



20 March 2024

SGIs Network Joint Declaration for the Tripartite Social Summit of 20 March 2024

The SGIs Network gathers associations representing providers and employers of services of general interest (SGIs) and public services.

With EU elections in June 2024, the future of Europe will be in the balance in the aftermath of the departure of the United Kingdom from the EU, the COVID-19 pandemic, and the Russian war in Ukraine. Providers of services of general interest (SGIs) should play an essential role in this process, building upon the European roots of SGI enterprises that directly and indirectly serve the EU economy and citizens. With the emergence of new priorities linked with the Open Strategic Autonomy of the EU, the fairness of its social and economic model and its defence capabilities, SGIs must now be considered a pillar for the green future of the EU and provided with the right framework to grow and flourish.

Accessible, high-quality, and affordable SGIs are indispensable to the lives of citizens and enterprises. They support EU autonomy by providing important services and managing critical infrastructures while contributing directly to the growth of the EU economy. Therefore, they should be acknowledged as drivers of innovation, uptakers of new products and services, and facilitators of transitions.

Address skills mismatches and labour shortages

The green, digital, and demographic transitions transform the labour market and work life. While unemployment reaches record lows across the EU, enterprises face labour shortages and a lack of skilled workers to face the new and emerging challenges stemming from our economy's green and digital transformation.

Labour and skills shortages hinder SGI providers and put additional pressure on labour markets. As a growing number of enterprises depends on a shrinking number of workers, fierce competition for talent contributes to higher labour costs.

To address SGIs' providers' lack of the right-skilled workforces, improved cooperation between education/VET actors and enterprises is necessary, and all obstacles to the free movement of people should be lifted.

SGIs Network members call on ensuring that SGIs have access to the skills needed for their development. We, therefore, call on systematically improving, with the support of social partners, knowledge and common understanding of skills' needs to anticipate mismatches, in views of promoting inclusive, tailor-made lifelong learning for all. We call also on strengthening the cooperation between employer federations, SGIs and formal education providers, in order to

better adjust necessary skills provision to the needs of the European labour market. In that regard, European Social partners, at cross-sectoral as well as sectoral levels, can play an essential role in better anticipating the skills' needs in the future, ensuring a better match between skills and jobs' needs and supporting enhanced workers' employability.

At the same time, workplaces are also undergoing a complete transformation. For SGIs providers, it will be important to remain attractive as employers. This should be done through a holistic perspective and can be done in different ways, such as developing inclusive workplaces, a good working environment, attractive wages, the flexibility for the worker to shape their schedule, extra-financial benefits and others. These new developments put a spotlight on a key dimension where social partners can play an important role in providing an EU answer: well-being at work, including through addressing psychosocial risks and building on past social partners' activities and existing agreements on work-related stress, as well as on harassment and violence at work, both at the cross-industry and at the sectoral levels.

Avoid administrative burden and over-regulation for SGI providers

Increasing regulatory complexity is challenging for European businesses, including providers of SGIs. Currently, there is a lack of impact assessment for legislative proposals or impact assessment of low quality.

For example, the requirement to report on sustainability matters imposed by the European Corporate Sustainability Reporting Directive (CSRD) is expected to significantly increase the demand and transfer of sustainability data not only for the obliged entities but also for those that are part of a value chain of a reporting company. To simplify the process, EU institutions should work to standardize sustainability data, including its collection and transfer. In doing so, we would not only enhance the trustworthiness of the data but also reduce SGIs' administrative burdens without undermining the related policy objectives. Also, every year around 700 national technical regulations are notified, resulting in the fragmentation of the Single Market leading to a trade barrier. This especially impacts SGIs as they still struggle to overcome existing barriers. Moreover, administrative burdens have been identified in the field of managing EU funds and financing, where SGIs – particularly local public transport stakeholders – are growingly under distress due to undercapacity in navigating both complex reporting procedures as well as requirements while accessing and managing different, often not well-coordinated funding instruments and programmes.

To prevent the administrative burden from hampering their growth and development we call **on future legislation to be friendly also to SGI-services providers and give clear instructions and guidance to them to help understand regulatory requirements thereby making it easier for them to conduct business within the Single Market Administrative burdens hamper growth for enterprises.**

Implement a framework conducive to investments

Providers of SGIs are known for their significant investment programs. In the face of the green and digital transition, and with increasing threats to our crucial infrastructures, the investment needs of SGIs are at an all-time high, providing future-oriented jobs.

EU institutions and policies should ensure that European citizens, wherever they live, have access to quality and efficient SGIs and public services. This should go hand in hand with unlocking the investment capacities of local and regional governments. For instance, a true capital union could also mean additional possibilities for European municipalities and regions to pool resources with a European-level promotional bank dedicated to local and regional governments.

Another example would be the Universal postal service obligation which has to be financially sustainable. Public resources shall fully and on time refund the universal postal service providers to avoid jeopardising the existing universal postal network.

To achieve a successful modal shift and advance the goals of the European Green Deal, it is critical to ensure the proper investment in the infrastructure. Innovative and private financing mechanisms could be put in place to finance green sectors and infrastructures such as railways and urban public transport networks, yet the EU grant schemes and non-reimbursable funding mechanisms should prevail as a critical source of capital investments.

To face the investment challenge, **SGIs providers call for the implementation of the following principles:**

- Promote the deployment of financial instruments in areas where they can add real socio-economic value and where business models can be found;
- Encourage cooperation between long-term public and private investors;
- Establish an appropriate transparency framework for the use of funds;
- Strengthen the capacity to support project promoters.

The signatories:

SGI Europe



CER - Community of European Railway and Infrastructure Companies



EFEE - European Federation of Education Employers



HOSPEEM - European Hospital and Healthcare Employers' Association



PostEurop - Association of European public postal operators



UITP – International Association of Public Transport

