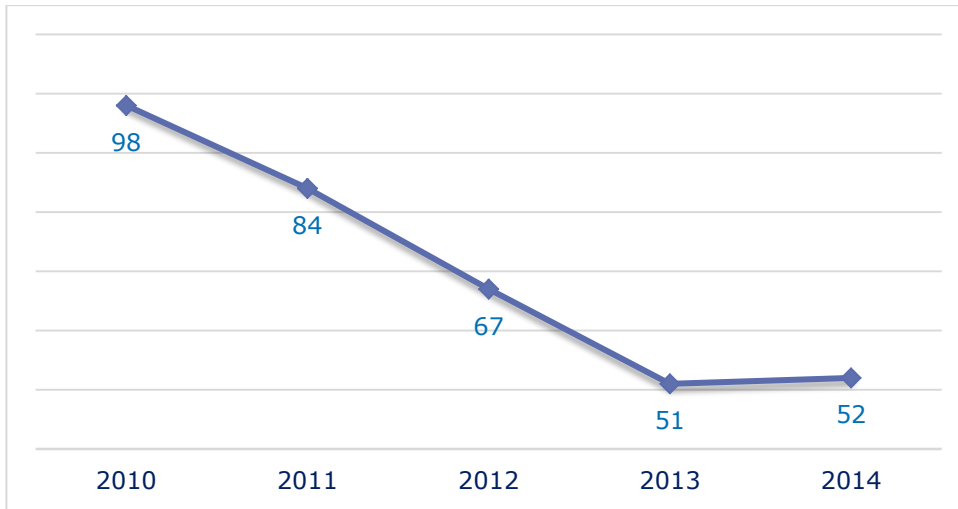


5. EU Pilot files: evolution of the resolution rate by Portugal (2011-14)

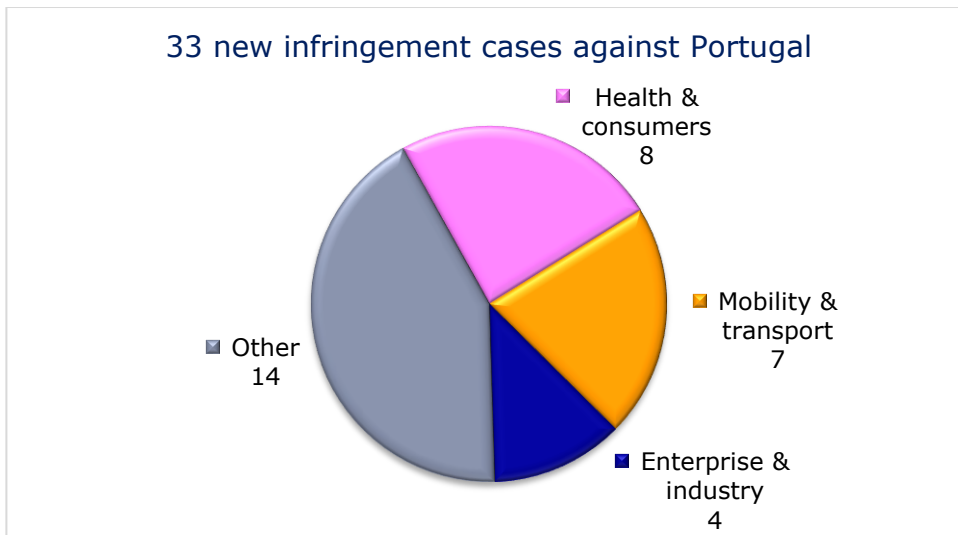


III. INFRINGEMENT CASES

1. Infringement cases against Portugal open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 33 new infringement cases against Portugal in 2014. These, and other major ongoing infringement cases, concern:
- discriminatory treatment of HVO and biofuels in violation of the Renewable Energy Directive;²
 - failure to communicate to the Commission its long-term strategy for mobilising investment in renovating the national stock of residential and commercial buildings as required under Energy Efficiency Directive;³
 - incorrect transposition of the Late Payment Directive;⁴
 - non-respect of EU air quality standards (PM₁₀ limit values)⁵ in several agglomerations;⁶

² Directive [2009/28/EC](#).

³ Directive [2012/27/EU](#).

⁴ Directive [2011/7/EU](#).

⁵ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

- failure to comply with a Court judgment that Portugal has not ensured adequate urban waste water treatment in sensitive areas;
 - failure to ratify the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 (the Bunkers Convention);⁷
 - non-communication of measures transposing the Capital Requirements Directive;⁸
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁰
 - incorrect application of the regulation on the rights of passengers travelling by train;¹¹
 - incorrect application of the regulation on the rights of passengers travelling by bus and coach;¹²
 - late transposition of the Cross-border Healthcare Directive.¹³
- b) The Commission referred three cases to the Court under Article 258 TFEU. They concern:
- failure to establish guidelines for assessing infrastructure safety for road infrastructure in the trans-European network (TEN-T);¹⁴
 - failure to guarantee the independence of the airport slot coordinator;¹⁵
 - discrimination against taxpayers who cease to be tax-resident in Portugal.¹⁶
- c) The Commission referred one case to the Court under Article 260(2) TFEU. This concerns:
- failure to implement a judgment of the Court of Justice finding that Portugal was failing in its obligation to collect, treat and dispose of urban waste water adequately since seven agglomerations across the country with populations of more than 15 000 lacked the necessary collection systems and 15 lacked adequate treatment systems. The Commission proposed a lump sum of EUR 4 458 828 and a daily penalty of EUR 20 196 until the obligations are met.¹⁷

⁶ [MEMO/14/537.](#)

⁷ [MEMO/14/36.](#)

⁸ Directive [2013/36/EU](#), [MEMO/14/589.](#)

⁹ Regulation (EC) No [550/2004.](#)

¹⁰ [IP/14/818.](#)

¹¹ Regulation (EC) No [1371/2007](#), [MEMO/14/2130.](#)

¹² Regulation (EU) No [181/2011](#), [MEMO/14/241.](#)

¹³ Directive [2011/24/EU](#), [MEMO/14/2130.](#)

¹⁴ Commission v Portugal, [C-116/14](#), [IP/14/49](#) The case was subsequently withdrawn from the Court due to Portugal's compliance.

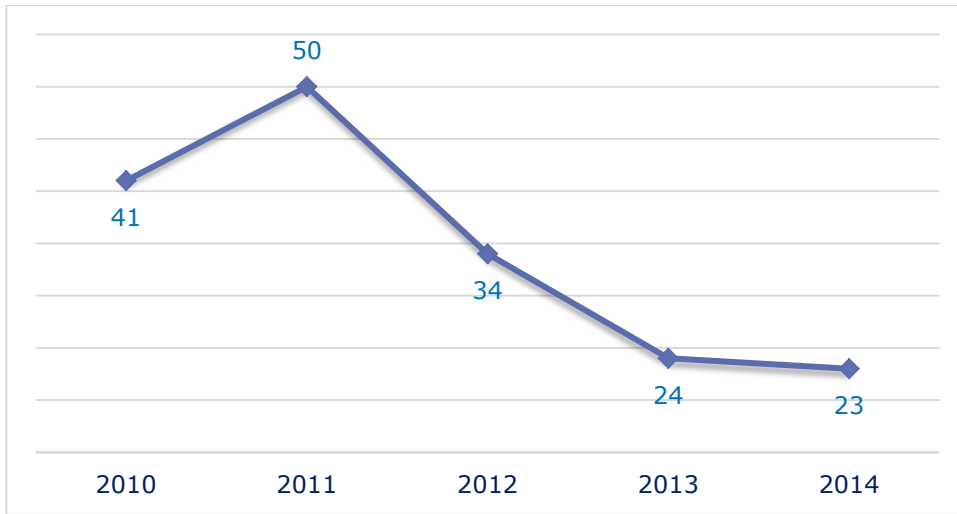
¹⁵ The Commission decided on 20 November 2013 to refer the case to the Court; the application was filed on 24 April 2014, Commission v Portugal, [C-205/14](#), [IP/13/1100.](#)

¹⁶ Commission v Portugal, [C-503/14](#), [IP/14/50.](#)

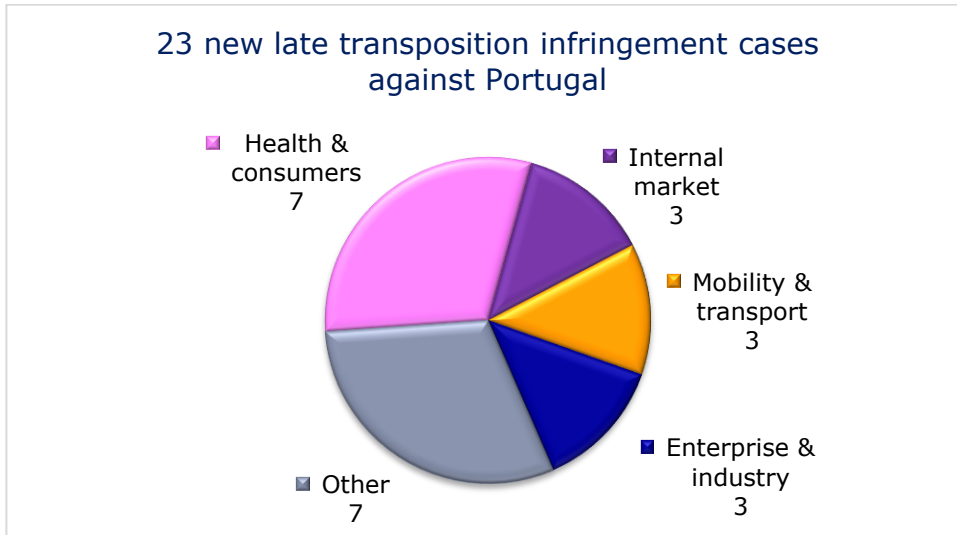
¹⁷ Commission v Portugal, [C-557/14](#), [IP/14/1142.](#)

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Portugal (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- incorrect transposition of the Mining Waste Directive;¹⁸
- incorrect transposition of the directive on public participation in the drawing up of certain plans and programmes relating to the environment;¹⁹
- designation of national bodies and sanctions for protecting passenger rights when travelling by sea and inland waterway.²⁰

¹⁸ Directive [2006/21/EC](#).

¹⁹ Directive [2003/35/EC](#).

²⁰ Regulation (EU) No [1177/2010](#).

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Portugal was still failing to correctly transpose the provisions of the Universal Service Directive²¹ despite the Court's earlier judgment. Since the Court found that Portugal had not designated the companies responsible for providing the universal service by using a procedure that is consistent with the directive, and in the end had not provided the requested proof of the termination of the designated provider, it ordered Portugal to pay a lump sum of EUR 3million, plus a daily penalty of EUR 10000 until it complies with the first judgment;²²
- Portugal failed to organise a procedure for selecting suppliers to provide ground-handling services for baggage handling, 'ramp handling' and freight and mail handling at Lisbon, Porto and Faro airports.²³

2. Preliminary rulings

In a preliminary ruling addressed to the Portuguese judiciary, the Court ruled that:

- the in-house exemption (which makes it possible to not apply the public procurement directives) requires, amongst other conditions, that the contracting authority exercises over the contractor a control similar to the control that it exercises over its own departments. This condition is not met if a private undertaking or a non-profit entity makes any investment in the capital of a company of which the awarding authority is also part.²⁴

²¹ Directive [2002/22/EC](#).

²² Commission v Portugal, [C-76/13](#) and Court press release No [89/14](#).

²³ Commission v Portugal, [C-277/13](#).

²⁴ Centro Hospitalar de Setúbal and SUCH, [C-574/12](#).

ROMANIA

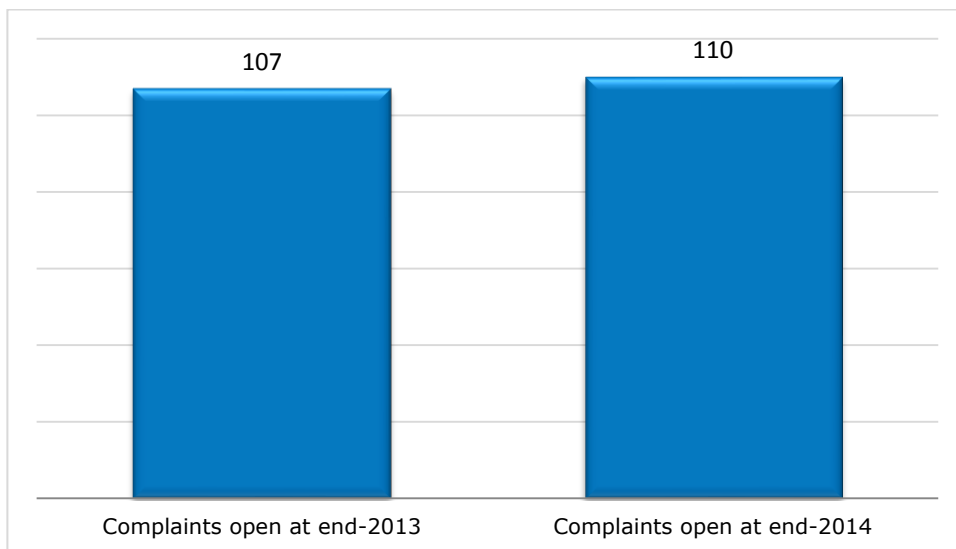
The number of new complaints made against Romania fell in 2014 but remains relatively high. New EU Pilot files opened against Romania declined for the third consecutive year. However, the number of pending infringements increased considerably after three years of stability. New infringement cases for late transposition also rose for the first time since 2011.

I. COMPLAINTS

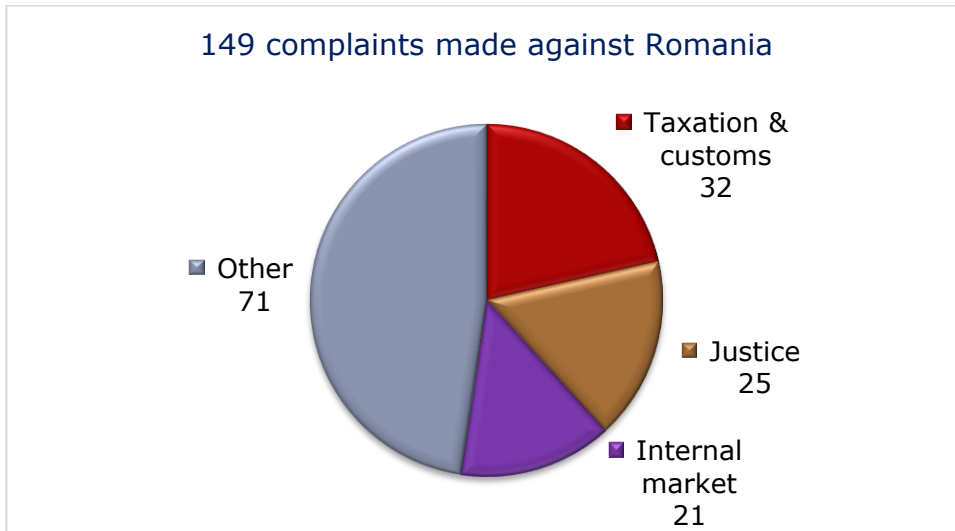
1. New complaints made against Romania by members of the public (2011-14)



2. Evolution of complaints against Romania

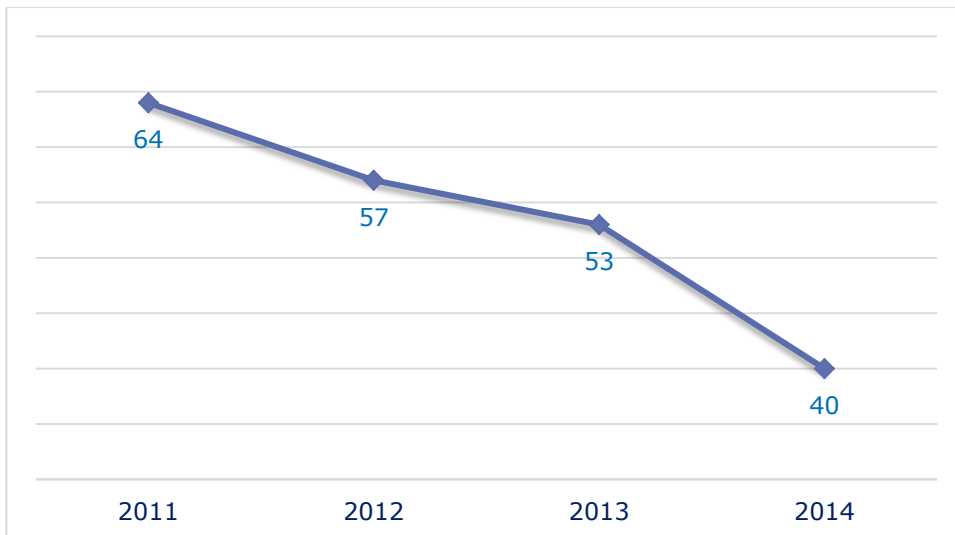


3. New complaints registered in 2014: main policy areas

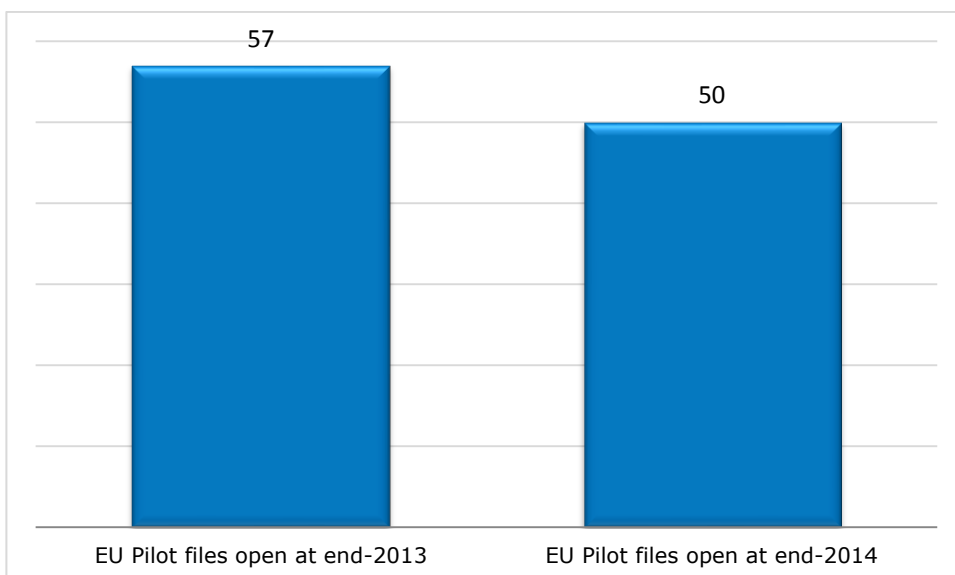


II. EU PILOT

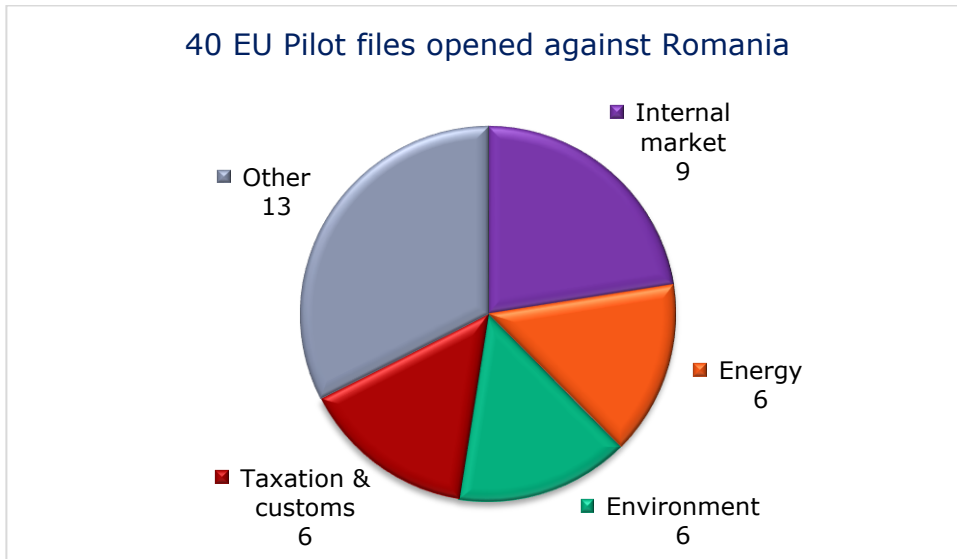
1. New EU Pilot files opened against Romania (2011-14)



