**Judgment of the Court of 7 February 1979. - J. Knoors v Secretary of State for Economic Affairs. - Reference for a preliminary ruling: College van Beroep voor het Bedrijfsleven - Netherlands. - Right of establishment. - Case 115/78.**

**Keywords**

*1 . FREEDOM OF ESTABLISHMENT AND FREEDOM TO PROVIDE SERVICES - PROVISIONS OF THE TREATY - PERSONS TO WHOM THEY APPLY - SCOPE - LIMITS*

*( EEC TREATY , ARTICLES 52 AND 59 )*

*2 . FREEDOM OF ESTABLISHMENT AND FREEDOM TO PROVIDE SERVICES - INDUSTRY AND SMALL CRAFT INDUSTRIES - ACTIVITIES OF SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES - CONDITIONS FOR ACCESS AND EXERCISE - TRANSITIONAL MEASURES - COUNCIL DIRECTIVE NO 64/427 - BENEFICIARIES - CONCEPT*

**Summary**

*1 . ALTHOUGH IT IS TRUE THAT THE PROVISIONS OF THE TREATY RELATING TO ESTABLISHMENT AND THE PROVISION OF SERVICES CANNOT BE APPLIED TO SITUATIONS WHICH ARE PURELY INTERNAL TO A MEMBER STATE , THE POSITION NEVERTHELESS REMAINS THAT THE REFERENCE IN ARTICLE 52 TO ' ' NATIONALS OF A MEMBER STATE ' ' WHO WISH TO ESTABLISH THEMSELVES ' ' IN THE TERRITORY OF ANOTHER MEMBER STATE ' ' CANNOT BE INTERPRETED IN SUCH A WAY AS TO EXCLUDE FROM THE BENEFIT OF COMMUNITY LAW A GIVEN MEMBER STATE ' S OWN NATIONALS WHEN THE LATTER , OWING TO THE FACT THAT THEY HAVE LAWFULLY RESIDED ON THE TERRITORY OF ANOTHER MEMBER STATE AND HAVE THERE ACQUIRED A TRADE QUALIFICATION WHICH IS RECOGNIZED BY THE PROVISIONS OF COMMUNITY LAW , ARE , WITH REGARD TO THEIR STATE OF ORIGIN , IN A SITUATION WHICH MAY BE ASSIMILATED TO THAT OF ANY OTHER PERSONS ENJOYING THE RIGHTS AND LIBERTIES GUARANTEED BY THE TREATY .*

*HOWEVER , IT IS NOT POSSIBLE TO DISREGARD THE LEGITIMATE INTEREST WHICH A MEMBER STATE MAY HAVE IN PREVENTING CERTAIN OF ITS NATIONALS , BY MEANS OF FACILITIES CREATED UNDER THE TREATY , FROM ATTEMPTING WRONGLY TO EVADE THE APPLICATION OF THEIR NATIONAL LEGISLATION AS REGARDS TRAINING FOR A TRADE .*

*2 . COUNCIL DIRECTIVE NO 64/427 LAYING DOWN DETAILED PROVISIONS CONCERNING TRANSITIONAL MEASURES IN RESPECT OF ACTIVITIES OF SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES FALLING WITHIN ISIC MAJOR GROUPS 23-40 ( INDUSTRY AND SMALL CRAFT INDUSTRIES ) IS BASED ON A BROAD DEFINITION OF THE ' ' BENEFICIARIES ' ' OF ITS PROVISIONS , IN THE SENSE THAT THE NATIONALS OF ALL MEMBER STATES MUST BE ABLE TO AVAIL THEMSELVES OF THE LIBERALIZING MEASURES WHICH IT LAYS DOWN , PROVIDED THAT THEY COME OBJECTIVELY WITHIN ONE OF THE SITUATIONS PROVIDED FOR BY THE DIRECTIVE , AND NO DIFFERENTIATION OF TREATMENT ON THE BASIS OF THEIR RESIDENCE OR NATIONALITY IS PERMITTED .*

*THUS THE PROVISIONS OF THE DIRECTIVE MAY BE RELIED UPON BY THE NATIONALS OF ALL THE MEMBER STATES WHO ARE IN THE SITUATIONS WHICH THE DIRECTIVE DEFINES FOR ITS APPLICATION , EVEN IN RESPECT OF THE STATE WHOSE NATIONALITY THEY POSSESS .*

