

POLICY KIT

**with regard
to the Slovak Presidency of
the Council of the EU
1 July 2016 – 31 December 2016**

CEEP, the European Centre of Employers and Enterprises providing Public Services and Services of General Interest, represents employers and enterprises providing services of general interest since 1961. Our members are organisations active in fields such as:

- Central & local administrations,
- Healthcare,
- Education,
- Housing,
- Waste management,
- Energy,
- Transport,
- Water,
- Environment,
- Communications.

Modern public services and services of general interest (SGIs) support the fundamental goals of the EU, enabling business, social and territorial cohesion, economic and social solidarity and a better quality of life for all EU citizens.

This Policy Kit, prepared in light of the priorities of the Slovak presidency of the European Union, aims at presenting CEEP positions on the main files currently discussed at European level.

A UNION OF JOBS, GROWTH AND COMPETITIVENESS

DIGITALISATION

- Public services have to deliver services to all citizens. An inclusive digital transformation requires deepening the penetration of digital infrastructure in rural areas and increasing digital skills. Policy choices should leave flexibility and be technologically neutral, allowing public services' providers to find cost-effective solutions to adapt services.
- Increasing transparency, trust and security in the digital economy is a core concern. The elaboration of clear and effective guidance following the approval of the GDPR requires the inclusion of all stakeholders in the discussions. Furthermore, public services' providers are committed to contributing to the discussions on data ownership and liability.
- The future of public services lies in horizontal integration. Important synergies between infrastructures could be created. It is essential to develop effective ICT standards which enable interoperability between different domains, in strong partnership with end-users.
- Managing the impacts of the digital revolution on the workforce will be a major challenge. It will require retraining and attracting digital-savvy employees and management. It is essential that initiatives such as the Grand coalition for jobs take a holistic approach.
- Public services' employers will have to deal with the impacts of the digital transformation on labour market. In order to create a fair digital economy, the EU needs to work hand in hand with the social partners to assess the impacts of digitalisation on the labour market.

More: [CEEP Opinion on Digitalisation: "Harnessing the Digital Transformation of Public Services"](#)

[Press release: Public Services committed to the Digital Transformation](#)

[PSEF Joint Declaration on Digitalisation](#)

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INVESTMENT PLAN FOR EUROPE

- CEEP very much welcomes the call from the European Commission to expand the lifetime of the European Fund for Strategic Investment beyond its original 3-year span. The shift of paradigm from blind austerity to sustainable investments brought about by Jean-Claude Juncker and his team of Commissioners should support the economic recovery.
- We encourage other institutions to endorse this positive assessment. More should now be done to directly support public services' infrastructures. Contributing to 26% of EU GDP and more than 30% of EU employment, public services and services of general interest are key actors, enabling private businesses' competitiveness and the European prosperity.
- The EIPP and the Investment Plan must now exploit the full potential of investments in public services, including in social infrastructures and human capital. Those are fields where private sectors alone will not naturally see an immediate return on investment, pushing to create a favourable climate for investment in those fields.

More: [CEEP Letter to June European Council](#)

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SMES & FINANCING OF ENTERPRISES

- The current European legal definition (Recommendation 2003/361/EC of 6 May 2003) for SMEs does not encompass the majority of local public services' enterprises (LPSEs) from its scope, as it excludes enterprises with a public ownership of more than 25%.
- We believe that the EU SME Definition unnecessarily discriminates LPSEs because of the very nature of their ownership structure. This is notably contrary to article 345 TFEU which states that "The Treaties shall in no way prejudice the rules in Member States governing the system of property ownership".
- As a consequence, LPSEs cannot take part in a number of funding and financial schemes. They are also constrained by unnecessary regulatory burden from which SMEs covered by the definition are exempted because of disproportionate costs. LPSEs therefore may suffer a disadvantage, especially in areas where they are in competition with private enterprises.
- Amending the EU SME definition is required to guarantee equal treatment to all types of SMEs regardless of their type of ownership.

More: [CEEP Opinion on the EU SME Definition](#)

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SINGLE MARKET

- The Single Market Strategy presented in the fall 2015 aims to adapt to new economic realities due to the digital revolution such as the development of the sharing economy and of start-ups.
- It also wants to ensure a better application of existing internal market legislation. This should be achieved through new legislative actions in targeted areas as well as a stronger culture of compliance thanks to better monitoring tools, improved data collection and increased cooperation with and between Member States and relevant stakeholders/authorities.

- CEEP expects the Single Market Strategy to underpin the creation of a more investment-friendly environment by focusing on the implementation and application of existing legislation.
- In this regard, CEEP considers as a priority to ensure the adequate transposition and strategic application of the new rules on public procurement and concessions. The effectiveness of the Remedies Directive currently under evaluation could also be improved.