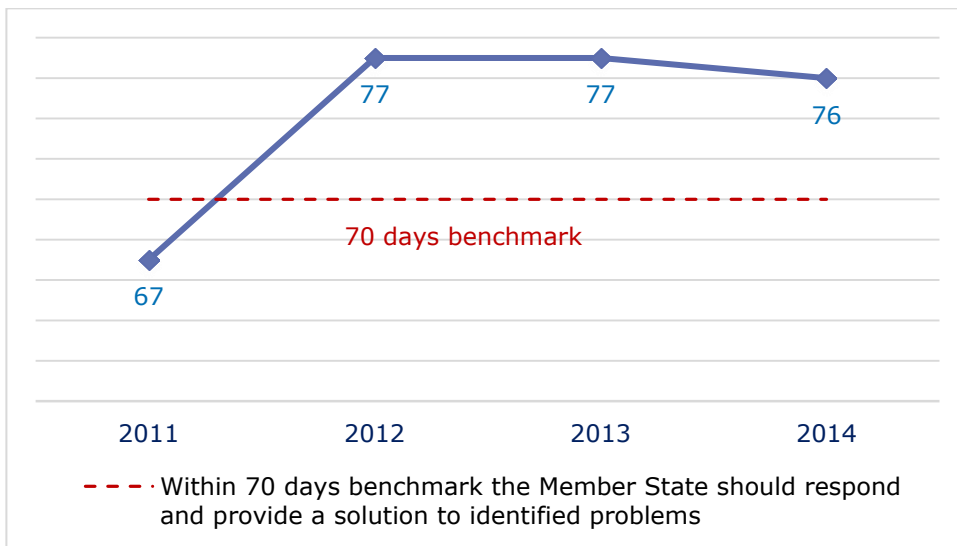
2. Evolution of files relating to Romania open in EU Pilot



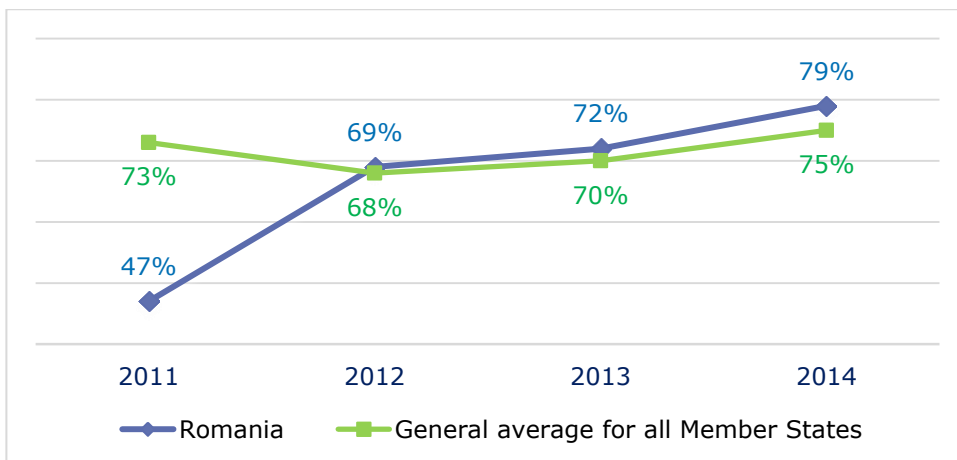
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

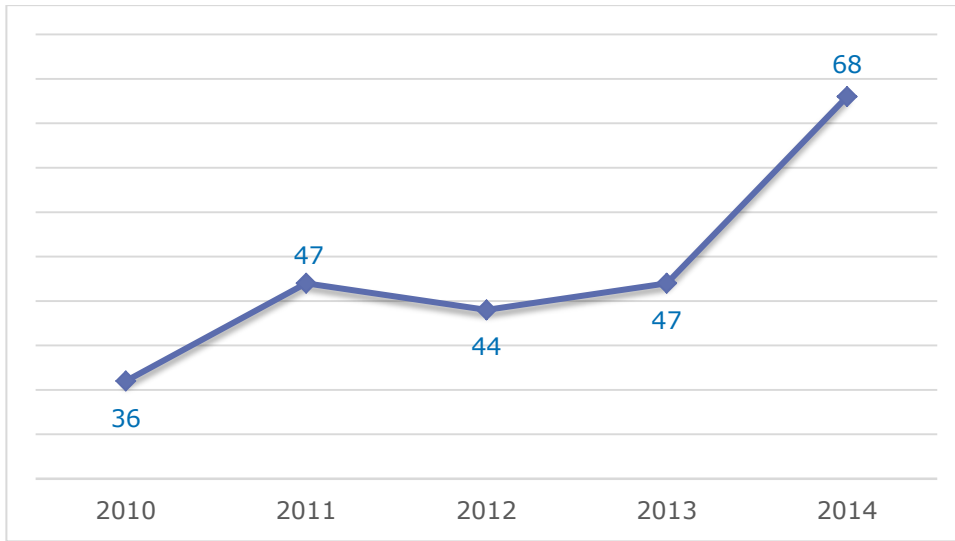


5. EU Pilot files: evolution of the resolution rate by Romania (2011-14)

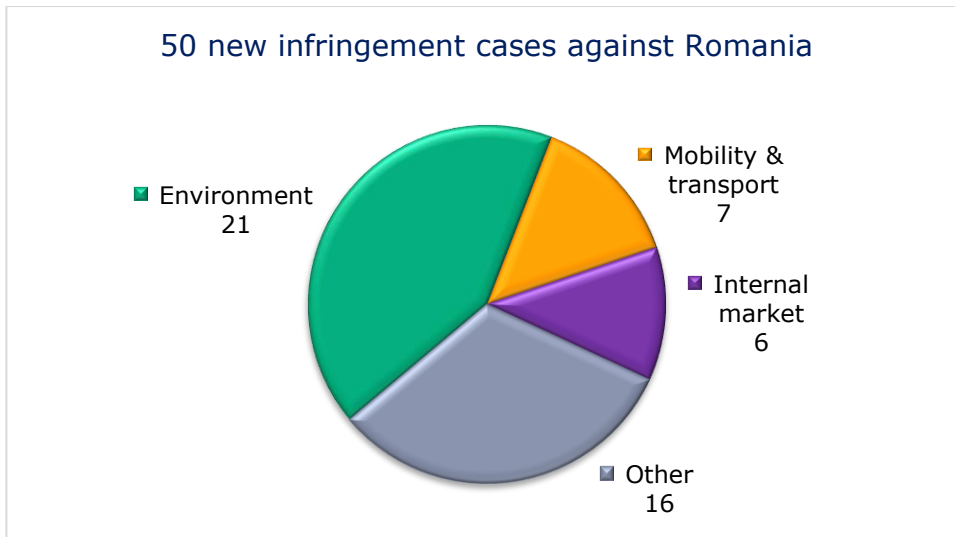


III. INFRINGEMENT CASES

1. Infringement cases against Romania open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 50 new infringement cases against Romania in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity with the Working Time Directive of the national legislation on annual leave for government employees;¹
 - barriers to exports of natural gas by, inter alia, requiring gas transactions to undergo prior checks and approval;²
 - failure to communicate to the Commission its national energy efficiency action plan as required under the Energy Efficiency Directive;³

¹ Directive [2003/88/EC](#).

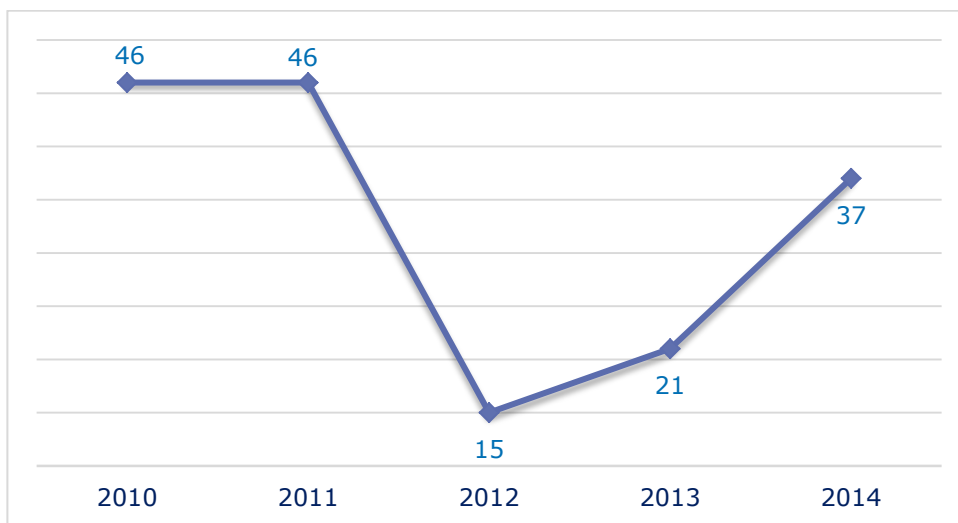
² [MEMO/14/470](#).

³ Directive [2012/27/EU](#).

- non-respect of EU air quality standards (PM₁₀ limit values) in several zones and agglomerations;⁴
 - failure to operate waste landfills in accordance with the provisions of the Landfill Directive;⁵
 - incorrect application of the Environmental Impact Assessment Directive in relation to lignite quarries in the Gorj Region;⁶
 - non-compliance in waters and resources under Romanian jurisdiction with the principle of equal access rights for vessels flying the flag of other Member States;
 - non-communication of measures transposing the Capital Requirements Directive⁷ and the Cross-border Healthcare Directive;⁸
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹⁰
 - incorrect award of public passenger transport services in the Bucharest area;
 - nonconformity of the national transposition measures with the Railway Safety Directive.¹¹
- b) The Commission did not refer any cases to the Court under Article 258 TFEU.
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Romania (2010-14)



⁴ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

⁵ Directive [1999/31/EC](#).

⁶ Directive [2011/92/EU](#).

⁷ Directive [2013/36/EU](#).

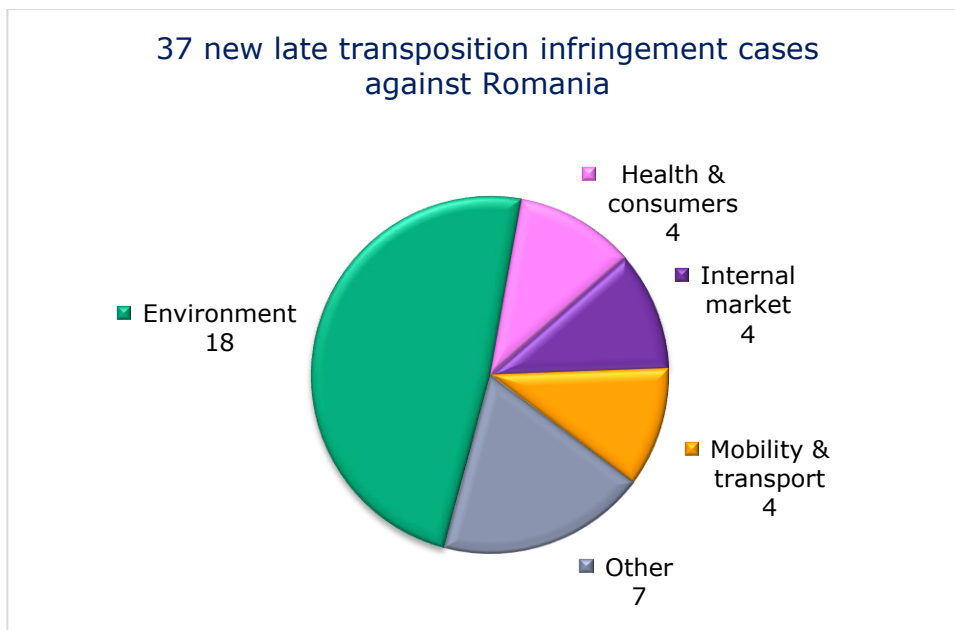
⁸ Directive [2011/24/EU](#); [MEMO/14/537](#).

⁹ Regulation (EC) No [550/2004](#).

¹⁰ [IP/14/818](#).

¹¹ Directive [2004/49/EC](#) [MEMO/14/589](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to fully transpose the Electricity and Gas Directives;¹²
- non-communication of national measures transposing the Industrial Emissions Directive;¹³
- incorrect application of the regulation on the rights of bus and coach passengers¹⁴ by not designating a national enforcement body nor setting up a penalty system for infringements of the regulation;
- nonconformity of national legislation with the directive on the separation of accounts in the rail sector;¹⁵
- incorrect application of the directive on veterinary checks in intra-EU trade by confiscating meat originating from Denmark;¹⁶
- incorrect application of the VAT Directive regarding the treatment of non-recovered leased goods.¹⁷

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Romanian judiciary, the Court ruled that:

¹² Directives [2009/72/EC](#) and [2009/73/EC](#).

¹³ Directive [2010/75/EU](#).

¹⁴ Regulation (EU) No [181/2011](#).

¹⁵ Directive [91/440/EEC](#).

¹⁶ Directive [89/662/EEC](#).

¹⁷ Directive [112/2006/EC](#).

- national provisions which exclude producers from the benefit of agriculture aids because of their debts to national or local budgets are incompatible with the regulation establishing common rules for direct support schemes under the Common Agricultural Policy and certain support schemes for farmers;¹⁸
- prior medical authorisation under the regulation on the coordination of social security systems¹⁹ cannot be refused because the hospital concerned cannot provide medication and basic medical supplies and infrastructure in good time in the insured person's Member State of residence.²⁰

¹⁸ Regulation (EC) No [1782/2003](#), Agenția de Plăți și Intervenție pentru Agricultură (APIA), [C-304/13](#).

¹⁹ Regulation (EC) No [883/2004](#).

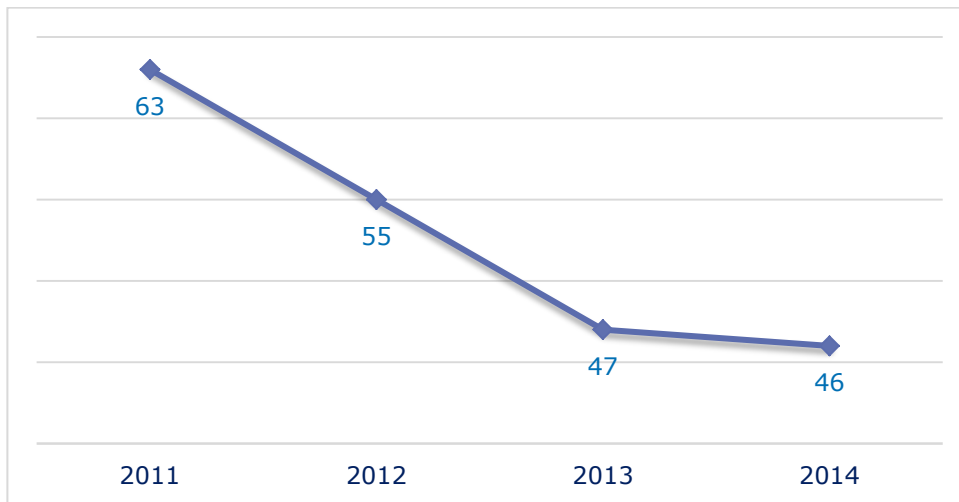
²⁰ Elena Petru, [C-268/13](#), [CJE/134/14](#).

SLOVAKIA

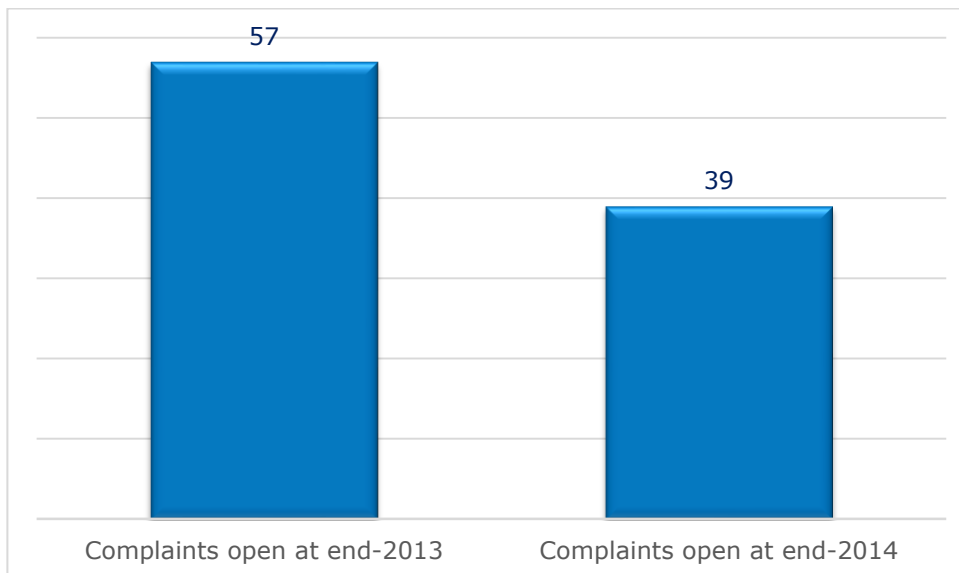
The number of new complaints made against Slovakia fell slightly in 2014, the third consecutive decline. New EU Pilot files opened against Slovakia and the overall number of pending infringement cases have not changed much over the last five years. New infringement cases for late transposition showed a small fall but were above the low reached in 2012.

