Reports of Cases

JUDGMENT OF THE COURT (Second Chamber)

10 May 2012 *

(Articles 3 EC, 10 EC, 43 EC, 49 EC and 81 EC — Freedom of establishment — Freedom to provide services — Directive 2006/123/EC — Articles 15 and 16 — Concession relating to the assessment, verification and collection of taxes and other local authority revenue — National legislation — Minimum share capital — Obligation)

In Joined Cases C-357/10 to C-359/10,

REFERENCE for a preliminary ruling under Article 267 TFEU from the Tribunale amministrativo regionale per la Lombardia (Italy), made by decision of 20 October 2009, received at the Court on 19 July 2010, in the proceedings

Duomo Gpa Srl (C-357/10),

Gestione Servizi Pubblici Srl (C-358/10),

Irtel Srl (C-359/10)

v

Comune di Baranzate (C-357/10 and C-358/10),

Comune di Venegono Inferiore (C-359/10),

intervening party:

Agenzia Italiana per le Pubbliche Amministrazioni SpA (AIPA),

THE COURT (Second Chamber),

composed of J.N. Cunha Rodrigues, President of the Chamber, U. Lõhmus, A. Rosas, A. Ó Caoimh (Rapporteur) and A. Arabadjiev, Judges,

Advocate General: P. Cruz Villalón,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

— the Comune di Baranzate, by A. Soncini, avvocato,

* Language of the case: Italian.

— the Italian Government, by G. Palmieri, acting as Agent, and by G. De Bellis, avvocato dello Stato,

— the Netherlands Government, by C. M. Wissels and Y. de Vries, acting as Agents,

— the European Commission, by C. Zadra and I.V. Rogalski and by S. La Pergola, acting as Agents,

after hearing the Opinion of the Advocate General at the sitting on 16 November 2011,

gives the following

Judgment

1 These references for a preliminary ruling concern the interpretation of Articles 3 EC, 10 EC, 43 EC, 49 EC and 81 EC and of Articles 15 and 16 of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ 2006 L 367, p. 36, 'the Services Directive').

2 The references have been made in actions brought by, respectively, Duomo Gpa Srl ('Duomo') and Gestione Servizi Pubblici Srl ('GSP') against the Comune di Baranzate (Municipality of Baranzate) and by Irtel Srl ('Irtel') against the Comune di Venegono Inferiore (Municipality of Venegono Inferiore), all concerning their exclusion from tender procedures. Agenzia Italiana per le Pubbliche Amministrazioni SpA ('AIPA') was a party to all three actions.

Legal context

European Union legislation

3 Under Article 1(1) of the Services Directive, the directive establishes general provisions facilitating the exercise of the freedom of establishment for service providers and the free movement of services, while maintaining a high quality of services.

4 Article 3(3) provides that Member States are to apply the provisions of the Directive in compliance with the rules of the Treaty on the right of establishment and the free movement of services.

5 Article 15 of the Services Directive appears in Chapter III thereof, entitled 'Freedom of establishment for providers'.

6 Article 16 of the directive appears in Chapter IV thereof, entitled 'Free movement of services.'

7 In accordance with Articles 44 and 45, the Services Directive entered into force on 28 December 2006 and the Member States were to transpose it by 28 December 2009 at the latest.

National legislation

8 Title III of Legislative Decree No 446, on the imposition of regional tax on production activities, revision of tax bands, rates and deduction of personal income tax and the imposition of a regional tax in addition to the personal income tax, and revision of local taxation provisions (decreto legislativo n. 446 — Istituzione dell'imposta regionale sulle attività produttive, revisione degli scaglioni, delle aliquote e delle detrazioni dell'Irpef e istituzione di una addizionale regionale a tale imposta, nonche' riordino della disciplina dei tributi locali) of 15 December 1997 (ordinary supplement to GURI No 252, general series No 298 of 23 December 1997), concerns the reorganisation of local taxation provisions.

9 Article 52 of the Legislative Decree states:

'1. Provinces and municipalities may, by means of regulations, organise their own revenues, including taxes, except in relation to the determination and definition of taxable situations, taxable persons and the maximum rate of each tax, in accordance with the requirements of simplification of taxpayers' obligations. In the absence of regulations the legal provisions in force shall apply.

...

