



*Employers entrusted to deliver
Sustainability Growth Innovation*

Policy Kit

with regard to the Danish Presidency of the Council of the EU

1 July 2025 – 31 December 2025

SGI Europe represents employers and enterprises of services of general interest since 1961. Our members are organisations and enterprises active in fields such as:

- Central & local administrations,
- Healthcare,
- Social services,
- Education,
- Housing,
- Waste management,
- Energy,
- Transport,
- Water,
- Environment,
- Postal services,
- Public service media,
- Telecommunications.

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

This Policy Kit, prepared considering the priorities of and the programme of the Danish presidency of the Council of the EU, aims to present key SGI Europe positions on the main files to be discussed at the EU level over the next six months.

SGIs as a Cornerstone of the EU's Resilience and Competitiveness

- To enable SGIs to fulfil their potential as drivers of European economic competitiveness, SGI Europe calls for:
 - **A paradigm shift in EU competitiveness policies**, through which SGIs are to be considered as a structural component of competitiveness and productivity, as opposed to a 'necessary evil' intervening only in case of market failure;
 - **A targeted public investment plan for SGIs**;
 - **Better access to private investment for SGIs through a strengthened EIB and National Promotional Banks** and the creation of a level playing field for public and private companies;
 - **An enabling environment for providers of SGIs to join Important Projects of Common European Interest (IPCEIs)** and contribute to the realisation of European Public Goods;
 - **Full reflection of Article 14 and Protocol 26 TFEU in all secondary legislation**, taking into account local, regional and national specificities in the provision of SGIs;
 - **A reduction in administrative burden**;
 - **Equal treatment for all small and medium-sized enterprises**, regardless of ownership status, guarantees a level playing field between public and private market actors and prevents discrimination against public SMEs stemming from applying the 2003 SME Definition (Commission recommendation 2003/361).

Develop an Action Plan for High-quality SGIs in Europe

- **Services of general interest must be given the appropriate value and means** to play a central role in the Single Market permanently and not as a "last resort" face to a market failure or an unprecedented crisis requiring public (most often state) intervention.
- For that organic and enabling role to be exploited at best, we need an **alignment on the SGI Acquis between primary and secondary legislation**. Article 14 TFEU, Protocol 26 TFEU and Article 36 of the EU Charter provide a robust legal basis for providing affordable and high-quality SGIs. We need to **improve the reflection of the latter through improved transposition at all levels, in full respect to the principle of subsidiarity as per Article 14 TFEU and Protocol 26 TFEU, to prevent the unnecessary fragmentation of policies affecting SGIs**.
- If the EU continues to promote only fragmented approaches to SGIs through sectoral legislation, it will **lack a coherent and holistic vision for SGIs**. We witness the emergence of a growing body of ECJ

case law related to SGIs, where courts are called to fill the gaps left by the legislator on several aspects at the core of the definition and activities of providers of services of general interest. This leads to further fragmentation, uncertainty, and a legal loophole: the ECJ must not replace the legislator.

- To ensure policy coherence in the field of SGIs, we **call for putting forward an Action Plan for high-quality SGIs in Europe**. A starting point would be to develop Principles 16 to 20 of the European Pillar of Social Rights (EPSR), finally bringing back together services artificially separated by the EPSR, all being SGIs. The Action Plan would be a voluntary instrument that can prove its benefits when its principles are operationalised via existing tools, such as the European Semester. The Action Plan would, therefore, detail how to bring the principles of the EPSR to life.

A Secure Europe

Addressing hybrid and complex threats

- SGI Europe welcomes **the EU Preparedness Strategy as a timely and necessary step towards strengthening Europe's ability to anticipate, manage, and recover from emerging threats**. However, clearer guidance is needed on what preparedness means for critical infrastructures and SGIs in the context of complex, multi-dimensional crises such as climate change, economic downturns, organised crime and geopolitical conflict.
- Ensure **digital safety across sectors**: To safeguard public safety, SGI Europe calls on the EU to retain Article 13(1) of the INSPIRE Directive, which exempts sensitive geodata from mandatory disclosure for critical infrastructures. As digitalisation advances across sectors like water, energy, transport, and telecommunications, unrestricted access to infrastructure data increases the risk of hybrid threats, manipulation, and cascading failures. Protecting this data is essential not only for physical and cyber security, but also to avoid financial losses that could undermine vital investment in resilience and transformation.
- The **EU must shift from reactive protection to anticipatory resilience, embedding long-term planning and risk prevention into all relevant policies**. Empowering SGIs is essential to safeguard Europe's societal and economic foundations against interconnected threats.
- **Build a shared EU responsibility governance**: Protecting cross-border critical infrastructures must be treated as a shared European responsibility, requiring harmonised security standards, flexible capacity mechanisms, and alignment with NATO's resilience principles. To ensure continuity of essential services under mounting geopolitical, climate, and digital threats, the EU must invest in adaptive infrastructure, secure communications networks, and maintain access to resilient information channels such as terrestrial broadcasting.