I. COMPLAINTS

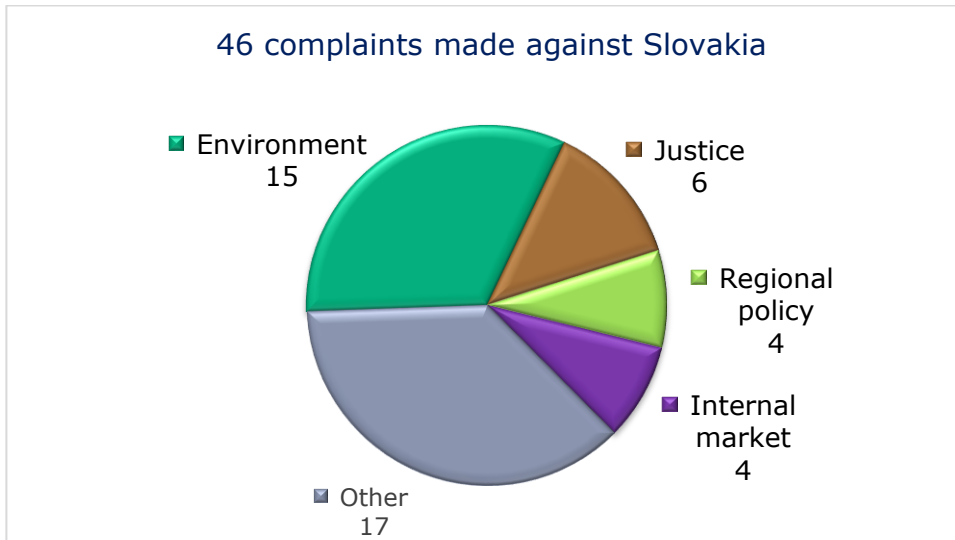
1. New complaints made against Slovakia by members of the public (2011-14)



2. Evolution of complaints against Slovakia

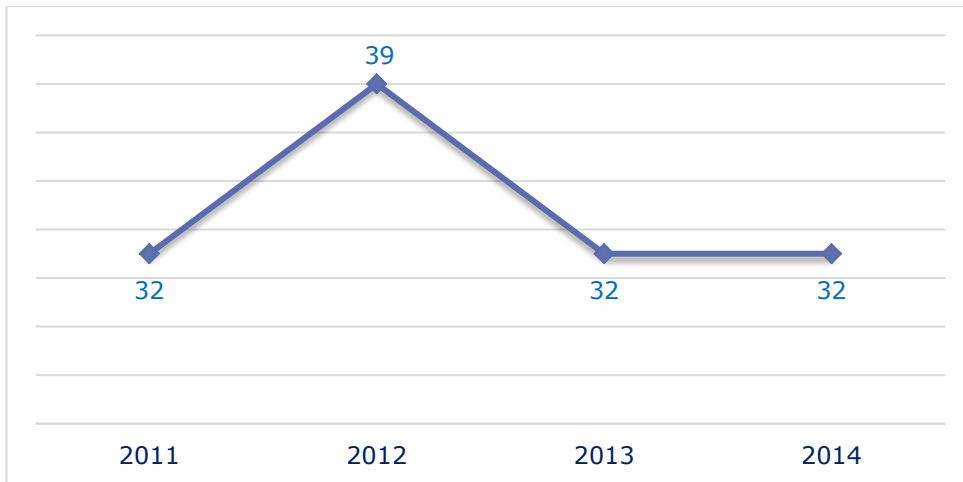


3. New complaints registered in 2014: main policy areas

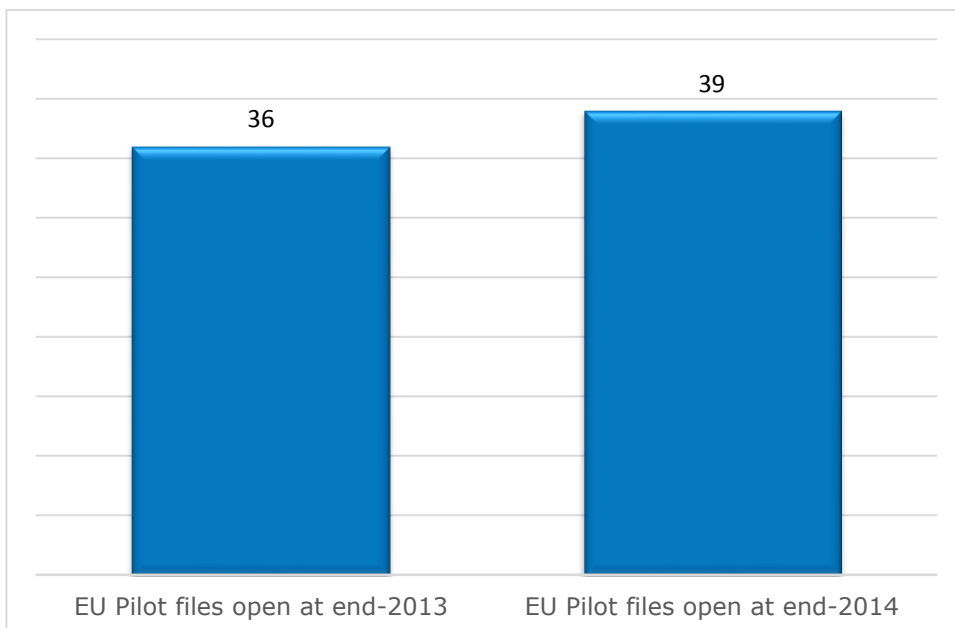


II. EU PILOT

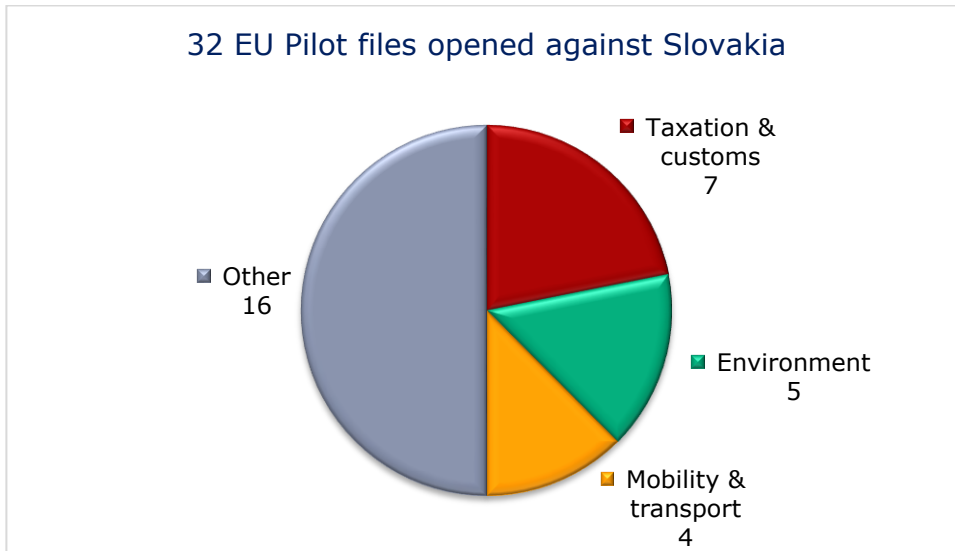
1. New EU Pilot files opened against Slovakia (2011-14)



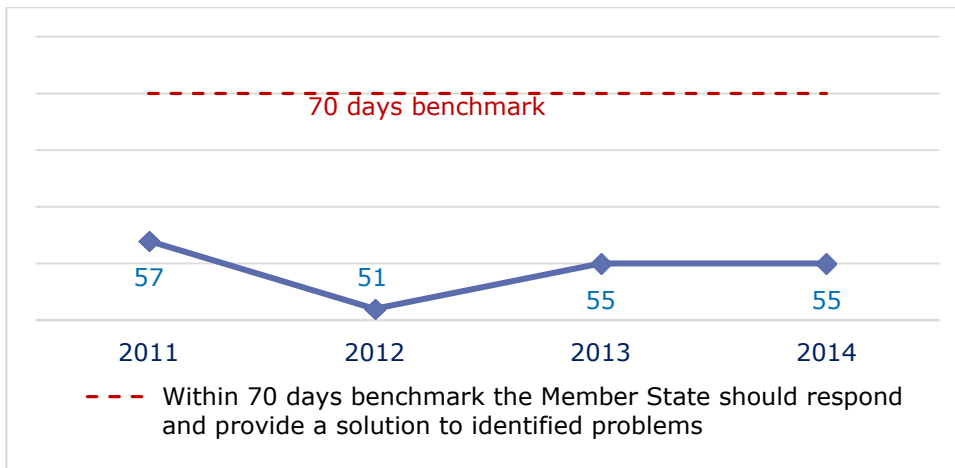
2. Evolution of files relating to Slovakia open in EU Pilot



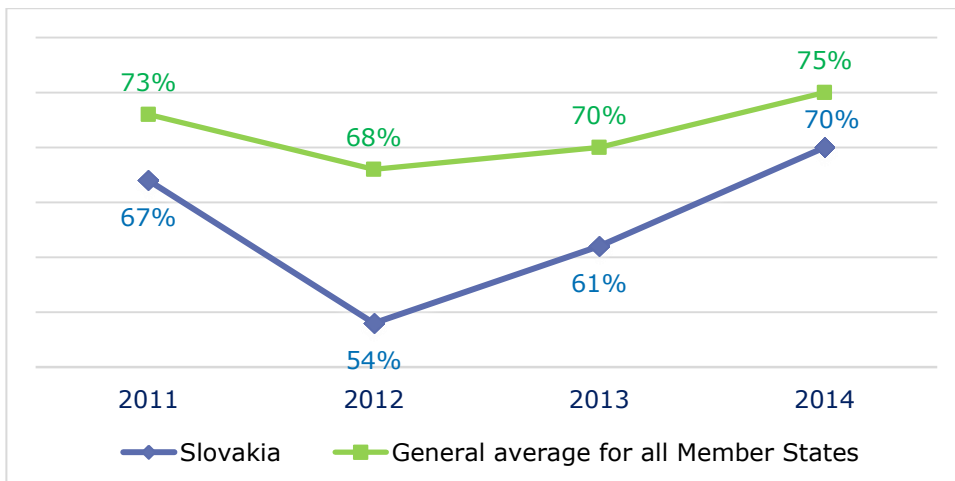
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

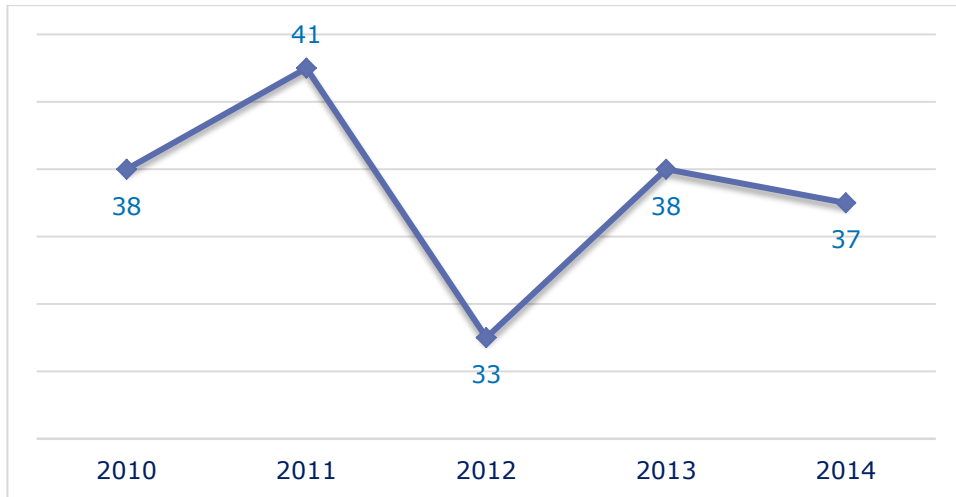


5. EU Pilot files: evolution of the resolution rate by Slovakia (2011-14)

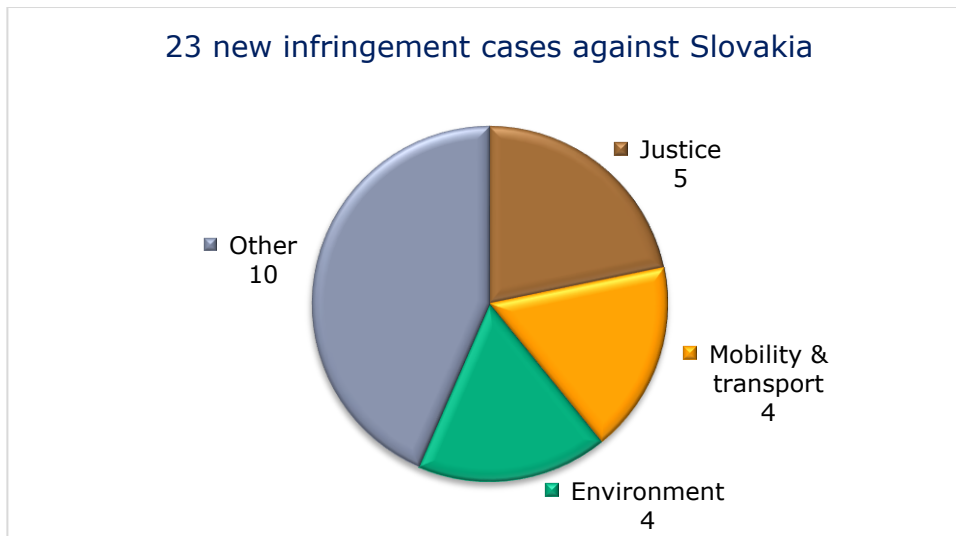


III. INFRINGEMENT CASES

1. Infringement cases against Slovakia open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 23 new infringement cases against Slovakia in 2014. These, and other major ongoing infringement cases, concern:
- incorrect implementation of the Late Payment Directive;¹
 - non-compliant transposition of the Floods Directive;²
 - exclusion of workers in areas deemed not dangerous from the right to health surveillance;³
 - non-respect of EU air quality standards (PM₁₀ limit values)⁴ in several zones and agglomerations;⁵
 - lack of effective judicial remedy against the refusal, annulment or revocation of a visa, in breach of the provisions of the Visa Code;⁶

¹ Directive [2011/7/EU, IP/14/689](#).

² Directive [2007/60/EC](#).

³ Directive [89/391/EEC](#).

⁴ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

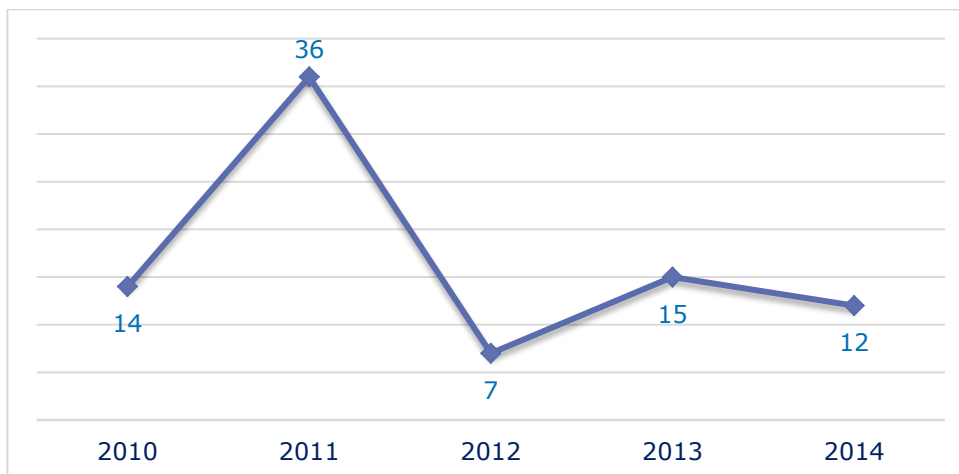
⁵ [MEMO/14/470](#).

⁶ [MEMO/14/589](#).

- violation of the right of EU nationals to become members of a political party or to found one in the Member State of residence;
 - non-communication of measures transposing the Capital Requirements Directive;⁷
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁸ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁹
 - nonconformity of national legislation with the Railway Interoperability Directive;¹⁰
 - failure to connect to the EU driving licence network, RESPER;¹¹
 - lack of effective control by the judiciary in cases where traders seek enforcement, outside ordinary court procedures, of claims that are based on unfair contract terms or violate the rules on consumer credit. This includes recourse to commercial arbitration bodies which do not apply consumer law.
- b) The Commission did not refer any cases to the Court under Article 258 TFEU.
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Slovakia (2010-14)



⁷ Directive [2013/36/EU](#).

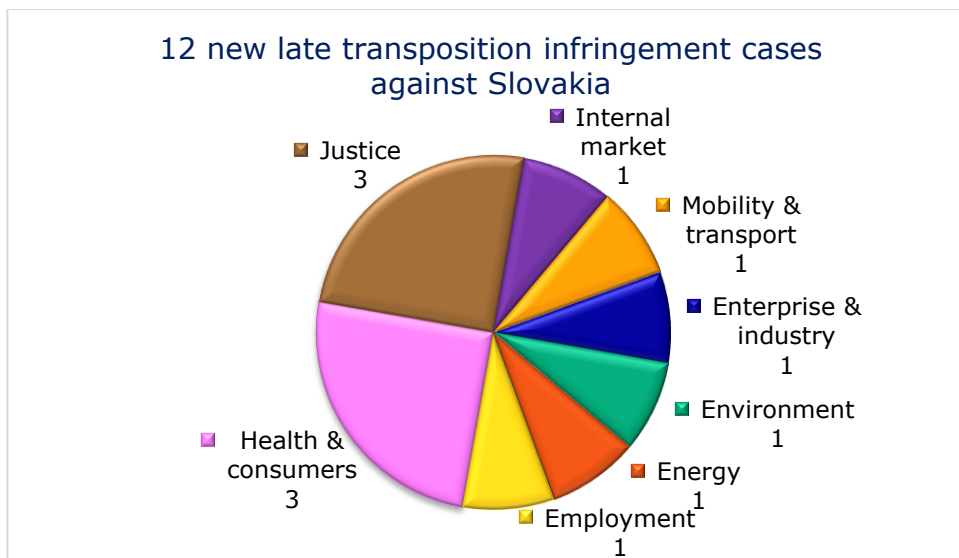
⁸ Regulation (EC) No [550/2004](#).

⁹ [IP/14/818](#).

¹⁰ Directive [2008/57/EC](#).

¹¹ Directive [2006/126/EC](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- exclusion of workers in areas deemed not dangerous from the right to health surveillance;¹²
- breach of the principle of free movement of goods regarding the requirements for type approval of car rugs and the presence of a representative of the manufacturer;
- non-compliant transposition of the Bathing Water Directive;¹³
- non-compliance of national legislation with the Railway Safety Directive.¹⁴

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

In preliminary rulings addressed to the Slovakian judiciary, the Court ruled that:

- the directive on control of the acquisition and possession of weapons must be interpreted as not precluding national legislation which authorises the issue of a European firearms pass only to holders of weapons used for hunting and target-shooting.¹⁵

¹² Directive [89/391/EEC](#).

¹³ Directive [2006/7/EC](#).

¹⁴ Directive [2004/49/EC](#).

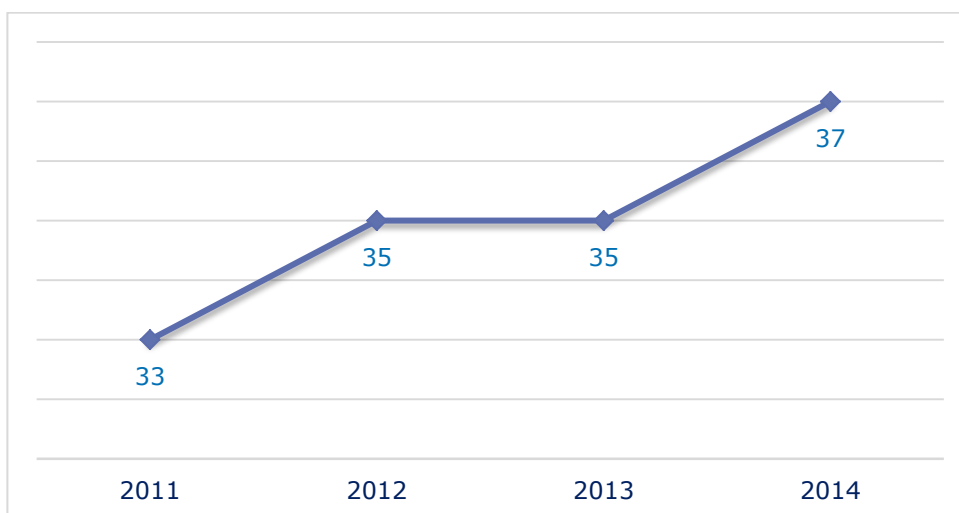
¹⁵ Directive [91/477/EEC](#), Michal Zeman, [C-543/12](#).

