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## OUTCOME OF THE COUNCIL MEETING

3507th Council meeting

**Employment, Social Policy, Health and Consumer Affairs**

**Employment, Social Policy and Health**

Brussels, 8 December 2016

Presidents      **Mr Jan Richter**  
Minister for Labour, Social Affairs and Family of  
Slovakia  
**Mr. Tomáš Drucker**  
Minister for Health of Slovakia

# P R E S S

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# **CONTENTS<sup>1</sup>**

## **ITEMS DEBATED**

EMPLOYMENT AND SOCIAL POLICY .....	4
European Agencies: Eurofound, EU-OSHA, Cedefop .....	4
European Semester 2017 .....	5
Pillar of social rights .....	6
Posting of workers .....	7
Equal treatment .....	9
Youth guarantee and the Youth employment initiative .....	10
Roma integration.....	11
Women and poverty .....	12
Any other business .....	13
– Youth initiatives .....	13
– Call for a Commission communication on a gender equality strategy .....	13
– State of play on.....	13
– Outcome of the conferences organised by the Slovak Presidency .....	13
– Special Olympics World Winter Games.....	13
– Work programme of the incoming presidency .....	13

<sup>1</sup>

- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's internet site (<http://www.consilium.europa.eu>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's internet site or may be obtained from the Press Office.

HEALTH.....	14
Annual growth survey 2017 - public health related part.....	14
Any other business .....	15
– Availability and accessibility of medicinal products in the EU.....	15
– Revision of the paediatric medicines regulation.....	15
– State of health in the EU.....	15
– Antimicrobial resistance.....	15
– European reference networks .....	15
– WHO framework convention on tobacco control.....	15
– Labelling of alcoholic beverages.....	16
– Election of the WHO Director-General.....	16
– Conferences.....	16
– Work programme of the incoming presidency .....	16

## OTHER ITEMS APPROVED

### *FOOD LAW*

– Health claim on foods.....	17
------------------------------	----

### *ECONOMIC AND FINANCIAL AFFAIRS*

– Institutions for occupational retirement provision.....	17
– Jordan - Macro-financial assistance .....	18
– Packaged retail and insurance-based investment products .....	18

### *CUSTOMS UNION*

– Union Customs Code - Goods temporarily away from the EU's territory .....	19
---	----

### *ENVIRONMENT*

– Air quality .....	19
---------------------	----

**ITEMS DEBATED****EMPLOYMENT AND SOCIAL POLICY****European Agencies: Eurofound, EU-OSHA, Cedefop**

The Council reached a general approach ([15024/16](#) + [ADD 1](#), [ADD 2](#) + [ADD 3](#)) on three proposals for new regulations governing the European foundation for the improvement of living and working conditions (Eurofound), the European agency for safety and health at work (EU-OSHA) and the European centre for the development of vocational training (Cedefop).

The common feature of these agencies is their tripartite nature, reflected both in their governance and functioning: national authorities, trade unions and employer representatives participate in the governing bodies as well as in dedicated advisory committees of the agencies.

The aim of the regulations is mainly to update the agencies' objectives, tasks and activities in order to better reflect recent societal, institutional and economic developments as well as new needs.

These updates also provide an opportunity to insert important provisions which are not included in the current regulations, such as anti-fraud measures, conflict of interest policies, evaluations and reviews, and the establishment of headquarter agreements.

The main new feature of the proposed regulations is a new governance structure, i.e.:

- a management board at the top level, vested with the necessary powers, such as the power to adopt the budget and approve the programming documents laying down the strategic priorities for the activities of the respective agency, and appointing authority powers;
- an executive board to assist the management board by preparing the management boards' meetings and supporting the decision-making and monitoring processes;
- an executive director to take care of the overall management of each agency according to the strategic direction set by its management board, including day-to-day administrative, financial and human resources management.

With this political agreement the Council can start negotiations with the European Parliament ([see also press release](#)).

## European Semester 2017

Ministers held an exchange of views on the European Semester 2017 on the basis of a presidency background [note](#).

The Commission presented to the Council the economic package, which includes the annual growth survey, the joint employment report and the alert mechanism [report](#).

The Council approved the employment and social aspects of the euro area draft [recommendation](#).

