



Services of General Interest and the European Convention

Joint contribution by the European Federation of Public Service Unions (EPSU), the European Transport Federation (ETF), the European Trade Union Committee for Education (ETUCE), UNI Europa

I. A European Treaty for all citizens

1. The undersigned European Federation of Public Service Unions (EPSU), the European Transport Federation (ETF), the European Trade Union Committee for Education (ETUCE), UNI Europa are committed to the development of a Europe for Citizens, based on solidarity, equality and sustainable social, economic and environmental development. Services of general interest comprising public and private providers – transport, postal, energy, water, banking, telecommunication, education, media and health sectors – are vital instruments to guarantee social and economic cohesion within the European Union. Equal and universal access to services of general interest is a basic condition for citizens and communities to enjoy their fundamental rights. Services of general interest are a key aspect of the European social model.
2. A revision of the EU Treaties must therefore lead to the recognition of the role of services of general interest in the further construction of the political, social and economic European Union. **The concept of high quality services of general interest has to be integrated into the definition of the objectives and the activities of the European Union on a par with the creation of the internal market.** This is particularly important also in view of the enlargement of the European Union.
3. The undersigned strongly advocate **to redress the current imbalance between the rules of competition and those regulating services of general interest at European level.** Democratic control and accountability, responsible use of scarce resources, the prevention of abuses of market power, long-term service delivery and security of supply of many services require public intervention and cannot be left to market forces. Moreover, mergers and acquisitions in the area of services of general interest should be judged with regard to their effect on the public interest.
4. The revision of the Treaties should **reinforce the principle of neutrality of ownership of services of general interest.** State aid or exclusive rights granted in connection with the organisation of services of general interest should not be considered as competition-distorting practices, where the amounts awarded to achieve the defined political objective are proportionate. With due regard to the principle of subsidiarity, democratically legitimised national, regional and local authorities of the Member States must remain free to determine the way in which they wish to deliver a service of general interest, including a return from private to public ownership of a service. The public service delivery has been proved in many instances to be a viable and competitive policy option.
5. Political, economic and social integration requires enhanced administrative co-operation throughout the European Union. Uniform and coherent implementation of EU legislation is an important element of good EU governance. Professional mobility of public service employees and civil servants must be promoted between Member States, together with the mutual recognition of qualifications, and the inter-country transfer of pension entitlements. **Free movement of workers, which is one of the key principles of the Treaty establishing the European Community, should be equally applicable to civil servants and workers treated as such, as to other workers in public administrations and services.**
6. The future Treaty should also include a provision requiring the European Union to defend and promote these principles in its foreign economic and trade relations, and in particular within the World Trade Organisation, the World Bank and the International Monetary Fund.

II. Proposals to amend the European Treaties with regard to 'Services of general interest'

With the European Trade Union Confederation (ETUC), the European Federation of Public Service Unions (EPSU), the European Transport Federation (ETF), the European Trade Union Committee for Education (ETUCE), UNI Europa demand that the European Charter of Fundamental Rights becomes an integral part of the revised Treaty. We believe that the European Treaty must contain the obligation to observe considerations of general interest in the same way as competition rules. We therefore submit the following proposals to amend the Treaty:

1. **That the principles of SGI are anchored in the Constitutional treaty provisions and so included in the 'common objectives' (TEU article 2):**

"to secure and promote, within its competence and in its activities, services of general interest of high quality and based upon the principles of universality, equal access, neutrality of ownership, fair pricing, the quality of work, quality employment, safety and social justice. The Union shall ensure in particular that the aims referred to in this Article are also respected in all its external activities."

and as a task for 'common activities' (TEC article 3.1):

"measures to secure and promote services of general interest";

2. **That TEC Article 16 should read as follows:**

"(1) Given the place occupied by services of general interest in the shared values of the Union, as well as their role in promoting social and territorial cohesion, the Community and the Member States, each within their respective powers and within the scope of application of this Treaty, shall take care that such services operate on the basis of principles and conditions which enable them to fulfill their missions.

(2) National, regional and local authorities of the Member States must remain free, in accordance with national legislation and practice, to determine the way in which they wish to deliver a service of general interest.

(3) Without prejudice to the exercise of any official authority and non-profit oriented activity, the [EU] competition rules shall apply to the organisation and delivery of services of general interest only to the extent determined sector by sector by the Council and the EP [QMV & co-decision] and taking due account of the principles and objectives of the services of general interest. Concerning state aid, special or exclusive rights granted in connection with the organisation of services of general interest, it should not be considered as competition-distorting practices, where the amounts awarded to achieve the defined objective are proportionate."

3. **Other item**

Article 39 para. 4 EC should be deleted.

This paragraph excludes employment in the public service from freedom of movement for workers. This provision has long been overtaken by practice. Professional mobility of public service employees and civil servants must be promoted between Member States, together with the mutual recognition of qualifications, and the inter-country transfer of pension entitlements.

The Commission should invite the social partners to agree to any derogation for an interim period.



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The **European Federation of Public Service Unions, EPSU**, is a free and democratic Federation of independent trade union organisations for employees in public services in Europe. EPSU is a member of the ETUC.

The Federation speaks on behalf of over 180 public sector unions representing 10 million organised workers in national and European administrations, local and regional government, health and social services and public utilities (energy, waste, water). The EPSU was founded in 1978.

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The **European Transport Workers' Federation ETF** is a new and the only pan-European trade union organization embracing transport trade unions from all geographic Europe: from Albania to United Kingdom. The ETF was created in Brussels in June 1999. ETF is a member of the ETUC

The ETF has affiliated 196 unions organizing workers in railways, road transport, maritime transport, ports and docks, inland navigation, civil aviation, fisheries, and tourism services. The ETF represents some three million workers from 38 European countries.

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The **European Trade Union Committee for Education, ETUCE**, which was established in 1975, represents 81 teachers' unions in 19 European Union (EU) and European Free Trade Association (EFTA) countries. ETUCE is composed of national organisations of teachers and other staff in education being member organisations of Education International (EI) or the World Confederation of Teachers (WCT). ETUCE is a member of the ETUC.

It has 53 associated member organisations in 24 Central and Eastern European countries. The total coverage in Europe amounts to 134 organisations representing around 9 million members.

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UNI-Europa is a European trade union federation for services and communication. UNI-Europa has 320 affiliates and speaks for 7 million organised workers in the commerce, finance, telecommunication, postal, graphical, cleaning, security, business services, IT, personal services, social protection, leisure, sport, media and entertainment sectors.

UNI-Europa is a member of the ETUC.

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