SLOVENIA

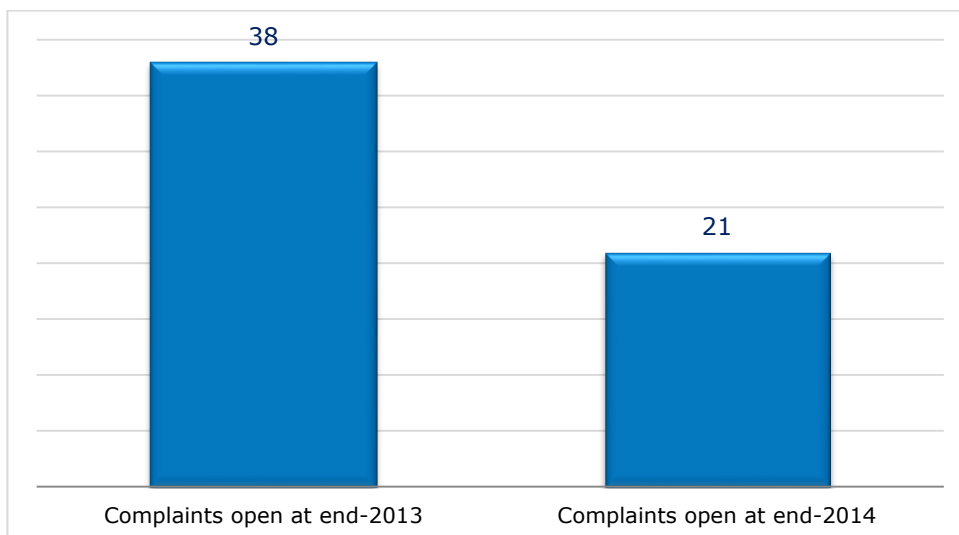
The number of new complaints made against Slovenia has increased marginally over recent years, while new EU Pilot files have remained stable since 2012. The overall number of pending infringement cases against Slovenia was unchanged in 2014 but still at its highest level for five years. New infringement cases for late transposition increased further but remain well below the rather high 2011 level.

I. COMPLAINTS

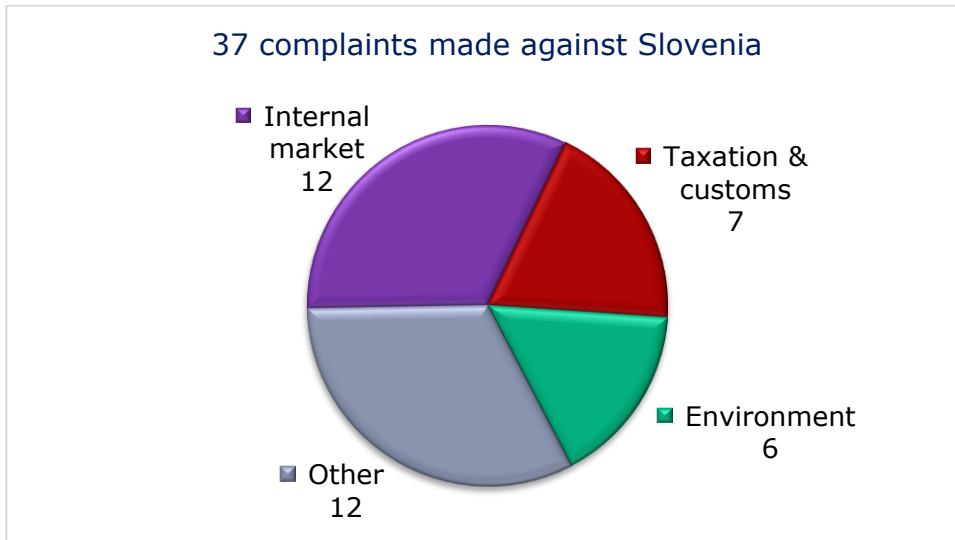
1. New complaints made against Slovenia by members of the public (2011-14)



2. Evolution of complaints against Slovenia



3. New complaints registered in 2014: main policy areas

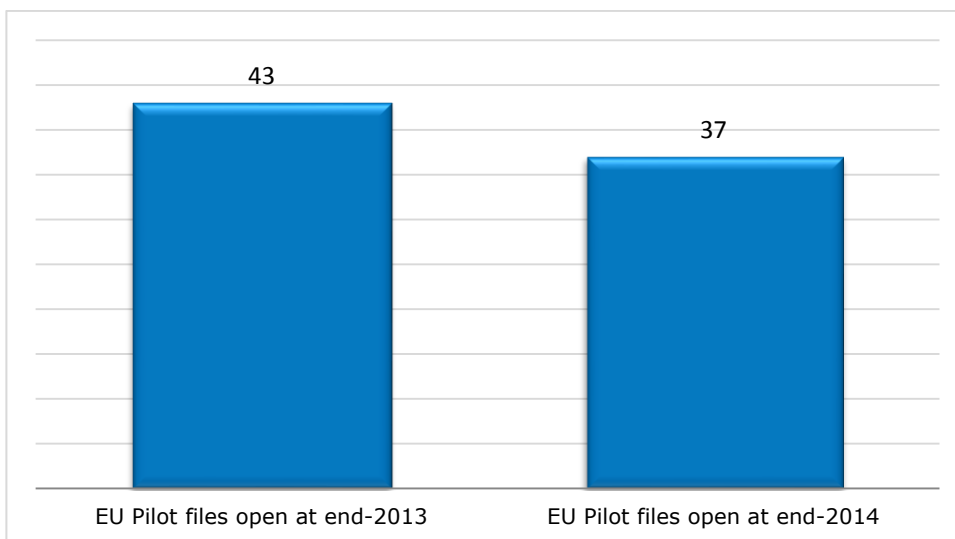


II. EU PILOT

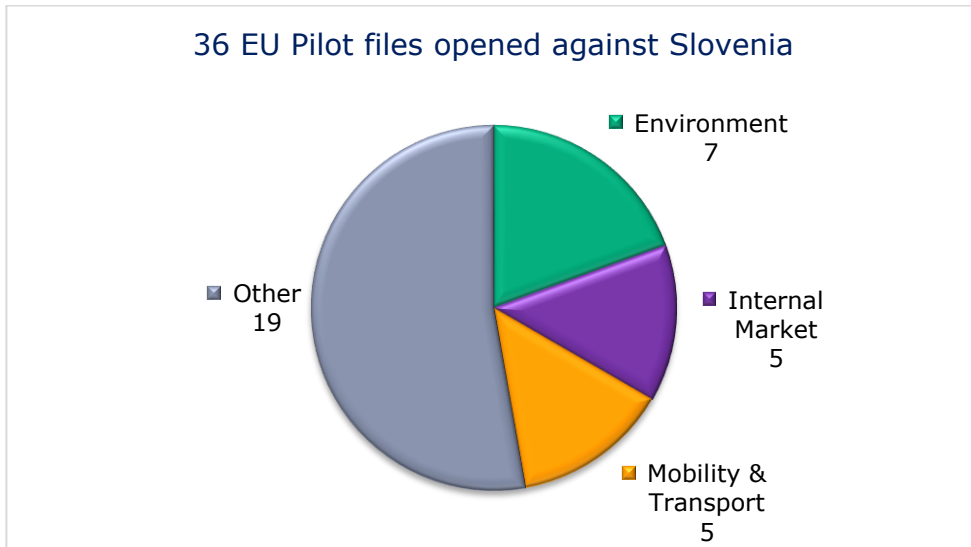
1. New EU Pilot files opened against Slovenia (2011-14)



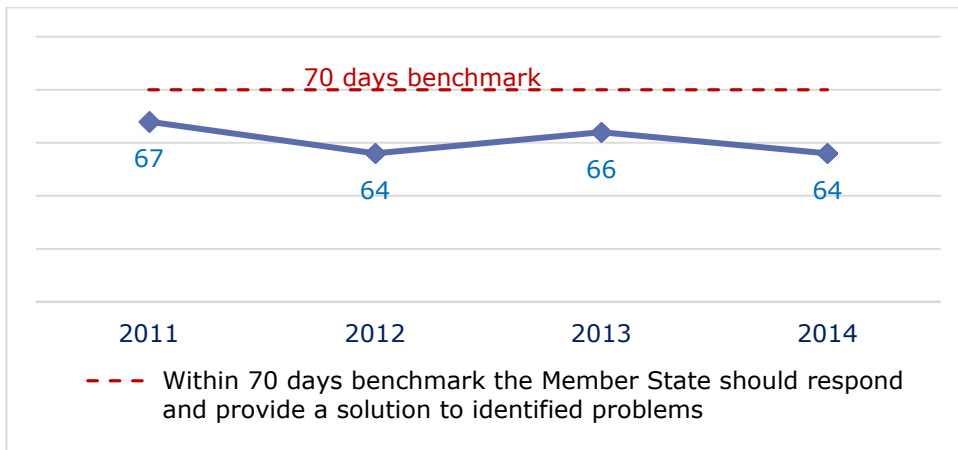
2. Evolution of files relating to Slovenia open in EU Pilot



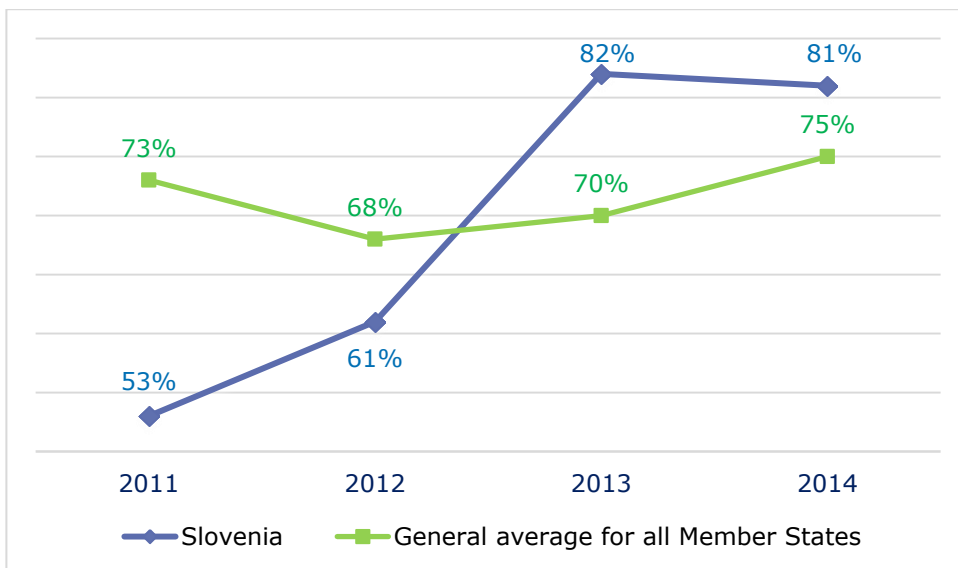
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

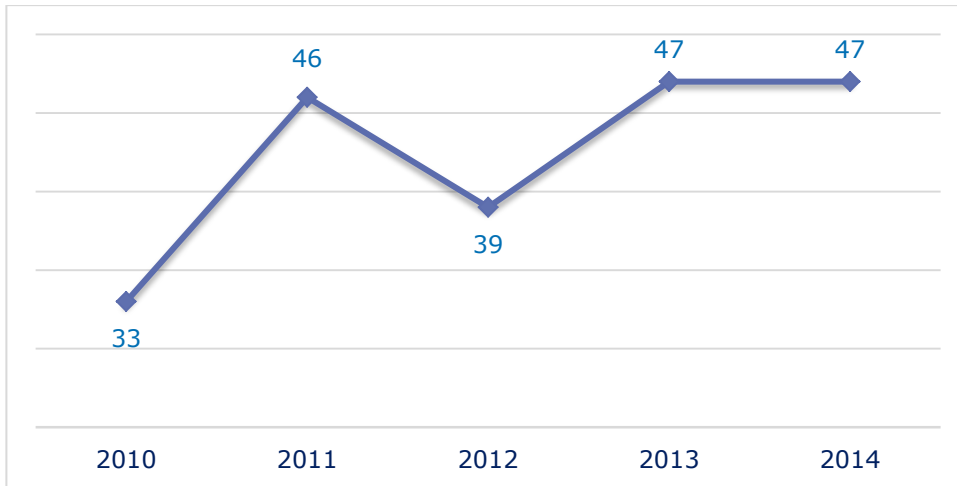


5. EU Pilot files: evolution of the resolution rate by Slovenia (2011-14)

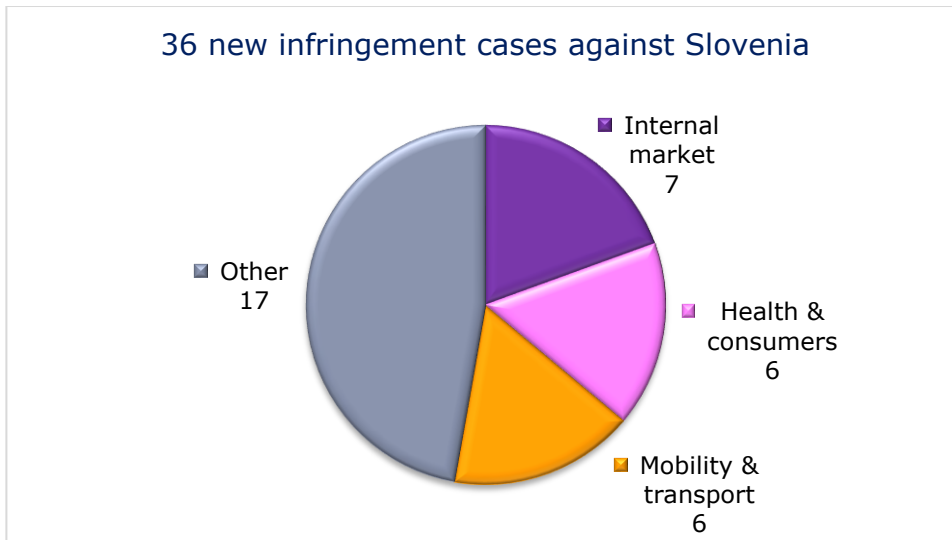


III. INFRINGEMENT CASES

1. Infringement cases against Slovenia open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 36 new infringement cases against Slovenia in 2014. These, and other major ongoing infringement cases, concern:
- failure to comply with obligations under the Regulation on security of gas supply;¹
 - failure to communicate to the Commission its long-term strategy for mobilising investment in renovating the national stock of residential and commercial buildings and its national energy efficiency action plan, as required under Energy Efficiency Directive;²
 - failure to provide for public participation in environmental decision-making procedures;³
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,⁴ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these

¹ Regulation (EU) No [994/2010](#).

² Directive [2012/27/EU](#).

³ Directive [2003/35/EC](#).

⁴ Regulation (EC) No [550/2004](#).

common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;⁵

- failure to correctly apply European rules on the separation of accounts between infrastructure managers and railway operators;⁶
- failure to connect to the EU driving licence network, RESPER;⁷
- nonconformity of national legislation with EU legislation as regards the national equality body;⁸
- non-communication of measures transposing the Capital Requirements Directive;⁹
- incorrect implementation of the directive¹⁰ laying down minimum standards for the protection of pigs, which requires that sows are kept in groups during part of their pregnancy;¹¹
- failure to notify full transposition of the Cross-border Healthcare Directive.¹²

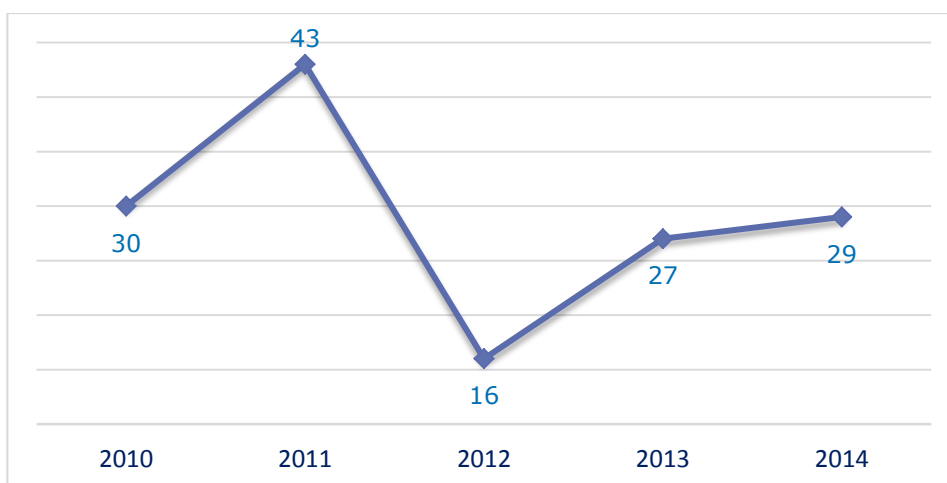
b) The Commission referred one case to the Court under Article 258 TFEU. This concerns:

- breach of EU waste legislation by operating two illegal landfill sites.¹³

c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Slovenia (2010-14)



⁵ [IP/14/818](#).

⁶ Directive [2012/34/EU](#), [MEMO/14/293](#).

⁷ Directive [2006/126/EC](#).

⁸ Directives [2000/43/EC](#), [2004/113/EC](#) and [2006/54/EC](#).

⁹ Directive [2013/36/EU](#).

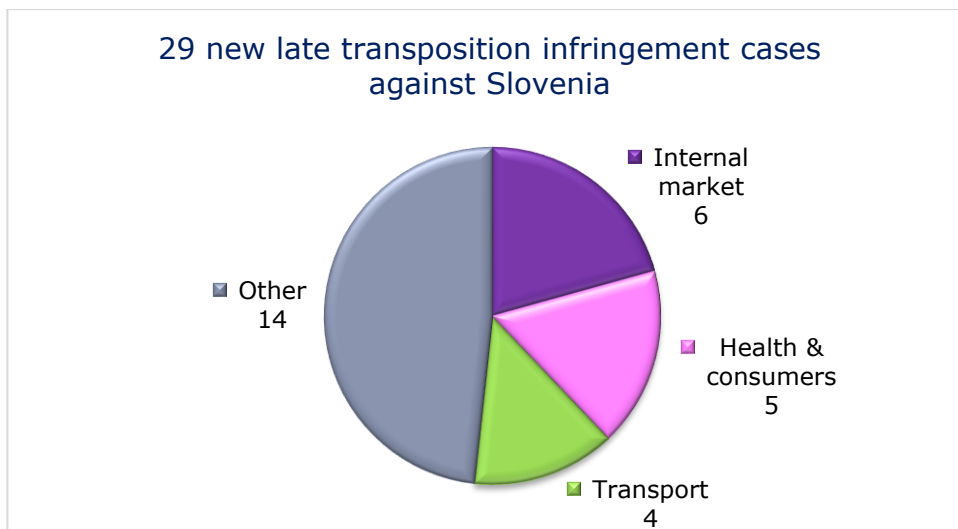
¹⁰ Directive [2008/120/EC](#).

¹¹ [MEMO/14/36](#).

¹² Directive [2011/24/EU](#), [MEMO/14/470](#).

¹³ Commission v Slovenia, [C-140/14](#), [IP/14/51](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- failure to fully transpose the Electricity and Gas Directives;¹⁴
- non-communication of national measures transposing the Pyrotechnics Directive;¹⁵
- incomplete transposition of the directive improving and extending the EU greenhouse gas emission allowance trading scheme and the directive on the geological storage of carbon dioxide;¹⁶
- incorrect application of the Environmental Impact Assessment Directive in relation to a waste treatment facility in Ljubljana;
- nonconformity of national legislation with the Habitats Directive as regards the legal regime for densely constructed settlement areas inside Natura 2000 sites;¹⁷
- nonconformity of national legislation with the Railway Safety Directive;¹⁸
- discriminatory taxation of non-resident self-employed individuals;
- discriminatory taxation of pension insurance contributions by non-resident individuals.

VI. IMPORTANT JUDGMENTS

1. Court rulings

There were no major Court rulings in 2014.

2. Preliminary rulings

No major preliminary rulings were addressed to the Slovenian judiciary in 2014.

¹⁴ Directives [2009/72/EC](#) and [2009/73/EC](#).

¹⁵ Directive [2013/29/EU](#).

¹⁶ Directives [2009/29/EC](#) and [2009/31/EC](#).

¹⁷ Directive [92/43/EEC](#).