**Parties**

*IN CASE 115/78*

*REFERENCE TO THE COURT UNDER ARTICLE 177 OF THE EEC TREATY BY THE COLLEGE VAN BEROEP VOOR HET BEDRIJFSLEVEN ( ADMINISTRATIVE COURT OF LAST INSTANCE IN MATTERS OF TRADE AND INDUSTRY ) FOR A PRELIMINARY RULING IN THE PROCEEDINGS PENDING BEFORE THAT COURT BETWEEN*

*J . KNOORS , A CENTRAL HEATING CONTRACTOR , RESIDING AT DILSEN/STOKKEM ( BELGIUM ),*

*AND*

*SECRETARY OF STATE FOR ECONOMIC AFFAIRS ,*

**Subject of the case**

*ON THE INTERPRETATION OF ARTICLE 1 ( 1 ) OF COUNCIL DIRECTIVE NO 64/427/EEC OF 7 JULY 1964 LAYING DOWN DETAILED PROVISIONS CONCERNING TRANSITIONAL MEASURES IN RESPECT OF ACTIVITIES OF SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES FALLING WITHIN ISIC MAJOR GROUPS 23-40 ( INDUSTRY AND SMALL CRAFT INDUSTRIES ),*

**Grounds**

*1BY AN ORDER OF 9 MAY 1978 WHICH REACHED THE COURT ON 12 MAY , THE COLLEGE VAN BEROEP VOOR HET BEDRIJFSLEVEN ( ADMINISTRATIVE COURT OF LAST INSTANCE IN MATTERS OF TRADE AND INDUSTRY ) REFERRED TO THE COURT FOR A PRELIMINARY RULING IN PURSUANCE OF ARTICLE 177 OF THE EEC TREATY A QUESTION ON THE INTERPRETATION OF COUNCIL DIRECTIVE NO 64/427 OF 7 JULY 1964 LAYING DOWN DETAILED PROVISIONS CONCERNING TRANSITIONAL MEASURES IN RESPECT OF ACTIVITIES OF SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES FALLING WITHIN ISIC ( UNITED NATIONS ' INTERNATIONAL STANDARD INDUSTRIAL CLASSIFICATION OF ALL ECONOMIC ACTIVITIES ) MAJOR GROUPS 23-40 ( INDUSTRY AND SMALL CRAFT INDUSTRIES ) ( OFFICIAL JOURNAL , ENGLISH SPECIAL EDITION , 1963-1964 , P . 148 ).*

*2THE ORDER REFERRING THE MATTER TO THE COURT SHOWS THAT THE PLAINTIFF IN THE MAIN ACTION , A NETHERLANDS NATIONAL RESIDING IN BELGIUM , WAS ENGAGED , DURING LENGTHY RESIDENCE IN THAT MEMBER STATE , AS AN EMPLOYED PERSON IN A PLUMBING BUSINESS AND THAT SINCE 1970 HE HAS WORKED AS A PLUMBING CONTRACTOR AS THE HEAD OF AN INDEPENDENT BUSINESS .*

*3THE PLAINTIFF APPLIED TO THE COMPETENT NETHERLANDS AUTHORITIES FOR AN AUTHORIZATION TO CARRY ON THE SAME TRADE IN HIS COUNTRY OF ORIGIN . HOWEVER , HIS APPLICATION WAS REFUSED BECAUSE HE DID NOT POSSESS THE QUALIFICATIONS REQUIRED FOR THAT TRADE BY NETHERLANDS LEGISLATION .*

*4ON THAT OCCASION THE NETHERLANDS AUTHORITIES INFORMED THE PLAINTIFF THAT HE COULD NOT TAKE ADVANTAGE OF THE PROVISIONS OF ARTICLE 15 ( 1 ) ( C ) OF THE VESTIGINGSWET BEDRIJVEN ( LAW ON ESTABLISHMENT 1954 ) UNDER WHICH AN AUTHORIZATION TO PRACTISE CERTAIN TRADES MAY BE GRANTED WHEN THE PROVISIONS OF A DIRECTIVE OF THE COUNCIL OF THE EUROPEAN COMMUNITIES RELATING TO ESTABLISHMENT REQUIRE THE GRANT OF SUCH AN AUTHORIZATION .*

