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from: The Social Protection Committee  
to: Permanent Representatives Committee (Part I) / Council (EPSCO)  
Subject: The Future of the Social Open Method of Coordination (OMC)  
- Endorsement of the Opinion of the Social Protection Committee

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Delegations will find attached the Opinion of the Social Protection Committee on reinvigorating the social OMC in the context of the Europe 2020 Strategy, with a view to the session of the Council (EPSCO) on 17 June 2011.



# The Social Protection Committee

OPINION OF THE SOCIAL PROTECTION COMMITTEE ON:

REINVIGORATING THE SOCIAL OMC IN THE CONTEXT OF THE EUROPE 2020  
STRATEGY

## Reinvigorating the Social OMC in the context of Europe 2020

1. The Open Method of Coordination for social protection and social inclusion (Social OMC) has proved a flexible, successful and effective instrument<sup>1</sup> to bring forward common priorities for social policy at EU and national level. However, there is a need to improve its visibility and impact.
2. The social dimension of the Europe 2020 Strategy and the stronger social provisions of the Lisbon treaty (such as the horizontal social clause) provide an opportunity to reinvigorate the Social OMC.

### *Substantive effects of the Social OMC – illustrative examples*

- *in all Member States the Social OMC has triggered or contributed to policy reassessments, public discourses, and political agendas. Prominent examples of areas include (child) poverty, active inclusion, homelessness, long-term care and pension reform.*

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<sup>1</sup> See articles 153 and 160 of the social policy chapter of the Treaty on the Functioning of the EU.

- *the Social OMC has been a supporting factor in the passage of new legislation in some Member States (e.g. in areas such as long-term care, active inclusion, the phasing out of early retirement, or the social economy), and in efforts to make social protection systems financially more sustainable or more adequate.*
  - *the development of common indicators has supported the strengthening of statistical and analytical capacity in the social field, both at EU and national level. In particular, the (revised) Laeken indicators have been valued by all actors.*
  - *the policy coordination process, and in particular the work on indicators has been instrumental in reaching an agreement on the definition of an EU target for the reduction of poverty and social exclusion in the context of Europe 2020.*
3. The Social OMC should continue working in a holistic way along its three strands: social inclusion, pensions and health care and long-term care. It should be developed as a visible expression of *Social Europe*. It has a central role to play in enabling effective policy coordination in the social field and should be the driving force of social policy initiatives on the European level, encompassing adequacy, financial sustainability and modernisation of social protection systems.
  4. The Social OMC is an essential tool to support the Social Affairs ministers in monitoring and assessing the social situation and the development of social protection systems as well as the social dimension of the Europe 2020 Strategy (especially, though not solely, the Integrated Guideline nr. 10).
  5. The EPSCO Council will be provided with clear and short messages based on timely and evidence-based analysis. This work will also rely on improved cooperation and coordination between EU Committees (SPC, EMCO and EPC in particular) and other relevant high level groups (in areas such as demography, health, education, gender mainstreaming and disability).

6. The Social OMC (common objectives, common indicators, reporting, analytical capacity building, and mutual learning instruments) contributes to the Europe 2020 governance cycle (European Semester) while maintaining its specificity.

### **Re-affirming the Common Objectives on Social Protection and Social Inclusion**

7. The SPC is of the opinion that the Common Objectives on Social Protection and Social Inclusion remain valid in the new decade: they cover the most important challenges the Member States are facing. Nevertheless, some minor technical updating is necessary to ensure coherence with the wording of Europe 2020 and with the social provisions of the Lisbon Treaty (see ANNEX).

### **Continue – considerably lighter – reporting in the context of Europe 2020**

8. The SPC considers that the policy coordination process carried out under the Social OMC requires regular strategic reporting that allows Member States to present their strategies and progress achieved towards the Common Objectives for Social Protection and Social Inclusion and supports the assessment of the Social dimension of the new Strategy.
9. Member States' input would cover policies and measures in the three strands of the Social OMC, with a multiannual perspective. Work should be organized so as to ensure synergies with the Europe 2020 policy cycle and national reporting requirements and as to avoid duplications, bearing in mind the limited resources of the national bodies and of the European Commission.
10. Every year at the same time as the NRPs, Member States will be invited to succinctly inform on progress achieved in specific fields and also to present, whenever relevant, updated plans taking account of the national policy cycle.

