To: Joaquín Almunia
Vice-President of the Commission
Commissioner for Competition

February 21, 2012

Re: Social Platform welcomes the Vice-President Almunia package, opening the way to a better recognition of the specificities of SSGI

Dear Vice-President Almunia,

We appreciate that the Commission has taken into account the specific characteristics of social services in the definitive measures. We also would like to congratulate you because the "Almunia package" has opened the way to a better recognition of the specificities of SSGI by the Commission in other important measures which will be now discussed in the Parliament and the Council: the public procurement directives, the directive on concessions and the draft regulations on structural funds and other financial instruments. Furthermore the "Almunia package" and the new public procurement directive can be seen as a first step towards the use of art. 14 TFEU, in the form of a regulation governing the financing of SGEI.

We are also glad that some of our recommendations on the draft version of the package have been taken into account in the definitive measures.

On the decision:

In particular we welcome that:

- The scope of application of the decision has been clarified, and that the list of social services which are exempted from notification beyond the threshold has been extended to include long term care and reintegration into the labour market (art. 2.c).

- The adjective "essential" referring to social needs has been deleted and the term "vulnerable groups" only refers to social inclusion and care (art. 2.c). We strongly advocate for a wide definition of SSGI, based on their universal character and linked with the access to fundamental rights for all, even if access for the most vulnerable groups should be guaranteed.

- The requisite that the exemption from notification was applicable only to entities whose activities are limited to one or more of the services referred to the social services listed in the draft decision has been deleted.

On the de minimis regulation:

We appreciate that:

- A specific threshold for SGEI has been set out. However, we wonder if the amount of 500.000€ over three years is the right one. Other criteria could have been used

to determine the local character of a service: for instance the fact that users of a public service come from the same local area.

- The condition that aid is granted by local authorities representing a population of less than 10.000 inhabitants has been deleted. As we highlighted in our recommendations on the draft package, the local character of a service is not necessarily linked with the size of the population of a local authority. The new provision takes also in consideration the situation of different governance levels sharing the responsibility and financing of social services.

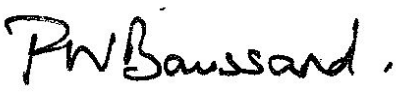
- The condition that the undertaking entrusted with a SGEI has an average annual turnover before tax of less than 5 million during the two financial years preceding that in which the aid is granted, has been deleted.

- The conditions for cumulating de minimis aid under this regulation with de minimis under Regulation 1998/2006 have been clarified.

We hope that we can continue to have a dialogue with you as regards the implementation of the new rules and that we count on your full support for a social cohesion policy to accompany the single market in order to achieve a "social market economy" (art. 3.3 TEU). We consider that public services and the social economy play an essential role in achieving this goal.

Yours sincerely,





Conny Reuter

President

Pierre Baussand

Director

Contact person within Social Platform: Valentina Caimi

Social Platform is the largest civil society alliance fighting for social justice and participatory democracy in Europe. Consisting of 45 pan-European networks of NGOs. We campaign to ensure that EU policies are developed in partnership with the people they affect, respecting fundamental rights, promoting solidarity and improving lives.