*5IN THIS RESPECT THE NETHERLANDS SECRETARY OF STATE FOR ECONOMIC AFFAIRS , IN TWO SUCCESSIVE DECISIONS , STATED THAT THE PLAINTIFF , AS A NETHERLANDS NATIONAL , COULD NOT BE CONSIDERED AS A BENEFICIARY OF THE PROVISIONS OF THE DIRECTIVE IN QUESTION ACCORDING TO WHICH , WHEN ACCESS TO CERTAIN ECONOMIC ACTIVITIES IN A MEMBER STATE IS MADE SUBJECT TO THE POSSESSION OF GIVEN TRADE QUALIFICATIONS , THAT MEMBER STATE MUST RECOGNIZE AS A SUFFICIENT PROOF OF THOSE QUALIFICATIONS THE ACTUAL PRACTICE IN ANOTHER MEMBER STATE OF THE ACTIVITY IN QUESTION .*

*6THE PLAINTIFF TAKES THE VIEW THAT DIRECTIVE NO 64/427 OUGHT TO HAVE REQUIRED THE NETHERLANDS AUTHORITIES TO GRANT HIM THE AUTHORIZATION FOR WHICH HE HAD APPLIED .*

*7TO ENABLE IT TO GIVE JUDGMENT IN THIS MATTER THE COLLEGE VAN BEROEP VOOR HET BEDRIJFSLEVEN HAS SUBMITTED THE FOLLOWING QUESTION :*

*' ' MUST DIRECTIVE NO 64/427/EEC OF THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY OF 7 JULY 1964 BE INTERPRETED AS MEANING THAT THE EXPRESSION ' BENEFICIARIES ' AS REFERRED TO AND AS DEFINED IN ARTICLE 1 ( 1 ) OF THE DIRECTIVE ALSO INCLUDES PERSONS WHO POSSESS AND HAVE ALWAYS POSSESSED SOLELY THE NATIONALITY OF THE HOST MEMBER STATE?*

*' '*

*8THE DEFINITION OF THE PERSONS TO WHOM DIRECTIVE NO 64/427 APPLIES DEPENDS , FIRST , ON THE ACTUAL AIM OF THAT DIRECTIVE AND , SECONDLY , ON THE PROVISIONS WHICH FORM ITS BASIS AND ITS FRAMEWORK , NAMELY THE GENERAL PROGRAMMES FOR THE ABOLITION OF RESTRICTIONS ON FREEDOM TO PROVIDE SERVICES AND FREEDOM OF ESTABLISHMENT OF 18 DECEMBER 1961 ( OFFICIAL JOURNAL , ENGLISH SPECIAL EDITION , SECOND SERIES , IX , PP . 3 AND 7 RESPECTIVELY ) AS WELL AS ON THE RELEVANT PROVISIONS OF THE TREATY .*

*9DIRECTIVE NO 64/427 IS INTENDED TO FACILITATE THE REALIZATION OF FREEDOM OF ESTABLISHMENT AND OF FREEDOM TO PROVIDE SERVICES IN A LARGE GROUP OF TRADE ACTIVITIES RELATING TO INDUSTRY AND SMALL CRAFT INDUSTRIES , PENDING THE HARMONIZATION OF THE CONDITIONS FOR ACCESS TO THE TRADES IN QUESTION IN THE VARIOUS MEMBER STATES , WHICH IS AN INDISPENSABLE PRECONDITION FOR COMPLETE FREEDOM IN THIS SPHERE .*

*10MORE PARTICULARLY THAT DIRECTIVE TAKES ACCOUNT OF THE DIFFICULTIES RESULTING FROM THE FACT THAT , IN CERTAIN MEMBER STATES , CERTAIN OF THE ACTIVITIES IN QUESTION MAY BE FREELY TAKEN UP AND PURSUED , WHILST OTHER MEMBER STATES APPLY MORE OR LESS STRICT CONDITIONS INVOLVING THE POSSESSION OF SPECIALIZED TRAINING FOR ADMISSION TO CERTAIN TRADES .*

*11WITH A VIEW TO RESOLVING THE PROBLEMS CREATED BY THIS DISPARITY , ARTICLE 3 OF THE DIRECTIVE PROVIDES THAT , WHERE , IN A MEMBER STATE , THE TAKING UP OR PURSUIT OF ANY ACTIVITY REFERRED TO IN THE DIRECTIVE IS DEPENDENT ON THE POSSESSION OF CERTAIN QUALIFICATIONS , ' ' THAT MEMBER STATE SHALL ACCEPT AS SUFFICIENT EVIDENCE OF SUCH KNOWLEDGE AND ABILITY THE FACT THAT THE ACTIVITY IN QUESTION HAS BEEN PURSUED IN ANOTHER MEMBER STATE ' ' .*

