

# EUROPEAN PARLIAMENT

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*Committee on the Internal Market and Consumer Protection*

**2006/2134(INI)**

27.11.2006

## **OPINION**

of the Committee on the Internal Market and Consumer Protection

for the Committee on Employment and Social Affairs

on social services of general interest in the European Union  
(2006/2134(INI))

Draftswoman: Luisa Fernanda Rudi Ubeda

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## SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- A. whereas social services of general interest are not subject to any special provisions in the Treaties, although they constitute one of the most significant areas of general interest services,
  - B. whereas, however, SSGIs contribute to the performance of the Community's tasks as defined in Articles 2 and 3 of the Treaty, including a high level of employment and of social protection, the raising of the standard of living, the attainment of a high level of health protection, equality between men and women and the strengthening of economic and social cohesion,
  - C. whereas in this case the principle of subsidiarity is fully applicable, and allows Member States to define their respective social services, the tasks and organisation thereof and the way in which they are funded, including universal access to these essential, vital services,
  - D. whereas, following the adoption by Parliament at second reading of the amended directive on services in the internal market, non-economic services of general interest as defined by the Member States have been excluded from the scope of the directive, as have social services such as social housing services, childcare services and family services,
  - E. whereas, because of their special characteristics, social services can have a direct impact on the internal market in services, and also have a direct, but differentiated, impact on the public, both male and female, depending in addition on the social groups to which they belong; whereas changes in society, including demographic changes, mean that there is a need for more action by public authorities to ensure that the main burden of care is not left to families, and hence to women,
  - F. whereas the internal market in services and the competition rules may have an impact on the provision of SSGIs, which fulfil a vital role in terms of solidarity and protection of the social fabric throughout the European Union,
1. Welcomes the publication of the Commission communication entitled 'Implementing the Community Lisbon programme: Social services of general interest in the European Union' (COM(2006)0177), which had already been signalled in the White Paper on services of general interest (COM(2004)0374), and which arises from the exclusion of social services from the scope of the amended proposal for a directive on services in the internal market, in connection with which the Council's common position was approved at second reading by the European Parliament; welcomes the Commission's endeavours to conduct a consultation process with the Member States and with all the sectors involved, aiming to find a balance between the special characteristics of these services, which sometimes make them difficult to define in general terms, and the application of the principles of transparency, free competition and non-discrimination, which have mandatory force in the EU, and of Community law on the award of public contracts and concessions;

2. Approves the Commission's action in recognising that social services are inherently of a character of general interest; stresses that these essential and vital services fulfil a particular role of social protection and solidarity directly provided by local and regional groups or that they are entrusted to specific agents; considers that the different public administrations have to be the guarantors of the provision of these services, with regard to the objectives that they have been assigned in social matters;
3. Considers that they must satisfactorily fulfil their role as defined in Article 16 and Article 86(2) of the Treaty;
4. Points out the need for consistency between the Union's position with regard to its rules applicable to SSGIs and the position that it will adopt in the context of the WTO negotiations, especially in connection with the field of social and health services under the General Agreement on Trade in Services (GATS);
5. Notes that at present the Member States have various different models of social service design, provision and funding, since although the public authorities are responsible for provision of social services to their citizens, they are not always the direct providers;
6. Considers that in application of the subsidiarity principle, the Member States have the right to define in each case, in accordance with their uses and customs, the characteristics and tasks of social services that constitute the heart of the European social model; believes, however, that in addition to the traditional criteria of universality, transparency and accessibility, there should be a definition of the way in which social services are structured and organised;
7. Considers that the right of Member States to define their own social services should be made compatible with the required legal certainty capable of protecting the public authorities which are the guarantors of social services, social service providers and users and the public as a whole throughout the territory of the EU;
8. Considers that the non-profit status of some providers of such services should be considered compatible with the freedom of establishment enshrined in the Treaties; similarly considers that given the specific nature of such services, the payment of any compensation by the administrations responsible for social service provision to the actual providers should also be considered compatible; considers that such compensation should not be deemed to be State aid since the principle of compensation is fulfilled;
9. Considers that the extension of these services, attributable to increasing needs, and the creation of new services have the potential for creating employment which will have a very positive impact on achieving the Lisbon Strategy objectives, especially with regard to female workers, since on the one hand social services are predominantly staffed by women, and on the other hand the expansion of such services enables women, in particular, to continue to be employed and remain on the labour market;
10. Notes that previous experience in some Member States shows that openness to competition with appropriate safeguards for the social services sectors is a positive factor for economic growth and employment creation, and for improving the quality of the services supplied;

11. Welcomes the possibility that the Commission may take initiatives intended to clarify the Community rules applicable to these services and to define the division of responsibilities between the EU and the Member States in the event of obstacles and difficulties arising in connection with the free provision of services in the internal market.

## PROCEDURE

<b>Title</b>	Social Service of General Interest in the EU
<b>Procedure number</b>	2006/2134(INI)
<b>Committee responsible</b>	EMPL
<b>Opinion by</b> Date announced in plenary	IMCO 15.6.2006
<b>Enhanced cooperation – date announced in plenary</b>	0.0.0000
<b>Drafts(wo)man</b> Date appointed	Luisa Fernanda Rudi Ubeda 4.9.2006
<b>Previous drafts(wo)man</b>	
<b>Discussed in committee</b>	10.10.2006      21.11.2006      22.11.2006
<b>Date adopted</b>	23.11.2006
<b>Result of final vote</b>	+ :                32 - :                0 0 :                2
<b>Members present for the final vote</b>	Charlotte Cederschiöld, Mia De Vits, Janelly Fourtou, Małgorzata Handzlik, Malcolm Harbour, Christopher Heaton-Harris, Anna Hedh, Edit Herczog, Anneli Jäätteenmäki, Pierre Jonckheer, Alexander Lambsdorff, Kurt Lechner, Arlene McCarthy, Manuel Medina Ortega, Zita Pleštinská, Guido Podestà, Luisa Fernanda Rudi Ubeda, Heide Rühle, Leopold Józef Rutowicz, Christel Schaldemose, Andreas Schwab, Eva-Britt Svensson, József Szájer, Marianne Thyssen, Jacques Toubon, Bernadette Vergnaud
<b>Substitute(s) present for the final vote</b>	Jean-Claude Fruteau, Benoît Hamon, Konstantinos Hatzidakis, Othmar Karas, Maria Matsouka, Joseph Muscat, Olle Schmidt, Anja Weisgerber
<b>Substitute(s) under Rule 178(2) present for the final vote</b>	Marie-Line Reynaud
<b>Comments (available in one language only)</b>	...