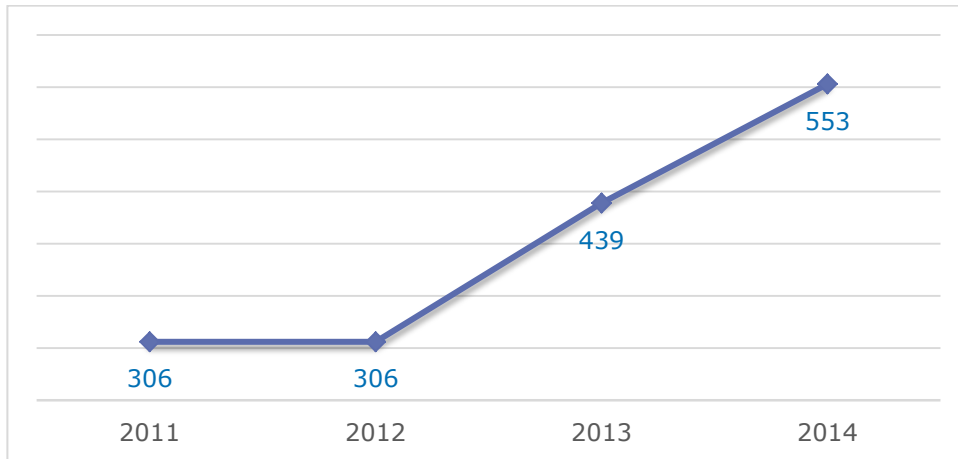
¹⁸ Directive [2004/49/EC](#).

SPAIN

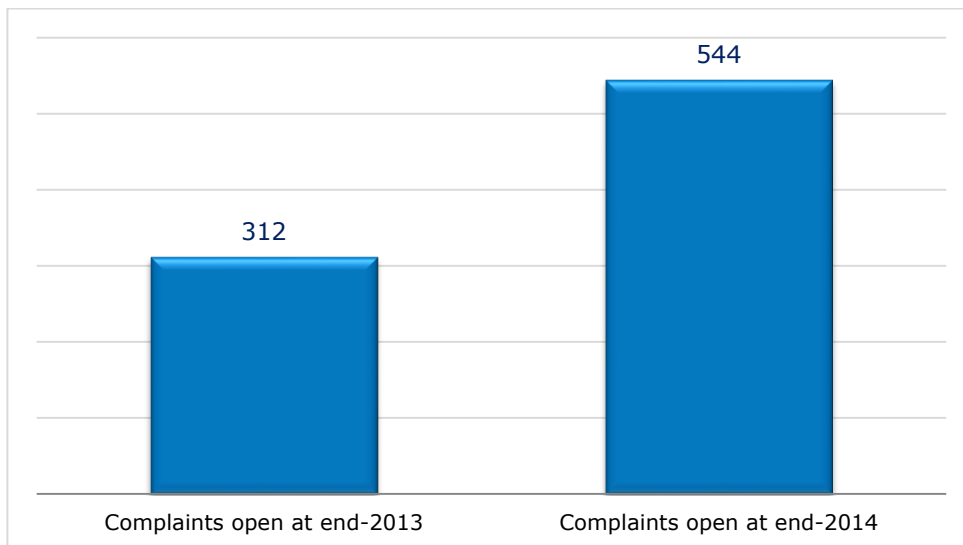
In 2014 the number of new complaints made against Spain increased by over 100 for the second year running, but new EU Pilot files pursued the decline seen over recent years. The number of pending infringement cases also remained on the downward trend started in 2011. New infringement cases for late transposition rose but were still well below the 2010 and 2011 levels.

I. COMPLAINTS

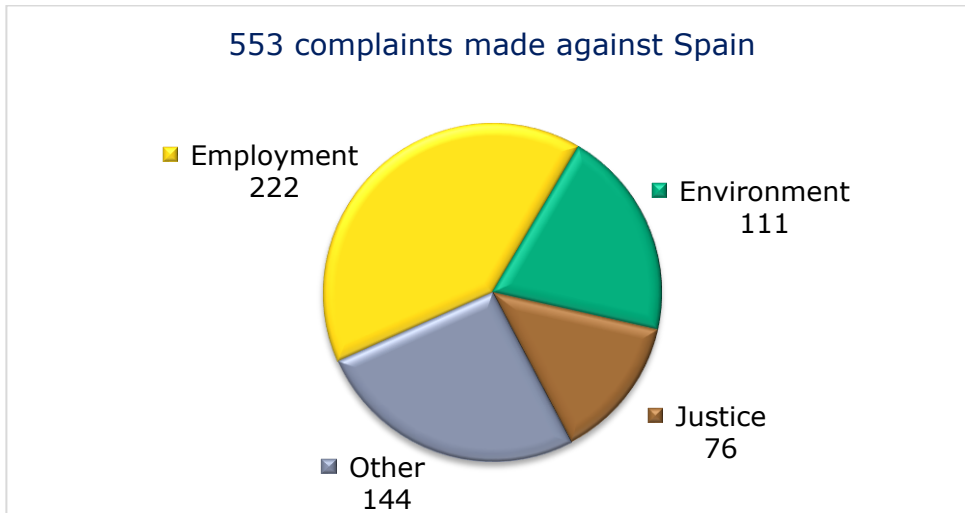
1. New complaints made against Spain by members of the public (2011-14)



2. Evolution of complaints against Spain



3. New complaints registered in 2014: main policy areas

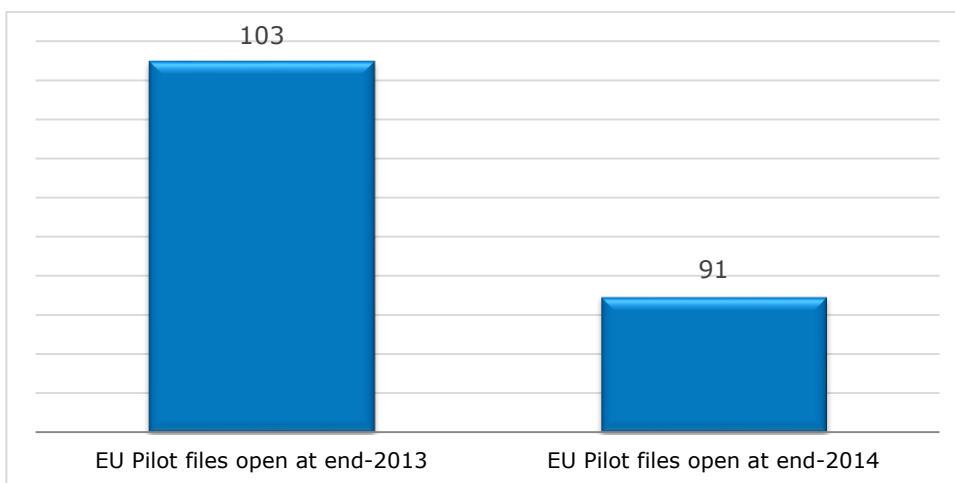


II. EU PILOT

1. New EU Pilot files opened against Spain (2011-14)

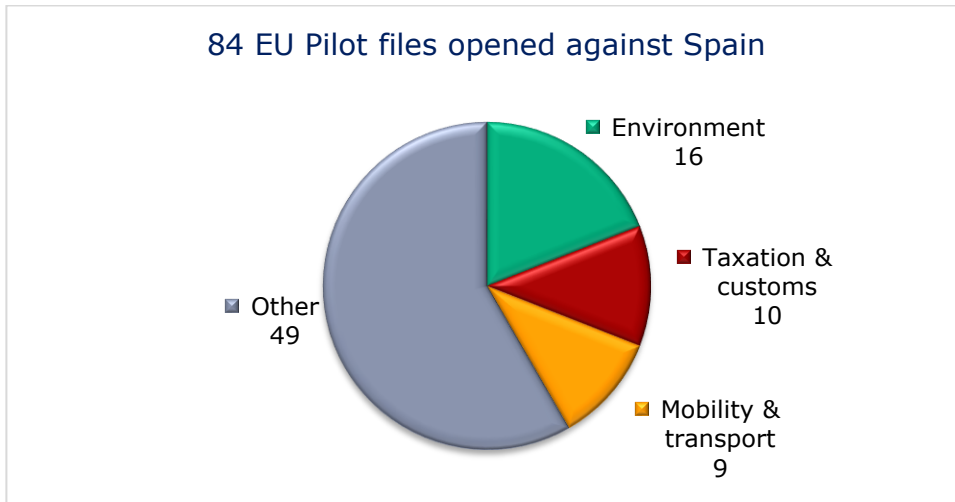


2. Evolution of files relating to Spain open in EU Pilot¹

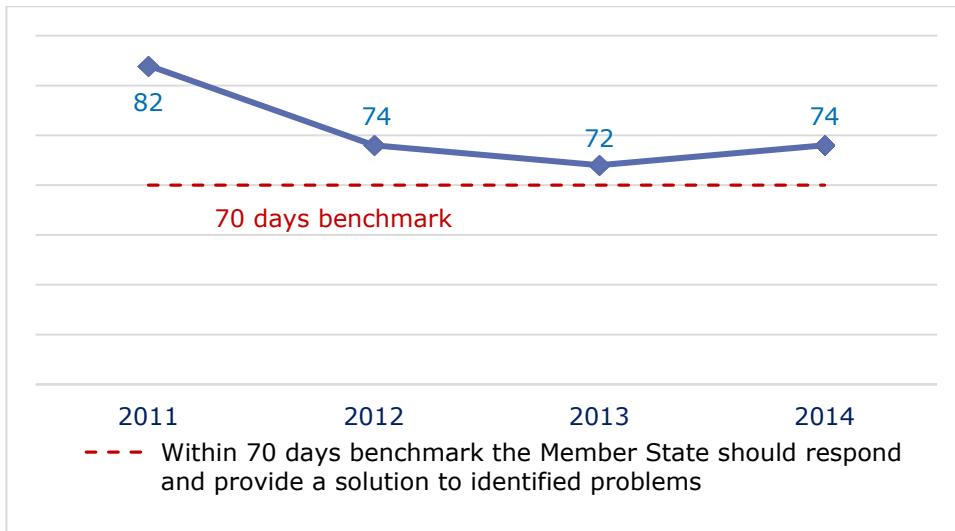


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

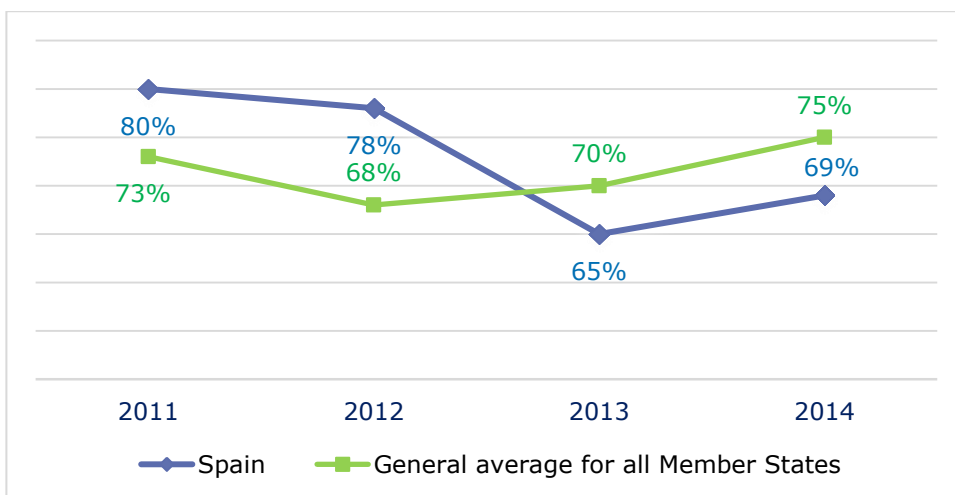
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

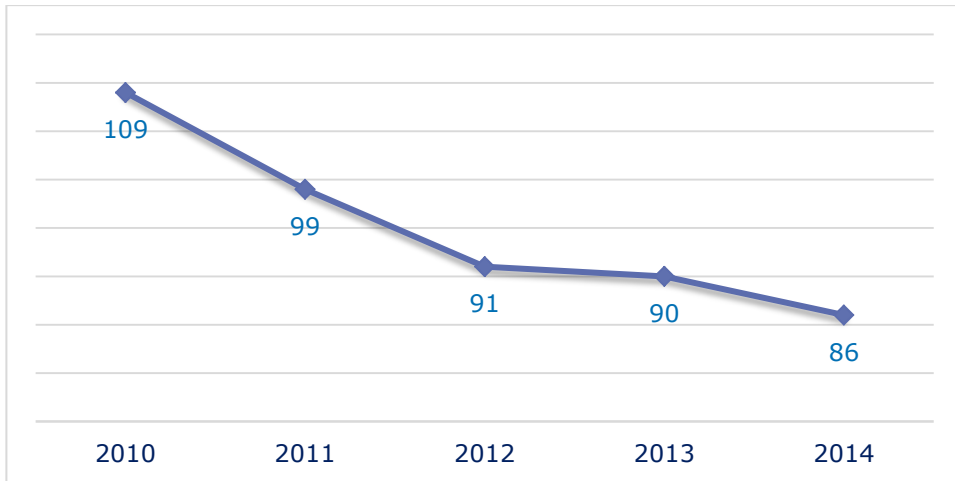


5. EU Pilot files: evolution of the resolution rate by Spain (2011-14)

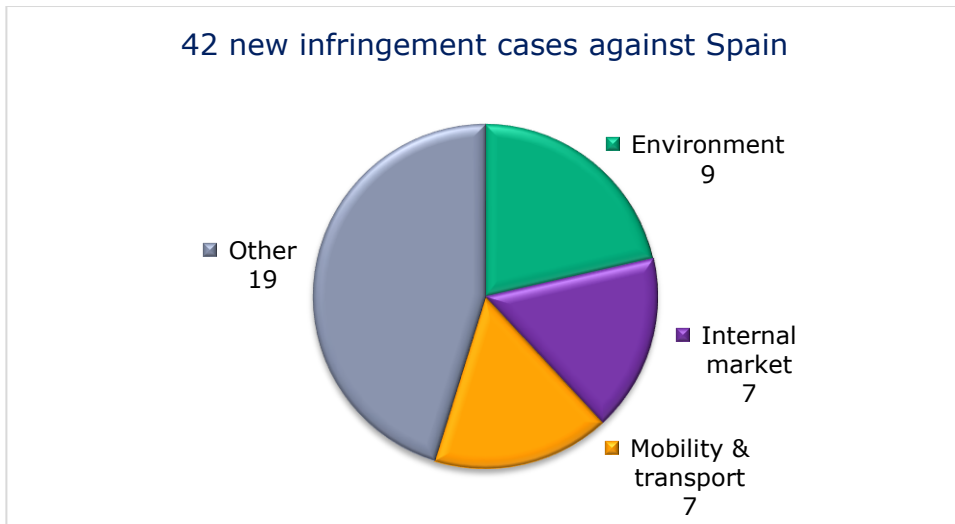


III. INFRINGEMENT CASES

1. Infringement cases against Spain open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 42 new infringement cases against Spain in 2014. These, and other major ongoing infringement cases, concern:
- nonconformity with the Working Time Directive² regarding the conditions applied to Civil Guard employees;³
 - nonconformity with the Working Time Directive of the national provisions and practices on annual leave for public sector staff;
 - working conditions in the national police force, which are incompatible with the Working Time Directive;
 - rules on the marking of historic firearms in Spain, which restrict the free movement of goods;
 - obstacles to the manufacture import, export, sale, installation and operation of gambling machines without prizes;
 - nonconformity with the biofuels sustainability criteria under the Renewable Energy Directive;⁴
 - uncontrolled landfill sites still awaiting closure, sealing and restoration;⁵

² Directive [2003/88/EC](#).

³ [MEMO/14/36](#).

⁴ Directive [2009/28/EC](#).

- non-respect of EU air quality standards (PM₁₀ limit values)⁶ in several zones and agglomerations;⁷
 - the deterioration of the habitats of the Doñana wetlands in Andalusia;
 - inadequate management of saline waste from potash extraction in central Catalonia;
 - non-communication of measures transposing the directive on the right to interpretation and translation in criminal proceedings;⁸
 - non-communication of measures transposing the Capital Requirements Directive;⁹
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹⁰ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹¹
 - discriminatory airport charges;
 - failure to comply with a Court judgment finding that Spain has not correctly transposed the directives of the First Railway Package;
 - higher taxation of income of non-profit entities located outside Spain and/or of the taxpayers making contributions to the aforementioned entities.
- b) The Commission referred two cases to the Court under Article 258 TFEU. They concern:
- numerous landfills which are operating in breach of the Landfill Directive;¹²
 - the planned rail link between Seville and Almería, for which no adequate environmental impact assessment has been carried out.¹³
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

⁵ [MEMO/14/537](#).

⁶ PM₁₀ is an air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometers. The particles' small size allows them to penetrate deep into the lungs where they may be deposited and cause adverse health effects. (Source: [European Environment Agency](#)).

⁷ Directive [2008/50/EC](#), [MEMO/14/589](#).

⁸ Directive [2010/64/EU](#), [MEMO/14/470](#).

⁹ Directive [2013/36/EU](#).

¹⁰ Regulation (EC) No [550/2004](#).

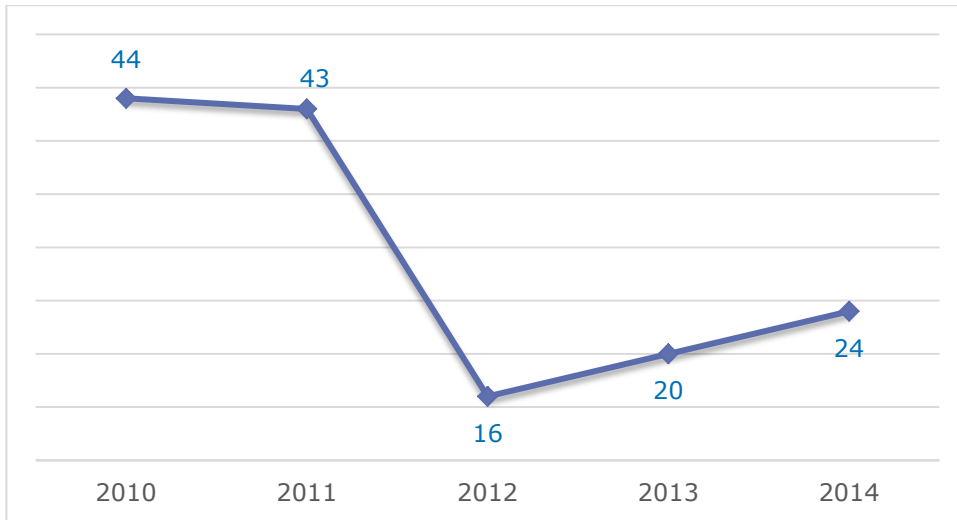
¹¹ [IP/14/818](#).

¹² Commission v Spain, [C-454/14](#), [IP/14/814](#).

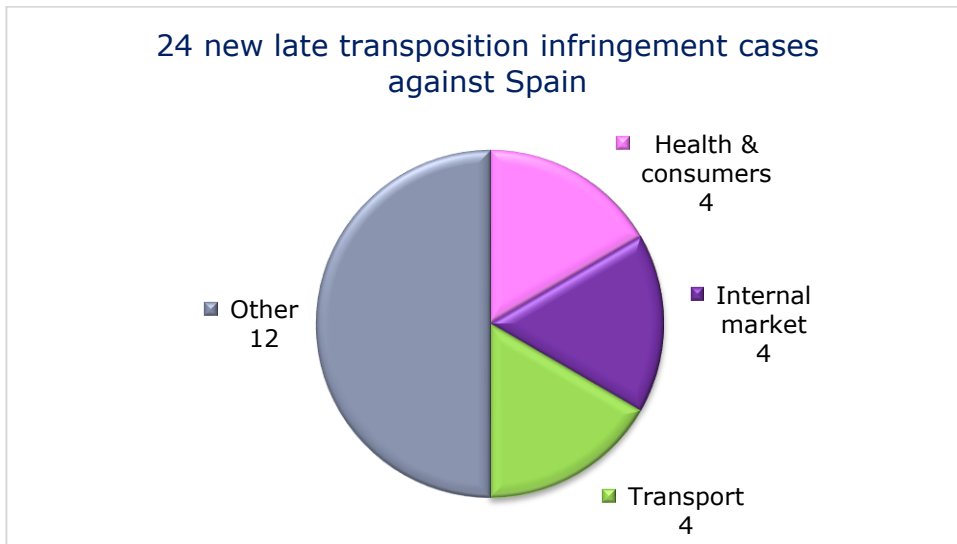
¹³ Commission v Spain, [C-461/14](#), [IP/14/814](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Spain (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- rules on the composition of teams in basketball competitions organised by the Spanish Basketball Federation and the Spanish federation of basketball clubs, requiring a minimum number of locally trained players;
- failure to apply the provisions of the Framework Directive on health and safety at work¹⁴ correctly to Civil Guard employees;
- the incompatibility of Spain's provisions on the working hours of forensic doctors with the Working Time Directive;

¹⁴ Directive [89/391/EEC](#).