*12THAT ARTICLE FURTHER STATES WHAT IS TO BE UNDERSTOOD BY ' ' PURSUING ' ' AN ACTIVITY , IN PARTICULAR BY FIXING MINIMUM PERIODS DURING WHICH IT MUST HAVE BEEN PRACTISED .*

*13AS A COUNTERPART , ARTICLE 5 OF THE SAME DIRECTIVE DEALING WITH MEMBER STATES IN WHICH THE TAKING UP OF ONE OF THE ACTIVITIES IN QUESTION IS NOT SUBJECT TO THE POSSESSION OF ANY GIVEN TRADE QUALIFICATIONS , GOVERNS THE SITUATION OF PERSONS COMING FROM A MEMBER STATE WHERE SUCH QUALIFICATIONS ARE REQUIRED .*

*14THE PERSONS TO WHOM THE DIRECTIVE APPLIES ARE ESSENTIALLY DEFINED BY ARTICLE 1 ( 1 ), UNDER WHICH ' ' MEMBER STATES , ACTING IN ACCORDANCE WITH THE PROVISIONS HEREINAFTER LAID DOWN , SHALL ADOPT THE FOLLOWING TRANSITIONAL MEASURES IN RESPECT OF ESTABLISHMENT OR PROVISION OF SERVICES IN THEIR TERRITORIES BY NATURAL PERSONS OR COMPANIES OR FIRMS COVERED BY TITLE I OF THE GENERAL PROGRAMMES ( HEREINAFTER CALLED ' BENEFICIARIES ' ) WISHING TO ENGAGE IN ACTIVITIES AS SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES ' ' .*

*15THE GENERAL PROGRAMME FOR THE ABOLITION OF RESTRICTIONS ON FREEDOM TO PROVIDE SERVICES , IN THE FIRST INDENT OF TITLE I , DEFINES AS BENEFICIARIES THE ' ' NATIONALS OF MEMBER STATES WHO ARE ESTABLISHED WITHIN THE COMMUNITY ' ' , WITHOUT MAKING ANY DISTINCTION AS TO THE NATIONALITY OR RESIDENCE OF THE PERSONS CONCERNED .*

*16THE SAME IDEA IS EXPRESSED BY TITLE I OF THE GENERAL PROGRAMME FOR THE ABOLITION OF RESTRICTIONS ON FREEDOM OF ESTABLISHMENT , WHICH DESIGNATES AS BENEFICIARIES , IN THE FIRST AND THIRD INDENTS , THE ' ' NATIONALS OF MEMBER STATES ' ' WITHOUT ANY DISTINCTION AS REGARDS NATIONALITY OR RESIDENCE .*

*17IT MAY THEREFORE BE STATED THAT DIRECTIVE NO 64/427 IS BASED ON A BROAD DEFINITION OF THE ' ' BENEFICIARIES ' ' OF ITS PROVISIONS , IN THE SENSE THAT THE NATIONALS OF ALL MEMBER STATES MUST BE ABLE TO AVAIL THEMSELVES OF THE LIBERALIZING MEASURES WHICH IT LAYS DOWN , PROVIDED THAT THEY COME OBJECTIVELY WITHIN ONE OF THE SITUATIONS PROVIDED FOR BY THE DIRECTIVE , AND NO DIFFERENTIATION OF TREATMENT ON THE BASIS OF THEIR RESIDENCE OR NATIONALITY IS PERMITTED .*

*18THUS THE PROVISIONS OF THE DIRECTIVE MAY BE RELIED UPON BY THE NATIONALS OF ALL THE MEMBER STATES WHO ARE IN THE SITUATIONS WHICH THE DIRECTIVE DEFINES FOR ITS APPLICATION , EVEN IN RESPECT OF THE STATE WHOSE NATIONALITY THEY POSSESS .*

*19THIS INTERPRETATION IS JUSTIFIED BY THE REQUIREMENTS FLOWING FROM FREEDOM OF MOVEMENT FOR PERSONS , FREEDOM OF ESTABLISHMENT AND FREEDOM TO PROVIDE SERVICES , WHICH ARE GUARANTEED BY ARTICLES 3 ( C ), 48 , 52 AND 59 OF THE TREATY .*