More: [Press release: The European Commission published the Single Market Strategy](#)

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A UNION OF OPPORTUNITIES FOR CITIZENS

AN AGENDA FOR NEW SKILLS AND JOBS

- CEEP welcomes the priorities identified in the ‘New Skills Agenda for Europe’. Employers of public services struggle to match skill needs and workers. Identifying and addressing skill needs and increasing the comparability of qualifications across Europe are priorities to encourage job creation and facilitate mobility.
- CEEP particularly supports the launch of a ‘Digital Skills and Jobs Coalition’, which is an important step to accompany the digital transformation. Adapting to the digital era and finding workforce with the right skills remains a major challenge for many of our members, and it requires solutions.
- The EU economic and social partners called in a joint statement in March 2016 for the integration of migrants and refugees in European labour market. The proposed ‘Skills Profile Tool’ goes in the right direction and could directly contribute to addressing the refugee crisis by better recognising their skills and qualifications.
- A renewed European Qualifications’ Framework is also necessary to encourage mobility across Europe, which could benefit both Europeans and third country nationals.

More: [Press release: The New Skills Agenda for Europe, a Much-needed Tool to Modernise Labour Markets](#)

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ECONOMIC AND MONETARY UNION AND PILLAR OF SOCIAL RIGHTS

- The construction of the Economic and Monetary Union should go hand-in-hand with the development of the Pillar of Social Rights and of the EU Semester.
- The Pillar of Social Rights should be a tool to support national reforms of labour markets. In order to do so, developing benchmarks would very much help to understand the variety of national situations and support convergence, with a reinforced EMU and European Semester.
- Social convergence should consist in better understanding the national systems and defining reference principles to encourage convergence towards policy outcomes.
- It is important to also take the time to evaluate the reforms that have been engaged, put them in the European context and understand the benefits of involving social partners to encourage this involvement all over Europe through capacity building for instance.

- We believe that a bottom-up approach in the consultation process is the right one. It is very important that national consultations feed the discussions at European level. National social partners should really have ownership of the process.
- This also links with the Relaunch of Social Dialogue. As social partners, our contribution cannot be overlooked, especially on issues that are at the core of our expertise. We therefore call for a more systematic inclusion of social partners in the discussions.

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AN ENERGY UNION AND A FORWARD-LOOKING CLIMATE CHANGE POLICY

ENERGY UNION

- CEEP supports the attempts to realise reliable national energy and climate plans. They should ensure a more coherent approach towards the achievement of the objectives of the EU 2030 Climate and Energy Framework, and avoid limiting Member States in their choice concerning the way towards decarbonisation.
- Social partners should be involved in the process, in order to keep citizens and customers at the heart of the transition of the European energy system. Public acceptance is indispensable for the successful implementation of energy and climate policies. A stronger focus on the local and regional dimension of the Energy Union, with the inclusion of citizens beyond their sole capacity as consumers, would also be helpful.
- CEEP very much welcomed that the institution's work on the Commission's Heating and Cooling Strategy sends out a clear sign in favour of efficient and sustainable solutions and encourages the Council and other EU institutions to ensure a concrete follow-up, among others through the upcoming review of the Energy Efficiency, Energy Performance of Buildings and Renewable Energy Directives.
- A fully-integrated internal energy market should be at the heart of the Energy Union project, among others through the full implementation of the Third Energy Package and a market based approach to renewables. As in the medium to long run the energy-only market will not be sufficient to ensure security of supply, a new market design that values the provision of firm capacity should be developed.
- CEEP very much welcomes the holistic approach for upcoming Commission initiatives and is particularly delighted by the recognition of the crucial role of transport. The decarbonisation of this sector has to be tackled more than in the past through concrete action at EU level.
- CEEP members need the right conditions to actively anticipate and manage the energy transition and therefore welcome that this crucial issue is highlighted in the State of the Energy Union, amongst others in view of its skills dimension.

More: [CEEP Opinion on the State of the Energy Union](#)

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CIRCULAR ECONOMY AND WASTE LEGISLATION REVIEW

- CEEP welcomed the European Commission's Circular Economy Strategy and the legislative proposals on waste for their holistic approach, taking into account the whole value chain. They are an important step towards a more circular economy in which resource efficiency becomes the key driver for both economic growth and environmental protection.
- Waste prevention has rightly been placed at the top of the waste hierarchy by the European Commission, including in particular improved product design which influences the whole product lifecycle and durability and optimising future reuse and recycling. EU legislation needs to be further adapted in order to support this ambition.
- CEEP supports the Commission's proposal to introduce clear definitions into waste legislation and welcomes that the definition of municipal waste is closely aligned with the one given by the European Waste Catalogue and the OECD. However, CEEP pleads for the definitions of both municipal waste and bio-waste to refer solely to their nature, property and composition, and not their quantity.
- Recycling measures should be further boosted in the European Union. This should be done as long as recovery of secondary raw material is less expensive and resource-intensive than primary raw material extraction. Primary and secondary raw materials need to be treated equally in a way that same environmental requirements should apply to both.
- CEEP welcomes the introduction of minimum requirements for Extended Producer Responsibility (EPR) schemes while leaving it in the remit of the Member States to decide on the use of this instrument. Nevertheless, more clarification is needed in order to avoid misinterpretations, in particular regarding cost recovery and the relations between the different stakeholders.
- CEEP asks for concrete and reliable measures towards a quick landfill ban for biodegradable waste as well as for waste that can be recycled or thermally recovered.

