

Brussels, 20 September 2000  
SW D(2000) 2874

Dear Mrs Lucas,

I would like to respond to your concerns with regard to the services negotiations in the next GATS round and in particular to the impact that these negotiations would have on the sectors of education and health. We have already had several opportunities to discuss these issues in the European Parliament (e.g. on 19 October 1999) as well as during the "Journée de réflexion" of the European Greens in Mèze on 11 November 1999. With this letter I should like to confirm what I said on these earlier occasions.

Education and health are largely characterised in the countries of the European Union by the involvement of and strict regulation by the public authorities, aimed at guaranteeing affordable and qualitative services to the entire population.

It is a common objective to guarantee that the organisation of these public services in the European Union continues to be carried out in conformity with such objectives and in line with the importance attributed to social goals which remain an essential feature of the European identity.

The GATS Treaty aims at creating a system of predictable and legally enforceable rules for internationally traded services. It does not aim at establishing the regulating framework of the different sectors and it is therefore not an instrument which can be used to introduce deregulation.

The decisions with regard to the organisation of each sector depend on each WTO member. The countries signatories of GATS maintain the sovereign right to regulate activities in all sectors, including education and health, within their territory and to guarantee the achievement of legitimate public objectives.

During the previous round, the European Union and other WTO members have already taken some commitments with regard to the sectors of education and health which have been incorporated in the GATS Treaty. The commitments taken by the European Union, in particular, were restricted to specific areas and included explicit limitations aimed at ensuring, for example, the possibility for the Member states of the European Union to restrict the operation of certain activities and to organise their subsidisation.

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As it has been for the commitments taken in the GATS Treaty, I can assure you that the European Union will not undertake any new commitment in the next GATS round which would impair Member States' capacity to regulate the respective role of the private and the public sector, to regulate the provision of such services and to intervene financially in the sectors concerned.

Yours sincerely,

*[signed]*  
Pascal LAMY