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NOTE

from : The Presidency
to : COUNCIL (Employment, Social Policy, Health and Consumer Affairs)

**Subject : Outcomes and Conferences of the Belgian Presidency
- Information from the Presidency
(Any other business item)**

Delegations will find attached a note from the Presidency.

Labour Federal Public Service

Role of the social partners and organised civil society in framing, implementing and monitoring the
Europe 2020 strategy: towards strengthened ownership
(Brussels, 16-17 September 2010)

Ministerial Conference “Green employment: a major and indispensable driver behind a successful
transition towards a low-carbon economy”
(La Hulpe, 28-29 September 2010)

EMCO Conference “Flexicurity to the benefit of workers: Making transition pay”
(Ghent, 4-5 October 2010)

International Forum on Decent Work: A new global momentum for the promotion of decent
work? Challenges for the external dimension of EU employment and social policies
(Brussels, 11-12 October 2010)

Social Security Federal Public Service

Ministerial Conference “Ensuring adequate pensions and social benefits for all European citizens”
(Liège, 7-8 September 2010)

SPC Conference “EU coordination in the social field in the context of Europe 2020”
(La Hulpe, 14-15 September 2010)

Role of the social partners and organised civil society in framing, implementing and monitoring the Europe 2020 strategy: towards strengthened ownership
(Brussels, 17 September 2010)

This conference, organised by the National Labour Council, the Central Economic Council and the European Economic and Social Committee, reviewed the main changes in governance supporting the establishment, from 2011, of the new "European semester", which will include the new European strategy for jobs and growth, "Europe 2020". The conference brought together the key stakeholders at both European and national level affected by the economic and social challenges arising from the new strategy: the economic and social councils in the Member States, the social partners, members of the EESC, the relevant Belgian ministers, the European Commission, representatives of organised civil society, and academics.

Lack of ownership and inadequate implementation at national level are recognised as two of the main weaknesses of the previous Lisbon Strategy. The conference provided a good opportunity to draw attention to the fact that social partners and other organisations representing civil society have an essential role to play at all levels in framing, implementing and monitoring the Europe 2020 strategy, if the latter is to be successful.

The conference highlighted the contribution that the national economic and social councils and the European Economic and Social Committee can make to reinforcing ownership of the Europe 2020 strategy. More specifically, it echoed the proposals in the joint declaration on the same theme adopted on 16 September 2010 by the presidents and secretaries-general of the national economic and social councils and the European Economic and Social Committee.

Such declaration refers to common elements that could facilitate, or even be a decisive factor in, the involvement of the social partners and other representative organisations of civil society in European policy. These elements relate to: (i) the clarity and comprehensibility of the European strategy, (ii) the systematic involvement of the Economic and Social Committees in the strategy, (iii) access to information, (iv) organising true dialogue with the social partners and organised civil society, (v) setting realistic consultation timetables, (vi) exchange of information and best practice between Economic and Social Committees.

Ministerial Conference “Green employment: a major and indispensable driver behind a successful transition towards a low-carbon economy”

(La Hulpe, 28-29 September 2010)

The Belgian Presidency Ministerial Conference on "*Promoting Green Employment: a Major and Indispensable Driver behind a Successful Transition towards a Competitive Low-Carbon and Green Economy*" was organised with the support of the European Commission and held on 28 and 29 September 2010 in La Hulpe (Brussels).

The conference was attended by Ministers, representatives of the EU Member States, representatives of the European institutions (European Commission, European Parliament, EESC) and of international institutions (OECD, ILO), Employment Ministry and employment services, social partners and academics.

Five sessions and a political round table were organised during the conference. The introductory session highlighted the challenges faced by European economies and labour markets due to the transition towards a low-carbon and green economy. Afterwards, three parallel workshops examined the employment prospects, training needs and the role of social dialogue in the three sectors confronted with green growth: construction, energy and transport. The following session dealt with important elements of a successful transition towards green growth, such as the role of employment services, possible partnerships between educational actors, government and industries, the role of the social partners, and the importance of ensuring the quality of “green jobs”. The skills needs for jobs linked to economy greening were discussed in a fourth session. Finally, the last session looked at how all jobs could be "greened", and how the workplace, working methods, commuting, etc. could become more environmentally-friendly.

