Contents

F	orewor	d to the Second Edition	vii		
Fo	orewor	d to the First Edition	xi		
A	uthor's	Note to the Second Edition	xiii		
Τι	able of	Cases and Opinions	xxvii		
Τι	able of	Legislation	xli		
		Part On a			
		Part One Introduction	1		
	T.,	1 15 1.6 4.1	2		
1		duction and Framework for Analysis	3		
	I.	Introduction	3 7		
		A. The Current Situation from a Competition Law Perspective			
		B. The Current Situation from a Public Procurement Law Perspective	10		
	II.	C. Overall Perspective	12		
	11.	General Approach to the Interrelationship between Competition and Public Procurement Law	13		
	III.	Aim of the Study	13		
	IV.	Structure of the Study and General Overview	15		
	1 V.	A. General Overview	15		
		B. Foundations and Principles: On the Economic and Legal Basics of	13		
		Public Procurement and Competition Law	15		
		C. General Part: Public Procurement Viewed from a Competition	13		
		Perspective, and Competition Elements of Public Procurement			
		Rules—The Building Blocks of the Framework for the Competition			
		Analysis of Public Procurement	16		
		D. Special Part: Operationalisation of the General Framework through			
		Current Public Procurement Rules—Proposals for the Further			
		Development of a More Pro-Competitive Public Procurement System	17		
		E. General Conclusions	19		
	V.	Methodology: An Eclectic and Heuristic Multi-Disciplinary and			
	Functional Approach to EU Law				
	VI.	Normative Assumptions	24		
	VII.	Delimitation of the Study: Exclusions and Limitations	26		
		A. Exclusions from the Object of Study	27		
		B. Limitations on the Sources Used in the Study	30		

Part Two

			Foundations and Principles: The Economic and Legal Basics of Public Procurement and Competition Law	35			
2	An E	laan		37			
_	An e		omic Approach to Public Procurement and Competition roduction	37			
	II.		pes of 'Public Procurement Markets'	39			
	11.	ту _Г А.	The Limitations of the 'Public Market' Paradigm	39			
		В.	A More Detailed Taxonomy of 'Public Procurement Markets'	41			
		Б.	i. The 'Regulatory Situation' of Public Procurement Markets	41			
			ii. The Relative Importance of the Public Buyer in the Market:	41			
			Exclusive, Dependent, Commercial and Private Markets	43			
			iii. Temporal Considerations of Relevance for Public	13			
			Procurement Markets	47			
			iv. Relevance of the Geographic Dimension of the Market	49			
			v. Other Considerations: 'Prescriptive Role' of Public	17			
			Procurement and 'Adjacent' Markets	49			
		C	Preliminary Conclusion as Regards the Proposed Taxonomy of	17			
		О.	Public Procurement Markets	51			
	III.	Ecc	nomic Dimensions of Public Procurement	52			
	111.	A.		52			
		В.	Public Procurement as a 'Working' Tool for the Public Sector	54			
		C.	Public Procurement as a Tool of 'Sectoral' Regulation	56			
	IV.		Role of Public Authorities as Purchasing and Contracting Authorities	56			
		A.	Public Buyers as Agents	56			
		В.	Public Buyers as Gatekeepers	58			
		C.	Public Buyers as Market-Makers	58			
	V.	Pul	olic Procurement as a Market Failure:				
			ficulties in Recreating a Competitive Scenario and Competition-				
			tricting Effects	60			
			Public Procurement as a Market-Like Regulatory Instrument	62			
		В.	A Model for the Analysis of Public Buyer Behaviour and the Effects				
			of Public Procurement Regulation	65			
		C.	Direct Competition-Distorting Effects: Waterbed Effects	69			
			Indirect Competition-Distorting Effects: Increased Bidder Collusion				
			and Other Effects of Price Signalling	73			
		E.	Other Competition-Distorting Effects	75			
	VI.	Coı	nclusions to this Chapter	77			
2	Dagie		Competition and Public Procurement Regulation	70			
)	I.		1	79 79			
	I. II.						
	11.		nciples Common to Competition and Public Procurement Law as	80			
	III.		o Sets of Economic Regulation	80			
	111.	A.	Goal(s) of Competition Law Brief Overview of the Discussion Regarding this Tonic	87 87			
		A. B.	Brief Overview of the Discussion Regarding this Topic Economic Goals	93			
		ь. С.	Social and Political Goals	93 96			
		U.	SUCIAI AIIU PUITICAI GUAIS	フロ			

the General Functional Approach to the Concept of

140

'Economic Activity'