5. As regards the assessment and collection of taxes and other revenue, the regulations shall comply with the following criteria:

...

(b) where it has been decided to award the assessment and collection of taxes and other revenue to third parties, even separately, related activities shall be awarded, in compliance with European Union legislation and procedures in force on the tendering of the management of local public services:

(1) to persons entered in the register referred to in Article 53(1);

(2) to operators from the Member States which are established in a European Union country and carry out those activities; those operators must present a certificate issued by the competent authority of the Member State of establishment certifying that they comply with requirements equivalent to those laid down by Italian legislation in this area;

(3) to companies with share capital belonging entirely to the public sector ...'

10 Article 32(7a) of Decree-Law No 185 of 29 November 2008, on emergency measures to support families, labour, employment and enterprise, and to reorganise the national strategic framework in the context of efforts to combat the crisis (ordinary supplement No 263 to GURI No 280 of 29 November 2008), added by Law No 2 of 28 January 2009, converting and amending Decree-Law No 185 (ordinary supplement No 14 to GURI No 22 of 28 January 2009), and subsequently amended by Law No 14 of 27 February 2009 (*Gazzetta ufficiale della Repubblica italiana* No 49 of 28 February 2009, 'the provision at issue in the main proceedings'), states:

'The minimum amount of fully paid-up share capital required of companies, for the purpose of Article 53(3) of Legislative Decree No 446 of 15 December 1997, as subsequently amended, for entry in the appropriate register of undertakings authorised to carry out activities relating to the assessment and collection of taxes and other revenue of provinces and municipalities shall be fixed at an amount of no less than EUR 10 million. Companies in which a majority of the share capital is in public ownership shall be excluded from the limit referred to in the previous sentence. The award of services relating to the assessment and collection of taxes and other local government revenue to undertakings which fail to satisfy that financial requirement shall be null and void. Undertakings entered in the abovementioned register shall be required to bring their share capital up to the aforesaid minimum level. In any event, until they have done so, they may not be awarded new contracts or participate in tendering procedures initiated for that purpose.'

The disputes in the main proceedings and the questions referred for a preliminary ruling

11 Cases C-357/10 and C-358/10 arise out of a tender procedure launched by the Comune di Baranzate in February 2009 with a view to awarding a service concession for the administration, assessment and collection of certain taxes and other local revenue for the five-year period between 1 May 2009 and 30 April 2014 to the business submitting the economically most advantageous tender. The estimated value of the services for the entire period was EUR 57 000 exclusive of value added tax.

12 Six private undertakings, all established in Italy, submitted tenders, including Duomo, GSP and AIPA. On 1 and 3 April 2009 the Comune di Baranzate informed Duomo and GSP that they had been excluded from the procedure by the contracting authority due to their failure to meet the requirement specified in the provision at issue in the main proceedings, which had raised to EUR 10 million the minimum amount of fully paid-up capital necessary to be authorised to carry out activities relating to the assessment and collection of taxes and other local authority revenue. The contract was subsequently awarded to AIPA.

13 The background to Case C-359/10 dates from a tender procedure launched on 22 January 2009 by the Comune di Venegono Inferiore, with a view to awarding to the business offering the lowest price on the basis of the lowest percentage premium the service concession for the assessment, collection and enforcement of local taxes on advertising and charges for public advertising displays for the four-year period from 23 February 2009 to 31 December 2012. The estimated value of the services for the entire period was estimated at approximately EUR 49 000 exclusive of value added tax.

14 Tenders were submitted by five undertakings, including Irtel and AIPA, which were first and second respectively in the provisional ranking. By decision of 9 March 2009, the contracting authority excluded Irtel from the award procedure due to its failure to meet the requirement specified in the provision at issue in the main proceedings. The contract at issue was subsequently awarded to AIPA.

15 Duomo, GSP and Irtel each commenced proceedings in respect of the decisions to exclude them from the award procedures at issue in the main proceedings. In the dispute giving rise to Case C-357/10, Duomo alleges infringement of Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts (OJ 2004 L 134, p. 114), as well as infringement of the principles of equal treatment and fair competition on the ground that companies in which a majority of the share capital is in public ownership benefit from a more favourable set of rules.

