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### **PRESS RELEASE**

## **EPSU, EUROCITIES and CEMR challenge the views of the Commission on services of general interest**

The European Federation of Public Services Unions (EPSU), EUROCITIES, the network of major European cities and the Council of European Municipalities and Regions (CEMR) in a joint statement, criticise the ongoing liberalisation of the European market for services, carried out under the responsibility of the European Commission, as it threatens to undermine the rights and responsibilities of local and regional authorities. Liberalisation is taking place on an ad-hoc basis in a context of confusion and legal uncertainty, without an overall strategy and clear political vision of how the provision of services can best be ensured for the future.

The Green Paper implies that local and regional authorities' role should be to intervene only in the event of market failure.

EPSU, EUROCITIES and CEMR challenge this view. The responsibilities of local and regional authorities go beyond that of simply addressing market failure.

On its own, the market cannot ensure that everyone is provided with access to good quality services. There is always a risk that people on low incomes will end up having to rely on poorer services, which are not of an adequate quality. This is why many services are provided in the public sector, or under the responsibility of public authorities. Local and regional governments are playing a crucial role in providing a wide range of services, including: schools, hospitals, social care, public transport, waste management, etc. They are in the best position to decide how such services should be delivered, taking the needs and wishes of local citizens into account.

EPSU, EUROCITIES and CEMR call on the European Commission not to extend the internal market and competition rules to additional local services of general interest. Some basic services are crucial to citizens' fundamental rights and should remain exempt from competition and State aid rules.

The three associations finally believe that an objective of the EU should be to respect and promote the role of high quality services of general interest as an element of citizen's human rights and essential needs. Local and regional governments must remain free to decide, democratically, how to best provide services for their citizens.

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