

EUROPEAN PARLIAMENT



Sahra Wagenknecht

MEMBER OF THE EUROPEAN PARLIAMENT

Brussels, 14 July 2005

Services Directive

Dear Sir,
dear Madam,

as draftswoman of the committee on economic and monetary affairs in the European Parliament on the services directive I would like to address you today because your organization at various times has taken a critical stance towards this directive. I would like to inform you of recent developments in the European Parliament concerning this directive which I find very problematic.

In the last few months the impression has publicly been conveyed that the services directive was going to be changed profoundly and that therefore the aspects that rightfully have been the focus of criticism, like the country of origin principle and the effects of the services directive on the services of general interest, were no longer of relevance. This however is not at all the case: Neither was the directive drawn back for redrafting nor has the decision-making process been suspended. Basis for the ongoing process in the European Parliament is therefore still the text of the directive that was originally issued by the European Commission.

The decision-making process in the European Parliament will most likely be reaching its decisive stages in September. ECON, the committee on economic and monetary affairs, is one of the committees involved in this process. According to the present planning it is going to vote its opinion on the services directive on 6 September. One week later the leading committee, the internal market committee (IMCO) will vote. The final decision in the plenary is to take place in October.

The competences of the ECON committee cover the field of services of general interest, taxes, and the small and medium-sized enterprises. Since an application of the country of origin principle would lead to grave consequences in particular for these areas it is of great importance in what way the committee on economic affairs will position itself with regard to these questions. A major focus in my draft opinion for the ECON was therefore the exclusion of the services of general interest from the scope of the directive.

To the opinion that I drafted a number of amendments were tabled by the other groups. Based on these and my own amendments I drafted compromise amendments which to a large degree would have been supported by the PSE and the Greens. During a meeting of the

European Parliament

ASP 06 F 258, Rue Wiertz, B-1047 Bruxelles, phone +32-2-28 45619, fax +32-2-28 49619

LOW T 05020, F-67070 Strasbourg Cedex, phone +33-3881-75619, fax +33-3881-79619

e-mail: swagenknecht@europarl.eu.int
www.sahrawagenknecht.de

shadow rapporteurs which took place yesterday in order to negotiate compromises the shadow rapporteur for the PPE, Mrs Piia-Noora Kauppi, however informed us that her group together with the Liberals had agreed upon not negotiating any compromises at all. Relevant to them were to be only the compromises PPE and Liberals had agreed upon separately beforehand, the ones they would try to vote through with their majority in the committee on economic affairs.

In this context Mrs Kauppi also announced that the PPE would withdraw amendments calling for services of general interest to be partially excluded from the remit of the directive which they themselves had tabled and which I had used as a basis for my compromise proposals. Mrs Kauppi declared that this strategy to be unwilling to negotiate compromises was aimed at increasing the pressure on the leading committee, i.e. the internal market committee, in order to counterbalance the more complex compromise solutions that had been reached in the other committees giving opinions.

I consider these developments to be very alarming. I share the concerns and worries as to the services directive which have also been expressed by your organization, and I would therefore find it very problematic if the position taken by Mrs Kauppi, namely that any change of the Commission proposal would de facto be a change to the worse, were to reach a majority in the Parliament. This danger is very real since at least parts of the Conservatives and the Liberals now favor a strict course of confrontation in order to push through even the very controversial aspects of the services directive without any change.

It is my intention to inform you about these developments in the Parliament and at the same time, to express the following wish: Since Mrs Kauppi's stance is not a commonly shared consensus even among the Conservatives and the Liberals I would ask you to exert your influence on parliamentarians of the different parliamentary groups and to express once more your concerns as to the directive in question. In Germany, for example, at different occasions also representatives of the Conservatives have publicly criticized the country of origin principle. In the European Parliament however, at least in my committee, the German Conservatives to a large degree support Mrs Kauppi's intransigent position. To my mind it is outside pressure which at this stage carries the highest chance to still have a positive influence on the developments in the Parliament in order to assure that the well-grounded criticism of the services directive will be reflected in the vote of the Parliament.

I thank you in advance.

Yours sincerely

Sahra Wagenknecht