16 In the proceedings underlying Cases C-358/10 and C-359/10, GSP and Irtel claim that the provision at issue in the main proceedings is incompatible with Articles 3 EC, 10 EC, 43 EC, 49 EC, 81 EC, 82 EC, 86 EC and 90 EC and with the principles of necessity, reasonableness and proportionality arising from Articles 15 and 16 of the Services Directive. They claim that the national legislation is in breach of European Union law in so far as it introduces a requirement which is disproportionate to the purpose which the legislation is intended to achieve and, gives rise to discrimination in favour of companies in which a majority of the share capital is in public ownership in so far as they are not affected by the new capital threshold.

17 In those circumstances, the Tribunale amministrativo regionale per la Lombardia decided to stay proceedings and to refer the following two questions to the Court of Justice for a preliminary ruling, which are identical for the three actions that constitute the main proceedings:

‘(1) Does the correct application of Articles 15 and 16 of [the Services Directive] preclude the provisions of national law laid down in Article 32(7a) of Decree-Law No 185 of 29 November 2008, added by Converting Law No 2 of 28 January 2009 and subsequently amended by Law No 14 of 27 February 2009, under which:

— the award of services relating to the assessment, verification and collection of taxes and other local authority revenue to persons who fail to satisfy the minimum financial requirement of fully paid-up share capital in the sum of EUR 10 million is to be null and void;

— persons entered in the relevant register of private persons authorised to carry out activities relating to the assessment, verification and collection of taxes and other revenue of the provinces and municipalities are required to bring their share capital up to the minimum figure in question, pursuant to Article 53(3) of Legislative Decree No 446 of 15 December 1997, as subsequently amended;

— it is prohibited to acquire new contracts or participate in tender procedures for the operation of services relating to the assessment, verification and collection of taxes and other local authority revenue until the abovementioned requirement to adjust share capital has been met; and

companies in which all or a majority of the share capital is in public ownership are excluded from those provisions?

(2) Does the correct application of Articles 3, 10, 43, 49 and 81 of the Treaty establishing the European Community preclude the provisions of national law laid down in Article 32(7a) of Decree-Law No 185 of 29 November 2008 added by Converting Law No 2 of 28 January 2009 and subsequently amended by Law No 14 of 27 February 2009, under which,

— the award of services relating to the assessment, verification and collection of taxes and other local authority revenue to persons who fail to satisfy the minimum financial requirement of fully paid-up share capital in the sum of EUR 10 million is to be null and void;

— persons entered in the relevant register of private persons authorised to carry out activities relating to the assessment, verification and collection of taxes and other revenue of the provinces and municipalities are required to bring [their] share capital up to the minimum figure in question, pursuant to Article 53(3) of Legislative Decree No 446 of 15 December 1997, as subsequently amended;

— it is prohibited to acquire new contracts or participate in tender procedures for the operation of services relating to the assessment, verification and collection of taxes and other local authority revenue until the abovementioned requirement to adjust share capital has been met; and

companies in which all or a majority of the share capital is in public ownership are excluded from those provisions?'

Consideration of the questions referred

Preliminary observations

18 As is apparent from paragraphs 11 to 14 of this judgment, the facts in the main proceedings are prior to 28 December 2009, the time-limit for transposition of the Services Directive under Article 44(1) thereof.

19 Therefore, even if that directive were regarded as accomplishing full harmonisation within the meaning of the Court's case-law, that would not preclude the relevance of primary law for the period prior to the time-limit for transposition of the directive (see, inter alia, by analogy, Case 148/78 *Ratti* [1979] ECR 1629, paragraphs 36 and 42 to 44, and Case C-350/97 *Monsees* [1999] ECR I-2921, paragraph 27).

20 In those circumstances, it is appropriate first to examine the second question, which relates to the interpretation of primary law in the light of the facts of these proceedings.

The second question

21 By its second question, the referring court asks, in essence, whether Articles 3 EC, 10 EC, 43 EC, 49 EC and/or 81 EC must be interpreted as precluding a provision such as that at issue in the main proceedings, under which:

— economic operators, except companies in which all or a majority of the share capital is in public ownership, are required to increase, if necessary, their fully paid up capital to a minimum of EUR 10 million in order to be entitled to pursue the activities of assessment, verification and collection of taxes and other local authority revenue;

— the award of those services to operators who fail to satisfy the minimum requirement of share capital is to be null and void, and

— it is prohibited to obtain new contracts or participate in tender procedures for the operation of those services until the abovementioned requirement to adjust share capital has been met.