On the second day, several contributions by the ILO, the European Commission, the EESC and the Employment Committee examined green employment through international and European Union perspectives. Finally, during a political round table, which assembled Ministers, European social partners, MEPs and the European Commission, the role of employment policy-makers in “greening” the labour markets was discussed.

After two days of discussions, the following conclusions were reached:

1. Government can play an important role. Several **experiences at national level concerning global plans or specific measures** preparing labour markets for green growth were presented. EU-wide **exchanges of good practices** of employment policy measures in support of economy-greening need to be reinforced.
2. Combating climate change and the transition towards a competitive, low-carbon resource-efficient and green economy will have significant consequences on our labour markets. While new jobs will be created, others will be transformed or even disappear. **New sectors as well as existing ones will be affected. Reconversion** measures and the policy toolbox of the European Employment Strategy, in particular the **flexicurity concept**, provide a range of ways in which to facilitate the transition towards a green economy. Employment services can also play an important role.
3. All speakers emphasised the crucial role of the **training** of workers. Instruments should be developed to enable the necessary green growth **skills and qualifications**.
4. The importance of green jobs being **quality jobs** was emphasised. Occupational health and safety need to be ensured.
5. The **social partners should be involved and the social dialogue** could contribute to a successful transition towards green jobs by creating awareness of the challenges to be met, by disseminating good practices, and by ensuring that job quality and working conditions are maintained in new sectors.

6. The use of **European funds** (European Social Fund and European Globalisation Adjustment Fund) to support the transition towards a green economy and to ensure the availability of qualified workers is important.
7. Some speakers mentioned the role of tax policies. Reorientation of **tax policies** for a greener economy could potentially lead to a double dividend by taxing harmful activities while providing better incentives to make work pay.
8. Instruments could be developed that may contribute to **lowering energy consumption in the workplace** and to reducing the ecological footprint of companies and workers: in particular, **commuting** and the use of information and communication technologies.
9. All **stakeholders** should be made aware of the greening of the labour markets and the promotion of green jobs: **public employment services, national, regional and local authorities, education and training providers**.
10. The **indicators** developed by the Employment Committee covering six areas (green jobs, green skills, green workplaces, green transitions, green labour markets and green growth) were presented.

EMCO Conference “Flexicurity to the benefit of workers : Making transition pay”
(Ghent, 4-5 October 2010)

Flexicurity already figured on the EU agenda three years ago. Since 2007, however, a lot has changed as a consequence of the economic crisis. Unemployment has increased and public spending has been limited. The labour market too has become much more varied than before. This changed context has to be taken into account when drawing up national strategies in the field of flexicurity. Furthermore, flexicurity has always been subject to a lot of criticism; hence the importance of involving the social partners in the process.

The conference discussed the concept of “positive transitions” and the various constituent elements thereof, which are: quality in work and quality in transitions, life-long learning as a necessary condition for upward transition, labour-market segmentation as a barrier to transition and the tools to secure transition within and into employment. On the basis of a specific study (conducted by the LENTIC – Liège University), it discussed the relevance of enriching the indicators related to the quality of employment with specific indicators related to the quality of transition.

The main questions and instruments supporting transitions within and into employment are

- *How can precarious forms of employment become a springboard towards a better position in the labour market?* Each form of non-regular employment (part-time, temporary or self-employed work) requires a different approach. Regulation of temporary forms of employment and stronger convergence of labour contracts is necessary. Part-time work deserves support since it is often a choice (a stage of life) of the worker, whereas temporary work requires a transition towards a regular job as well as the re-regulation of these kinds of labour contracts so as notably to avoid decreasing productivity. Transition from unemployment towards self-employment too deserves better support, just as transition from regular work to self-employed work and vice versa or a combination of both do.