	D.	The Ga	ap Generated by the Adoption of Too Narrow a Concept of	
			mic Activity—Which Excludes Procurement Activities As Such	141
IV.	The	Insuffic	ciency of State Action Doctrine to Capture Most of the Anti-	
			e Public Procurement Regulations and Practices	142
	A.		etential for Publicly Created Distortions of Competition as the	
			ale behind the Development of the State Action Doctrine	142
	B.		ck Overview on the Development of the State Action Doctrine	143
	C.		arrent Formulation and Boundaries of the State Action Doctrine	147
	D.		ment of the State Action Doctrine under its Current	
		Formu	lation	149
V.	Pre	iminary	y Conclusions: The Insufficiency of Current Competition	
			and Potential Improvements to Achieve Better Results	152
VI.			of Current Doctrine to Achieve Better Results (1): A More	
			Approach to the Concept of 'Economic Activity' in the Public	
			nt Field	156
	A.	The Cu	arrent Approach: The Analysis of Public Procurement	
			ies Is Pegged to the Subsequent Use of the Purchased Goods	
		or Serv		156
	B.	An Ass	sessment of the Current Approach in the EU Case law	158
		i.	The FENIN-Selex Doctrine Runs Contrary to Previous	
			Practice in Several Member States	159
		ii.	The FENIN-Selex Doctrine Runs Contrary to Alternative	
			Approaches Previously Suggested to the EU Judicature	161
		iii.	The FENIN-Selex Doctrine Runs Contrary to the General	
			Functional Approach to the Concept of 'Undertaking'	161
		iv.	The FENIN-Selex Doctrine Makes Poor Economic Sense	163
		v.	A Possible Justification to the FENIN–Selex Doctrine:	
			Aiming to Afford a Different Competition Treatment to	
			Social and Other Public Interest Activities	166
	C.	Sketch	Proposal for the Review of the Current Case Law	171
	D.	What S	Scope for a More Stringent Approach by Member States?	172
VII.	A R	evision	of Current Doctrine to Achieve Better Results (2): Setting	
	the	Proper	Bounds to the State Action Doctrine	173
	A.	The Sta	ate Action Doctrine in the US as a Benchmark	173
		i.	Brief Description of the US State Action Doctrine	174
		ii.	Scope for a 'Market Participant Exception' under US State	
			Action Doctrine	176
		iii.	Comparative Assessment of the State Action Doctrine in the	
			US and the EU	177
	B.	Setting	the Proper Bounds of the State Action Doctrine (1):	
		Bringii	ng Sovereignty to the Centre of the Doctrine, and Developing	
		a 'Mar	ket Participant Exception'	179
		i.	General Approach: 'Sovereignty' and 'Legitimacy' as Ruling	
			Criteria	179
		ii.	Anti-Competitive Public Procurement Legislation and	
			Regulation as Instances of the Exercise of Public Powers or	
			Sovereign Activities	181