11. The SPC can decide on thematic focuses to be reflected in the reporting of Member States, as well as in other activities carried out under the Social OMC. The thematic work of the SPC could also lead to joint reports of the Commission and of the Member States.
12. Progress towards the Social OMC objectives as well as the implementation of the social dimension of Europe 2020 will be assessed in the annual report of the SPC. This will allow the EPSCO Council to transmit social policy messages to the Spring European Council covering the broader scope of the Social OMC.

### **Enhancing mutual learning and analytical capacity**

13. Peer reviews and mutual learning are essential in the Social OMC. They should be closely linked to policy reforms and well focused. Innovative solutions should be found to improve the dissemination of outcomes.
14. Strengthening the analytical capacity and evidence base of the policy work under the Social OMC is crucial. The SPC should continue working on indicators in all three strands, while ensuring consistency with the Joint Assessment Framework. In the context of the agreed reporting mechanisms, Member States and the Commission should continue to draw selectively, as need be, on the full set of commonly agreed indicators on social inclusion, pensions, health care and long-term care.

## **Enhancing stakeholders' involvement and developing synergies with the European Platform against Poverty and Social Exclusion**

15. Whilst the Social OMC is primarily an inter-governmental process supported by the Commission, it has proved a useful mechanism to involve other stakeholders in policy making and this should be built on. It is important to improve the involvement of social partners, NGOs, regional and local authorities with a view to increase the ownership and effectiveness of the policies developed in the context of the Social OMC and to enhance mutual learning. The involvement of the other relevant EU institutions at EU level is also important.
  
  16. Member States and the Commission will need to ensure that the initiatives taken in the context of the European Platform against Poverty and Social Exclusion and the policy coordination under the Social OMC are mutually reinforcing.
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**OBJECTIVES OF THE OMC FOR SOCIAL PROTECTION  
AND SOCIAL INCLUSION**

*(Technical update)*

**The overarching objectives of the Open Method of Coordination for social protection and social inclusion are to promote:**

- (a) social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies;
- (b) effective and mutual interaction between the Europe 2020 objectives of smart, sustainable and inclusive growth, taking full account of the relevant social provisions of the Lisbon Treaty;
- (c) good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

**The following objectives apply to the different strands of work:**

***A decisive impact on the eradication of poverty and social exclusion by ensuring:***

- (d) access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion;
- (e) the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion;

- (f) that social inclusion policies are well-coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and structural fund (notably ESF) programmes.

***Adequate and sustainable pensions by ensuring:***

- (g) adequate retirement incomes for all and access to pensions which allow people to maintain, to a reasonable degree, their living standard after retirement, in the spirit of solidarity and fairness between and within generations;
- (h) the financial sustainability of public and private pension schemes, bearing in mind pressures on public finances and the ageing of populations, and in the context of the three pronged strategy for tackling the budgetary implications of ageing, notably by: supporting longer working lives and active ageing; by balancing contributions and benefits in an appropriate and socially fair manner; and by promoting the affordability and the security of funded and private schemes;
- (i) that pension systems are transparent, well adapted to the needs and aspirations of women and men and the requirements of modern societies, demographic ageing and structural change; that people receive the information they need to plan their retirement and that reforms are conducted on the basis of the broadest possible consensus.

***Accessible, high-quality and sustainable healthcare and long-term care by ensuring:***

- (j) access for all to adequate health and long-term care and that the need for care does not lead to poverty and financial dependency; and that inequities in access to care and in health outcomes are addressed;

- (k) quality in health and long-term care and by adapting care, including developing preventive care, to the changing needs and preferences of society and individuals, notably by developing quality standards reflecting best international practice and by strengthening the responsibility of health professionals and of patients and care recipients;
  
  - (l) that adequate and high quality health and long-term care remains affordable and financially sustainable by promoting a rational use of resources, notably through appropriate incentives for users and providers, good governance and coordination between care systems and public and private institutions. Long-term sustainability and quality require the promotion of healthy and active life styles and good human resources for the care sector.
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