

**Conference**  
**“Social Services of General Interest in the European Union –**  
**Assessing their Specificities, Potential and Needs”**  
**Brussels, Monday 28<sup>th</sup> and Tuesday 29<sup>th</sup> June 2004**

**Key issues**  
**to be taken into account and further explored**

This document reflects key issues presented in the concluding session of the conference. In addition to these key points both the working group reports and the general report on the conference elaborate in more detail important lines of discussion, also taking into account divergent opinions put forward in the working groups and during the plenary sessions.

The conference was jointly organised by the German Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, the Platform of European Social NGOs and the Observatory for the Development of Social Services in Europe with the support of the European Commission (DG Employment and Social Affairs). It brought together experts from all 25 Member States of the European Union, in particular representatives from relevant government departments and other public structures, from the European Commission and other EU institutions, from national NGOs and European NGO networks, from regional and local authorities as well as academics.

**Specificities of social services of general interest**

Social services of general interest are an integral part of the category “services of general interest” because they share their common values, based on the recognition of fundamental rights, and their general principles, such as, universality, accessibility, continuity, quality, user participation, affordability and transparency.

Nevertheless, social services of general interest also have specific characteristics which make them different from other services of general interest (as understood in European Union legislation), such as network industries.

Social services of general interest contribute both to the development of social cohesion, and to implementing social rights of individual users, both key objectives of social protection systems.

Among the specific characteristics of social services of general interest are:

- They pursue the concrete implementation of fundamental rights, in particular social rights, and the creation of equal opportunities, especially for people who face barriers in the access to and exercise of these rights.
  - They are based on particular principles, namely the recognition of the importance of human dignity, solidarity, social justice, social cohesion and welfare, social capital, empowerment and users' participation in shaping, delivering and evaluating social services.
  - They respond to social needs and societal weaknesses which the market cannot address in a satisfactory manner, or which may even be generated by particular market structures. Thus they represent a fulfilment of public responsibilities based on the principle of general interest.
- 1
- Due to this, they are effective tools for the appropriate implementation of public policies in the areas of social protection, non-discrimination, solidarity, and the fight against poverty and exclusion at local, regional, national, and European level.

### **Social services provision and the market**

- Social services of general interest can be offered by a variety of providers – public, for-profit, and voluntary not-for profit. All of them have particular strengths and weaknesses.
- A mixed welfare market may effectively combine the particular advantages of the different service providers, and guarantee at the same time an appropriate choice to users – giving them an active say through choice-voice in the development of this market according to their needs and preferences.
- A significant part of social services of general interest is provided by not-for profit voluntary welfare organisations, often supported by volunteers and donations. This support gives them a specific role in maintaining solidarity, and encouraging active citizenship.
- Based on the values referred to above, voluntary welfare organisations providing social services often offer comprehensive services with a holistic approach to the individual and aim at safeguarding human and in particular social rights in the delivery of social and health services. By lobbying for the respect of rights of users and by promoting users' involvement they contribute significantly to participatory democracy.
- Thus, there is an intrinsic link between, on the one side, the nature, the guiding principles and the modes of operation of the provider of social services and, on the other hand, the quality of the services on offer – in particular according to the needs of the user.
- The costs of social services of general interest cannot and should not be covered by individual users, especially those in economically vulnerable situations – which necessarily implies public funding and/or equalisation of costs by solidarity systems.

### **Modernisation**

Especially in the new Member States of the European Union, social services are confronted with ongoing and profound change in European societies, including the changing needs of social services users. This includes the changes in different components of social protection systems.

The term “modernisation“ is generally associated with reform based solely or primarily on the assumption of a need to cut costs to ensure the sustainability of public finances. However, instead of this, a concept of modernisation is required which is led by the objective of ensuring high quality and effective social services, and which prioritises the needs of individuals and fundamental values and goals of society – like social rights, social justice, social cohesion and balanced social and economic development.

This understanding of the modernisation of social services of general interest implies the quality- and effectiveness-driven modernisation of both social services themselves and of the public environment, by which these services are conditioned, and in which they operate. 2

#### **Quality**

Quality is key to improving the effectiveness, efficiency and acceptability to users and financiers of social services of general interest. Among the decisive features for quality are concentration on users' needs, capacity of service providers to adapt to changing needs of users, transparency towards the public authorities and towards the general public, institutionalised possibilities for user participation with structured involvement of representative users' organisations in the definition, monitoring, and evaluation of social services, appropriate complaint mechanisms, competence of professionals and volunteers, continuity enabling strong relationships and building up social capital, and holistic approaches to users.

Quality depends largely on the existence of an enabling environment created by public authorities in terms of appropriate legislation, financing, fiscal opportunities,

structural arrangements, incentives for institutional and personal commitment and investment, and recognition of exemplary performance.

Quality assessment should be based on agreed measurable standards and undertaken using objective evaluation methods, both involving the relevant stakeholders. It seems that there is currently a need to progress in the areas of definition and measurement of quality. Questions are open as to how that should be done, by whom and at which level.

Mismatch between the EU framework and social services

The objectives and underlying principles of the EU framework for services of general (economic) interest and its language reflect a rationale based mainly on economic performance parameters. The conference has demonstrated that this rationale is not that of social services of general interest and is thus not wholly relevant or applicable in this form to the reality of social services around the European Union. This is, for example, the case with respect to the distinction between economic and non-economic services, and the primacy of productivity and cost-efficiency criteria.

This may eventually lead to the conclusion that there is a need for a specific legal recognition of the particular nature of the sector of social services of general interest, giving them a clear own identity. On these grounds, appropriate modulated application of market and competition rules, according to users' needs and quality aspects, would be much simpler and provide more legal certainty.

### **Changing role of the state?**

The relative roles of the state and other actors are undergoing significant changes, particularly with respect to the authority to guarantee fundamental rights, to the responsibility to define the relationships between the different components of social protection systems, and the obligation to create the necessary environment for the good functioning of social services of general interest, including their evaluation.

There are, despite the range of existing legislation, new and as yet unresolved tensions, diverging interests and conflicts between different levels in European society – the local, regional, national and EU levels. 3

These uncertainties, which include various aspects related to legal competence and political responsibilities, have to be addressed, firstly, through a constructive dialogue involving all the stakeholders.

Civil society's full participation in shaping the future of social services of general interest as a key pillar of the European Social Model is particularly relevant and needs to be ensured by setting up a structured civil dialogue with responsible public authorities at all levels. This would be a leading example of the concrete application of article 146 (on participatory democracy) of the new "Constitutional Treaty of the European Union".

### **Participation in EU processes**

On the grounds of the specific values, objectives, nature and methods of operation of social services of general interest it is understood that the drafting process of the European Commission's "Communication on social and health services in the European Union" must include the continuous involvement and participation of all relevant stakeholders – and in particular social NGOs – without, obviously restricting the Commission's autonomy and responsibilities.

The principle of participatory democracy in the European Union also means that stakeholders, in this context especially social services providers and users, must be closely involved also in all relevant European Union processes affecting directly or indirectly social services of general interest and their future development.

This includes a responsibility for EU Member States to consult widely at national level with civil society regarding their positioning in different relevant processes in the European Union.

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