

SUMMARY

ECJ 13 November 2018, C-432/17 (Čepelnik), other forms of free movement

Čepelnik d.o.o. – v – Michael Vavti, Austrian case

Question

Must Article 56 TFEU and Directive 2014/67 be interpreted as precluding legislation of a Member State, such as that at issue in the main proceedings, under which the competent authorities can order a commissioning party established in that Member State to suspend payments to his contractor established in another Member State, or even to pay a security in an amount equivalent to the price still owed for the works in order to guarantee payment of the fine which might be imposed on that contractor in the event of a proven infringement of the labour law of the first Member State?

Ruling

Article 56 TFEU must be interpreted as precluding legislation of a Member State, such as that at issue in the main proceedings, under which the competent authorities can order a commissioning party established in that Member State to suspend payments to his contractor established in another Member State, or even to pay a security in an amount equivalent to the price still owed for the works in order to guarantee payment of the fine which might be imposed on that contractor in the event of a proven infringement of the labour law of the first Member State.

Creator: European Court of Justice (ECJ)

Verdict at: 2018-11-13

Case number: C-432/17