			iii.	Anti-Competitive Public Procurement Decisions and Practices as Instances of the Exercise of Economic Powers or	
			iv.	Non-Sovereign Activities by the State Excluding Activities with Weak Sovereignty and Legitimacy Implications from the Scape of the State Action Destring.	182
				Implications from the Scope of the State Action Doctrine: the 'Market Participant Exception'	184
		C.	-	g the Proper Bounds to the State Action Doctrine (2): The	104
			_	lex Issue of Balancing EU and Member States' Conflicting	
			Policie		185
			i.	General Framework	185
			ii.	Criteria for the Balancing of Conflicting Policy Goals and	1.05
			:::	Effects The Immedian the Dublic Programment Field	187
	3/111	Cor	iii. Schwior	The Impact on the Public Procurement Field ns to this Chapter	191 193
					193
5			_	Competition Embedded in the EU Public Procurement	
	Direc				195
	I.		oductio		195
	II.		_	etition Principle Embedded in the pre-2014 EU Public	106
		A.		ent Directives ecognition of the Existence of a Competition Principle	196
		л.		dded in the pre-2014 EU Public Procurement Directives and	
				Interpreting Case Law	196
		B.		iting the Competition Principle Embedded in the pre-2014	170
				ablic Procurement Directives	203
		C.	The Li	ink between the Competition Principle Embedded in the	
			pre-20	014 EU Public Procurement Directives and General EU	
			Comp	etition Law	206
	III.			ple of Competition Consolidated in Article 18(1) of Directive	
		201		Critical Assessment of the Interpretative Difficulties it Creates	207
		A.		roblematic Conflation of Competition and Corruption Issues	
		ъ		d to Unequal Treatment	208
		В.		ntroduction of a Subjective Element of 'Intention' and the	210
		C		to 'Objectify' It	210
		C.		ninary Conclusion: Towards an Objective Interpretation of inciple of Competition as Consolidated in Article 18(1) of	
				tive 2014/24	214
	IV.	Imi		ns of the Competition Principle for the Shaping of Public	211
		_		ent Rules by Member States: The General Obligation to	
				Pro-Competitive Public Procurement Framework	215
		A.	-	ompetition Principle as a Rule of Self-Construction for EU	
				Procurement Directives	216
		B.	The C	ompetition Principle and the Transposition of the EU	
				tives on Public Procurement by Member States	217
		C.		ompetition Principle and the Consistent Interpretation of	
			Dome	estic Public Procurement Legislation	218
			i.	Consistent Interpretation as a Rule of Construction of EU Law	218

			ii.	Consistent Interpretation of the EU Public Procurement	
				Directives with the Competition Principle	222
		D.	Exten	sion of the Competition Principle to Procurement Conducted	
				de the Blueprint of the EU Directives: Competition as a	
				ral Principle	223
		E.		ual Application of the Principle of Competition	226
	V.	The		iple of Equal Treatment and the Principle of Competition	
			tinguis		227
				st Approximation: The Close Links between the Principles of	
				Treatment and Competition	227
		В.		ser Look: The Principles Impose Different Requirements, and	
		2.		petition Concerns should Modulate the Application of the	
				iple of Equality	228
		C		asis on the Distinction of both Principles in the Area of	220
		٥.		nal Market	232
	VI.	Co		ns to this Chapter	235
				Part III: Sketching a Legal Framework to Discipline the	255
	Con			Phaviour of the Public Buyer and to Guarantee Undistorted	
				on in Public Procurement	237
		CO.	mpenn	on in radic rrocarement	237
				Part Four	
		۸.	alveie 4	of Competition Distortions Caused by Public Procurement	241
		AI	1a1y515 (of Competition Distortions Caused by Fublic Flocurement	241
6	A Cı	ritica	1 Assess	sment of the 2014 EU Public Procurement Directives and the	
	Exist	ting	Case La	aw from a Competition Perspective: Preventing Competitive	
	Dist	ortio	ns by th	he Public Buyer	243
	I.	Int	roducti	on	243
	II.	Α (Compet	tition Appraisal of Potential Distortions Derived from Public	
			_	ent Processes	245
		A.	Assess	sment of Unnecessary Restrictions of Access to the	
				rement Process	247
			i.	Make-or-Buy Decisions and Public-Public Cooperation	
				Mechanisms (or Cooperate-or-Buy Decisions)	248
			ii.	Unnecessary Use of Closed or Non-Competitive Procedures,	
				Particularly In-House Schemes, and the Associated	
				Restrictions on the Publicity of the Procurement Processes	258
			iii.	Sale of Bid Documents as a Barrier to Entry	280
			iv.	Delays and Other Restrictions in the Disclosure of	
			14.	Information Required to Prepare and Submit a Bid	282
			v.	Grounds for Exclusion of Potential Bidders: In General,	202
			٧.	Establishment of Additional and Excessively Restrictive	
				Disqualification Grounds	284
			vi.	Grounds for Exclusion of Potential Bidders: In Particular,	204
			٧1.	Consideration of Previous Breaches of Competition Law as	
				•	296
			***	Offences against Professional Conduct	290
			vii.	Excessive Qualitative Selection Criteria: Early Restriction of	201
				Competition	301