The employment and social situation in the EU is gradually improving. The employment rate is once again above the 2008 level. The unemployment rate has kept falling, standing at 8.5% in the EU-28 and 10% in the euro area (September 2016 data).

Growing inequalities need to be tackled and concrete measures are required to stop a further widening of the gap between the haves and the have-nots. Though declining, youth and long-term unemployment rates remain high in some regions and member states. Gender employment and pay gaps remain wide.

In the [annual growth survey](#), the Commission proposes to maintain the following main priorities: relaunching investment, pursuing structural reforms and ensuring responsible public finances. A particular emphasis is placed on ensuring social fairness across all three above-mentioned priorities. Economic, employment and social policy should place more emphasis on supporting long-term sustainable and inclusive growth which generates jobs. Where necessary, policy adjustments may be required to achieve this.

The [joint employment report](#) recognises the improvement of the labour market and the social situation, with the recovery becoming increasingly more job-intensive. However, it acknowledges that income inequality remains high but stabilised, and that poverty and social exclusion are also high albeit decreasing.

## **Pillar of social rights**

The Council held a policy debate on the European pillar of social rights on the basis of a presidency [steering note](#). This initiative is part of the work undertaken by the Commission for a deeper and fairer Economic and Monetary Union but is not limited to the euro area member states.

During the debate, ministers pointed out that the EU's social model should be strengthened in order to achieve social convergence and a better balance between economic growth and a social Europe. This should involve boosting employment and fighting unemployment, especially youth unemployment, to reduce inequalities and to promote health and gender equality. The pillar should take into account the different realities and features of the social systems of the member states and comply with the principles of subsidiarity and proportionality.

The discussion was intended to provide the Commission with strong political messages in the context of the ongoing public consultation process. After having taken stock of the results of the consultation, the Commission is expected to table the final outline of the pillar and specific legislative and non-legislative initiatives in March 2017.

The pillar is intended to strengthen the focus on employment and social aspects and to make the European social model fit for the challenges of the 21st century. Moreover, it is intended to support well-functioning and fair labour markets and welfare systems.

The Commission has stressed that the pillar is to be structured around the following three principles: equal opportunities and access to the labour market, fair working conditions and adequate and sustainable protection.

## Posting of workers

The Council took stock of [progress](#) on the posting of workers directive. Following the Commission's decision to maintain the proposal (yellow card procedure), discussions in the Council working party have focused on the Slovak presidency compromise proposals.

The presidency invested considerable efforts in an attempt to ensure progress on the following five issues identified under the Dutch presidency: long-term posting, remuneration, collective agreements, subcontracting and equal treatment of temporary agency workers.

As the main approach, the presidency suggested the use of a dual system, whereby a worker posted for a short period of time would be subject to the current rules, as stipulated by directive 96/71/EC. Once this period had elapsed, the worker would then become subject to the host member state's labour law, which means that additional terms and conditions of employment, as well as, importantly, all mandatory provisions relating to remuneration, would apply. This would also be the case for postings of individuals of longer than 6 months (effective or anticipated) and for postings per worker of longer than 3 months, cumulatively exceeding 12 months per service.

This approach would be in line with the main objective of tackling the challenges of long-term postings and the related illegal practices, while, at the same time, keeping companies competitive.

The presidency also suggested a number of recitals making clear the current case-law regarding the minimum rates of pay or the link to other secondary legislation, such as regulation 883/2004 on coordination of social security.

However, further technical work and political discussions on the issues of long-term posting, remuneration and subcontracting are still needed.

## **Accessibility**

The Council took note of a progress [report](#) on the accessibility directive. The proposed directive sets out rules on products and services accessible to persons with disabilities and functional limitations.

The scope includes electronic devices, websites, audio-visual media services, and certain aspects of transport services (e.g. ticketing machines and travel information) and banking services (e.g. websites and mobile device-based banking).

### Work under the Slovak presidency

The presidency's suggestions focused on the delegations' major concerns, including improving legal certainty, reducing the administrative and financial burdens and ensuring that the European accessibility act (EAA) does not overlap with other Union acts.

The main horizontal changes to the text suggested by the presidency are as follows:

- using the definition of 'persons with disabilities' as set out in the UN Convention
- concentrating on the internal market objective of the proposal
- clarifying the voluntary accessibility requirements concerning the built environment
- reducing the financial and administrative burden for economic operators and relevant authorities



## **Equal treatment**

The Council took note of a progress [report](#) on the equal treatment directive. This directive aims to extend protection against discrimination on the grounds of religion or belief, disability, age or sexual orientation to areas outside employment.