*20IN FACT , THESE LIBERTIES , WHICH ARE FUNDAMENTAL IN THE COMMUNITY SYSTEM , COULD NOT BE FULLY REALIZED IF THE MEMBER STATES WERE IN A POSITION TO REFUSE TO GRANT THE BENEFIT OF THE PROVISIONS OF COMMUNITY LAW TO THOSE OF THEIR NATIONALS WHO HAVE TAKEN ADVANTAGE OF THE FACILITIES EXISTING IN THE MATTER OF FREEDOM OF MOVEMENT AND ESTABLISHMENT AND WHO HAVE ACQUIRED , BY VIRTUE OF SUCH FACILITIES , THE TRADE QUALIFICATIONS REFERRED TO BY THE DIRECTIVE IN A MEMBER STATE OTHER THAN THAT WHOSE NATIONALITY THEY POSSESS .*

*21IN CONTESTING THIS SOLUTION THE NETHERLANDS GOVERNMENT STATES , FIRST , THAT THE FIRST PARAGRAPH OF ARTICLE 52 PROVIDES FOR THE ABOLITION OF ' ' RESTRICTIONS ON THE FREEDOM OF ESTABLISHMENT OF NATIONALS OF A MEMBER STATE IN THE TERRITORY OF ANOTHER MEMBER STATE ' ' AND , SECONDLY , THAT ACCORDING TO THE SECOND PARAGRAPH OF THE SAME ARTICLE , FREEDOM OF ESTABLISHMENT IS TO INCLUDE THE RIGHT TO TAKE UP ACTIVITIES AS SELF-EMPLOYED PERSONS UNDER THE CONDITIONS LAID DOWN BY THE LAW OF THE COUNTRY WHERE SUCH ESTABLISHMENT IS EFFECTED ' ' FOR ITS OWN NATIONALS ' ' .*

*22IT IS CLAIMED THAT THOSE PROVISIONS OF THE TREATY SHOW THAT THE NATIONALS OF THE HOST STATE ARE NOT REGARDED BY THE TREATY AS BEING BENEFICIARIES OF THE LIBERALIZATION MEASURES FOR WHICH PROVISION IS MADE AND THAT THEY THEREFORE REMAIN ENTIRELY SUBJECT TO THE PROVISIONS OF THEIR NATIONAL LEGISLATION .*

*23MOREOVER , THE NETHERLANDS GOVERNMENT DRAWS ATTENTION TO THE RISK THAT THE NATIONALS OF A MEMBER STATE MIGHT EVADE THE APPLICATION OF THEIR NATIONAL PROVISIONS IN THE MATTER OF TRAINING FOR A TRADE IF THEY WERE AUTHORIZED TO AVAIL THEMSELVES , AS AGAINST THEIR OWN NATIONAL AUTHORITIES , OF THE FACILITIES CREATED BY THE DIRECTIVE .*

*24ALTHOUGH IT IS TRUE THAT THE PROVISIONS OF THE TREATY RELATING TO ESTABLISHMENT AND THE PROVISION OF SERVICES CANNOT BE APPLIED TO SITUATIONS WHICH ARE PURELY INTERNAL TO A MEMBER STATE , THE POSITION NEVERTHELESS REMAINS THAT THE REFERENCE IN ARTICLE 52 TO ' ' NATIONALS OF A MEMBER STATE ' ' WHO WISH TO ESTABLISH THEMSELVES ' ' IN THE TERRITORY OF ANOTHER MEMBER STATE ' ' CANNOT BE INTERPRETED IN SUCH A WAY AS TO EXCLUDE FROM THE BENEFIT OF COMMUNITY LAW A GIVEN MEMBER STATE ' S OWN NATIONALS WHEN THE LATTER , OWING TO THE FACT THAT THEY HAVE LAWFULLY RESIDED ON THE TERRITORY OF ANOTHER MEMBER STATE AND HAVE THERE ACQUIRED A TRADE QUALIFICATION WHICH IS RECOGNIZED BY THE PROVISIONS OF COMMUNITY LAW , ARE , WITH REGARD TO THEIR STATE OF ORIGIN , IN A SITUATION WHICH MAY BE ASSIMILATED TO THAT OF ANY OTHER PERSONS ENJOYING THE RIGHTS AND LIBERTIES GUARANTEED BY THE TREATY .*