Anticipating economic risks and preserving our critical infrastructure

- In the current geopolitical environment, anticipating economic risks and preserving our critical infrastructure is a crucial priority for the EU. SGI Europe calls for endorsing a **"multi-dimensional resilience" approach**, moving beyond protection alone and **advance towards structural resilience that ensures continuity of essential services** – including energy, healthcare, transport, water, waste management, telecommunication, media and public administration. Resilience must be built into EU and national policy and infrastructure planning from the outset, ensuring that systems can respond to disruptions.
- SGI Europe recalls the importance of **the principle of "Preparedness by Design"**, and for strengthening this multi-levelled resilience approach by developing further the principle of "preparedness by design," under the forthcoming EU Climate Adaptation Plan, ensuring that SGIs are empowered to reinforce the EU's structural resilience.

Improving the management of migration flows

- SGI Europe stresses that **sustainable migration management requires not only secure borders and effective return procedures**, as underlined by the Danish Presidency, **but also policies enabling successful integration of migrants and refugees into European societies and labour market.**
- Through the LABOUR-INT III project, coordinated by SGI Europe and co-funded by the European Commission DG HOME under the Asylum, Migration and Integration Fund, **EU- and national-level social and economic partners work together in Poland, Bulgaria, Slovenia and Italy to:**
 - **improve the performance of welcoming services,**
 - **strengthen skills assessment and matching practices,**
 - **ensure access to decent employment and working conditions.**
- The project provides direct support to at least 800 migrants and refugees (orientation, language training, skills development), while building the capacity of employers, public services, trade unions and local actors to deliver effective integration.
- LABOUR-INT III demonstrates how **multi-stakeholder cooperation can contribute to faster, efficient and longer-term integration**, complementing the Danish Presidency's focus on reducing irregular migration by promoting a more resilient and cohesive Europe.

Enlargement

- The **EU's unique social model has much to offer as a blueprint for ensuring the dignity and well-being of all individuals across the globe.** It is founded on principles that prioritise social justice, equal opportunities, and the protection of fundamental human rights and recognises that **economic prosperity should not come at the expense of human rights and social well-being.**
- The **European Social Model has led to many concrete achievements, as shown by Europe's high quality of SGIs and public services.** The EU legal acquis for SGIs is quite solid and transparent. They are an **integral part of the social market economy and fulfil the ambition of the EU to combat social exclusion and promote social and territorial cohesion.**
- These principles can serve as a guiding light for countries that seek to provide their citizens with the same opportunities. The European social model **emphasises strong labour protections and workers' rights**, with a critical role played by collective bargaining and solid social partners.
- We all witnessed how social partners were instrumental in setting up short-term work schemes during the pandemic. They are why we celebrate such strong employment rates in the EU today and why SURE succeeded.
- These principles can be applied globally to foster more equitable economic systems based on quality and inclusive social dialogue. The EU has also played a crucial role in advocating for global labour and social rights in an increasingly interconnected world. They have promoted international cooperation through organisations like the ILO and worked tirelessly to establish and uphold international labour standards.
- Europe must lead by example, **addressing the challenges posed by globalisation, the climate transition, technological advancements, and demographic changes while maintaining its commitment to social justice.** Moreover, Europe must collaborate with other nations and regions to promote the adoption of similar principles and standards worldwide.

A Competitive and Green Europe

The Multiannual Financial Framework

- As the European Union prepares to unveil its proposals for the next Multiannual Financial Framework (MFF), SGI Europe welcomes the European Commission's intention to depart from the status quo. The challenges the Union faces today, ranging from geopolitical instability to climate adaptation, digital transformation, and demographic change, **require a budget that is more agile, more strategic, and more aligned with the public interest**. The future MFF must reflect this new reality, placing people, SGIs, and territorial cohesion at its core.
- The next MFF must **reflect the political maturity of the EU**. Citizens expect the EU to provide security, opportunity, and support during transitions. SGIs are central to meeting these expectations, and SGI Europe stands ready to work with the institutions to ensure that the EU budget supports them effectively. **A simplified, territorially respectful, value-driven and forward-looking MFF** will not only serve the Union's strategic interests. It will strengthen trust, build resilience, and show what Europe can achieve when it invests in the common good.
- SGI Europe outlines five key priorities to inform a budget that benefits both citizens and SGIs:
 - **Simplifying access to EU funding**, through more user-friendly application systems, proportional reporting requirements, and a clearer structure across EU programmes.
 - **Respecting the role and responsibilities of local and regional authorities**, guaranteeing the continuity of the principles of partnership and shared management to preserve the democratic legitimacy of the MFF.
 - **Promoting EU public goods** to reinforce cross-border benefits and social and territorial cohesion and complementing national and regional responsibilities.
 - **Investing where the EU adds value**, targeting long-term investments in critical infrastructure, universal access to high-quality services of general interest, and strengthening the EU's resilience.
 - **Maximising the use of every euro** by supporting investments that serve multiple purposes such as dual-use infrastructure

