

Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (Text with EEA relevance)

TITLE I

**SCOPE, DEFINITIONS AND GENERAL PRINCIPLES**

*CHAPTER III*

***Material scope***

*Section 2*

***Excluded contracts and design contests; special provisions for procurement involving defence and security aspects***

*Subsection 5*

***Activities directly exposed to competition and procedural provisions relating thereto***

*Article 34*

**Activities directly exposed to competition**

1 Contracts intended to enable an activity mentioned in Articles 8 to 14 to be carried out shall not be subject to this Directive if the Member State or the contracting entities having introduced the request pursuant to Article 35 can demonstrate that, in the Member State in which it is performed, the activity is directly exposed to competition on markets to which access is not restricted; nor shall design contests that are organised for the pursuit of such an activity in that geographic area be subject to this Directive. The activity concerned may form a part of a larger sector or be exercised only in certain parts of the Member State concerned. The competition assessment referred to in the first sentence of this paragraph, which will be made in the light of the information available to the Commission and for the purposes of this Directive, is without prejudice to the application of competition law. Such assessment shall be made having regard to the market for the activities in question and the geographical reference market within the meaning of paragraph 2.

2 For the purposes of paragraph 1 of this Article, the question of whether an activity is directly exposed to competition shall be decided on the basis of criteria that are in conformity with the provisions on competition of the TFEU. Those may include the characteristics of the products or services concerned, the existence of alternative products or services considered to be substitutable on the supply side or demand side, the prices and the actual or potential presence of more than one supplier of the products or provider of the services in question.

The geographical reference market, on the basis of which exposure to competition is assessed, shall consist of the area in which the undertakings concerned are involved in

---

*Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.*

---

the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous and which can be distinguished from neighbouring areas because, in particular, conditions of competition are appreciably different in those areas. That assessment shall take account in particular of the nature and characteristics of the products or services concerned, of the existence of entry barriers or of consumer preferences, of appreciable differences of the undertakings' market shares between the area concerned and neighbouring areas or of substantial price differences.

3 For the purposes of paragraph 1 of this Article, access to a market shall be deemed not to be restricted if the Member State has implemented and applied the Union legislation listed in Annex III.

If free access to a given market cannot be presumed on the basis of the first subparagraph, it must be demonstrated that access to the market in question is free de facto and de jure.

#### *Article 35*

#### **Procedure for establishing whether Article 34 is applicable**

1 Where a Member State or, where the legislation of the Member State concerned provides for it, a contracting entity considers that, on the basis of the criteria set out in Article 34(2) and (3), a given activity is directly exposed to competition on markets to which access is not restricted, it may submit a request to the Commission to establish that this Directive does not apply to the award of contracts or the organisation of design contests for the pursuit of that activity, where appropriate together with the position adopted by an independent national authority that is competent in relation to the activity concerned. Such requests may concern activities which are part of a larger sector or which are exercised only in certain parts of the Member State concerned.

In the request, the Member State or contracting entity concerned shall inform the Commission of all relevant facts, and in particular of any law, regulation, administrative provision or agreement concerning compliance with the conditions set out in Article 34(1).

2 Unless a request coming from a contracting entity is accompanied by a reasoned and substantiated position, adopted by an independent national authority that is competent in relation to the activity concerned, which thoroughly analyses the conditions for the possible applicability of Article 34(1) to the activity concerned in accordance with paragraphs 2 and 3 of that Article, the Commission shall immediately inform the Member State concerned. The Member State concerned shall in such cases inform the Commission of all relevant facts, and in particular of any law, regulation, administrative provision or agreement concerning compliance with the conditions set out in Article 34(1).

3 Upon request submitted in accordance with paragraph 1 of this Article, the Commission may, by means of implementing acts adopted within the periods set out in Annex IV, establish whether an activity referred to in Articles 8 to 14 is directly exposed to competition on the basis of the criteria set out in Article 34. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 105(2).

Contracts intended to enable the activity concerned to be carried out and design contests that are organised for the pursuit of such an activity shall cease to be subject to this Directive in any of the following cases:

---

**Status:** EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

---

- a The Commission has adopted the implementing act establishing the applicability of Article 34(1) within the period provided for in Annex IV;
- b has not adopted the implementing act within the period provided for in Annex IV.

4 After the submission of a request, the Member State or the contracting entity concerned may, with the Commission's agreement, substantially modify its request, in particular as regards the activities or the geographical areas concerned. In that case, a new period for the adoption of the implementing act shall apply, which shall be calculated in accordance with paragraph 1 of Annex IV, unless a shorter period is agreed on by the Commission and the Member State or contracting entity which has presented the request.

5 Where an activity in a given Member State is already the subject of a procedure under paragraphs 1, 2 and 4, further requests concerning the same activity in the same Member State before the expiry of the period opened in respect of the first request shall not be considered as new procedures and shall be treated in the context of the first request.

6 The Commission shall adopt an implementing act establishing detailed rules for the application of paragraphs 1 to 5. That implementing act shall include at least rules relating to:

- a the publication in the *Official Journal of the European Union*, for information, of the date on which the period set out in paragraph 1 of Annex IV begins and ends, including any prolongations or suspensions of those periods, as provided for in that Annex;
- b publication of the possible applicability of Article 34(1) in accordance with point (b) of the second subparagraph of paragraph 3 of this Article;
- c implementing provisions concerning the form, content and other details of requests pursuant to paragraph 1 of this Article;

Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 105(2).