- *What can be the role of the different types of working-life accounts and family-friendly policies in securing transitions within and into employment?* Some problems in the field of career regulations, such as career breaks as a substitute for early retirement, need to be eliminated to encourage longer participation on the labour market. Compensations for short periods making transitions within employment pay, in combination with other working-time buffers (time accounts, overtime, flexible working hours) should be provided.
- *What role can the public and private employment services play in accompanying transitions into and within employment, in particular for young people?* A specific action towards the young, in particular for the school-leavers, is needed, especially since young suffer more from scarification effects of unemployment. The focus should also be on both jobs and training. For poorly skilled workers on-the-job training is more efficient. In general employment services need revitalisation and a more prominent role.

Flexicurity and upward transitions: the magic bullet?

- *How can all the different elements be integrated and reinforce the flexicurity agenda?* Good practices are to be found in Denmark and in the Scandinavian countries, but they too have suffered from the economic crisis. For implementation it is impossible to merely copy them without taking into account the national context. Important potential barriers are the unequal sharing of profits and losses that may result from certain types of implementation (flexploitation), and the economic crisis which makes workers cling to their job security and limits public spending. Flexicurity is no cure for the economic crisis and it needs to be implemented differently than before the crisis.

Based on the conclusions of the conference, EMCO adopted an Opinion on Making transitions pay, stressing the need for a lifecycle career management. The following interlinked conditions were considered crucial for making transitions pay: labour market transparency and accessibility of information; training opportunities for all; flexible work organisations; secured and adequate social rights; accessible intermediation and career guidance services; progress of workers into decent and quality jobs.

**International Forum on Decent Work: A new global momentum for the promotion of
decent work? Challenges for the external dimension of EU employment and social
policies
(Brussels, 11-12 October 2010)**

The Belgian Presidency of the Council of the EU and the European Commission organised, in close cooperation with the Office of the International Labour Organization for the EU, an *International Forum on Decent Work*, held in Brussels on 11 and 12 October 2010. Attended by ministers, experts from international organisations, Member States and strategic partners, European and international social partners, and NGOs, the Forum explored recent developments in the field of the social dimension of globalisation and strategic prospects for the next decade.

The Forum aimed to debate the new challenges for the external dimension of EU employment and social policies, during a general session, three thematic sessions (namely, enhancing decent work opportunities for young people; addressing the new challenges for decent work in the low-carbon economy; the contribution of trade policy and instruments to the promotion of decent work), and a final round table.

The **main conclusions** arising from the Forum are the following:

- Over the past two years, crisis and recovery have led to an intensification of global debates and international activities in the area of employment and social policy, including policy dialogues on employment within the ILO, UN, OECD and G20 framework as well as in bilateral and regional fora. Stronger socio-economic governance is needed in the context of the deepening of globalisation and of the economic crisis, and represents a challenge for the external dimension of employment and social policies.

- The ILO Global Jobs Pact is considered a pivotal element of the global consensus on the role of employment and social policies in mitigating the crisis impacts, for sustainable recovery and growth, and was rightly recognised by the G20 as a key element in advancing the social dimension of globalisation.
- The Forum highlighted the fact that employment and poverty reduction remain at the heart of economic strategies by contributing to strong and sustainable growth. In addition, given the current fiscal constraints and austerity measures, the focus should be on cost-effective labour-market and social policies. This underlines the need for coherence of all elements of macroeconomic policies.
- Good cooperation and policy coherence between international organisations dealing with economic, financial and labour issues, as well as the importance of their contribution to the G20 framework for strong, sustainable and balanced growth, is also essential in this context.
- The Forum highlighted the importance given to achieving strong job growth, including quality jobs, and to providing social protection to citizens at the recent G20 Toronto Summit, which welcomed the recommendations of the G20 Labour and Employment Ministers, and instructed Ministers to take all necessary steps to implement them fully within agreed timelines.
- A regular meeting of Labour and Employment Ministers of the G20 is needed in the run-up to G20 Summits to provide G20 leaders with strong and coherent messages on employment and social matters and to ensure an adequate follow-up.
- As a strong commitment towards the Decent Work agenda, the European Commission is invited to update its report on the promotion of decent work by the EU.
- The Forum also proposed to consider setting up an EU high-level group or a specific Council group on the external dimension of employment and social policies.
- Youth unemployment is a major global issue which should also be tackled through policy dialogues and strategic partnerships guided by the decent work concept that can capture the multifaceted situation of young persons on the labour market.