- nonconformity with the Working Time Directive of the provisions laying down a limit to the carry-over period for annual leave applying to members of the autonomous police force of the Basque Country (Ertzaintza);
- nonconformity of the Canary Islands' new catalogue of endangered species with the Habitats Directive;¹⁵
- restrictions on inspection bodies in Catalonia (limited number of inspection bodies, minimum number of offices and sectors, minimum share capital, separate authorisation for Catalonia);¹⁶
- restrictions on the profession of technical designer;
- lack of independence of the airport slot coordinator;
- restriction on the freedom to provide services, in the form of a requirement that registration tax must be paid in full before a company car can be used on Spanish roads;
- incorrect application of the VAT Directive: in certain cases Spain does not allow the taxable person to amend an invoice in which VAT was erroneously not charged to allow for it to be charged to the client.¹⁷

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Spain failed to fulfil its obligation to comply with a judgment under Article 108(2) requiring it to comply with six Commission State aid recovery decisions concerning Basque fiscal schemes. Spain having recovered the pending amounts before the date of the judgment in the Court case, the Commission did not impose daily penalty payments. The Court ordered Spain to pay a lump sum of EUR 30 million;¹⁸
- experience cannot be regarded as an award criterion in public procurement procedures (confirmation of established case law);¹⁹
- the Commission had not adopted the financial correction decisions within the deadline indicated in the regulation on the European Regional Development Fund, the European Social Fund and the Cohesion Fund.²⁰ The Court of Justice considered that the Commission infringed essential procedural requirements by adopting these decisions after the regulation's six-month deadline had expired, which was not compatible with the general principle of sound administration. The Court of Justice ruled in favour of Spain by annulling the General Court's judgement and overturning previous case law, which considered that the regulatory deadlines for adopting financial correction decisions were indicative and the the Commission had to adopt them in a "reasonable time";²¹
- Spain's rules for authorising road transport companies breach Article 34 TFEU concerning free movement of goods²² due to the obligation that a company's first vehicle must have been registered for the first time at least five months earlier;

¹⁵ Directive [92/43/EEC](#).

¹⁶ Regulation (EC) No [765/2008](#).

¹⁷ Directive [2006/112/EC](#).

¹⁸ Commission v Spain, [C-184/11](#) and Court press release No [71/14](#).

¹⁹ Spain v Commission, [C-641/13 P](#).

²⁰ Regulation (EC) No [1083/2006](#).

²¹ Spain v Commission, [C-197/13P](#); Spain v Commission, [C-192/13P](#); Spain v Commission, [C-429/13 P](#) and Spain v Commission, [C-513/13P](#).

²² Commission v Spain, [C-428/12](#).

- Spanish legislation that provides a monopoly for the recruitment of dockers violates Article 49 TFEU;²³
- EU law precludes both (i) the Spanish law granting regions the competence to adopt and apply different tax treatment for residents, thus treating purely internal and cross-border situations differently²⁴ and (ii) the obligation imposed on foreign pension funds and insurance companies to designate a tax representative in Spain.²⁵

2. Preliminary rulings

In preliminary rulings addressed to the Spanish judiciary, the Court ruled that:

- a project which relates only to the extension of an electrical voltage transformer substation is not covered by the Environmental Impact Assessment Directive,²⁶ unless the extension is part of the construction of overhead electrical power lines;²⁷
- compensation for the loss of remuneration due the length of judicial procedures declaring a dismissal unfair (*salarios de tramitación*) is more favourable treatment than is required by the directive on the protection of employees in the event of the insolvency of their employer²⁸ and thus not fall under its scope. In insolvency cases, compensation may therefore be granted only to employees who are unfairly dismissed and not to those whose dismissal was declared null and void;²⁹
- under the Data Protection Directive,³⁰ following a search made on the basis of a person's name the operator of a search engine is obliged to remove from the list of results displayed links to web pages published by third parties and containing information relating to that person. Before removing the links the operator has to examine whether the subject of the data has the right to demand that the information in question relating to him personally should no longer be linked to his name. This is the case when the information about him appears to be inadequate, irrelevant or no longer relevant, or excessive in relation to the purposes for which it was processed. However, a right to erasure is denied when the subject of the data played a role in public life: here the public's interest in accessing all the information available about the subject prevails over the latter's right to erasure;³¹
- a system of enforcement which provides that mortgage enforcement proceedings may not be stayed by the court of first instance but also precludes the debtor from bringing an appeal in the enforcement proceedings breaches the directive on unfair terms³² and Article 47 of the Charter of Fundamental Rights.³³

²³ Commission v Spain, [C-576/13](#).

²⁴ Commission v Spain, [C-127/12](#) and [IP/11/1278](#) on the earlier referral decision.

²⁵ Commission v Spain, [C-678/11](#) and [IP/10/1569](#) on the earlier referral decision.

²⁶ Directive [85/337/EEC](#), as amended by Directive [97/11/EC](#).

²⁷ Consejería de Infraestructuras y Transporte de la Generalitat Valenciana and Iberdrola Distribución Eléctrica, [C-300/13](#).

²⁸ Directive [2008/94/EC](#).

²⁹ Hernández, [C-198/13](#).

³⁰ Directive [95/46/EC](#).

³¹ Google Spain and Google, [C-131/12](#) and Court press release No [70/14](#).

³² Directive [93/13/EEC](#).

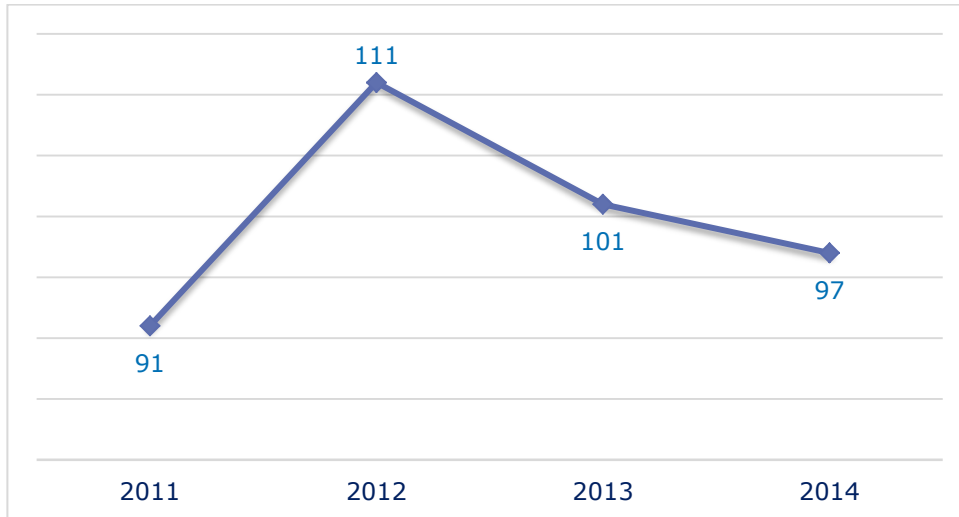
³³ Sanchez Morcillo and Abril Garcia, [C-169/14](#).

SWEDEN

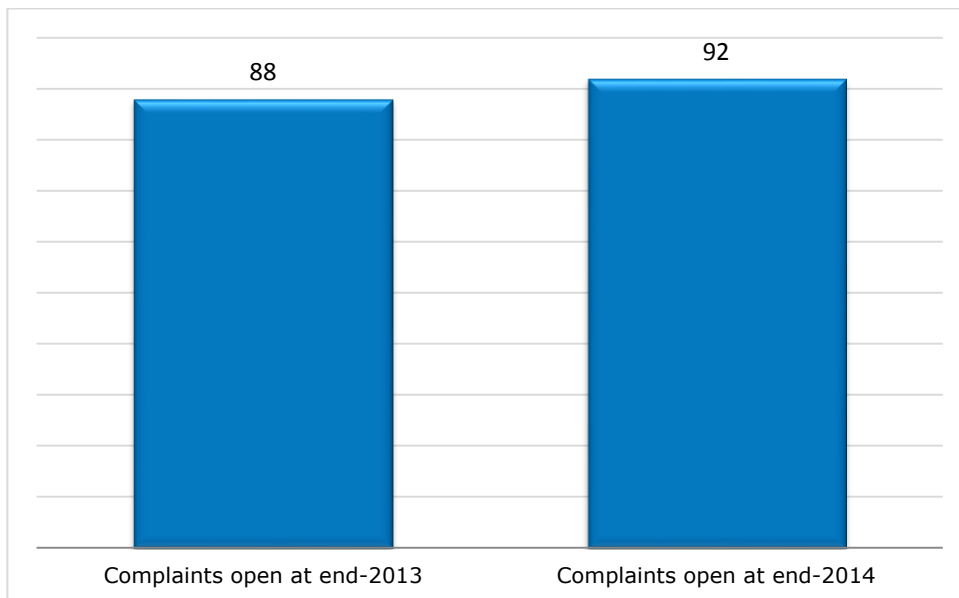
In 2014 the number of new complaints made against Sweden fell from 2012's level for the second year running. New EU Pilot files opened against Sweden declined considerably from their 2013 peak. The number of pending infringement cases was unchanged from 2013 at just over half 2011's level. New infringement cases for late transposition remained in single figures.

I. COMPLAINTS

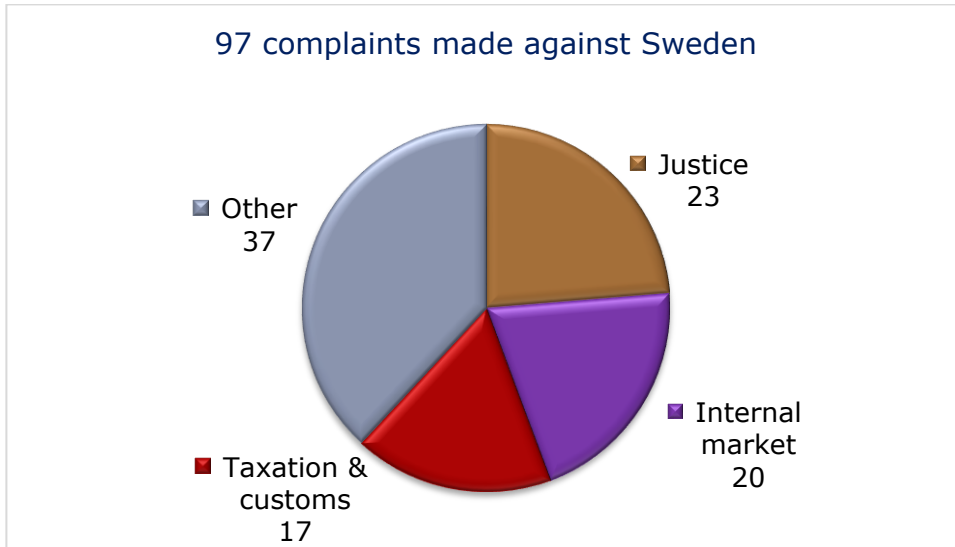
1. New complaints made against Sweden by members of the public (2011-14)



2. Evolution of complaints against Sweden

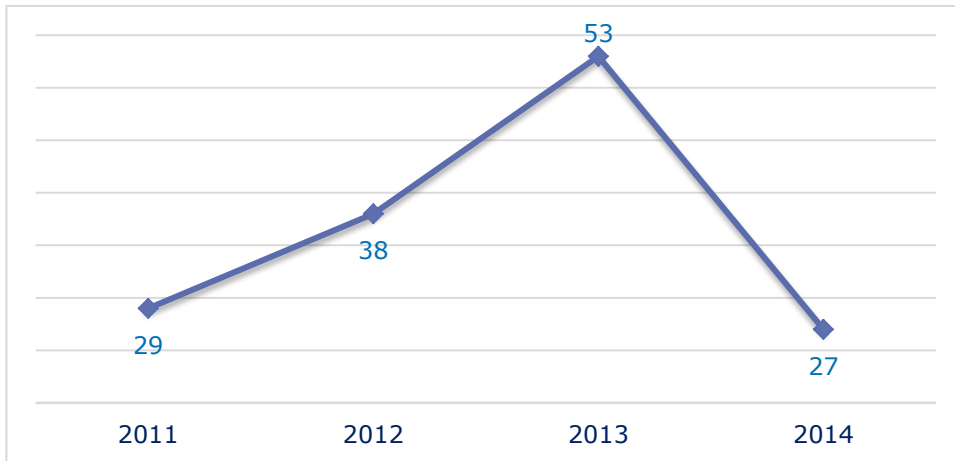


3. New complaints registered in 2014: main policy areas

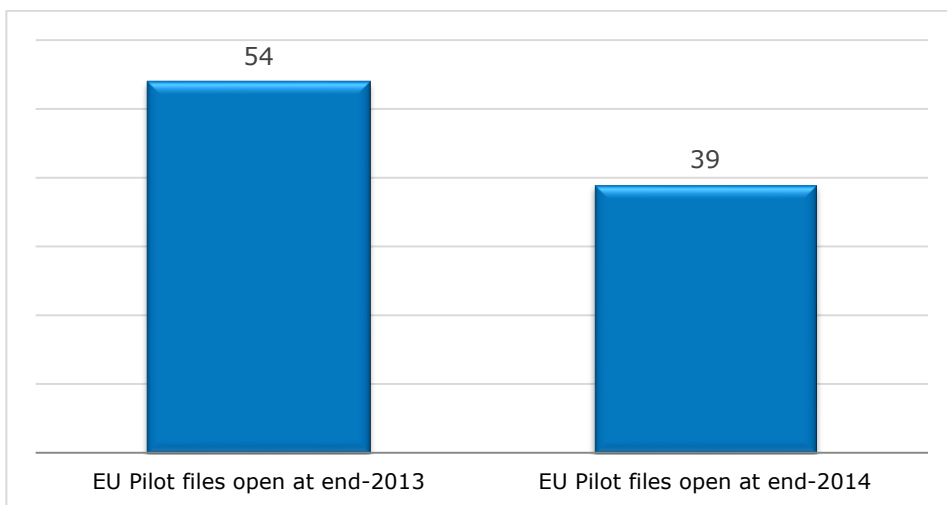


II. EU PILOT

1. New EU Pilot files opened against Sweden (2011-14)

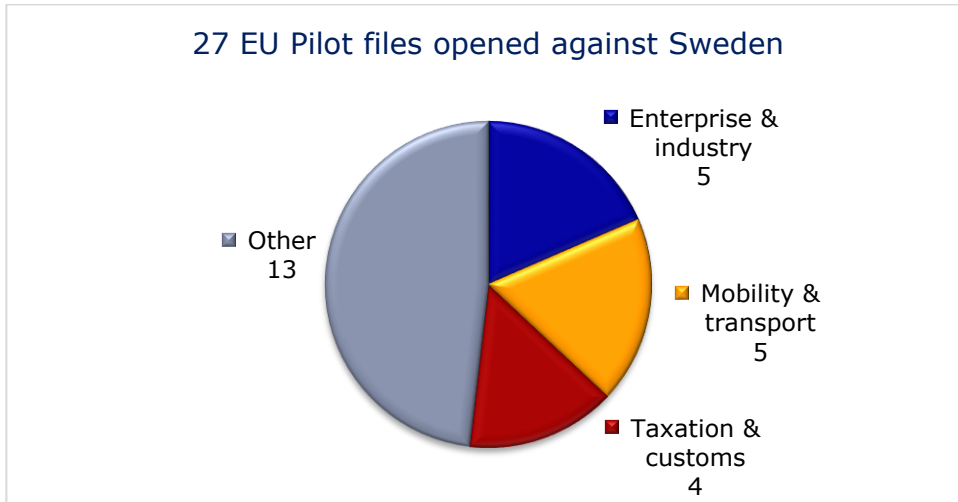


2. Evolution of files relating to Sweden open in EU Pilot¹

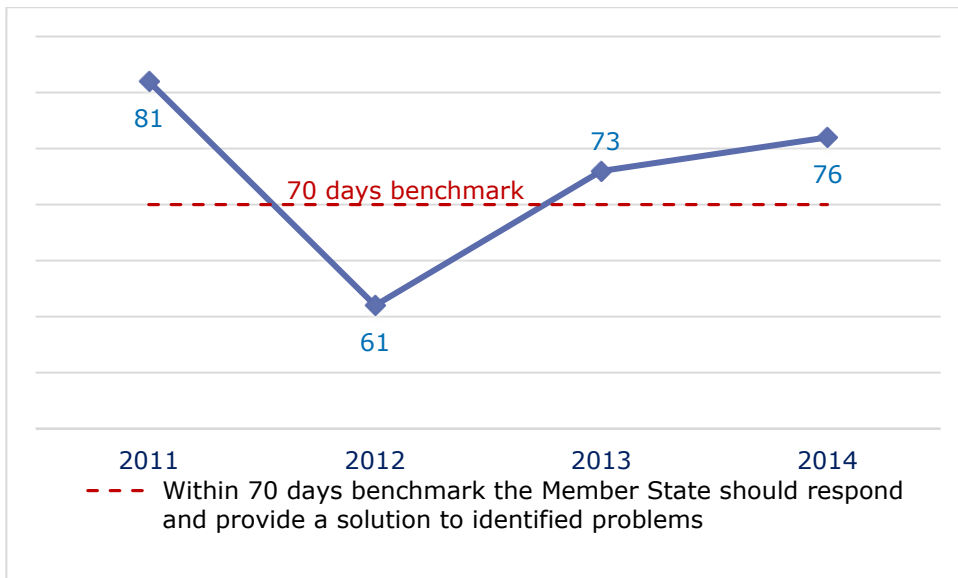


¹ The number of files open at the end of 2013 given in the 2013 annual report is different from the current figure. This is because some files were registered late and others have been closed.

