Contents

Part I No Exit from EU Market Law for Public Services

		: The Constitutionalisation of the EU Concept Story of Exit, Voice and Loyalty for Public
		U Law
1.1		spansion of EU Law in the Field of Public Services,
		ing Social Services: Crucial Legal Issues Unsolved
	1.1.1	The CJEU's Use of the EU Concept of SGEI
		in Article 106(2) TFEU to Address Member States'
		Concerns on the Expansion of EU Law in Their
		Fields of Competence
	1.1.2	The Progressive and (Too?) Subtle Approach
		of the CJEU: Two Important Legal Questions
	1.1.3	SGEI: EU Debate and Constitutionalisation
		Through the Treaty of Lisbon 2007/2009
	1.1.4	Emerging EU Governance of Social Services
		in EU Procurement and State Aid Rules: The Unclear
		Relation Between the Quality Framework for SGI
		and the Treaty Framework on SGEI
	1.1.5	Systems of Choice for Social Services: Showing
		the Way?
1.2	Aims a	and Structure of the Book
	1.2.1	Part I: No Exit from EU Market Law for Public
		Services
	1.2.2	Part II: SGEI as a Constitutional Voice for Public
		Services in EU Law
	1.2.3	Part III: Cost of Loyalty, the Relationship Between
		EU Procurement and State Aid Legislation on Social
		Services and the Treaty Rules on SGEI, with a Case
		Study on Swedish Systems of Choice
Refe	rences	

x Contents

Pa	rt II	SGEI as	a Constitutional Voice for Public Services in EU Law	
2			activity": Criteria and Relevance in the Fields of EU rket Law, Competition Law and Procurement Law	35
	2.1	the Ap	omic Activity": "One Test" Determining plicability of the Treaty Market Rules to Activities	
	2.2	"Econo	Public Sector? pmic Activity" in the Field of Internal Market Law:	37
		Releva 2.2.1	The Relationship Between the Notion of "Economic Activity" and the Concepts of Entry of the Treaty Rules on Free Movement	39 39
		2.2.2	The Meaning of the Notion of "Economic Activity" for the Purposes of the Treaty Rules on Free Movement	42
	2.3		omic Activity" in the Field of Competition: Relevance	
		and Cr 2.3.1	Relevance of the Fact that an Activity <i>Can Be</i> Economic for the Applicability of the Treaty Competition Rules	47 47
		2.3.2	Criteria Determining that an Activity <i>Is</i> Economic for the Purpose of the Treaty Competition Rules	50
	2.4	and "U	ocurement Law: The Concepts of "Service" Undertaking Meet in the Notion	
	2.5	of "Economic Transaction"		53
			Legal Meaning of "Economic Activity" as a Unitary	59
		2.5.2	Notion of EU Market Law	59
		2.5.3	of EU Rules on Free Movement and Competition Exit from EU Law Closed for Public Services Within Member States: An EU Constitutional	60
	Ref	erences	Issue of Competence	61 64
3	The	e Importa	nce of SGEI in the Post-Lisbon Treaties	67
	3.1	The Co	oncept of SGEI Promoted as a Treaty "Voice"	60
		3.1.1	Article 106(2) TFEU: Comparative Advantages of a Provision Allowing Member States to Retain	69
		3.1.2	Powers	70
			and a Compromise on SGEI in the Treaties	77