- The transition towards a green economy will change what and how we produce and have a profound impact on jobs, in terms of both quality and quantity. This represents another challenge that should be addressed in policy dialogues and strategic partnerships on the basis of a decent work approach.
- The integration of labour provisions in bilateral and regional trade agreements is acknowledged as a very important development for the implementation of international labour standards; impact assessment also contributes to fostering the implementation of decent work.
- There is considerable potential for corporate social responsibility to contribute to decent work especially in the case of youth unemployment, the greening of the economy, and in the framework of the trade policy.

The Belgian Presidency proposes that the EPSCO Council send a message to the European Council so that it takes into account, when defining the EU approach for the upcoming G20 Seoul Summit on 10 and 11 November, the importance of jobs-rich growth, quality jobs and poverty reduction for successful recovery, and the need to continue a regular dialogue between Employment and Labour Ministers within the G20 framework.

Ministerial Conference “Ensuring adequate pensions and social benefits for all European citizens”

(Liège, 6-8 September 2010)

Main issues raised during the discussion on Social Protection

Social protection is at the heart of European society. It is the main difference between Europe and other industrialised regions in North America or Asia, and **ensures that economic growth coincides with social progress**. Since the beginning of the European Union the question has arisen as to how the EU can enforce Member States’ social security systems. In its founding Treaty of Rome, the EU aimed to promote full employment and social progress in its Member States, to combat social exclusion and discrimination and to promote social justice and social protection.

What can be done to ensure that the European Union will provide social value for its citizens? The **EU strategy cannot restrict itself to promoting job creation and economic growth but must also set goals for itself in the social and environmental fields**.

Many speakers pointed to the potential of Article 9 of the TFEU. This **horizontal social clause** calls for an intensified focus on the social dimension of EU policies. Taking into account social effects of *all* EU policies demands a structural dialogue across and within all EU institutions. It requires all strands of the Council and the Commission to benefit from the expertise inside the social strand. In turn, the debate in the social strand would benefit from pollination with outside discussions. A key instrument to achieving this is a strong commitment to **impact assessment**. Assessing social impacts will lead to better informed decision-making on the political level, to a stronger social dimension of EU policy, and eventually to a more cohesive European Union.

Main issues raised during the discussion on Pensions

Several European ministers presented the pension schemes in their countries. The European ministers also discussed their respective points of view and their vision of the European Green Paper on Pensions. A number of shared pension challenges across Member States emerged, such as the following;

- There seems to be a broad consensus on the fact that the **adequacy and sustainability of pension systems are two sides of the same coin**. Hence there is, in general, a call for the simultaneous evaluation of these matters and, in particular, a need to continue the publication of joint EPC and SPC reports on this subject.
- The instruments to evaluate adequacy should be **broader** than the aggregate **measures** that currently complement the sustainability evaluations, such as the benefit ratio.
- There is a clear need to **define all concepts used in the debate** accurately. In particular, adequacy should be distinguished from social sustainability. It is expected that further consultation by the Commission on its Green Paper should bring about a more accurate definition of at least the concept of adequacy.
- The **three-pronged strategy** to secure long-term sustainable pension systems, endorsed at the European Council in Stockholm 2001, is not contested, the three aims being to increase employment rates, reduce public debt and adapt social protection systems, including pension systems.
- An ideal **mix of interventions** in the above three domains, common to all countries, does not exist, nor is there is an example of a single best practice that can be copied from one country to other countries.
 - On the contrary, the case of Greece illustrates what should be avoided. For its reforms it relies on a mix of instruments that will most likely be exploited by other countries as well, but the pace at which it had to introduce certain measures has never before been seen. Moreover, due to the urgency of the interventions, it focused entirely on the sustainability aspects of the reforms.

