



Services of General Interest

for

Everyone

**An introduction to public services
in the EU**

For more information, contact

CEEP General Secretariat
ceep@ceep.eu
+32 (0) 2 219 27 98

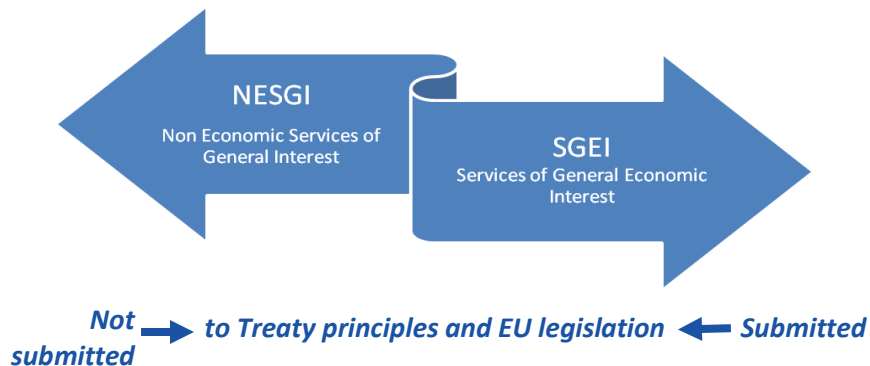


SERVICES of GENERAL INTEREST: WHAT ARE WE TALKING ABOUT?

There is **legal definition** of Services of General Interest (SGI) at EU level.

However, SGI are services that **public authorities** of the Member States **classify as being of general interest**. Providers are therefore entrusted with specific missions of general interest including public services obligations or universal service obligations

EU law distinguishes between Non Economic Services of General Interest and Services of General Economic Interest



In order to determine whether a service is to be considered SGEI or NESGI it is essential to assess the economic activity of a provider of SGI. An economic activity is any activity consisting in offering services on a market.

Typically, services in the utilities sectors (water, transport, energy, etc.) are considered SGEI. But also the activities of providers of Social Services of General Interest (SSGI) can be considered SGEI.

⇒ Different historical, geographical, social and cultural backgrounds explain the diversity and disparities among Member States with regard to SGI

CEEP ACQUIS+ APPROACH

After the adoption of the Lisbon Treaty CEEP conducted an extensive assessment of the existing **Acquis Communautaire** impacting the provision of SGI in the European Union.

This assessment regards the existing primary and secondary law as well as the so called “soft law” and further the jurisdiction of the European Court.

The outcomes of this work are also available in:

- A **Glossary** presenting this *Acquis Communautaire*
- A **Manifesto** presenting CEEP recommendations to *bring the Treaty to life!*

You can access these documents on CEEP website www.ceep.eu!

HOW TO OPTIMISE THE IMPLEMENTATION OF THE EU LEGAL FRAMEWORK FOR SGI?

SGI rules and Internal Market rules both pursue the same goal: the well-being of the European citizens. They should therefore be harmoniously combined in order to reach this aim.

The Lisbon Treaty has provided a new legal frame that needs to be implemented.

As a consequence, policies in relation with the organisation and the provision of SGI have to be shaped accordingly and a coherent approach needs to be adopted by all European actors, based on the following principles:

National, regional and local authorities, representing citizens' interest, have full freedom of choice concerning the establishment of standards, the organisation and the financing of SGI

The European Commission and the ECJ are strictly restricted to a control on manifest errors

Decisions on the provision of SGI are at all levels democratically based. Any legislation on SGI should therefore consider and reflect that dimension

A « one-size-fits-all » market approach is inappropriate because it does not comply with the multi-dimensional challenges of SGI throughout Europe

WHO PROVIDE SGI?

There is a **variety of providers of SGI**, depending on how the competent authority at national, regional or local level choose to provide SGI



In the context of **modernisation of SGI**, authorities often cooperate to provide effective quality services by using economies of scale

⇒ The competent authority is free to decide which "tool" to use in order to best match the needs and expectations of citizens

**SERVICES of GENERAL INTEREST
ARE SO IMPORTANT THAT THEY DESERVE A SPECIAL
TREATMENT IN THE EU LAW**

SIGI AT THE HEART OF THE EUROPEAN ECONOMIC AND SOCIAL MODEL

SIGI are services which by their nature are so essential for the well-being, health and fundamental rights of European citizens, for European cohesion as well as sustainable development that they deserve a special and adapted treatment in front of free market forces, in order to ensure their proper functioning.



This has been progressively recognised by the Community Law, with the consequence that there is now an *Acquis Communautaire* framing the provision of SIGI in Europe.

This *Acquis Communautaire* is the accumulation of legislation, legal acts, and court on services of general interest.

It is implemented in Member States. Some provisions are common to all SIGI, others are dedicated to some sectors.

The Lisbon Treaty has improved this EU frame for the provision of SIGI throughout Europe, setting the balance between EU common provisions and the necessary room for manoeuvre of authorities to best adapt their mission to citizens' expectations.

The Lisbon Treaty has also enhanced the democratic legitimacy of EU legislation on SIGI, which now has to be adopted in co-decision, between the Council and the European Parliament.

As an example, when providing waste disposal services, a municipality may fall under the scope of, among others:

- Competition rules regulating public funding of public services
- Public procurement or concession directives, including provisions on public-public cooperation, if the municipality cooperates with its neighbours to carry out this mission
- Requirements of the EU Waste Framework Directive, regarding for example recycling or incineration