More: [CEEP Opinion on the Commission's Proposal for a Circular Economy Strategy and Reviewed Waste Legislation](#)

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FIGHT AGAINST CLIMATE CHANGE

- Public services' providers support ambitious climate action. They are committed to climate action through their business culture and their sectors of activity. Their approach is based on the logics of sustainability, taking into account its environmental aspects, as well as its economic and social dimensions.
- Mitigation policies should take a comprehensive approach and be structured around resource efficiency and decarbonisation. Several public services' sectors have an important mitigation potential. In order to fully exploit this potential, the current orientation in Europe to put into place a European Emissions Trading Scheme (ETS) must imperatively provide a true and fair carbon price, creating a level-playing field to incentivise investments that foster the decarbonisation of the European economy.
- Adaptation policies should be seen as complementary to mitigation policies as they provide measures needed to tackle the negative consequences due to climate change. Adaptation

measures should include the protection of infrastructure in order to increase their resilience. The implications of climate change on sectors such as water, energy and transport, urgently need to be considered.

- Climate change policies cannot ignore the investment challenge. There is a strong economic case for investing in climate action as this will create the sustainable growth and jobs Europe needs. In order to unleash the full potential of investments in climate-friendly solutions, private investment needs to be underpinned by public investment.

More: [CEEP Contribution to Climate Action](#)

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A UNION OF FREEDOM, SECURITY AND JUSTICE

MIGRATION CRISIS

- The European economic and social partners (CEEP, ETUC, BUSINESSEUROPE/UEAPME, EuroChambres) addressed to the EU leaders in March 2016 a joint statement regarding migration and the integration of refugees in the EU society.
- Strong public services are of prime importance: CEEP members, mainly operating at regional and local level, are on the front line, providing health, housing, education and water provision services, as well as a wide range of services of general interest.
- Also, the workforce of public services is quickly ageing, calling for future recruitment of many high- and low-qualified employees in core sectors such as waste management, transport, energy and health services.
- Assessing, testing and screening skills and competences is a cornerstone for the inclusion into EU labour markets, and must go hand-in-hand with the organisation of integration courses, housing, language classes and other education and training measures.
- Some of our members are also active in third-country activities, exporting their know-how to third countries, thus helping to rebuild the necessary infrastructure of essential public services and to combat the reasons people leave their countries.
- In terms of financing, we believe that one way to do so is to use the flexibility built in the Stability and Growth Pact to deal with the fiscal consequences of the refugee crisis.

More: [CEEP Letter to June European Council](#)

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THE UNION AS A GLOBAL ACTOR

INTERNATIONAL TRADE & FREE TRADE AGREEMENTS

- CEEP supports a coherent implementation of the EU trade strategy and sees free trade agreements as an opportunity to set worldwide well-designed standards to support sustainable development, including by safeguarding subsidiarity and the essential role played by services of general interest (SGIs) and the social economy.

- More legal certainty is needed over the safeguard of the provision of SGIs in international trade agreements. Standard clauses are needed to preserve the discretionary power of national, regional and local authorities in how to provide, organise, finance and commission SGIs, and notably services of general economic interest (SGEIs) which are subject to trade agreements.
- The EU should pursue effectively the Sustainable Development Goals 2030 in its trade policy. Binding and enforceable provisions to promote high environmental and labour standards need to be included in all future FTAs negotiated by the EU and any attempt of social and environmental dumping should be prevented.
- CEEP calls the European Commission and Member States to continue their efforts towards a more evidenced-based, inclusive and transparent trade policy. Furthermore, in a democratic system, the fear of being challenged by corporate claims should not impede competent authorities from enacting any standards.
- Trade agreements need to be fit for the digital age. Cross-border data flows, if addressed, shall be in compliance with data protection and security rules in force in the country of residence of the data subject. New services should not be automatically included in EU market access commitments without re-negotiation. In addition, the “digital dimension” of products and services shall be negotiated in the context of their respective original classifications.

More: [CEEP Opinion on EU Trade Agreements](#)

[Joint press release by CEEP, Social Platform, the European Trade Union Confederation \(ETUC\) and the European Federation of Public Service Unions \(EPSU\): “TiSA: Safeguard of Public Services set as Red Line in EU Trade Agreements”](#)

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THE UK REFERENDUM

- CEEP takes note of the outcome of the UK referendum with quite some regret, although respecting of course the statement of the majority of voters.
- EU leaders can count on the contribution and full support of public services’ employers and providers in that direction. CEEP is and will always remain an open platform for exchange and cooperation and this will represent an important benchmark to establish a new type of relationship with UK.
- CEEP members are important intermediaries between EU institutions and citizens. Future debates about European politics will have to be handled in an honest and differentiated manner, when discussing the responsibilities for political outcomes.
- Member States also have a huge responsibility in communicating about EU policies which they urgently need to take. CEEP will support an in-depth and differentiated debate not only at European level but equally at national level, with the help of its members.

More: [CEEP Letter to June European Council](#)

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