22 To the extent that the second question, as reformulated in the previous paragraph, seeks an interpretation of Articles 3 EC, 10 EC and 81 EC, it should be recalled that the need to provide an interpretation of EU law which will be of use to the referring court requires that the referring court define the factual and legal context of its questions or, at the very least, that it explain the factual circumstances on which those questions are based. Those requirements are of particular importance in the area of competition, where the factual and legal situations are often complex (see, inter alia, Case C-384/08 *Attanasio Group* [2010] ECR I-2055, paragraph 32 and the case-law cited).

23 In the present case, the orders for reference do not provide the Court with the factual and legal information necessary for it to determine the conditions under which a provision such as that at issue in the main proceedings might fall within the scope of those articles. In particular, those orders do not provide any explanation of the connection the referring court sees between those articles and the cases in the main proceedings or their subject-matter.

24 In such circumstances, to the extent that the second question seeks an interpretation of Articles 3 EC, 10 EC and 81 EC, it must be declared inadmissible.

25 As regards the interpretation of Articles 43 EC and 49 EC, it is apparent from the documents before the Court that all the facts in the main proceedings are confined within a single Member State. In those circumstances, it is necessary to ascertain whether the Court has jurisdiction in the present cases to give a ruling on those provisions (see, by analogy, Case C-380/05 *Centro Europa 7* [2008] ECR I-349, paragraph 64, and Case C-245/09 *Omalet* [2010] ECR I-13771, paragraphs 9 and 10).

26 National legislation such as that at issue in the main proceedings which, as worded, applies to Italian operators and to operators of other Member States alike is, generally, capable of falling within the scope of the provisions on the fundamental freedoms established by the Treaty only to the extent that it applies to situations connected with trade between Member States (see Case C-448/98 *Guimont* [2000] ECR I-10663, paragraph 21; Case C-6/01 *Anomar and Others* [2003] ECR I-8621, paragraph 39 and the case-law cited; *Centro Europa 7*, paragraph 65, and Joined Cases C-570/07 and C-571/07 *Blanco Pérez and Chao Gómez* [2010] ECR I-4629, paragraph 40).

27 However, as can be seen in particular from the written submissions of the European Commission, in the present case it is far from inconceivable that companies established in Member States other than the Italian Republic have been or are interested in pursuing, in Italy, activities such as those covered by the contracts at issue in the main proceedings.

28 Furthermore, the interpretation of Articles 43 EC and 49 EC sought by the referring court may be useful to it if its national law were to require it to grant an Italian operator the same rights as those which an operator of another Member State would derive from EU law in the same situation (see, by analogy, *Centro Europa 7*, paragraph 69 and the case-law cited, as well as *Blanco Pérez and Chao Gómez*, paragraph 39). In that regard, it should be observed that the referring court states in the orders for reference, as the reason why it considers it necessary to refer the questions for a preliminary ruling, that the lawfulness of the legislation at issue in the main proceedings depends on the interpretation by the Court of Articles 43 EC and 49 EC.

29 Consequently, the Court has jurisdiction to give a ruling on the interpretation of those provisions.

30 As regards the definition of the respective scope of the principles of freedom to provide services and freedom of establishment, it is necessary to establish whether or not the economic operator is established in the Member State in which it offers the services in question (see, to that effect, Case C-55/94 *Gebhard* [1995] ECR I-4165, paragraph 22). Where that operator is established in the Member State in which it offers the service, it falls within the scope of the principle of freedom of establishment, as defined in Article 43 EC. On the other hand, where the economic operator is not established in the Member State of destination, it is a transfrontier service provider covered by the principle of freedom to provide services laid down in Article 49 EC (see Case C-171/02 *Commission* v *Portugal* [2004] ECR I-5645, paragraph 24).

31 In that context, the concept of establishment means that the operator offers its services on a stable and continuous basis from an establishment in the Member State of destination. On the other hand, every provision of services that are not offered on a stable and continuous basis from an establishment in the Member State of destination constitutes a 'provision of services' within the meaning of Article 49 EC (see *Commission* v *Portugal*, paragraph 25 and the case-law cited).