Energy transition and the 2040 climate target

- **SGI Europe urges that the new EU climate architecture, together with the upcoming Clean Industrial Deal, must decisively reinforce the role of Services of General Interest (SGIs) as key enablers of Europe's transition** to climate neutrality by 2050. SGIs form the backbone of Europe's economy and society, providing essential services that are fundamental in achieving a fair and sustainable transition.
- **Maintaining a technology-neutral approach to decarbonisation**: This requires an EU framework open to diverse low-carbon technological solutions on a level playing field with renewables. Maintaining a technology-neutral stance that supports all pathways to decarbonisation and renewable energy development, provided they contribute meaningfully to emissions reduction and climate mitigation goals. A flexible approach enables Member States to adopt the most efficient technologies for their energy mix while achieving climate goals.
- **Supporting climate mitigation in hard-to-abate sectors**: SGI Europe advocates for pragmatic climate tools such as CCS/CCU in industries where full decarbonisation remains challenging. These technologies should complement, rather than replace, broader efforts to reduce emissions at the source. Additionally, municipal services of general interest must be central to these policies to balance climate action with essential services, prioritising public drinking water security while pursuing robust, sustainable climate measures.
- **Empowering local and regional authorities in climate governance**: Decentralisation must be a cornerstone of the new framework, with an energy and climate policy that allows Member States and their enterprises, municipalities and public authorities more flexibility to pursue emission reductions through approaches tailored to their local and regional contexts, enabling more effective and practical climate action.

- **Ensuring a socially fair transition:** The EU Green Deal must be accompanied by a structured EU Climate Dialogue with EU Social Partners to facilitate workforce adaptation, skill development, and employment stability. A strong focus on green skills should be put in the upcoming “Union of Skills”, and should help equip workers for the climate transition, while ensuring that no sector or region is left behind.

Simplification

- SGI Europe strongly **supports the European Commission's initiative to simplify the EU legislative acquis and reduce the administrative burden**. The simplification approach must address reporting requirements, ensure a level playing field for all enterprises, and implement new legislation step-by-step, including clear timelines and guidelines.
- While SGI Europe supports the Commission's efforts to reduce administrative burdens and improve regulatory clarity, it is essential that simplification remains focused on enhancing the implementation and usability of existing legislation. Simplification must not come at the expense of the EU's social, environmental, and internal market objectives. We call for robust impact assessments of all simplification proposals, ensuring that any changes are carefully evaluated in terms of both administrative burden and policy effectiveness. **SGI Europe calls for reporting only what is necessary and proportional to the objective of the legislation**. Proportional reporting obligations would involve tiered requirements based on business size, turnover, and sector, ensuring small enterprises are not subjected to the same level of scrutiny as large corporations. The package should enable streamlined oversight processes for local authorities, reducing bureaucratic overhead while maintaining accountability.
- **Standardised, sector-specific templates for sustainability reporting**, designed to minimise administrative complexity and redundancy, should be developed. These templates should align with the realities of small business operations and local authority capacities, **offering clarity and consistency across all EU member states**.
- To avoid duplicative reporting requirements across the EU, national, and local levels, a **centralised digital reporting platform** that integrates with national systems and allows businesses and authorities to submit, monitor, and access data efficiently. This portal must be intuitive and pre-filled where possible.
- To ensure stakeholders can comply with new regulations, **all legislation should include implementation timelines**. Small businesses and local authorities require sufficient time to adapt to updated frameworks. The package should also include pilot programs, allowing for testing, reporting models, and compliance mechanisms in real-world scenarios before being applied broadly.
- **It is crucial to ensure a level playing field for all enterprises by avoiding the use of the European Commission's SME definition when granting companies exceptions from certain reporting requirements**. Not all small companies fall within the SME definition, as enterprises that are (partially) publicly owned do not meet the ownership requirement and are therefore excluded, despite being an SME in terms of size and facing the same challenges as SMEs in terms of finding sufficient capacity to report.

