Services of general interest in Europe

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The European Commission had adopted a Green Paper on services of general interest, which initiated a wide-ranging debate on the future of services of general interest in Europe. It was the first time that the Commission had undertaken a full review of its policies on services of general interest. The reality of services of general interest in the European Union was complex and constantly evolving. The organisation of these services varied according to cultural traditions, the history and geographical conditions of each Member State and the characteristics of the activity concerned, in particular technological development. In conformity with the principle of subsidiarity, the European Union had always respected this diversity and the roles of national, regional and local authorities in ensuring the well-being of their citizens and in guaranteeing democratic choices regarding, among other things, the level of service quality. This diversity explained the various degrees of Community action and the use of different instruments. Since the second half of the 1980s, a number of sectors in which services of general economic interest were provided had gradually been opened up to competition. This had been the case with telecommunications, postal services, transport and energy. The first evaluation carried out indicated that this liberalisation stimulated the modernisation, interconnection and integration of these sectors. It had increased the number of competitors and led to price reductions, especially in those sectors and countries that had liberalised earlier. Although there was as yet insufficient evidence to assess the long-term impact of the opening to competition of services of general interest, there was, based on the available information, no evidence supporting the thesis that liberalisation had had a negative impact on their overall performance, at least as far as affordability and the provision of universal service were concerned. Initial fears that market opening would have a negative impact on employment levels or on the provision of services of general economic interest had so far proved unfounded. Market opening had generally made services more affordable. The impact of market opening on net employment had also been broadly positive. Job losses, particularly amongst former monopolies, had been more than compensated for by the creation of new jobs thanks to market growth. Overall, the liberalisation of the network industries was estimated to have led to the creation of nearly one million jobs across the European Union. However, it was necessary to give a better explanation of the current framework, to look into possible improvements and to define the common general rules to be maintained and developed at European level. The present Green Paper followed requests from the European Parliament and the European Council and dealt with matters raising questions with regard to: - the scope of possible Community action that implemented the Treaty in full respect of the principle of subsidiarity, - the principles that could be included in a possible framework directive concerning services of general interest and the added value of such legislation, - the definition of good governance in the area of organisation, regulation, financing and evaluation of services of general interest in order to ensure greater competitiveness of the economy and efficient and equitable access of all persons to high-quality services that were satisfying their needs, - examination of any measures that could contribute to increasing legal certainty and to ensuring a coherent and harmonious link between the objective of maintaining high-quality services of general interest and rigorous application of competition and internal market rules. The consultation period would end on 15 September 2003. On the basis of the contributions received, the Commission proposed to draw independent conclusions and, if necessary, to present specific follow-up initiatives.