*25HOWEVER , IT IS NOT POSSIBLE TO DISREGARD THE LEGITIMATE INTEREST WHICH A MEMBER STATE MAY HAVE IN PREVENTING CERTAIN OF ITS NATIONALS , BY MEANS OF FACILITIES CREATED UNDER THE TREATY , FROM ATTEMPTING WRONGLY TO EVADE THE APPLICATION OF THEIR NATIONAL LEGISLATION AS REGARDS TRAINING FOR A TRADE .*

*26IN THIS CASE , HOWEVER , IT SHOULD BE BORNE IN MIND THAT , HAVING REGARD TO THE NATURE OF THE TRADES IN QUESTION , THE PRECISE CONDITIONS SET OUT IN ARTICLE 3 OF DIRECTIVE NO 64/427 , AS REGARDS THE LENGTH OF PERIODS DURING WHICH THE ACTIVITY IN QUESTION MUST HAVE BEEN PURSUED , HAVE THE EFFECT OF EXCLUDING , IN THE FIELDS IN QUESTION , THE RISK OF ABUSE REFERRED TO BY THE NETHERLANDS GOVERNMENT .*

*27MOREOVER , IT SHOULD BE EMPHASIZED THAT IT IS ALWAYS POSSIBLE FOR THE COUNCIL , BY VIRTUE OF THE POWERS CONFERRED UPON IT BY ARTICLE 57 OF THE TREATY , TO REMOVE THE CAUSES OF ANY ABUSES OF THE LAW BY ARRANGING FOR THE HARMONIZATION OF THE CONDITIONS OF TRAINING FOR A TRADE IN THE VARIOUS MEMBER STATES .*

*28THE ANSWER TO BE GIVEN TO THE QUESTION REFERRED TO THE COURT SHOULD THEREFORE BE THAT COUNCIL DIRECTIVE NO 64/427 OF 7 JULY 1964 LAYING DOWN DETAILED PROVISIONS CONCERNING TRANSITIONAL MEASURES IN RESPECT OF ACTIVITIES OF SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES FALLING WITHIN ISIC MAJOR GROUPS 23-40 ( INDUSTRY AND SMALL CRAFT INDUSTRIES ) MUST BE UNDERSTOOD TO MEAN THAT PERSONS WHO POSSESS THE NATIONALITY OF THE HOST MEMBER STATE ARE ALSO ' ' BENEFICIARIES ' ' WITHIN THE MEANING OF ARTICLE 1 ( 1 ) OF THE DIRECTIVE .*

**Decision on costs**

*COSTS*

*29THE COSTS INCURRED BY THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS AND BY THE COMMISSION OF THE EUROPEAN COMMUNITIES , WHICH HAVE SUBMITTED OBSERVATIONS TO THE COURT , ARE NOT RECOVERABLE .*

*30AS THESE PROCEEDINGS ARE , SO FAR AS THE PARTIES TO THE MAIN ACTION ARE CONCERNED , IN THE NATURE OF A STEP IN THE ACTION PENDING BEFORE THE COLLEGE VAN BEROEP VOOR HET BEDRIJFSLEVEN , COSTS ARE A MATTER FOR THAT COURT .*

**Operative part**

*ON THOSE GROUNDS ,*

*THE COURT ,*

*IN ANSWER TO THE QUESTIONS REFERRED TO IT BY THE COLLEGE VAN BEROEP VOOR HET BEDRIJFSLEVEN BY ORDER OF 9 MAY 1978 , HEREBY RULES :*

*COUNCIL DIRECTIVE NO 64/427 OF 7 JULY 1964 LAYING DOWN DETAILED PROVISIONS CONCERNING TRANSITIONAL MEASURES IN RESPECT OF ACTIVITIES OF SELF-EMPLOYED PERSONS IN MANUFACTURING AND PROCESSING INDUSTRIES FALLING WITHIN ISIC MAJOR GROUPS 23-40 ( INDUSTRY AND SMALL CRAFT INDUSTRIES ) MUST BE UNDERSTOOD TO MEAN THAT PERSONS WHO POSSESS THE NATIONALITY OF THE HOST MEMBER STATE ARE ALSO ' ' BENEFICIARIES ' ' WITHIN THE MEANING OF ARTICLE 1 ( 1 ) OF THE DIRECTIVE .*