



**Datar**



## COESIONET

EUROPEAN COHESION AND TERRITORIES RESEARCH NETWORK

### **Minutes of the workshop « Services of general interest and cohesion » 13 December 2010**

#### **Definitions of the services of general interest (SGI). Mapping of the SGI in Europe**

#### **“Mapping of the Public services in the European Union and in the 27 Member States” David Anciaux, CEEP, Pierre Bauby, RAP, Mihaela Similie Popa, RAP**

##### *1. Defining services of general interest in Europe*

Services of general interest represent a shared value in Europe. The Lisbon Treaty in its articles 14, in the Protocol 26 on Services of General Interest (SGI) and in the article 36 of the Charter of Fundamental Rights specify the role of SGIs, and their contribution to social and territorial cohesion in Europe.

A SGI in Europe is « market and non-market services which the public authorities class as being of general interest and subject to specific public service obligations ». Therefore such missions or activities do not obey only to market rules but norms, criteria and rules aiming at reaching three objectives:

- guaranteeing access of each inhabitant to these services
- establishing solidarity relationships, economic, social and territorial cohesion
- addressing market failures.

One important contribution of SGIs to cohesion is due to the fact that prices of public services are frequently disconnected from the market rules.

This concept covers diverse realities in Europe. But one conception is common to all EU countries: the functional conception of the public services even though legal approaches vary from one country to the other. One common feature is shared by SGIs across Europe: unity, diversity and subsidiarity.

##### *2. Need for a mapping of the Public services in the European Union and in the 27 Member States*

A study called “Mapping of the Public services in the European Union and in the 27 Member States” was launched because:

- it was necessary to better know the specificities of SGIs in the different EU Member States



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- reliable and up-datable statistics were needed
- the creation of statistics on SGIs sectors in EU 27 was required (2006 represented the reference year for the study).

### ***3. Contribution of SGIs to the economy and to cohesion***

The contribution of SGIs to the economy is significant. A few figures illustrate that:

- on average 26% of the GDP with important discrepancies among the Member States.
- They represent 6.4% of the total investment (water, electricity, telecommunications and postal services)
- They account for 30% of the labour force in Europe (28.5% in the South of Europe, 38.7% in the North). Jobs in the public services used to be differentiated by their “special status”, but in many SGI sectors this “special status” is gradually eroding. Public and private status of the public services jobs are now coexisting in most countries and sectors as well as a varied system of collective bargaining (more or less limited/developed, more or less centralised according to the countries).
- Over 500,000 companies of public services provide more than 500 million European citizens with public services.

The services provided are strategic, central for the well being of the citizens. As such they contribute to social integration and cohesion in Europe.

### ***4. Public services and the crisis***

Public services can be considered as stabilizers and shock absorbers during the crisis. The crisis didn't lead to job reduction, they even maintain their turnover.

### ***5. Structuring trends of SGIs in Europe***

- Europeanisation process: some competences of national States in terms of public services are transferred to the EU level regarding definition, organisation and norms of public services.
- Importance of sectoral approach: despite the same Treaty applicable in the 27 Member States, health, education, electricity or transport can't be organised following the same organisational pattern.
- Importance of the history and national traditions and institutions: eg. 15 years after the EU directive on electricity, this sector is still organised differently across Europe.

Each State tries to defend national interests while building also European interests.

### ***6. Six main approaches***

There is no one single model, but rather public services can be defined according to six different modes of organisation and regulation:

- the model of public administrations and national companies,
- “all public” (Central and East European countries before 1989),
- local autonomy,
- delegated management and externalisation,
- “New Public Management”,
- regulatory agencies.

### ***7. Contradictory trends of the public services***

Public services can also be defined by their contradictory trends:



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- between national and European interests with a tendency for national governments to use EU construction to explain reforms they have difficulties to endorse at national level.
- between political aims and economic construction of the public services at EU level
- tensions between market and social market economy

**Public services and territorial cohesion. From Amsterdam Treaty to Lisbon Treaty**  
**Robert Savy, Ancien Président du Conseil régional du Limousin, Conseiller d'Etat**

**1. Introduction of territorial cohesion in a European treaty**

Territorial cohesion should be considered as economic and social cohesion. All EU policies impact the territories and the cohesion. But before the notion of territorial cohesion could be considered as such, political decision makers had to be convinced about the necessity of its recognition in the EU treaties. Studies have been carried out by the Assembly of European Regions. The notion was supported by Michel Barnier, who used to be Ministry of foreign affairs and who contributed to introduction of the concept in the Amsterdam Treaty which grants an official recognition of the notion of territorial cohesion even though it can't be separated from economic and social cohesion. But now territorial cohesion has become part of the European vocabulary.

**2. How to translate the principle of territorial cohesion into the reality of the policies?**

Several initiatives should be taken in order to avoid a rupture between the territories:

- European policies need to be evaluated together with their territorial impacts: this is made difficult by the fact that it is hard to defined precise objectives that the policies need to reach and on the basis of which they can be evaluated.
- The planned consequences of the policies need to be evaluated and therefore adapted indicators need to be developed.
- Public services present in the territories are not only a way to guarantee equality between citizens but they also represent an important contribution to the competitiveness of a territory. Therefore they need to be maintained in the territories.

**3. Conclusions**

Considering the progress achieved, two main conclusions can be drawn:

- from a political perspective: territorial cohesion is a strong component of the European model of social organisation. Therefore the European Union represents as such a space of social cohesion where discrepancies are not as high as in other economic spaces. As such cohesion constitutes also an element of economic competitiveness to be found at all different levels (from EU to infra-regional level). But it has to be noted that EU structural policies do not always lead to increasing cohesion in Europe when we consider the different inside the countries. Indeed the lower the level of development of a EU country, the greater the regional discrepancies (see, for example, the growing discrepancies in Central and Eastern European countries). The EU policies didn't always lead to greater cohesion but rather to increasing regional differences. Thus the interventions of EU and national authorities are questioned together with the governance of these policies. It also raises the question of allocating resources to infra-regional authorities.
- From the infra-regional perspective: each region is confronted with the cohesion inside the regional territory showing strong and weak territories. The question is therefore how to address all territories and not only the metropolis of the region (even though it is relevant to have some concentration process in some sectors such as research). As such territorial cohesion requires a strong public intervention.

**Some references:**



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- Report « Mapping of the public services» can be downloaded : [www.ceep.eu](http://www.ceep.eu), [www.actionpublique.eu](http://www.actionpublique.eu) and [www.europaong.org](http://www.europaong.org)



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