Single Market, Mobility and the Freedom to Stay

- The current shape and governance of the Single Market **fail to recognise SGIs as the foundation of the European Way of Life and consequently miss the opportunity to make all kinds of “citizens”** (from people to economic and social actors) **feel the benefits brought by the Single Market to their daily lives.**
- At a time when citizens' expectations are growing regarding the protective function of EU policies in areas such as access to health services, energy and other essential products and services at reasonable prices, there is a **clear need to foster innovation and competitiveness through competition policy.** We call for exploring new routes to **modernise the approach of EU economic law, to reconcile better free competition and the freedom to operate a company with common EU public goods** (in particular, high levels of health and environmental protection).
- The **Single Market was designed and established with the cohesion policy.** However, Jaques Delors' original intention to make those **two policies complementary and reinforcing each other partially failed.**
- Over the years, an artificial and misleading line was drawn between the Single Market and cohesion policies: the first became the **primary tool for a specific type of economic development and the relatively wealthier part of EU citizens** (those able to profit from the four freedoms genuinely), the second a **“corrective” measure to come in support of companies and citizens that were not able or willing to move.** That way, a growing separation was created between the “productive” and the “non-productive” parts of EU actors (companies or citizens).
- This artificial separation also led to a **growing divergence between EU Member States and Regions and citizens' discontent towards the EU institutions and policymakers.** This divergence can be seen in many EU regions where citizens feel neglected. Within those regions, people believe they are worse off than they were in the past and worse off than others. This divergence is striking when we compare rural and urban areas' thoughts on EU institutions.
- The EU's response to the multiple crises Europe has faced tells us that a **paradigm shift is possible in several EU policies, with a new focus on solidarity and going beyond GDP.** This new setting makes rethinking the Single Market possible to reconcile Single Market and cohesion policies.
- However, it is crucial that this new perspective is not lost to an approach that seeks to maximise the EU's economic competitiveness without considering the impact on different territories within the EU. **The EU economy needs to be strengthened across all territories. Strengthening the competitiveness of existing economic hubs should not come at the expense of regional economies elsewhere:** this would undermine the principles of social, economic and territorial cohesion upon which the European projects are built.
- **Citizens should be able to exercise their freedom to stay: the right to contribute to the European economy in all EU territories without needing to move elsewhere** to be able to benefit from and contribute to the Single Market. **Accessible, affordable, and high-quality services of general interest** covering all EU regions, from urban centres to rural areas, are the critical **preconditions for citizens to exercise their freedom to stay.** Only a structured approach and constant investment in services of general interest can guarantee that this freedom is fully exercised and that **all territories are equipped with sound physical and social infrastructure.**

Shaping the Future of Work: A Quality Jobs Roadmap that Reflects Reality

- The upcoming **Quality Jobs Roadmap must reconcile the ambition of promoting decent work with the operational and financial realities of essential service provision**. SGI Europe reaffirms that job quality cannot be prescribed through one-size-fits-all benchmarks. Instead, the roadmap should **promote enabling frameworks that strengthen the resilience of services**, support workforce development, and foster mutual trust through social dialogue.
- As employers of essential services, **SGI Europe members operate under specific constraints: around-the-clock service delivery, staffing shortages, territorial disparities, and multi-objective mandates**. These conditions require **flexibility and capacity-building**. The roadmap should acknowledge the central role of social partners, particularly at sectoral level, in shaping working conditions adapted to local and institutional contexts.
- Rather than adding administrative layers, the EU must **support practical tools, knowledge-sharing, and funding for social partner-led initiatives**. The roadmap should also avoid equating job quality with teleworkability or imposing definitions that fail to reflect the realities of care, health, education, or infrastructure sectors.
- A successful strategy must **bridge ambition with feasibility, moving from prescriptive compliance to shared responsibility**. SGI Europe stands ready to contribute to a roadmap that empowers essential services employers to offer sustainable, high-quality jobs while maintaining accessible, affordable services for all.

Delivering on the Pillar of Social Rights: A Coherent and Impactful Action Plan

- As the European Commission prepares a new Action Plan for the European Pillar of Social Rights, SGI Europe calls for a **focus on coherence, delivery, and territorial equity**. Rather than multiplying initiatives, the Action Plan must serve as a **compass for aligning key strategies** – such as the Quality Jobs Roadmap, the Competitiveness Compass, and the Union of Skills – **around a common implementation logic**.
- For SGI providers, **effective delivery of the Pillar requires simplifying obligations, ensuring proportionality, and avoiding fragmented reform**. Recent directives have shown that good intentions can falter without operational clarity and respect for subsidiarity. The Action Plan must strengthen implementation tools, such as model templates and sector-specific guidance, co-created with social partners.
- To make the “**freedom to stay**” a reality, the Action Plan should embed a territorial dimension by **investing in high-quality services of general interest (SGIs)**, particularly in housing, care, and mobility. Drawing from the A.C.C.E.S. project and the Letta Report, SGI Europe advocates for common metrics to track affordability and access, stronger coordination across governance levels, and targeted support for the SGI workforce.
- Crucially, the Action Plan must **reinforce social dialogue as a lever for reform**. It should align with the Social Dialogue Pact and support the shift towards shared implementation, especially in Member States with weaker structures.
- SGI Europe calls for an **Action Plan that delivers trust, coherence, and real progress for communities and service providers across Europe**.