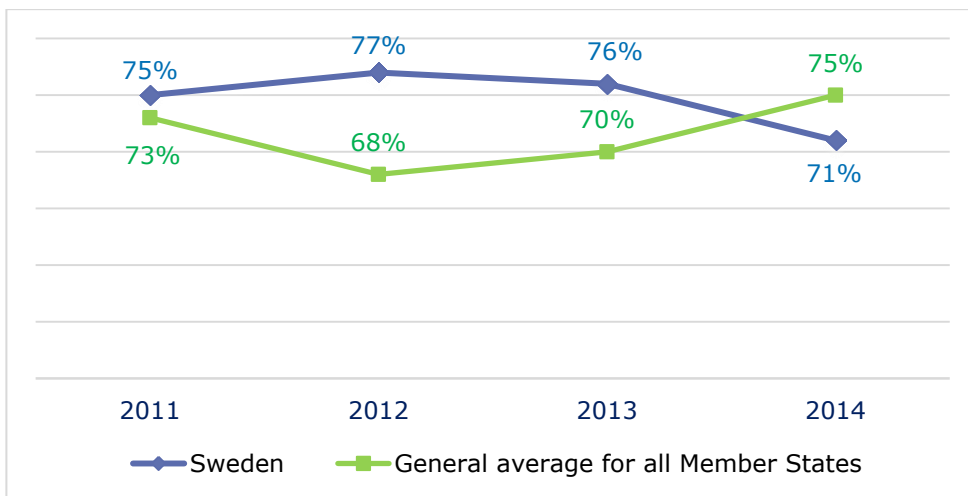
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

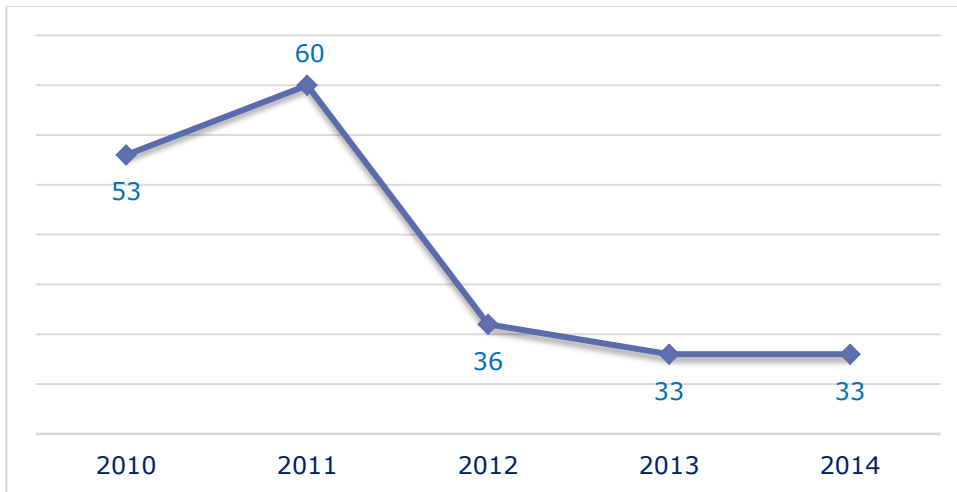


5. EU Pilot files: evolution of the resolution rate by Sweden (2011-14)

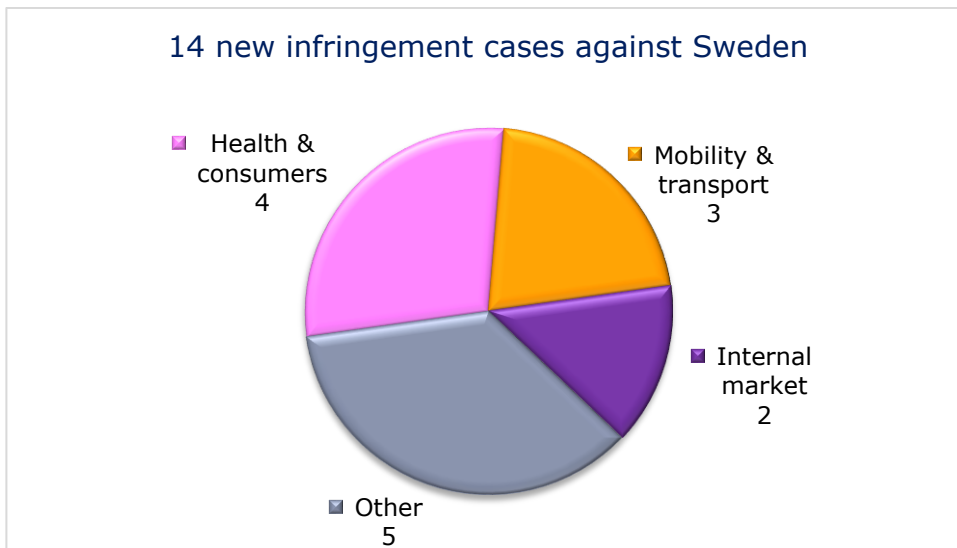


III. INFRINGEMENT CASES

1. Infringement cases against Sweden open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 14 new infringement cases against Sweden in 2014. These, and other major ongoing infringement cases, concern:
- failure to pay parental allowance where Sweden is the competent Member State to pay family benefits under the regulation on the coordination of social security systems.² Under Sweden’s legislation, parental allowance is classified as a maternity and equivalent paternity benefit, and not as a family benefit as prescribed by the regulation;
 - failure to provide for protection against abusive successive fixed-term employment contracts, in breach of the Fixed-Term Work Directive;³
 - lack of a judicial procedure to appeal against hunting decisions taken by the County Administrative Boards;
 - nonconformity of national legislation with the provisions of the directive on free movement of EU citizens and their family members;⁴

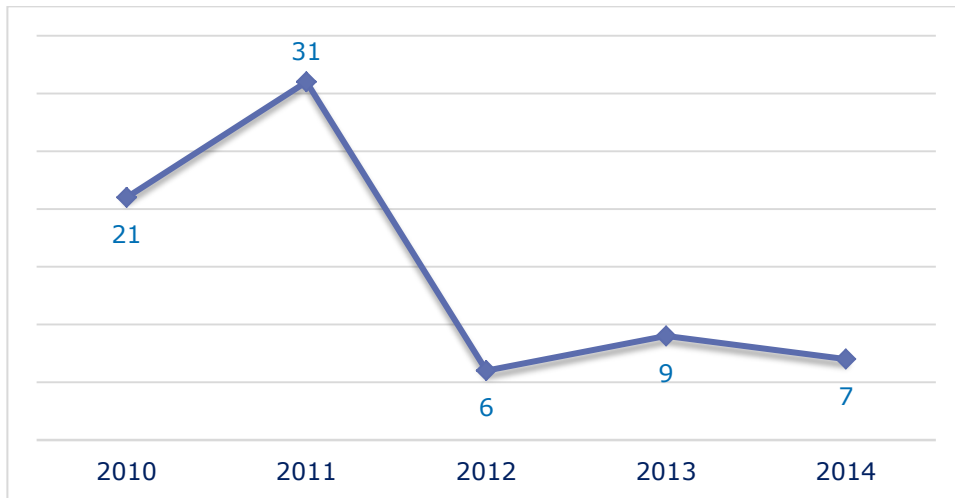
² Regulation (EC) No [883/2004](#).

³ Directive [1999/70/EC](#).

- non-communication of national measures transposing the Capital Requirements Directive;⁵
 - incorrect application of the regulation concerning the rights of bus and coach passengers due to the lack of designated bus terminals for disabled passengers and of sanctions for violations of the regulation;⁶
 - incorrect transposition of the Airport Charges Directive due to the lack of consultation of airport users and discriminatory charges;⁷
 - mandatory quarantine and testing to detect certain diseases, in particular paratuberculosis in cattle, before these animals can be sent to Sweden;⁸
 - discriminatory limit on the deductibility of cross-border intra-group interest payments.
- b) The Commission referred one case to the Court under Article 258 TFEU. This concerns:
- the exemption provided for in the VAT Directive, which states that services supplied by public postal services and the sale of stamps should be exempt from VAT. In Sweden the supply of services whose terms have been individually negotiated are not allowed to benefit from the VAT exemption.⁹
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against Sweden (2010-14)



⁴ Directive [2004/38/EC](#).

⁵ Directive [2013/36/EU](#).

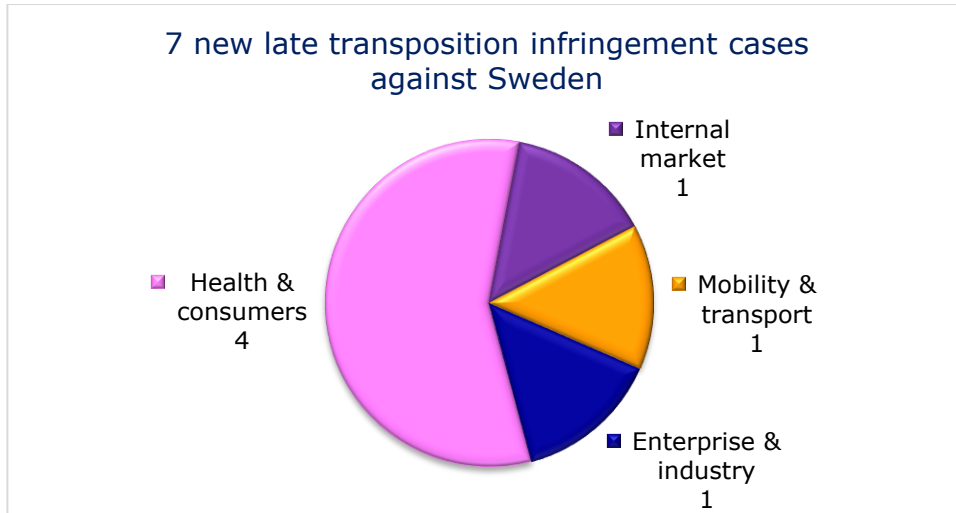
⁶ Regulation (EU) No [181/2011](#).

⁷ Directive [2009/12/EC](#).

⁸ [MEMO/14/470](#).

⁹ The Commission decided on 20 November 2013 to refer the case to the Court; the application was filed on 10 March 2014. Commission v Sweden [C-114/14](#); [IP/13/1111](#).

2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

These concerned:

- nonconformity of the national implementing legislation with the requirements of the Mining Waste Directive;¹⁰
- the Swedish rules on taxation of alcohol, which impose payment of excise duties on alcohol products that have been seized by customs authorities and thus have not been brought into Sweden.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

- Sweden did not implement a judgment of the Court of Justice finding that it had incorrectly transposed the directive on integrated pollution prevention and control incorrectly.¹¹ The Court ordered Sweden to pay a lump sum of EUR 2 million and a daily penalty of EUR 4000 for each day it delayed implementing the measures necessary to comply with the first judgment.¹²

2. Preliminary rulings

In preliminary rulings addressed to the Swedish judiciary, the Court ruled that:

- the Renewable Energy Directive does not require Member States to open their support schemes for renewable electricity to producers established in other Member States. The Swedish scheme promoting domestic green energy production is therefore compatible with EU law;¹³

¹⁰ Directive [2006/21/EC](#).

¹¹ Directive [2008/1/EC](#).

¹² Commission v Sweden, [C-243/13](#) and Court press release No [166/14](#).

¹³ Ålands Vindkraft AB v. Energimyndigheten, [C-573/12](#), press release of the Court No [90/14](#).

- the exclusivity clause contained in Fishing Partnership Agreements concluded between the Union and third countries excludes any possibility for Union vessels to carry out fishing activities on the basis of a licence issued by those third countries without the intervention of the competent EU authorities;¹⁴
- for a direct descendant of an EU national to be regarded as dependent and thus come within the definition of a 'family member' of an EU citizen, a Member State cannot require him to prove that he has tried unsuccessfully to find work or to obtain a subsistence allowance in his country of origin.¹⁵

¹⁴ Ahlström and Others, [C-565/13](#).

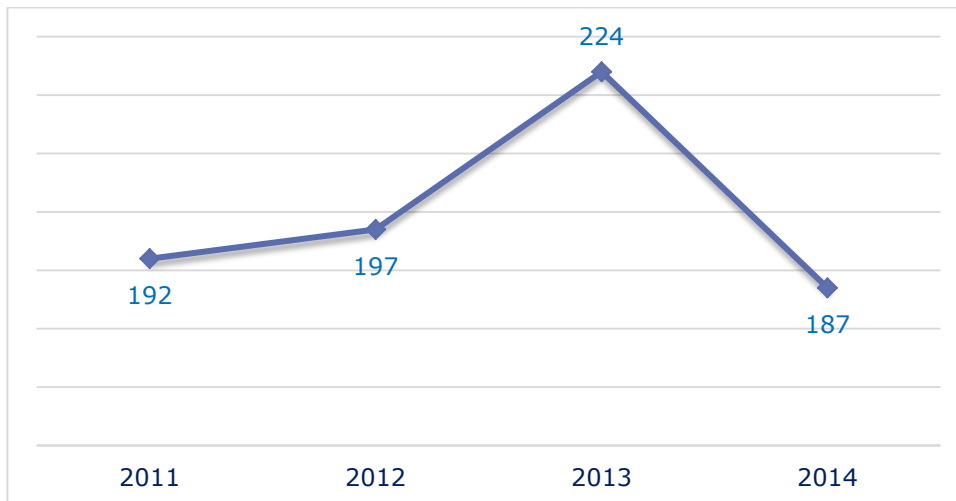
¹⁵ Reyes, [C-423/12](#), [CJE/6/14](#).

UNITED KINGDOM

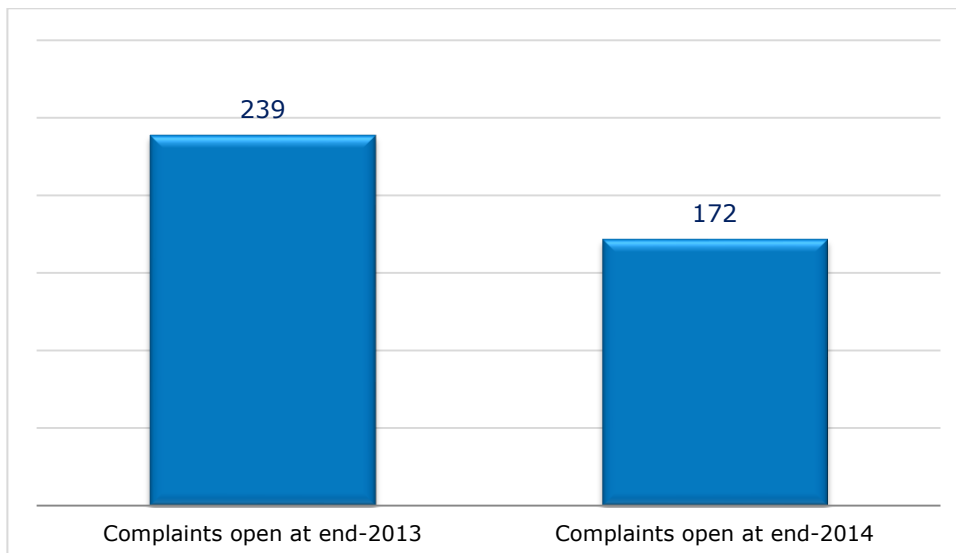
In 2014 the number of new complaints made against the UK fell by 17% from the previous year's peak. New EU Pilot files opened also declined for the third year running. The number of pending infringement cases was broadly similar to 2013 and remained well below the 2011 level. New infringement cases for late transposition were unchanged at their lowest level since 2010.

I. COMPLAINTS

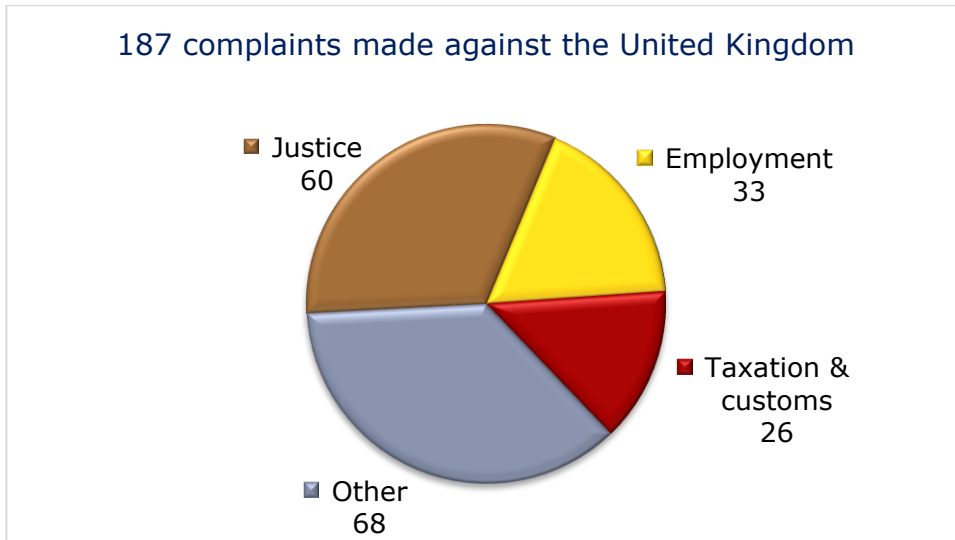
1. New complaints made against the United Kingdom by members of the public (2011-14)



2. Evolution of complaints against the United Kingdom

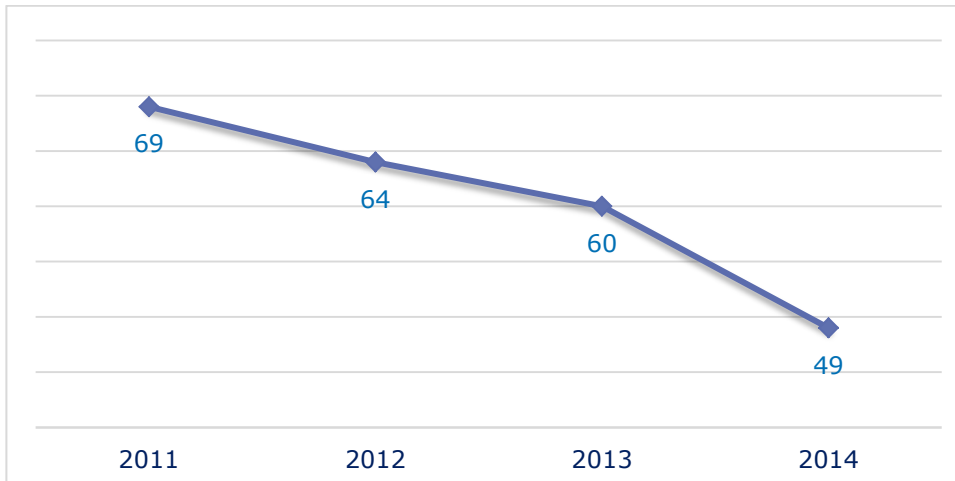


3. New complaints registered in 2014: main policy areas

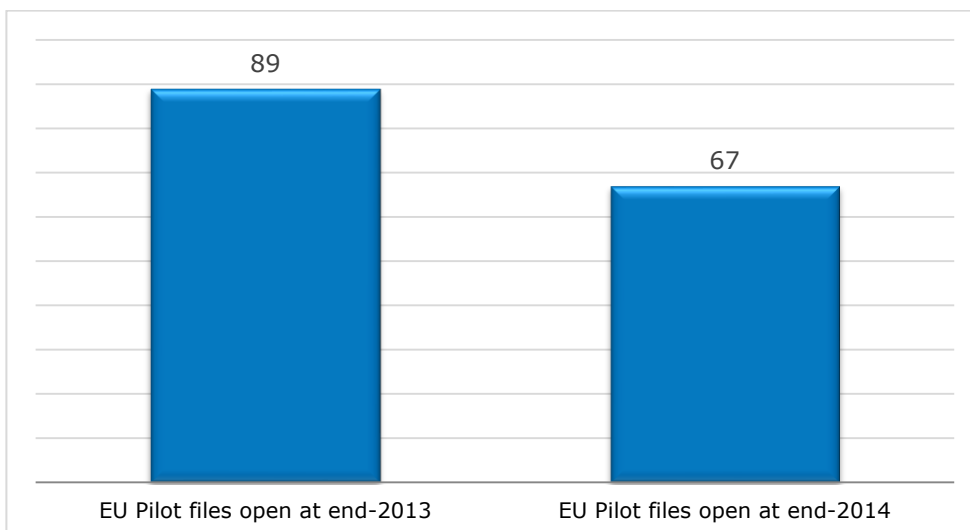


II. EU PILOT

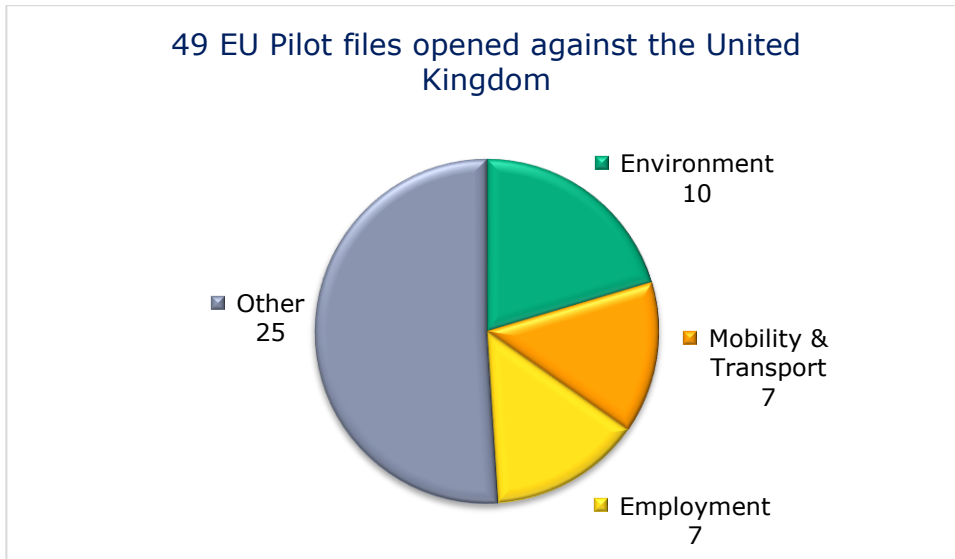
1. New EU Pilot files opened against the United Kingdom (2011-14)



