Basic information

2003/2152(INI) INI - Own-initiative procedure	Procedure completed
Services of general interest in Europe. Green paper **Subject** 2.40.02 Public services, of general interest, universal service	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	HERZOG Philippe A.R. (GUE/NGL)	15/01/2003

Committee for opinion	Rapporteur for opinion	Appointed
JURI Legal Affairs and Internal Market (Associated committee)	KOUKIADIS Ioannis (PSE)	07/07/2003
ITRE Industry, External Trade, Research, Energy	LANGEN Werner (PPE-DE)	22/09/2003
EMPL Employment and Social Affairs	FLAUTRE Hélène (V/ALE)	02/07/2003
RETT Regional Policy, Transport and Tourism	SWOBODA Hannes (PSE)	10/09/2003
CULT Culture, Youth, Education, Media and Sport	The committee decided not to give an opinion.	

Key events

Date	Event	Reference	Summary
21/05/2003	Non-legislative basic document published	COM(2003)0270	Summary
04/09/2003	Committee referral announced in Parliament		
15/12/2003	Vote in committee		Summary
15/12/2003	Committee report tabled for plenary	A5-0484/2003	
13/01/2004	Debate in Parliament		

14/01/2004	Decision by Parliament	T5-0018/2004	Summary
14/01/2004	End of procedure in Parliament		

Technical information	
Procedure reference	2003/2152(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55 Rules of Procedure EP 57_o
Stage reached in procedure	Procedure completed
Committee dossier	ECON/5/19834

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0484/2003	15/12/2003	
Text adopted by Parliament, single reading		T5-0018/2004 OJ C 092 16.04.2004, p. 0126-0294 E	14/01/2004	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2003)0270	21/05/2003	Summary
Document attached to the procedure	SEC(2004)0326	15/03/2004	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1607/2003 OJ C 080 30.03.2004, p. 0066-0076	10/11/2003	
CofR	Committee of the Regions: opinion	CDR0270/2003 OJ C 073 23.03.2004, p. 0007-0014	19/11/2003	

Services of general interest in Europe. Green paper

2003/2152(INI) - 21/05/2003 - Non-legislative basic document

PURPOSE : to present a Green Paper on services of general interest. CONTENT : the European Commission has adopted this Green Paper on services of general interest. The Green Paper consists of five main parts plus an introduction and an operational conclusion. The first part outlines the background, the second part discusses the scope of Community action in the area of services of general interest, the third part provides a number of elements for a possible common concept of services of general economic interest, on the basis of existing sector-specific legislation, the fourth part looks at issues related to the way services of general interest are organised, financed and evaluated, and the fifth part addresses the international dimension of services of general interest. The Green Paper is accompanied by an annex which sets out public service obligations in more detail, as derived from existing sector-specific legislation and the policy instruments available to ensure compliance with these obligations. Firstly, the reality of services of general interest which include services of both general economic and non-economic interest, is complex and constantly evolving. The organisation of these services varies 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 respects 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 explains 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 mainly, or at least also, services of general economic interest are provided, have gradually been opened up to competition. This has been the case with telecommunications, postal services, transport and energy. Liberalisation stimulated the modernisation, interconnection and integration of these sectors. It increased the number of competitors and led to price reductions, especially in those sectors and countries that liberalised earlier. Although there is as yet insufficient evidence to assess the long-term impact of the opening to competition of services of general interest, there is, based on the available information, no evidence supporting the thesis that liberalisation has had a negative impact on their overall performance, at least as far as affordability and the provision of universal service are concerned. Initial fears that market opening would have a negative impact on employment levels or on the provision of services of general economic interest have so far proved unfounded. Market opening has generally made services more affordable. For consumers in the lowest income brackets, for example, the percentage of personal income needed to buy a standard basket of telephone calls or a standard volume of electricity consumption has fallen in most Member States between 1996 and 2002. The impact of market opening on net employment has also been broadly positive. Job losses, particularly amongst former monopolies, have beenmore than compensated for by the creation of new jobs thanks to market growth. Overall, the liberalisation of the network industries is estimated to have led to the creation of nearly one million jobs across the European Union. The debate that this Green Paper intends to launch raises questions with regard to : - the scope of possible Community action that implements the Treaty in full respect of the principle of subsidiarity, - the principles that could be included in a possible framework directive or another general instrument concerning services of general interest and the added value of such an instrument, - 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 are satisfying their needs, - 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. Lastly, it should be noted that comments should be sent to the Commission by 15 September 2003 at the latest.

