



CECOP
CICOPA Europe

**European Confederation of
Worker Cooperatives,
Social cooperatives and
social and participative enterprises**

PRESS RELEASE:

Position of Cooperatives Europe and CECOP on the communication **“Services of General Interest, including social services of** **General Interest: a new European commitment”**

14 January 2008

Co-operative enterprises are established with the dual aims of achieving both economic success and social objectives. They follow co-operative principles that are guidelines by which co-operatives put their values into practice. These principles are Voluntary and Open Membership, Democratic Member Control, Member Economic Participation, Autonomy and Independence, Co-operation among Co-operatives, Concern for Community.

Cooperatives Europe represents 267'000 co-operative enterprises operating with 5.4 millions employees and 163 million members through Europe.

Cooperatives Europe's objectives are to support and develop co-operative enterprises across Europe by:

- enhancing co-operative identity, visibility and recognition of their difference and added value,
- achieving recognition of co-operatives as economic and social partners at EU institutional level,
- developing a strong co-operative system in the enlarged EU and Europe region.

CECOP is the sectoral organisation of Cooperatives Europe for industry and services. It represents around 60'000 cooperative and employee-owned enterprises across Europe employing 1.3 million workers, in the various industrial and service sectors, including SGI and social services.

Cooperatives Europe and CECOP follow attentively the development of the process undertaken by the Commission on Services of General Interest (SGI) and the Social Services of General Interest (SSGI). Because they combine an economic purpose with a social purpose all cooperatives are linked by definition to the concept of general interest. As a result, an important number of them are organically involved in this issue and direct providers of SGI such as social pharmacies, social cooperatives and housing cooperatives. Others, such as worker cooperatives, cooperatives banks and consumer co-operatives promote some SGI or SSGI directly or indirectly.

Consequently, Cooperatives Europe and CECOP welcome the communication Com (2007) 725 final on "Services of General Interest, including social services of General Interest: a new European commitment" which accompanied the communication Com (2007) 724 final called "A single market for 21st century Europe".

Cooperatives Europe and CECOP appreciate the Commission recognises in that document that SGI and SSGI play a major role ensuring social, economic and territorial cohesion throughout the Union and are vital for the sustainable development of the EU in terms of higher levels of employment, social inclusion, economic growth and environmental quality.

Cooperatives Europe and CECOP share the point of view that the Lisbon Treaty, in its article 14 and in particular in its protocol no 9 and the reminder on the principle of subsidiarity, clarifies some of the questions mentioned in the debate initiated at the time of the publication of the Green Paper in 2003.

Cooperatives Europe and CECOP regret that the Commission did not go further in its concerns for clarification. As a result, entities involved in the offer of these types of services, including cooperatives, are facing a legal insecurity regarding the application of the internal market and competition rules. This is the reason why there are an increasing number of recourses before the ECJ.

Cooperatives Europe and CECOP also regret that this new step towards clarification still underestimates the conflicts between Community law and the general interest aims. The effort of clarification must be pursued and is particularly necessary in terms of the rules regarding accessibility, quality, sustainability, financing and implementation of the rules regulating public procurement and state aid. Without it, the general interest missions cannot be effectively achieved.

Cooperatives Europe and CECOP are of the opinion that it is necessary to develop a regulatory framework that would clarify the definitions of SGI and SSGI and the rules that should be applied to them independently of the fact that the Services Directive is in the process of being implemented.

In this perspective, Cooperatives Europe and CECOP note that article 14 of the Lisbon Treaty gives a sufficient legal basis to a legislative action on this issue since it stipulates that the European Parliament and the Council shall establish the conditions under which any entity will be able to achieve the missions linked to SIG and SSIG.

Cooperatives Europe and CECOP support the implementation of a structured dialogue between the Commission and the actors of this sector, among them cooperatives and all other social economy enterprises involved. Cooperatives Europe and CECOP are ready to share the results of the work undertaken with their members on this issue.

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