32 It also emerges from the case-law, that no provision of the EC Treaty affords a means of determining, in an abstract manner, the duration or frequency beyond which the supply of a service or of a certain type of service can no longer be regarded as the provision of services, and accordingly 'services' within the meaning of the Treaty may cover services varying widely in nature, including services which are provided over an extended period, even over several years (see Case C-215/01 *Schnitzer* [2003] ECR I-14847, paragraphs 30 and 31; *Commission* v *Portugal*, paragraph 26; Case C-208/07 *von Chamier-Glisczinski* [2009] ECR I-6095, paragraph 74, and Case C-97/09 *Schmelz* [2010] ECR I-10465, paragraph 42).

33 It follows from the foregoing that a provision such as that at issue in the main proceedings is, in principle, capable of falling within the scope of both Article 43 EC and Article 49 EC. It would be different if, as the Commission suggests, in practice the collection of local taxes cannot be carried out without using a company established in the national territory of the Member State of destination. To the extent necessary, it would be for the referring court to determine whether this is the case.

34 In those circumstances, it is necessary to examine, in the light of Articles 43 EC and 49 EC, whether the requirements arising, explicitly or by implication, from a provision such as that at issue in the main proceedings amount to restrictions on the freedom of establishment and/or the freedom to provide services.

35 In that regard, according to the case-law, Article 43 EC precludes any national measure which, even if applicable without discrimination on grounds of nationality, is liable to hinder or render less attractive the exercise by European Union nationals of the freedom of establishment guaranteed by the Treaty, and such restrictive effects may arise where, on account of national legislation, a company may be deterred from setting up subsidiary entities, such as permanent establishments, in other Member States and from carrying on its activities through such entities (see, inter alia, *Attanasio Group*, paragraphs 43 and 44 and the case-law cited, and Case C-148/10 *DHL International* [2011] ECR I-9543, paragraph 60).

36 It is settled case-law that Article 49 EC requires not only the elimination of all discrimination against service providers established in another Member State on the ground of their nationality but also the abolition of any restriction, even if it applies without distinction to national providers of services and to those of other Member States, when it is liable to prohibit, impede or render less attractive the activities of a service provider established in another Member State where it lawfully provides similar services (see, inter alia, Case C-76/90 *Säger* [1991] ECR I-4221, paragraph 12 and Joined Cases C-403/08 and C-429/08 *Football Association Premier League and Others* [2011] ECR I-9083, paragraph 85). In the same vein, the Court has also held that Article 49 EC precludes the application of any national rules which have the effect of making the provision of services between Member States more difficult than the provision of services purely within a Member State (see, inter alia, Case C-381/93 *Commission* v *France* [1994] ECR I-5145, paragraph 17, and C-250/06 *United Pan-Europe Communications Belgium and Others* [2007] ECR I-11135, paragraph 30 and the case-law cited).

37 In the present cases, according to the referring court, under the provision at issue in the main proceedings, economic operators established in Member States other than the Italian Republic are, like private operators established in Italy, required, in order to carry out the activities of assessment, verification and collection of certain Italian local authority revenue, to have a fully paid up capital of a minimum of EUR 10 million, where appropriate adapting their capital to that threshold to avoid contracts that may have already been granted from being considered null and void.

38 Such an obligation amounts to a restriction on the freedom of establishment and the freedom to provide services. First, it contains a condition of minimum share capital (see, inter alia, by analogy, *Commission* v *Portugal*, paragraphs 53 and 54, and Case C-514/03 *Commission* v *Spain* [2006] ECR I-963, paragraph 36) and, second, as the Netherlands Government observed, it forces private operators wishing to pursue the activities at issue in the main proceedings to incorporate (see, by analogy, *Commission* v *Portugal*, paragraphs 41 and 42, and *Commission* v *Spain*, paragraph 31). Thus, a provision such as that at issue in the main proceedings impedes or renders less attractive, within the meaning of the case-law set out at paragraphs 35 and 36 of this judgment, the freedom of establishment and the freedom to provide services laid down in Articles 43 EC and 49 EC respectively.

