

Brussels, 4th November 2011

Final Declaration of the 14th CEEP Annual Conference of Local Enterprises

“Local is beautiful”

Representatives from 16,000 local enterprises providing public services throughout the EU gathered on 4th November 2011 at the 14th CEEP Annual Conference of Local Enterprises on the theme “Going Local towards Re-municipalisation?” and agreed on the following statements:

Providers of services of general interest are a key element of the European economy both directly and indirectly. Directly, they contribute more than 26% to the EU27 GDP. Indirectly they create employment in other sectors. Among public services providers, local enterprises employ more than one million employees and generate an annual turnover of more than 140 billion Euros.

Despite the context of economic difficulties, the majority of local enterprises still fulfil their mission by providing efficient and quality public services, playing a pioneer role in terms of corporate and social responsibility. They also contribute to a stabilisation of local economies and regional labour markets thanks to long term strategies, specific management tools and local investments. The crisis has indeed highlighted the general value of local public enterprises, and in some EU Member States a trend towards going local can be observed.

In this context, local public enterprises are essential actors of the Internal Market, building the backbone of the European economy. At the European level, they are and will be strongly impacted by the current evolutions of the European Competition and Internal Market Legislation.

In these domains, 2011 was a transitional year with numerous legislative initiatives. Regarding all these issues, representatives of local enterprises providing public services gathered in CEEP call on the European policy makers to take into account their added value and specificities. Local enterprises need a well balanced and effective legal environment for providers of SGI, and make some proposals to make it possible:

1. State aid rules

Local enterprises need rules which are simpler and clearer. Therefore, they very much appreciate the bold step forward introduced in some key areas, thanks to the differentiated approach. But this can still be improved and local enterprises invite the Commission to further clarify or revisit a number of issues such as the criteria of the *de minimis* regulation.

2. In house

Representatives of local enterprises welcome the staff working paper of the European Commission on public-public cooperation but call for an “in-house provision” in the positive EU law. The modernisation of EU public procurement rules is therefore a very good opportunity to make crystal clear that in-house is treated as falling outside public procurement discipline. The definition that could be introduced in the proposal for a directive should provide a flexible and workable arrangement to deal with horizontal control by several public administrations of the in-house entity.

3. Concessions

Representatives of local public enterprises also insist on the need for flexible tools, adapted to local needs and resources. They call on policy makers to bear in mind the importance of subsidiarity when revising internal market policies.

This needs to be taken into account when assessing the opportunity of legislative proposals on concessions. The added value of such an initiative remains doubtful, and this is why should the EC publish a proposal, this must remain a very light approach. There is indeed a fundamental difference between concessions and public contracts, and concessions cannot be treated in the same legislative framework as public procurement.

4. Public Procurement

Local Enterprises often fulfil missions of public services which imply complex administrative and financial requirements, with limited means. Therefore, they welcome the proposal for simplification of the European Commission in the frame of public procurement legislation.

They call the European Commission to take this into account when publishing its proposal in December, limiting administrative and financial burden on local actors.

5. Institutionalised public-private partnerships (IPPP)

Now that IPPPs have been legally made possible through the interpretative communication of 02/05/2008 they should be secured and promoted as a modern tool for local authorities to fulfil local public services missions. Thus, the IPPP procedure (that groups together the creation of a mixed-capital entity and the entrustment of the mission through a single and transparent selection procedure of the shareholder) should be included in the revised public procurement directives.

6. EU 2020 strategy

Representatives of local enterprises from all over Europe would like to reiterate their commitment to take part to the Europe 2020 Strategy for a smart, sustainable and inclusive growth that includes qualitative public services. In this view, local enterprises actively take part to the development of the CEEP Corporate Social Responsibility Label (CEEP-CSR label) dedicated to enterprises providing public services, in order to promote in a very concrete way innovation in accomplishing their mission.