Services of general interest in Europe. Green paper

2003/2152(INI) - 15/03/2004 - Document attached to the procedure

The Report's objective is to describe and analyse the consultation process of the Commission's Green Paper on services of general interest. The Green Paper, published in May 2003, was presented in order to stimulate a discussion on the promotion of high-quality public services in the European Union. Its publication launched a broad public consultation on the role of public services in the EU. The consultation process attempted to stimulate a discussion on how public services in the EU are organised, financed and evaluated. In total the Commission received 281 contributions from a wide range of sectors, reflecting diverse views. This Report seeks to identify the main trends, views and concerns arising from the contributions. Contributions received by the Commission can be found on the Internet. The consultation process itself lasted four months - longer than the minimum of eight weeks. Although most countries contributed some material there was a strong level of interest and response from Belgium, France, Germany and Austria. Respondents included national governments, one national parliament, local and regional authorities, providers of health and social services, private organisations, media associations, trade unions, churches, political parties and academic organisations. Some of the main conclusion to be drawn from the Consultation exercise include, inter alia,: - Broad agreement on the importance of services of general interest. - No agreement on the relationship between services of general interest and market principles. - Broad agreement that the Community should not be given additional powers in the field of services of general interest. - Broad agreement that sector-specific regulation must not be extended to all services. However, for some services (water, waste, local public transport) diverging views exist regarding closer EU regulation. - No need for the creation of European regulator authorities. Networks of national regulators co-ordinated at European level seem to be the preferred option. - Broad agreement on the continued need for sector-specific legislation. - Broad agreement that the EU should not be given additional powers in the field of non-economic services. - Broad agreement that Regulation at Community level should establish principles and objectives, while Member States should be left to implement the specific rules. - Little or no support for the introduction of additional sector-specific obligations at a Community level. Some suggest close monitoring of this point in particular with regard to the "security of supply". - No agreement on the opening of the water sector at EU level. - Broad consensus that no specific EU measures are needed on media pluralism and that this issue is a matter for the Member States. - Calls for clarification on the rules and concession on public-private partnerships, procurement and state aid. - Agreement that further harmonisation of public service obligations at the EU level is not desirable. - Agreement on the need for flexible and non-bureaucraticexchange of best practice and benchmarking in the field of services of general interest. - A call for clarification and simplification of the rules applying to the financing of services of general interest and in particular state aid. - Consensus that the Member States retain the right to determine financing of services of general interest - provided that competition is no unduly distorted. The purpose of this Report is not to draw political conclusions from the consultation process but to report on the opinions and comments of those who submitted responses to the Green Paper. Any political conclusions will be presented in a follow-up to the Green Paper which the Commission will present in line with a request to do so from the European Parliament. This Commission Staff Working Paper should provide useful background material to future work on this subject.

Services of general interest in Europe. Green paper

2003/2152(INI) - 14/01/2004 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initative report drafted by Philippe HERZOG (EUL/NGL, F) on services of general interest. (Please see the summary of 15/12/03.) Parliament felt that, in the light of the problems encountered with liberalisation in certain sectors, taking as an example the rail transport sector in Great Britain, it was necessary to assess, on the basis of a pluralist, open approach, the impact on employment, users' needs, safety, the environment, and social and territorial cohesion, before initiating new phases of liberalization. With regard to publically-funded services, Parliament strongly supported the right of Member States to fund public services from taxation, where they consider this to be appropriate. Member States may often choose to fund public services from taxation, while, at the same time, leaving the organisation and provision of those services to the private or voluntary sector. Member States should not be expected to run public services merely on the basis that they fund such services, and where Member States choose to make use of the private and voluntary sector in this way, there is significant potential to improve the quality and efficiency of service provision by opening up cross-border competition. Parliament went on to state that public radio and television broadcasters have a public service remit and play a major role in preserving cultural diversity and identity. Member States must therefore continue to have the right to fund public radio and television broadcasters and to define their public service remit. On the question of financing, Parliament stressed that calculating the actual costs of services of general economic interest constitutes a problem. It called for clear rules that would allow for transparency in determining the costs of providing services of general economic interest. The financing mechanisms introduced by Member States and the Community should comply with the following criteria: the least possible distortion of competition; the highest possible efficiency in the use of funds, attractive prices, high contribution to long-term investment, social and territorial cohesion, continuity and the greatest possible security of supply. Finally, Parliament appreciated the fact that consumers with a low income, in particular, have benefited from the liberalisation, notable in the telecommunication and energy sectors. Notwithstanding the fact that existing sectoral directives have not always achieved all their objectives for the creation of a large internal market in the case of energy or for establishment of a level playing field in the case of telecommunications, these deficiencies are often due to either the non-application or incorrect application of Community rules by Member States, or to the unsatisfactory compromises reached by Member States on some provisions of the relevant directives. This successful outcome has only been possible thanks to the activities of national regulatory authorities during the transitional phase. Parliament rejected the option of European regulators at sectoral level, but called for the strengthening of coordination and cooperation between the authorities responsible for national regulations in order to make the latter more consistent.