



FEANTSA

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Call for the recognition of the specificities of SSGI
*FEANTSA contribution to the European debate on
Social Services of General Interest*





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The European Union has adopted legislation over the past decade which is having an impact on the financing and quality of social services of general interest (SSGI). This includes legislation on public procurement of services, on State aid rules, and on the establishment of a European market of services. Some evidence of the impact of this legislation has been collected by the Informal Network of Social Service Providers (INSSP) in June 2010.¹

Services for people who are homeless clearly fall under the concept SSGI as defined in the Communication on SSGI of the European Commission of 2007.²

FEANTSA welcomes the efforts of the Belgian Presidency of the EU to better define the specificities of SSGI and to make proposals for the adaptation of existing EU legislation. We believe that the proposals to better define the specific characteristics of SSGI can be a good basis for future European initiatives to protect the social role of SSGI and to create greater legal certainty.

1. General comments

- FEANTSA wants to prevent a situation where EU legislation related to State aid, public procurement and the internal market become an obstacle for the most excluded to access SSGI, and believes this legislation should be adapted accordingly to ensure that such legislation does not result in lowering the quality of homeless services.
- FEANTSA insists on the fact that the relation between homeless service users and providers cannot be compared to a supplier-consumer relation. Systematically applying market and competition rules to SSGI aimed at people who are homeless might jeopardise their opportunities to reintegrate in society. Homeless people do not have the financial and social strengths to benefit from the open market as consumers. Homeless people are so vulnerable that they might be forced to *consume* services which are not respecting their fundamental rights, because the only other *alternative* is a life on the street. If services for very vulnerable people are not regulated, the market will provide them at a high price and very low quality.
- FEANTSA therefore calls for a pragmatic approach which provides legal security and guarantees access to SSGI for the most deprived people.
- FEANTSA supports the development of a European voluntary quality framework for SSGI which could be used as a basis for developing sector-specific quality frameworks to meet the needs of different types of social services (emergency, residential, childcare, disability, social housing, etc).³
- FEANTSA believes that national authorities have, in accordance with the Treaty of Lisbon, a crucial role to “take care that [SSGI] operate on the basis of principles and conditions, particularly economic and financial conditions, which enable them to fulfill their missions.”⁴ With such an objective, EU legislation on public procurement, competition and the internal market must not have a negative impact on SSGI. National authorities should take action accordingly to ensure that public administrations officials and people working in NGOs are better aware of the implications of EU legislation.
- FEANTSA believes that European legal instruments are necessary to protect SSGI against the potential negative impact of legal and political initiatives of the EU in a diverse range of areas, which might jeopardise the social role of SSGI. We are therefore open to discussions on “reserved markets” for SSGI in the area of public procurement as well as alternatives to public tenders; on “block exemption” from State aid rules for SSGI; and on an “EU label” for SSGI with clear criteria.⁵

¹ INSSP (2010), “The impact of EU legislation on social services”

² COM (2007)725, “Services of general interest, including social services of general interest: a new European commitment”

³ FEANTSA (2009), “Quality in social services: The perspective of social services working with homeless people”

⁴ Article 14, Consolidated Version of the Treaty on the Functioning of the European Union

⁵ Belgian presidency proposals are available here: http://www.socialsecurity.fgov.be/eu/en/agenda/26-27_10_10.asp



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2. Specific characteristics of SSGI

We generally agree with the Commission's definition of the "Objectives and principles of organisation of social services" in the 2007 Communication. We would like to add the following elements to complete the description of the specificities of SSGI:

- SSGI are generally embedded in social welfare systems, and therefore clearly have a public mission to fulfill, including access to fundamental social rights.
- The role of volunteers in the managing and delivery of SSGI should be acknowledged in the definition of SSGI, but it is important that on the ground, SSGI are delivered by professional core staff with the required qualifications. Introducing competition without the necessary safeguards has led providers in some countries to lower staff qualifications and as a result diminish the quality of the services.
- FEANTSA agrees that SSGI should be provided on a not-for profit basis in the framework of a clearly defined public service obligation, including their financing by public authorities. The local connection and civil commitment of NGOs and authorities providing SSGI should also be considered to be a key element.
- The primary aim of SSGI should be to ensure that every person can fully enjoy his/her fundamental rights. In this sense, SSGI are universal and should protect especially those people whose fundamental rights, and in particular social rights, are not respected. In this way SSGI should guarantee equal opportunities for all and contribute to social cohesion.
- In a context where cost-related considerations would tend to prevail over other requirements in public procurement procedures, there is a danger that the accessibility and quality of SSGI would be at risk.
- Currently, EU legislation tends to define SSGI as an economic activity. However, given the specificities mentioned above, it is clear that they are not a traditional economic activity. It is important to further examine to what extent SSGI fit under the concept of "non-economic activity" (to the extent that they are not-for-profit and fulfilling public missions) and even whether we can define a "third way" adopted by SSGI.
- In order to make progress through a constructive dialogue with all stakeholders, FEANTSA supports initiatives taken by other European organisations, the Belgian Presidency and the European Parliament to create a permanent structure to promote dialogue and work on SSGI. We believe that discussions on concrete problems and solutions in relation to the impact of EU law on SSGI must take place on a regular basis, and that the role and effectiveness of SSGI must be strengthened especially in light of the current economic recession.