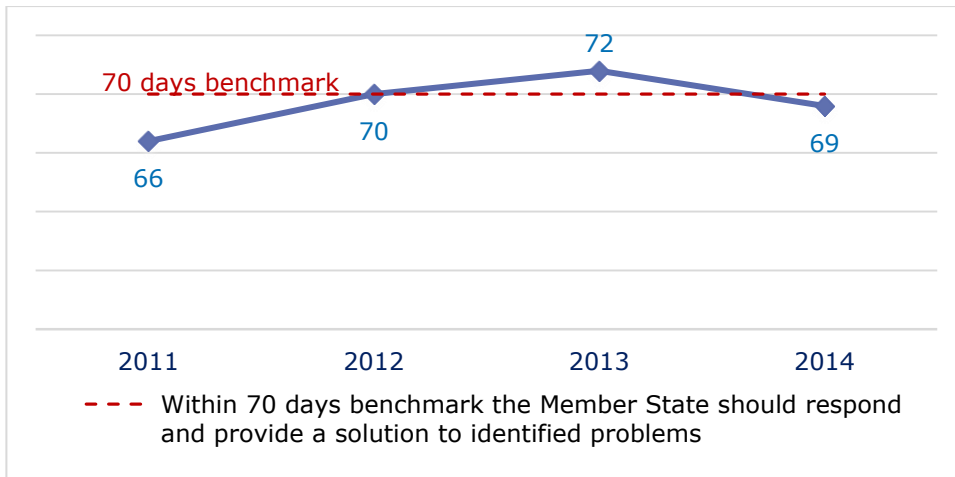
2. Evolution of files relating to the United Kingdom open in EU Pilot



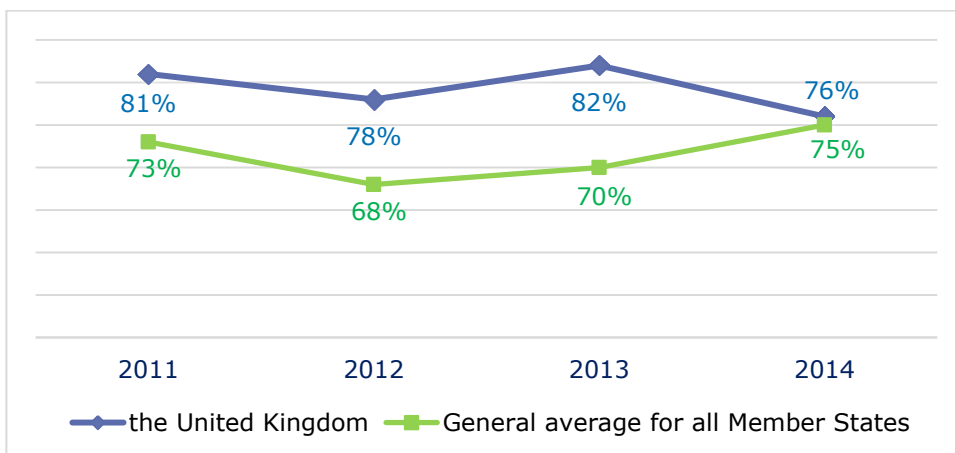
3. New EU Pilot files opened in 2014: main policy areas



4. EU Pilot files: average response time in days (2011-14)

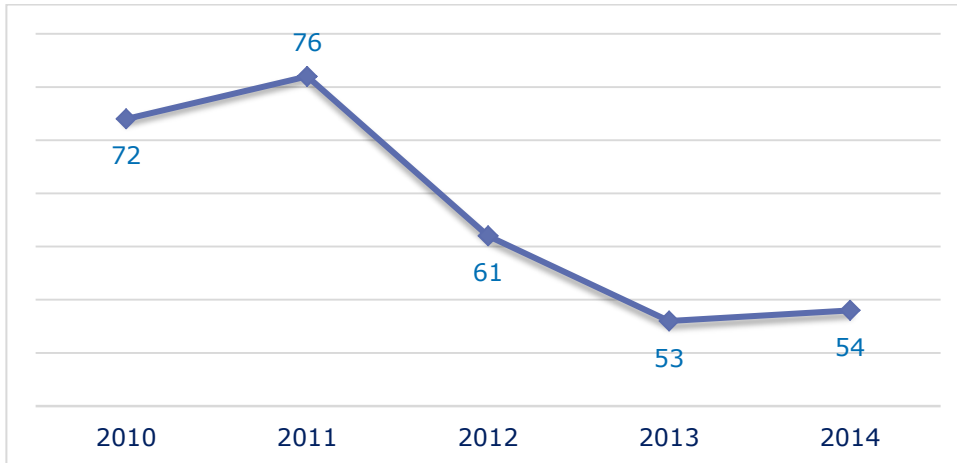


5. EU Pilot files: evolution of the resolution rate by the United Kingdom (2011-14)

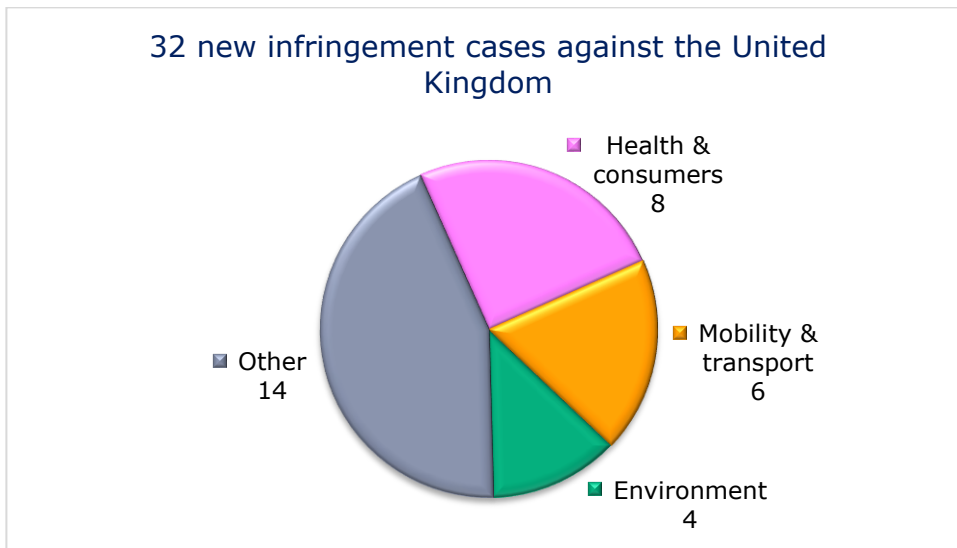


III. INFRINGEMENT CASES

1. Infringement cases against the United Kingdom open on 31 December (2010-14)



2. New infringement cases opened in 2014: main policy areas



3. Key infringement cases and referrals to the Court

- a) The Commission opened 32 new infringement cases against the United Kingdom in 2014. These, and other major ongoing infringement cases, concern:
- the nonconformity of national law with the Working Time Directive¹ regarding annual leave entitlements for overtime and sick leave;
 - the issuing and the display of energy performance certificates in public buildings under the Energy Performance of Buildings Directive;²
 - the 'front-of-pack' food labelling scheme, which colour-codes certain nutrients using a traffic-light-system. The scheme may make the marketing of some products more difficult and thus hinder or impede trade between Member States;
 - non-respect of EU air quality standards (nitrogen dioxide limit values);³

¹ Directive [2003/88/EC](#).

² Directive [2010/31/EU](#).

³ Directive [2008/50/EC](#) , [IP/14/154](#).

- incorrect application of the Environmental Impact Assessment Directive⁴ and the Habitats Directive⁵ regarding the Pembrokeshire Power Station cooling system;
 - failure to correctly apply judgments of the Court of Justice on the rights of EU nationals who return to the Member State of their nationality after living in another Member State;⁶
 - incorrect application of the directive on driving licences;⁷
 - incomplete transposition of the directive amending several directives on two- or three-wheel motor vehicles,⁸ the Capital Requirements Directive⁹ and the Cross-border Healthcare Directive;¹⁰
 - failure to efficiently implement functional airspace blocks. Under the Single European Sky legislation,¹¹ national air traffic control organisations should work together in regional airspace blocks to gain efficiency, cut costs and reduce emissions. The set-up of these common airspace blocks is arranged around traffic flows rather than state boundaries, which leads to performance improvements;¹²
 - incomplete transposition of the First Railway Package;¹³
 - failure to comply with EU rules on excessive track access charges for passenger and freight trains using the Channel Tunnel.
- b) The Commission referred three cases to the Court under Article 258 TFEU. They concern:
- the application of a discriminatory ‘right to reside’ condition for EU nationals to be granted social security benefits (such as child benefit or a state pension credit);¹⁴
 - breach of EU rules on fiscal marking of fuels:¹⁵ under the rules fuel distributors should be required to have two separate fuel tanks to distinguish between the lower tax marked fuel for fishing vessels and the fuel subject to the standard rate for private leisure boats;¹⁶
 - the taxation regime for transfers of assets abroad. The UK legislation seems to treat domestic and cross-border transactions differently¹⁷
 - the reduced VAT rate on the supply and installation of energy-saving materials, which goes beyond what is allowed under the VAT Directive.¹⁸
- c) The Commission did not refer any cases to the Court under Article 260(2) TFEU.

⁴ Directive [2011/92/EU](#).

⁵ Directive [92/43/EEC](#).

⁶ The Queen v Immigration Appeal Tribunal and Surinder Singh, ex parte Secretary of State for the Home Department, [C-370/90](#) and Eind, [C-291/05](#).

⁷ Directive [2006/126/EC](#).

⁸ Council Directive [2013/60/EU](#).

⁹ Directive [2013/36/EU](#).

¹⁰ Directive [2011/24/EU](#).

¹¹ Regulation (EC) No [550/2004](#).

¹² [IP/14/818](#).

¹³ First Railway Package (Directives [91/440/EEC](#) and [2001/14/EC](#), replaced by the Rail Recast Directive [2012/34/EU](#)).

¹⁴ Commission v United Kingdom, [C-308/14](#).

¹⁵ Directive [95/60/EC](#).

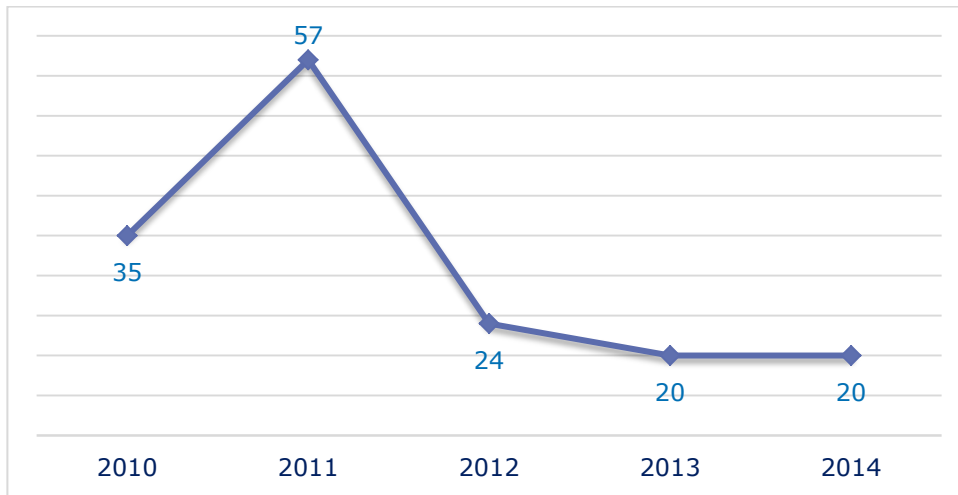
¹⁶ [IP/14/810](#).

¹⁷ The Commission decided on 24 October 2012 to refer the case to the Court; the application was filed on 7 March 2014, Commission v United Kingdom, [C-112/14](#), [IP/12/1147](#).

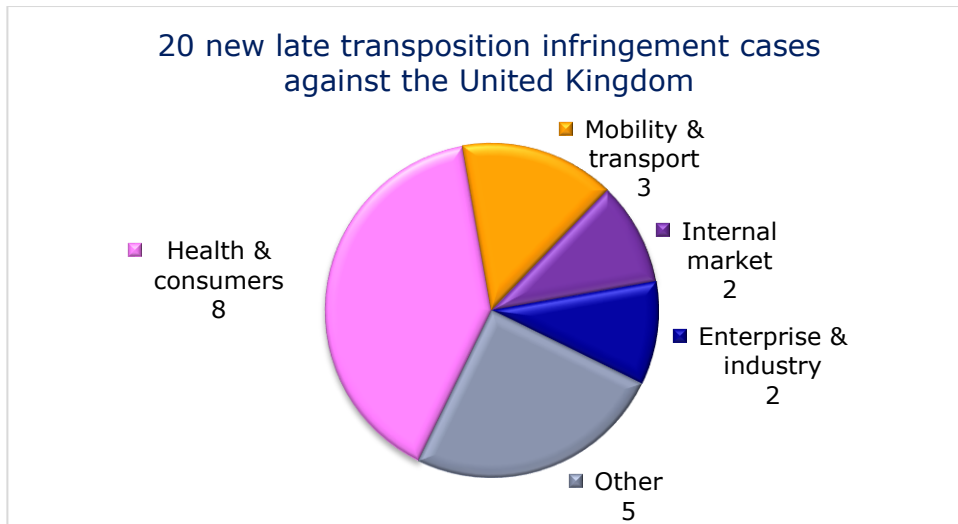
¹⁸ Directive [2006/112/EC](#). The Commission decided on 21 February 2013 to refer the case to the Court; the application was filed on 4 April 2014, Commission v United Kingdom, [C-161/14](#), [IP/13/139](#).

IV. TRANSPOSITION OF DIRECTIVES

1. New late transposition infringement cases against the United Kingdom (2010-14)



2. New late transposition infringement cases opened in 2014: main policy areas



3. Referrals to the Court

The Commission did not refer any cases to the Court under Articles 258 and 260(3) TFEU.

V. EARLY RESOLUTION OF INFRINGEMENT CASES

Major cases closed without a Court judgment in 2014

They concerned:

- incorrect transposition of the Wild Birds Directive;¹⁹
- incorrect application of the Environmental Impact Assessment Directive²⁰ regarding risk assessment of the liquefied natural gas terminal and tankers in Milford Haven, Wales;
- incorrect application of the regulation concerning the rights of bus and coach passengers²¹ by not designating bus terminals where disabled people are entitled to receive assistance, not designating a

¹⁹ Directive [2009/147/EC](#).

²⁰ Directive [85/337/EEC](#) as amended by Directives [97/11/EC](#) and [2003/35/EC](#).

²¹ Regulation (EU) No [181/2011](#).

national enforcement body and not setting up a penalty system for infringements of the regulation;²²

- incorrect application of the VAT Directive²³ by not allowing a manufacturer to reduce the taxable amount of his supplies if the purchase is cancelled or he gives a price reduction due to a fault or damage to the goods purchased.

VI. IMPORTANT JUDGMENTS

1. Court rulings

The Court ruled that:

The UK controlled foreign company rule for capital gains is not compatible with the Treaty because it levied corporation tax on the UK parent company when its non-UK subsidiary realised capital gains by disposing of an asset. The tax was levied even if the UK parent company could prove that the transaction was carried out for valid commercial reasons and did not involve tax avoidance;²⁴

- the UK cannot abolish taxpayers' remedies for the repayment of taxes levied in breach of EU law without proper transitional arrangements;²⁵
- the UK was financially responsible for its refusal to pay to the EU Budget £15 million plus interest due from the import of fresh garlic under incorrect authorising documents;²⁶
- the UK's system of costs for environmental plaintiffs bringing a case to court was excessive.²⁷

2. Preliminary rulings

In preliminary rulings addressed to the UK judiciary, the Court ruled that:

- Member States are not required to grant maternity leave or adoption leave to a female worker who as a commissioning mother had a baby through a surrogacy arrangement;²⁸
- a woman who gives up work, or is seeking work, because of the physical constraints of the late stage of pregnancy and the aftermath of childbirth can retain the status of 'worker' for the purpose of the rules on free movement of workers. To do so, she must return to work or find another job within a reasonable period after the birth of her child;²⁹ Article 7 of the Working Time Directive must be interpreted as a salesperson's holiday pay cannot be limited to their basic salary. Where such a worker is paid commission calculated on the basis of the sales that they make, that commission must also be included in the calculation of the holiday pay;³⁰
- the ambient air quality standard for nitrogen dioxide under the Air Quality Directive is binding and the national court has to take the necessary measures to ensure the competent authority establishes the required air quality plans;³¹

²² [MEMO/14/537](#).

²³ Council Directive [2006/112/EC](#).

²⁴ Commission v United Kingdom, [C-112/14](#) and [IP/12/1146](#) on the earlier referral decision.

²⁵ Commission v United Kingdom, [C-640/13](#) and [IP/12/64](#) on the earlier referral decision.

²⁶ Commission v United Kingdom, [C-60/13](#).

²⁷ Commission v United Kingdom, [C-530/11](#).

²⁸ D., [C-167/12](#) and Court Press Release No [36/14](#).

²⁹ Saint Prix, [C-507/12](#) and Court Press Release No [86/14](#).

³⁰ Directive [2003/88/EC](#), Lock, [C-539/12](#).

³¹ ClientEarth, [C-404/13](#).

- when a non-EU national holds a residence card as a family member of an EU national, a Member State cannot make their right of entry subject to the requirement that they must first obtain a visa;³²
- periods in prison cannot be taken into account for the purposes of acquiring a permanent resident permit or being granted enhanced protection against expulsion;³³
- the unfertilised human ova whose division and further development have been stimulated by parthenogenesis does not constitute a 'human embryo' within the meaning of Article 6(2)(c) of the directive on the legal protection of biotechnological inventions³⁴ if, in the light of current scientific knowledge, it is not capable of developing into a human being;³⁵
- on the concept of certain meat processing techniques, in particular whether they should qualify as 'mechanically separated meat' or 'meat preparation' in terms of the regulation on hygiene rules for food of animal origin;³⁶
- a consortium group relief from taxes must be granted to a consortium with member companies and an ultimate parent company in non-EU countries as long as the link company is an EU or EEA company.³⁷

³² McCarthy and Others, [C-202/13](#) and Court Press Release No [182/14](#).

³³ Onuekwere, [C-378/12](#) and G, [C-400/12](#) and Court Press Release No [4/14](#).

³⁴ Directive [98/44/EC](#).

³⁵ International Stem Cell Corporation, [C-364/13](#).

³⁶ Regulation (EC) No [853/2004](#) and Newby Foods, [C-453/13](#).

³⁷ Felixstowe Dock and Railway Company and Others, [C-80/12](#) and Court Press Release No [46/14](#).