Contents xi

		3.1.3	New Framework on SGEI in the Post-Lisbon	
			Treaties: SGEI "Voice"	80
	3.2	The Po	olitical Importance of SGEI for the Foundational	
		Princip	oles of the EU	95
		3.2.1	Relationship Between the Treaty Framework	
			on SGEIs and the Values and Objectives of the EU	95
		3.2.2	SGEI: An Appropriate Instrument to Develop	
			Public Services in a "Highly Competitive Social	
			Market Economy"?	103
		3.2.3	Conclusions	108
	Refe	rences		110
4	SGE	I as a Gi	round for a Special Regime in the Case Law	
			Related to Public Services	113
	4.1		ase Law of the CJEU Directly Based	
			icle 106(2) TFEU	116
		4.1.1	SGEI in the Meaning of Article 106(2) TFEU:	
			Only Control of Manifest Error	117
		4.1.2	Standard of Review Under Article 106(2) TFEU:	
			From Derogation to Balance	121
		4.1.3	Horizontal Scope of Article 106(2) TFEU	129
		4.1.4	Entrustment	145
	4.2	The Ca	ase Law of the CJEU Transposed from	
			2 106(2) TFEU	147
		4.2.1	Altmark: No State Aid for Proportional	
			Compensation of Public Service Obligations	147
		4.2.2	Public Service Tasks (or SGEI Tasks?)	
			and Exemptions from EU Procurement Rules	148
		4.2.3	A Lenient Review of Restrictions of the Free	
			Movement of Services Justified by Public	
			Service Tasks	154
		4.2.4	Lenient Review of Restrictions of the Freedom	
			of Establishment Justified by Public Service	
			Tasks: Hartlauer	159
		4.2.5	Libert: Lenient Review of Restriction of the Free	
			Movement of Capital Justified by Public Service	
			Obligations	161
	4.3	Conclu	isions	165
	Refe			168
5			he EU Concept of SGEI Emerging from the CJEU	
J		_	Concept of SGE1 Emerging from the CJEO	171
	5.1		Understanding of the EU Concept of SGEI	
			Law and Secondary Law?	174
		5.1.1	The Commission's Understanding of the Concepts	
		•	of SGI and SGEI	174

xii Contents

		5.1.2	SGEI's Definition in the Services Directive, A(nother) Source of Confusion to Understand the EU Concept of SGEI	179
		5.1.3	Academic Approaches of the Notion of SGEI	181
		5.1.4	Some Signs of Conceptual Confusion on the Core	100
	5.2	Out of	Elements of the SGEI Concept	182 186
	3.2	5.2.1	SG(E)I: It Is Enough that the Activity	100
		3.2.1	Can Be Economic	186
		5.2.2	"Obligation" Rather Than "Entrustment" as a Core	100
		3.2.2	Part of the SGEI Concept.	190
		5.2.3	A General Interest of "Public Service"	195
		5.2.4	Relationship Between SGEIs and Universal Service	1,0
		5.2.1	Obligations (USO)	198
		5.2.5	Summing Up: The Relationship Between SGEI	170
		0.2.0	Missions, Tasks and Obligations	200
	5.3	Conclu	isions	204
				205
6			of Part II: SGEI Emerges as a Broad "Voice"	
			tutional Law	207
	6.1		U Concept SGEI Emerges as a Broad Constitutional	200
			pt	208
	6.2		Is Approached by the CJEU All the More	
			EU Constitutional (Legal) Concept and All	210
			ss as a "National" Political Concept	210
	6.3		Risks if the CJEU Is Too Clear on Its Understanding	212
	<i>c</i> 4		EU Concept of SGEI	213
	6.4		ading with a Burning Issue: Which Normative Role	
			for Article 106(2) TFEU in the European	017
	D C		work Governing Public Services?	217
	Refer	ences		218
Par	t III	The Co	st of Loyalty, the Relationship Between EU Procuremen	f
ı aı	t 111		ate Aid Legislation on Social Services and the Treaty Rul	
			II, with a Case Study on Swedish Systems of Choice	Co
7	TILL	ogialati	on on Public Procurement and State Aid:	
1			Pressure on Member States to Enforce	
			ples in the Field of Social Services?	223
	7.1		114 Procurement Directives	226
	7.1	7.1.1	General Features.	227
		7.1.1	Explicit and Implicit Connections to the Treaty	<i>441</i>
		1.1.2	Principles on SGEI and NESGI	228
		7.1.3	Lighter Procurement Regime for Social Services:	220
		1.1.3	Implicit Acknowledgement of Their SGEI Missions	235

