



Mr. José Manuel Barroso
President of the European Commission
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B-1049 Brussels

Sent by Email and by Post

11 July 2007

Services of General Interest – Communication of the European Commission

Dear President,

A further Communication from the European Commission on Services of General Interest has been anticipated already several times in the course of this year.

It is essential that the Commissions' follow-up on Services of General Interest should now take full account of the mandate for the IGC on reform of the Treaty, as adopted by the recent European Council in June, which changes significantly both the legal and the political background. In adopting this mandate, the European Council has clearly indicated that there is a need for greater clarity and legal security for services of general interest and services of general economic interest.

When the Internal Market strategy was 'reinvigorated' in the 1980s, it was given three guiding principles: stimulating through competition, strengthening through cooperation and uniting through solidarity. Since then however, we have seen a continual strengthening of the Internal Market's role in EU policy, but we have not seen the corresponding development of social and cohesion policy. This means that the EU is today 'lopsided'. A Europe of buoyant markets and healthy trading relations is supposed to deliver solidarity, full employment, universal access to services of general interest, high social and environmental standards, and high levels of investment in research and education. Internal Market rules intervene and seem often to take precedence over other types of regulations, particularly in the social and labour market area. We see growing tensions in the relationship of the Internal Market with other EU objectives such as an ever closer union of the peoples, upwards convergence of living and working conditions, gender equality and non-discrimination, sustainable development and social and economic cohesion.

Important European institutions such as the Committee of the Regions, the European Economic and Social Committee and the European Parliament have repeatedly called on the European Commission to act in order to safeguard services of general interest and, in parallel to the work done on the Services Directive, come forward with a general legal framework for public services, complementary to existing sectoral and national provisions and introduced on the basis of joint decision-making with the European Parliament. The Socialist Group within the European Parliament has demonstrated, as have the ETUC and

the CEEP, that it is possible to present a legislative framework on services of general economic interest on the current legal provisions, increasing legal security and ensuring local autonomy while highlighting the specific characteristics that these services have to fulfil to safeguard the fundamental rights of Europe's citizens in terms of access to fundamental services, such as social, health, education, water, transport, energy, and quality administration at all levels.

We expect the forthcoming Intergovernmental Conference to respect the mandate regarding services of general interest of the recent EU Summit; in particular that Article 16 as amended by article III-122 of the Constitutional Treaty remains the basis for suitable legal instruments. It is now for the European Commission to meet the expectations formulated by the Member States and relevant European institutions. These expectations cannot be met by a piecemeal, sectoral approach.

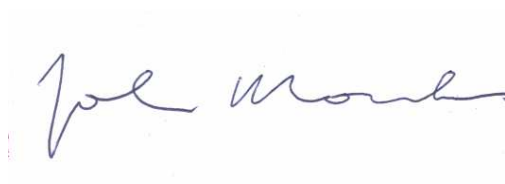
Hence, we cannot accept that the White Paper on services of general interest could be followed-up by yet another communication, or treated under the heading of the Internal Market review if there is no sufficient appreciation of the outcome of recent EU Summit and its recognition of the special character of public services. Any other approach would give the impression that Council decisions have been ignored.

We urgently call on you to consult with all those groups and institutions favouring a horizontal legal framework. We strongly believe that the European Commission needs to take these positions into account before taking further action. We also advocate the establishment of a high-level group to discuss the role of services of general interest and services of general economic interest within the European Union bringing together experts from representative organisations and stakeholders.

Yours sincerely



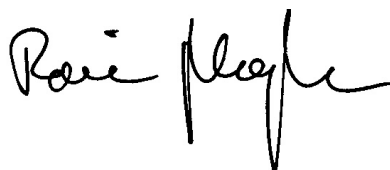
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