



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

To EU cooperative organisations
15 March 2006

Dear friends,

Re : European Directive on Services in the Internal Market.

We wish to draw your urgent attention to the fact that the above-mentioned directive, often referred to as “Bolkenstein Directive”, will be the object of a debate within the European Council on 22-24 March, the first one since the European Parliament voted a whole series of amendments to the text a month ago. If you are involved in lobbying activities with your national government, we wish to ask you to take into account the position of CECOP, the European sectoral organisation of Cooperatives Europe which represents service cooperatives (except financial and distributive services). We have already expressed this position to Mr. Guido Berardis, Director of the Services Direction under DG Market. It can be summarized in the following three points.

1. We request to maintain the amendment voted by the European parliament regarding the **abandonment of the principle of the country of origin**.
2. We request to maintain the amendment voted by the European parliament regarding the **exclusion of social and health services** from the scope of the Directive.
3. **Furthermore**, we request the exclusion from the scope of the Directive of the **Services of General Economic Interest (SGEI)**. Among the SGEI (that are within the scope of the Directive in its present drafting), the main ones in which cooperatives are involved are services in the fields of research, training and education (not only education within the framework of social aid), waste (gathering and sorting, environmental consulting, management of ecological platforms, maintenance of green spaces etc.) and energy (renewable sources, cabling).

The main reason we invoke for the exclusion is that the notion of SGEI is not clearly defined at the European level: it is therefore necessary to wait until the principles and conditions characterizing such services are clearly defined, especially economically and

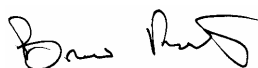
financially.

Several references from community texts are in keeping with our position, and in particular:

- The opinion of the Commission for the Environment, Public Health and Protection of Food Safety [Com(2004)0002 – C6 - 0069/2004 – 2004/0001 (COD), original French text], which considers that « *A directive on the liberalisation of services in the European union cannot be adopted unless a framework directive on services of general interest or public services previously defines the conditions of their practice and implementation*», and that « *It should be underlined that business liberalisation should not be considered as an end in itself nor as an advantage to attain, to the detriment of other fundamental missions of the Union* ».
- Annex 1 to the White Paper on Services of General Interest [Com (2004) final] recognizes that the SGEI are defined neither in the treaty nor in derived legislation, and limits itself to giving a few examples, such as postal services, transports, energy and communications.
- The same White Paper explains that the Commission will re-examine the feasibility and the necessity of a legislative framework on services of general interest when the Constitutional Treaty enters into force, and that it will draft a report on this topic. Even though the Constitutional Treaty has been the object of negative referendums in a few member states, the procedure for its approval is still technically in progress.
- The SGEI are explicitly mentioned in the draft Constitutional Treaty, stipulating that they contribute to social and territorial cohesion, but without defining them, and thus inviting the Community legislator to exercise its competence on this topic.
- Several cases of jurisprudence (such as Stadt Halle, Brixen etc) suggest that there is a real risk of legal disputes multiplying if the SGEI are included within the scope of the Directive without being previously defined, harmonised and regulated.

We thus consider necessary that SGEI be properly defined, harmonised and regulated through an ad-hoc Directive, and that they be scoped out from the present Directive.

Best regards,



Bruno Roelants
General secretary