

## 29th international Congress of CIRIEC Public, social and cooperative economy meeting the general interest

Vienna, Wednesday 12 – Friday 14 September 2012

PLENARY SESSION 2: A RESPONSIBLE AND SUSTAINABLE ECONOMY 11:40-13:00

Valeria RONZITTI, CEEP General Secretary Speaking notes 10-15 min

Ladies and Gentlemen,

Thank you very much for inviting me to adress the CIRIEC Congress. I thank you also on behalf of CEEP President, Hand-Joachim Reck, who regrets not to be here today.

The debate of this morning is in my view a good opportunity to share values that are essential to what I like to call the "CEEP community": values such as **Responsibility**, **Sustainability** and, of course, **General Interest**.

Those values are shared by SGI providers gathered in CEEP and guide their day by day activity of **"serving the public"**, whether they are authorities or operators, small or big companies, from all the European Union.

We are facing **a major crisis**. In the European Union, the crisis is financial, economic, social and political. It is a crisis of confidence. This is an observation shared by all European and world leaders. But the **analysis** of the current situation and its consequences varies. **In CEEP, we deem that this economic** 

European Centre of Employers and Enterprises providing Public services

and social turmoil must be the time for a reflexion on our economic and social model, in which public services providers are and MUST be recognized by European and national authorities as essential partners.

At the end of August, Eurostat published its figures regarding the European labour market. The unemployment rates are higher than ever in the 17 Member-states of the Euro zone: 18 million people are registered as unemployed. This is a new negative record.

In these difficult times, the strength SGI and their providers is particularly remarkable. A project conducted by CEEP in 2010 and called "Mapping of **Public Services**" assessed their value in the European Union. SGIs contribute directly to more than 26 % of the EU 27 GDP. 30 % of the EU workforce is employed by public services employers. This means that 64 million people in over 500.000 enterprises provide essential services to 500 million Europeans.

I know that I take a high risk to come up with figures in front of a worldwide audience of academics and researchers, but in this case I am pretty confident about the scientific value of those statistics. On top of that, the author of the methodology is in the room...!

During the crisis, public services have been an **important stabilising factor** for the economy. When other sectors claim that it is not possible to do "business as usual", providers of services of general interest have continued to deliver high-quality services such as efficient energy and transport infrastructures and high-performing education and healthcare systems.

According to another finding of our "Mapping", **public employers** have continued to keep employment high in the crisis, with almost 80% of them keeping employment at pre-crisis level.

All these figures prove how **public services contribute to the stability of the economy**, at European but also at regional and local level. This is a prerequisite to combating the effects of the crisis.

But SGI are also a pre-requisite to achieving a sustainable growth combined with a well functioning welfare state. They are not just a reliable sector of the economy, which brings stability and possibly a boost in difficult times. They are **the backbone of the European economy** <u>and society</u>, which means much more.

In CEEP we are trying to express all these concepts in a strategy called "Acquis +". Our aim is to ensure an adequate use of the EU legal framework impacting public services and to clearly demonstrate that SGIs are the **link between the** economic, social, environmental and cultural values of Europe. For us, and surely for you, this is obvious: SGI contribute to the social market economy insofar as they take into account requirements linked to

- the promotion of sustainable growth,
- a high level of employment,
- the guarantee of adequate social protection,
- the fight against social exclusion,
- a high level of education and training and protection of health,
- the promotion of economic, social and territoria cohesion

The challenge is to ensure that European policy makers realise it too. In this respect, there is still a lot of work in front of us: you just need to read the speech on the state of the Union delivered yesterday by President Barroso to understand what I mean.

Going now back to the title of this panel, I would say that because of their special nature and their essential role to European citizens and businesses, SGI providers implement the principles of a sustainable and responsible economy on a daily basis. To combine responsibility and sustainability with economic and market principles is one of their main challenges and missions.

**CEEP work on Corporate Social Responsibility** is a good example of this commitment. CEEP has created a **CSR label** to award SGI providers complying best with Corporate Social Responsibility. The label allows companies to reassure stakeholders about the practices, behaviours and ethics of the service providers that they are dealing with. This has also developed the exchange of best practices among providers, and encouraged new enterprises to follow them. Between 2008 and 2010, 60 public, mixed or private enterprises have been awarded after having integrated CSR principles into their mission of general interest, including socially responsible investments, production and consumption.

This year a new group of enterprises will receive the label on the occasion of an awarding ceremony taking place on 14<sup>th</sup> November at the European Parliament, under the patronage of Marc Tarabella, Rapporteur for the revision of the Public Procurement Directives. This will be for us a clear occasion to demonstrate that the strategic use of public procurement can be based on voluntary approaches, involving both contracting authorities and operators. This voluntary approach favours the creation of tools to develop green procurement and socially responsible practices. No need for mandatory requirements on "how to buy" or "what to buy".

The CEEP-CSR label is only one out of many other examples showing the commitment of CEEP members towards a responsible and sustainable economy. But as I know that my speaking time is nearly over I will summarise this commitment in 3 points:

- As they are carrying missions of general interest in the frame of public policy goals, SGI providers are the actors of the necessary transition towards a responsible and sustainable economy. This applies to the nature of their mission as well as to the way they carry it out, namely their operating management.
- 2. Knowing that, the European Union should favour and not hinder growth in public services when looking for solutions to the economic and social crisis. This is the message that CEEP delivered to the European June Council by presenting a "compact for growth in public services".
- 3. To fully develop their potential and ensure a sustainable, quality and effective "backbone" for the European economy and society, providers need an **adequate legal framework**. The current EU primary law designs such an adequate frame, but this has to be accompanied by a full and coherent implementation of the new treaties, avoiding the current cacophony when it comes to shaping policies that affect the organization and provision of SGIs

As I said, it is not easy to drive national and European policy makers into that direction, but I am somewhat comforted by the idea that, in order to accomplish such mission, CEEP can count on partners such as CIRIEC, able to prove that our political demands are built on sound scientific evidence.