- While demographic evolutions have stimulated thinking about possible weaknesses of pay-as-you-go pension systems, the recent financial crisis has pointed to possible weaknesses and **risks involved in capital-funded pension systems**.
- There is no consensus in favour of a **minimum pension** at EU level. One of the objections against such a rule is the feeling that welfare levels among Member States are hard to compare. Nonetheless, the Commission saw some room for coordinating some basic principles on what minimum protection schemes could/should be.
- The Commission will not take a position on what the **balance between publicly- and privately-managed pension systems** for Member States should be, but it will stimulate the development of instruments that help to monitor the sanity and sustainability of all pension provision systems in Member States.
- During the various debates a number of questions were repeated, in particular:
 - If a considerable **increase in the employment rate** is a real objective, how likely is it that additional jobs can and will be created, in particular for vulnerable groups? Are there arguments to plead for flattened wage curves on the basis of seniority?;
 - If **labour market mobility** serves the objective of increasing the employment rate, are there then good and bad ways to stimulate labour market mobility?

**SPC Conference “EU coordination in the social field in the context of Europe 2020”
(La Hulpe, 14-15 September 2010)**

This conference was held on 14 and 15 September on the topic of the coordination of social policies at European level in the context of the new Europe 2020 strategy. It reflected on how better social policy coordination and integration will help deliver the national and European social objectives and the targets of the Europe 2020 strategy. The conference focused on ways to **reinforce the Open Method of Coordination** on Social Protection and Social Inclusion ("Social OMC") in relation to the Europe 2020 Strategy. The delegations of the Member States and international experts had an opportunity to examine different approaches to improvement based on past successes in the field. Political leaders, social partners and civil society had an opportunity to be heard. The conference was divided into three distinctive blocks highlighting the different elements needed to strengthen the social dimension of the European Union.

- (1) **Governance of the social dimension** in the different EU policy domains was the first block. From this perspective policy integration and mainstreaming are of prime importance. Reinforced interaction between economic, employment, environmental and social policies and objectives is essential to deliver on the overall goals of Europe 2020 and to make a difference on the ground. Cooperation and an integrated approach, on different levels, between the different policy strands is required to deliver on the targets of the Europe 2020 strategy. Intensified cooperation between the different Committees (SPC, EMCO and EPC) and other High-Level Groups (e.g. education) could be a concrete step. **The Horizontal Social Clause** in the Lisbon Treaty (Article 9 of the TFEU¹) calls for **intensified social mainstreaming** in all EU policies and activities and for a reflection on how to improve the existing EU methodology for social impact assessment.

¹ Article 9: “*In defining and implementing its policies and activities, the Union shall take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health.*”

- (2) The second block dealt with the **design of the social coordination process** itself. Four issues were emphasised with regard to the **Social OMC**:
- > The need for **more and better quality involvement by stakeholders** to enhance the ownership, the visibility and the legitimacy of the strategy;
 - > The need for **better visibility of the work of the Social OMC** to facilitate its ownership and raise interest at all levels of society;
 - > Additional efforts are required to feed **the outcomes of peer reviews and mutual learning exercises back into the policy-making process** ;
 - > The Social OMC should keep an **independent reporting process** (such as the Joint Report on Social Protection and Social Inclusion) that will feed the Europe 2020 Strategy.

As for the **European Platform against Poverty**, it was stressed that it should be complementary to the Social OMC. It should ensure that the social objectives are mainstreamed in the Europe 2020 Strategy. The involvement of stakeholders in the Platform is crucial to ensure its success in terms of visibility, ownership and effectiveness. The Platform should also contribute to the reinforced communication strategy that is needed to effectively disseminate the results of the EU social process.

- (3) Finally, the last block addressed the tools of the Social OMC with particular emphasis on social monitoring tools. Here, the following points need to be highlighted:
- > The already **commonly agreed Social OMC indicators have to be fully used** to ensure proper monitoring of the guidelines.
 - > Indicators **must be used to support effective policy-making**. They should make us aware of strengths and weaknesses and they should facilitate examination of the causes of poverty, social exclusion and insufficient social protection.
 - > Working with targets will only really be possible if timely data are available. It needs to be explored how the **timeliness of data could be improved**.
 - > The **development and use of micro-simulation models** to support policy and ex ante social impact assessment should be promoted.