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RESPONSE OF THE EUROPEAN VOLUNTEER CENTRE TO THE EUROPEAN COMMISSION GREEN PAPER ON SERVICES OF GENERAL INTEREST

Introduction

The European Volunteer Centre (CEV) would like to thank the European Commission for the invitation to discuss the role played by Services of General Interest (SGI) within the European Union in the framework of the European Commission Green Paper on Services of General Interest (COM (2003) 270). It is especially welcome since it offers the opportunity to inform the European Union on a new area of involvement for them.

The European Volunteer Centre is the association of Europe's national and regional volunteer centres that together work to support and promote voluntary action. CEV channel the collective priorities and concerns of its members to the institutions of the European Union. It also acts as a central forum for the exchange of information, policy and practice. It supports networking among its members and organizes conferences, seminars, workshops and other activities such as research. The members of CEV together represent thousands of volunteer organizations and associations, and other voluntary ad community groups at local, regional and national levels. Many of these are providers of social services or organizations that advocate on behalf of social service users. Many involve volunteers as a key principle of their operations. Indeed, in many cases, the number of volunteers outnumbers that of paid employees.

The Role of Services of General Interest in the European Union

The Green Paper on Services of General Interest focuses largely on the role of SGIs in the completion of the internal market or to achieve free competition. SGIs however encompass a whole range of services other than the network services, such as social services (including education and health), and any debate on this issue must necessarily take into account the whole range of services to which EU legislation could apply. In this context, the European Volunteer Centre believes that the largely economic approach taken by the European Commission in the Green Paper cannot, and should not, be applied to social services.

Social services must be considered first and foremost in relation to their objectives. They help to ensure that everyone is able to lead a dignified life and participate fully in society. They are thus guarantors of citizens' fundamental social and economic rights, and are a core element of the European Social Model. Social services (and social protection systems) thus help guarantee against social exclusion and discrimination, and provide a base for economic productivity and the creation of wealth within the European Union.

In this context, it is clear that the European Union must have some general competence in relation to services of general interest¹. Their role in ensuring social, economic and territorial cohesion, and in creating comparable living conditions and life chances throughout the EU are important preconditions for the free movement of persons throughout the single market, which is a core objective of the European Union.

¹ In response to Questions 1, 2 and 5: "Should the development of high-quality services of general interest be included in the objectives of the Community? Should the Community be given additional legal powers in the area of services of economic and non-economic interest? Is there a need for clarifying how responsibilities are shared between the Community level and administrations in the Member States? Is a general Community framework for services of general interest desirable? What would be its added value compared to existing sectoral legislation? What sectors and what issues and rights should be covered?"

Nevertheless, CEV considers that competence for the provision of social services must not lie at the level of the European Union. Instead, it is the public authorities, and the voluntary and community sector in the individual Member States that are best placed to define the needs of their citizens and to ensure that they are properly met. For example, in many cases, it is volunteers or associations of volunteers that have identified a particular “gap” in service provision, and have mobilized to ensure that this need is met, supported financially by local, public authorities to do so. It is also at individual Member State level that quality in relation to social services should be defined, and for the European Union to observe the principle of subsidiarity in this regard.

While there is presently no clear consensus at the level of the European Union as to what defines a quality service of general interest, there are several key components that should be borne in mind in any sensible consideration of the provision of social services of high-quality, and the potential future role of the European Community.²

Delivering Social Services of High-Quality

Accessibility: social services should be universally accessible, i.e. citizens should be able to access them regardless of whether they live in urban or rural areas, and they should be accessible to those with particular needs, such as the disabled and those at risk of social exclusion and discrimination.

Affordability: social services must be affordable to all, however there will always be those that cannot afford them. In such cases, the European Union must allow for the development, by Member States, of specific support measures, such as solidarity schemes for example.

Transparency and Information: information regarding the nature of the service, its cost, evaluation and complaints mechanisms must be assured, in particular where there are no public procurement procedures in place. Citizens must be adequately informed about the services available to them, and this information must be provided via a range of alternative formats. Evaluation mechanisms must form a core part of the service, and should take into account issues such as the contribution of the service towards achieving social, economic and territorial cohesion, assessment of needs, involvement of users, and the relationship between the service provider and user. Evaluation procedures must be independent and involve user groups via for example, membership of evaluative bodies. However, while a clear system of quality-monitoring should be in place, this should remain the competence of individual Member States.³

Professional Standards: labour standards and adequate health and safety provisions, must be ensured for both professional employees and volunteers. Adherence to these should form a core element of public procurement decisions.

Participation of Stakeholders: users (and representatives of users) should be actively involved in the design, provision and evaluation of services. Proper, and transparent complaints mechanisms must be ensured.

Diversity: social service must be flexible, and diverse, to respond to the particular and changing needs of individual users. Volunteers help contribute to diversity in terms of increasing the range of services that are offered, as well as who offers them.

² In response to Question 9: “Are there other requirements that should be included in a common concept of services of general interest?”

³ In response to Questions 26 and 27: “Which aspects should be covered by Community evaluation processes? What should be the criteria for Community evaluations? How should citizens be involved in the evaluation? Are there examples of good practice?”

Status of Not-for-Profit Providers of Social Services

The Green Paper poses the question of whether, and how the status of not-for-profit organizations performing largely social functions should be further clarified, but does not seek to address the issue further.⁴ Under the present regulatory framework, there are large uncertainties that persist in relation to the conditions under which social services operate, in particular with respect to the granting of state aid subsidies and the involvement of volunteers. These must be clarified.

