§ 12 The economic fundamental freedoms

I. General theory

1) Legal nature and special features of the fundamental freedoms

- direct applicable subjective rights (ECJ, case 26/62, van Gend & Loos)
- primacy over national law and secondary Union law
- convergence in jurisprudence and legal doctrine

2) Functions of the fundamental freedoms

• attention: protection of *cross-border mobility* only!

a) Prohibitions of discrimination (equality rights)

• the problem of discriminations against one's own citizens [reverse discrimination]

b) Prohibitions of restrictions (liberty rights)

• developed as such by the jurisprudence of the ECJ (see cases 8/74, Dassonville; C-415/93, Bosman; C-55/94, Gebhard)

c) Rights to provisions and basis of (state) duties of protection

• see ECJ, case C-265/95, French blockades

d) Objective elements of the Union's legal order

• all secondary Union law and national law must be interpreted in the light of the FF

3) Holders and addressees of the fundamental freedoms

a) Holders (entitled subjects)

- aa) Citizens of the member states
- bb) Legal persons in the member states (cf. art. 54, 62 FEU Treaty)
- cc) In some cases citizens and legal persons from non-member states

b) Addressees (obliged subjects)

- aa) The member states
- bb) The institutions of the Union
- cc) In some cases private organisations with regulative power or private enterprises see ECJ, cases 36/74, Walrave and Koch; C-415/93, Bosman; C-341/05, Laval

4) The concepts of sphere of protection, encroachment and limits

• see diagram 8; common three step examination as known from fundamental rights

a) The sphere [scope] of protection ["Schutzbereich"]

- geographic, temporal, personal and material sphere of protection
- see on the different material spheres of protection <u>diagram 7</u>

b) Encroachments [= "interferences"] ["Eingriff"/"Beeinträchtigung"]

• open discriminations, hidden discriminations and restrictions

c) The justification of encroachments by the fundamental freedom's limits ["Schranken"] and the limits of limits ["Schranken-Schranken"]

- explicit and inherent limits
- the principle of proportionality and fundamental rights as the most important limits to encroachments on the fundamental freedoms

- 5) The complementation of the fundamental freedoms by the prohibition of discrimination (art. 18 FEU Treaty)
 - no discrimination on grounds of nationality
 - addresses also to private organisations with regulative power
- II. The free movement of goods (art. 28 et seq., 110 et seq. FEU Treaty)
 - see diagram 9
- III. The freedom of movement for workers (art. 45 et seq. FEU Treaty)¹
 - among the holders are also those citizens of the Republic of Moldova who also enjoy Romanian citizenship
- IV. The freedom of establishment (art. 49 et seq. FEU Treaty)²
 - V. The freedom to provide services (art. 56 et seq. FEU Treaty)³
- VI. The free movement of capital and payments (art. 63 et seq. FEU Treaty)4

Transparency film 7 (EU Law))

¹ For a detailed presentation see diagram 8 from the course EU Internal Market Law (Hanoi Law University, Semester 2, 2013/14, www.thomas-schmitz-hanoi.vn/Downloads/Schmitz_EUIntML-HLU_diagram8.pdf.

² For a detailed presentation see diagram 9 from the course EU Internal Market Law, www.thomas-schmitz-hanoi.vn/Downloads/Schmitz_EUIntML-HLU_diagram9.pdf.

³ For a detailed presentation see diagram 10 from the course EU Internal Market Law, www.thomas-schmitz-hanoi.vn/Downloads/Schmitz EUIntML-HLU diagram10.pdf.

⁴ For a detailed presentation see diagrams 10 and 11 from the course EU Internal Market Law, www.thomas-schmitz-hanoi.vn/ Downloads/Schmitz EUIntML-HLU diagram11.pdf. and diagram12.pdf.