Contents xiii

	7.2		ommission's State Aid Rules on Public Service		
			ensation of Social Services		
		7.2.1	Social Services in the 2005 SGEI Package	242	
		7.2.2	A First State Aid Package but Much Legal		
			Uncertainty Emerging from the Commissions'		
			Decision Practice on State Aid in the Field		
			of Social Services	244	
		7.2.3	Summing up on the Commission's Approach of State		
			Aid Cases in the Field of Social Services	258	
		7.2.4	Some Important Issues Related to Social Services		
			in the 2011 SGEI Package	260	
	7.3	Conclu	isions	266	
	Refe	rences		270	
8			es Under the Competence of Swedish Local		
			l Authorities: SGEI?	273	
	8.1		cial Services Under LRAs' Competence		
			tute SGI?	275	
		8.1.1	General Interest Central for LRAs' Competence		
			in the Local Government Act	276	
		8.1.2	LRAs' General and Special Competence for Social		
			Services	280	
		8.1.3	Public Authorities' Duty to Secure and Promote		
			Social Rights: A "Principle" of Swedish		
			Constitutional Law	282	
		8.1.4	Preliminary Conclusion	288	
	8.2	Are So	ocial Services Within LRAs' Competence Covered		
		by EU	Law on Free Movement and Competition		
		(Including State Aid)?			
		8.2.1	Organisation of Social Services Under LRA's		
			Competence with a Focus on Systems of Choice	289	
		8.2.2	Lack of Visibility in Swedish Law of Social		
			Services' Economic Character for the Purpose		
			of EU Law	291	
	8.3	Conclu	asions	295	
	Refe	rences		296	
9	Com	patibilit	y Between EU Secondary Law on SGEIs		
			of Choice in Swedish Law: The Cases		
			are and School Education	297	
	9.1		y Home Care Provided Under the Act on Systems		
	,. <u>.</u>		rice (LOV)	299	
		9.1.1	Regulation	300	
		9.1.2	Applicability of Swedish Competition Rules to Elderly	200	
		2.1.2	Home Care Services in LOV-Based Systems:		
			The Conflict-Solving Rule	301	
			The Commet Dorving Rule	201	

xiv Contents

		9.1.3	Applicability of EU State Aid Rules to Elderly	
			Home Care Services in LOV-Based Systems	303
		9.1.4	Does Elderly Home Care Include SGEI Missions?	305
		9.1.5	Risk of State Aid Under Article 107(1) TFEU	308
		9.1.6	Compliance of Elderly Home Care in LOV-Systems	
			with the 2011 SGEI Package	312
		9.1.7	Definition of Public Service Tasks and Compensation	
			Mechanisms in LOV-Based Systems for Elderly	
			Home Care: Some Important Issues	313
	9.2		Education in the Swedish System of Choice	319
		9.2.1	School Education in Swedish Law: A Right	
			and an Obligation	319
		9.2.2	Regulation and Organisation of the School	
			System in Sweden: General Features	320
		9.2.3	Are Swedish Schools Covered by Swedish	
			and EU Law on Competition, Including State Aid?	322
		9.2.4	Financing of Schools in Free Choice System:	
			Risk of State Aid?	325
		9.2.5	Municipal and Independent Schools' Public	
			Service Tasks: SGEI Tasks?	330
		9.2.6	Does School Education Provided in Free Choice	
			Comply with the 2011 SGEI Package?	332
		9.2.7	A Very Inconvenient Question: Has School	
			Education in Public Systems Become a Service	
			Within the Meaning of Article 57 TFEU?	334
	9.3	Conclu	sions	336
				339
10				
10	Conclusions of Part III: EU Market Governance of Social Services a Democratic Issue			
				341
	10.1		lace Does the EU Legislator Give to the Treaty	
			les on SGEI in EU Legislation Harmonizing	2.42
	10.0	the Market for Social Services?		342
	10.2		J Rules on Procurement and State Aid Applying	
			al Services Affect Their Liberalisation in the	
			er States?	348
	10.3		al Concerns that the Treaty Principles on SGEI	
		-	inder the Development of Social Service Markets	352
	10.4		ocratic Issue	354
	Refer	ences		356
Cas	es and	Decisio	ns	357
				363
	-			
Ind	ex			371