CEV does not advocate that not-for-profit providers (including voluntary organizations and local authorities) of social services enjoy a particular status simply because they are not-for-profit. Instead, the performance of the social service itself must be assessed. What we do believe however is that non-profit providers encompass a commitment to certain characteristics that are linked to the delivery of social services that offer a specific “added-value”. These include the involvement of users in the design and provision of services, as well as advancement of the concept of solidarity and the involvement of volunteers.

NGOs and other, non-profit providers of social services are distinct in their capacities to mobilize the volunteer effort and to involve volunteers in the provision of social services, *as an addition to* trained, professional staff. Such elements have a number of distinct advantages: they allow those that were formerly service users or those that are excluded for one reason or another, contribute as volunteers (and thus become empowered), as well as those that are motivated by social concern. They often bring the more personal, informal touch to services, and contribute to diversity in the range that is offered (as well as in who offers them). They are therefore person-centred in their approach, and respond to the specificity of each person’s need. In this context, it is not simply the recipient of the particular service that benefits it is also the individual volunteer. This contributes to the building of social capital as well as of socially cohesive societies, based on mutual respect and understanding, and democratic participation.

Many not-for-profit providers of social services advance the principles of solidarity and volunteerism as key principles of their operations. Such elements of social services must be protected and supported by the European Union. Indeed, it is a misconception that volunteers are “free” labour. Significant investment is made on the part of non-profit providers in the proper training of volunteers who often work with the most vulnerable individuals in our societies, as well as the reimbursement of volunteers’ out-of-pocket expenses. Many also already compete alongside for-profit providers in open, public procurement procedures.

Social Services as Services of an Economic Nature

The debate on whether services of general interest are of an economic or non-economic nature is also crucial under the existing regulatory framework, since it determines the application of EU competition and state aid rules. However, the European Volunteer Centre finds the debate on whether services of general interest are of an economic or non-economic nature largely unhelpful.⁵ Presently, the European Court of Justice defines services of an economic nature as those that are offered on the market in exchange for money. So while social services are paid for through public funds, many such as counselling services, retirement homes etc. are

⁴ In response to Question 7: “Is it necessary to further specify the criteria used to determine whether a service is of an economic or non-economic nature? Should the situation of not-for-profit organizations performing largely social functions be further clarified?”

⁵ In response to Questions 7 and 8: “Is it necessary to further specify the criteria used to determine whether a service is of an economic or non-economic nature?” Should the situation of not-for-profit organizations performing largely social functions be further clarified? What should be the Community’s role regarding non-economic services of general interest?”

offered on the market and users (or family members, friends etc.) help to pay for them. The reality therefore is that many social services are indeed of an economic nature. Furthermore, particular social services may be considered economic or non-economic in different parts of the Community, with boundaries between the two constantly evolving. We consider therefore, that further elaboration of this distinction will not produce any further clarification.

Rather that, in the application of EU competition and state aid rules, the European Union takes fully into account the particular nature of social services, and their fundamental role in creating socially cohesive and inclusive societies, and that in this context, they are granted exemption. CEV strongly believe that the point of departure must always be, “what is beneficial to the individual citizen as well as the whole of society.”

Financing of SGIs

In many cases, working in particular geographical locations or with particular target groups will never be a profitable venture, for example transport services in the more remote areas of northern Scandinavia, assistance to those elderly persons without financial means as well as refugees that arrive in the European Union with nothing. If we reduce the debate therefore, to one of sheer profitability and efficiency within the free market, there will always be those citizens that may be at risk of exclusion. This is detrimental to both the values and objectives of the European Union. In this context, we argue that the financing of SGIs is a matter of Member States’ competence and any EU legislation should not restrict their capacity to finance particular support measures (such as solidarity schemes). Furthermore, compensations for the fulfillment of public service obligations cannot be measured simply in financial terms, or as the difference between cost/income. For example, the value of voluntary work must be properly taken into account for the reasons stated above.⁶

Role of the European Union

Bearing the above issues raised in mind, CEV believes that enhanced exchange of best practice and benchmarking (or open method of coordination) on questions concerning the organization, the financing and the provision of social services would be useful.⁷ This would serve to foster cross-cultural exchange and understanding as well as mutual understanding between service providers and users in a range of different contexts. It would also help to create, long-term, more equal living conditions and life chances across the Community, with important implications for the free movement of persons, while retaining a more “local” approach. Most importantly however, it would communicate the European Union’s core, and shared values and objectives, both internally and externally.

Further Debate

CEV considers that a dynamic approach is needed in relation to the question of social services and the European Union. Such an approach involves an in-depth exploration of the subject matter in equal partnership with all the stakeholders on the basis of a civil dialogue. In this context, we recommend a European Commission Communication, which should adopt, as points of departure:

- The issue of fundamental rights (and in particular social and economic rights), and;

⁶ In response to Questions 22 and 24: “Should a specific way of financing be preferred from the point of view of transparency, accountability, efficiency, redistributive effects or competition? If so, should the Community take appropriate measures? Should the consequences of solidarity-based financing be further clarified at Community level?”

⁷ In response to Question 20: “Should there be enhanced exchange of best practice and benchmarking on questions concerning the organization of services of general interest across the Union? Who should be involved and which sectors addressed?”

- The issue of high-quality social services, and in particular the contribution of volunteers in the provision of social services.

Certainly CEV considers that no legal position should be adopted by the European Union until the new EU Constitutional Treaty is finalized and adopted.

So while the Green Paper on Services of General Interest does not address the specific issue of social services per se, it does however raise some important questions that are crucial to many of the European Volunteer Centre's members, and in turn their members. We welcome the opportunity to contribute to the evolution of this debate and to influence the agenda of the institutions of the European Union, by putting forward our own proposals.