39 Accordingly, it should be examined to what extent the provision at issue in the main proceedings can be permitted by virtue of one of the reasons set out in Article 46 EC or justified, in accordance with the case-law of the Court, by overriding reasons in the public interest (see, inter alia, by analogy, Case C-167/01 *Inspire Art* [2003] ECR I-10155, paragraph 107, and Case C-42/07 *Liga Portuguesa de Futebol Profissional and Bwin International* [2009] ECR I-7633, paragraph 55).

40 The only justification raised before the Court is the protection of public authorities against possible non-performance by the concession holder, in the light of the high overall value of the contracts which have been awarded to it.

41 In that regard, it is apparent from the submissions of the Comune di Baranzate that the concession holders first collect the tax revenue covered by the contracts at issue in the main proceedings. According to that municipality, it is not until after the deduction of a ‘collection charge’ that the taxes must, at the end of a quarter, be paid to public authorities. The Comune di Baranzate states that, after deduction of the collection charge, the profit of the concession holders comes from financial market transactions carried out using provisionally-held funds. Accordingly, the concession holders hold and deal with millions of euros which they are required to pay subsequently to public authorities.

42 In that regard, even admitting that the objective outlined at paragraph 40 of this judgment may be regarded as an overriding reason in the public interest and not a reason of a purely economic nature (see, in that regard, Case C-109/04 *Kranemann* [2005] ECR I-2421, paragraph 34 and the case-law cited, as well as judgment of 16 February 2012 in Joined Cases C-72/10 and C-77/101 *Costa and Cifone*, paragraph 59), it should be noted that, according to settled case-law a restriction of the

fundamental freedoms enshrined in the Treaty may be justified only if the relevant measure is appropriate for ensuring the attainment of the objective in question and does not go beyond what is necessary to attain that objective (*Attanasio Group*, paragraph 51 and the case-law cited). Furthermore, national legislation is appropriate for ensuring attainment of the objective pursued only if it genuinely reflects a concern to attain it in a consistent and systematic manner (see, inter alia, Case C-169/07 *Hartlauer* [2009] ECR I-1721, paragraph 55, and *Attanasio Group*, paragraph 51).

43 However, as the referring court itself found, a provision such as that at issue in the main proceedings goes far beyond what is necessary to protect public authorities from non-performance by concession holders.

44 Indeed, that court stated that some precautions taken by Italian legislation are, according to it, capable of protecting in a proportionate manner public authorities from non-performance by the concession holders. Thus, Italian legislation requires, inter alia, proof of satisfaction of the general requirements for participation in the tender procedure as regards both technical and financial capacity and creditworthiness and solvency. The referring court also mentions the application of minimum thresholds for fully paid capital of the concession holder that vary depending on the value of concessions actually awarded to it.

45 In those circumstances, it must be held that a provision such as that at issue in the main proceedings contains disproportionate and therefore unjustified restrictions on the freedoms laid down in Articles 43 EC and 49 EC.

46 In the light of the foregoing, the answer to the second question is that Articles 43 EC and 49 EC must be interpreted as precluding a provision such as that at issue in the main proceedings, under which:

— economic operators, except companies in which all or a majority of the share capital is in public ownership, are required to increase, if necessary, their fully paid up capital to a minimum of EUR 10 million in order to be entitled to pursue the activities of assessment, verification and collection of taxes and other local authority revenue;

— the award of those services to operators who fail to satisfy the minimum requirement of share capital is to be null and void, and

— it is prohibited to obtain new contracts or participate in tender procedures for the operation of those services until the abovementioned requirement to adjust share capital has been met.

The first question

47 In the light of the reply to the second question and having regard to what has been stated in paragraphs 18 and 19 of this judgment, there is no need to consider the first question.

Costs

48 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the referring court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Second Chamber) hereby rules:

Articles 43 EC and 49 EC must be interpreted as precluding a provision such as that at issue in the main proceedings, under which:

— **economic operators, except companies in which all or a majority of the share capital is in public ownership, are required, if necessary, to increase their fully paid up capital to a minimum of EUR 10 million in order to be entitled to pursue the activities of assessment, verification and collection of taxes and other local authority revenue;**

— **the award of those services to operators who fail to satisfy the minimum requirement of share capital is to be null and void, and**

— **it is prohibited to obtain new contracts or participate in tender procedures for the operation of those services until the abovementioned requirement to adjust share capital has been met.**

[Signatures]