	viii.	In Particular, the Use of Previous Experience and Past	
		Performance as Qualification Requirements	306
	ix.	Restrictive or Discriminatory Short-Listing or Invitation of	
		Candidates	312
	х.	More Precise Rules Governing Reliance on the Capacities of	
		Other Entities	315
	xi.	Excessive Documentary Requests for the (Non-)Exclusion	
		and Qualitative Selection of Candidates, and the European	
		Single Procurement Document as an Intended Solution	318
	xii.	More Scope For a Power/Duty to Seek Clarifications and	
		Additional Information from Tenderers at Qualitative	
		Selection Stage	321
	xiii.	Official Lists of Contractors and Certification Systems	323
	xiv.	Excessive Participation Guarantees (Bid Bonds or Bid Deposits)	
	XV.	Use of Restrictive Technical Specifications	327
	xvi.	Teaming and Joint Bidding: Formation of Bidding Consortia	336
	xvii.	Prohibition on Multiple Bidding	340
	xviii.	Bundling and Aggregation of Contracts	347
	xix.	Induced and Mandatory Subcontracting	353
	XX.	Framework Agreements	355
	xxi.	Dynamic Purchasing Systems	363
	xxii.	Electronic Auctions	366
	xxiii.	Electronic Catalogues	368
В.	Assess	ment of Unnecessary Restrictions in the Evaluation of Bids	
		ward of the Contract	369
	i.	In General, the Adoption of a Neutral and Possibilistic	
		Approach to Bid Evaluation and Contract Award	369
	ii.	Appraisal of Bids Submitted by Advantaged Parties: The	
		Issue of Involvement of Project Consultants	373
	iii.	Selection and Application of Award Criteria	378
	iv.	Treatment of Non-Fully Compliant Bids and, in particular,	
		of Variants	391
	v.	Treatment of Abnormally Low Tenders	400
	vi.	Awarding Constraints	410
	vii.	Path Dependence (or Consolidation of Current Commercial	
	,	Relationships)	412
	viii.	In Particular, the Problem of Switching Costs in Public	
		Procurement	413
	ix.	Conduct of Renegotiations Prior to or Immediately after	
	111,	Contract Award	418
	х.	Restrictive Cancellation of the Tendering Procedures	421
C.		ment of Unnecessary Restrictions after Award of the Contract	424
٠.	i.	Excessive Guarantees (Performance Bonds)	425
	ii.	Renegotiation of the Main Conditions of the Contract and	
		its Modification	426
	iii.	Extensions and Award of Additional Works	429

		iv. Termination and Re-tendering	434
		v. Setting Up Ineffective Bid Protest Mechanisms	438
	III.	Two Examples of Potential Distortions Derived from the Exercise of	
		Public Entities' Market Power	446
		A. 'Squeezing' Public Contractors	447
		B. Rules on Transmission of Intellectual Property Rights or	
		Know-How Related to or Derived from the Procurement Process	449
	IV.	Conclusions to this Chapter	451
7	Con	aplementary Proposals for the Development of a More	
		petition-Oriented Public Procurement Framework	459
	I.	Introduction	459
	II.	Complementary Proposals Aimed at Limiting Publicly Created	
		Restraints of Competition	460
		A. Progressive or Incremental Enhancement of Competition	
		Requirements in Public Procurement	460
		B. Secondary or Dual Sourcing Policies in Public Procurement	462
		C. The 'Market Economy Buyer Test' as a Yardstick for the Evaluation	
		of Public Procurement Decisions	466
	III.	Complementary Proposals Aimed at Limiting Privately Created	
		Restraints of Competition	468
		A. Mandatory Reporting of Suspected Competition Law Violations	469
		B. Suspension and Debarment of Competition Infringers	470
	IV.	Complementary Measures Aimed, in General, at Strengthening the	
		Relationships between Competition and Procurement Authorities	474
		A. Appointment of Competition Advocates or Liaison Officers	475
		B. Granting Competition Authorities Oversight Competences over All	
		or Some Public Procurement Decisions	477
	V.	Conclusions to this Chapter	478
		Part V	
		General Conclusions	481
8	Con	clusions: Towards a More Competition-Oriented Procurement System	483
R	eferen	ces	489
	Boo	ks	489
	Peri	odical Materials and Contributions to Collective Works	498
		king Papers and Other Academic Works	548
		cial Documents and Sectoral Reports	552
		European Commission	552
		United States	554
		OECD	554
		Other	554
T	ıdex		
17	шех		557