Complementing existing directives [2000/43/EC](#), [2000/78/EC](#) and [2004/113/EC](#) in this area, the proposed horizontal equal treatment directive would prohibit discrimination on the above-mentioned grounds in the following areas: social protection, including social security and healthcare; education; and access to goods and services, including housing.

### Work under the Slovak presidency

Discussion in the working party on Social Questions focused in particular on the interplay between the provisions on accessibility for persons with disabilities contained in the proposed directive and in other EU legislation as well as in the proposed European accessibility act (EAA).

The working party also examined the exception contained in the proposed directive that would allow more favourable conditions of access to persons belonging to specific age groups.

The discussions also touched upon the remit of national equality bodies and the question of 'universal design'.

Tangible progress has been made on the issues discussed. Nevertheless, further work and political discussions are needed before the required unanimity can be reached in the Council.

## **Youth guarantee and the Youth employment initiative**

The Council adopted [conclusions](#) on the implementation of the Youth guarantee and the Youth employment initiative.

These conclusions constitute the Council's response to the Commission [report](#) on the implementation of the Youth guarantee (YG) and the Youth employment initiative (YEI), published in October.

The report presents findings on the progress so far, showing that young people's labour market performance in the EU has overall surpassed expectations (there are 1.4 million fewer young people unemployed in the EU than in 2013).

Increasing youth employment remains a political priority in the EU. Despite more encouraging signs in some of the most recent figures, unemployment among young people still remains far too high in a number of member states and EU regions.

## **Roma integration**

The Council adopted [conclusions](#) on accelerating the process of Roma integration.

The Presidency tabled this set of conclusions following the recent Commission communication, which assessed the member states' ongoing efforts in this area.

Despite commendable efforts at the national and EU level, Roma continue to be among the most disadvantaged citizens in the European Union. With these conclusions, the Council renews its commitment to support and accelerate the process of Roma integration.

The conclusions also urge the member states to recognise and commemorate the victims of the Roma genocide that took place during World War II. This is the first time that the Council has recognised this historical fact.

## **Women and poverty**

The Council adopted [conclusions](#) on women and poverty.

The conclusions focus on the gender dimension of poverty. They are based on a [report](#) prepared by the European Institute for gender equality.

The conclusions point out that often, women face a higher risk of poverty and are more severely affected by poverty than men. This is especially true for vulnerable groups, such as long-term unemployed women, single- parents, women with a migrant background, older women living alone, women with disabilities and homeless women.

**Any other business**

– ***Youth initiatives***

The Commission presented initiatives concerning youth to the Council.

– ***Call for a Commission communication on a gender equality strategy***

The German and Swedish delegations presented an information note on this item to the Council.

– ***State of play on:***

i) Omnibus regulation – European Union programme for employment and social innovation (EaSI), European globalisation adjustment fund (EGF) and Fund for European aid to the most deprived (FEAD)

ii) New skills agenda for Europe

The Presidency informed the Council of the state of play on two current files which have strong links to employment/social policy issues, though in the remit of other Council formations.

– ***Outcome of the conferences organised by the Slovak Presidency***

Ministers were informed of the outcome of the conferences held under the Slovak presidency.

– ***Special Olympics World Winter Games***

The Austrian delegation briefed the Council on the Special Olympics World Winter Games

– ***Work programme of the incoming presidency***

The Maltese delegation informed the Council about its work programme.

## **HEALTH**

### **Annual growth survey 2017 - public health related part**

Ministers exchanged views on the public health related part of the [Commission's annual growth survey for 2017](#).

The discussion was based on a [presidency note](#).

EU health ministers welcomed the Commission's annual growth survey for 2017, which they considered to be a valuable contribution to the ongoing review of how to increase the cost-effectiveness and quality of health care. They particularly shared the Commission view that health systems should become sustainable. Health ministers had divergent views on whether they should have a yearly discussion on the public health related aspects of the annual growth survey. The presidency asked the Council's preparatory bodies to examine this question further.

**Any other business**

- *Availability and accessibility of medicinal products in the EU*  
[The Commission informed ministers](#) of how it intends to respond to the Council's invitation from June 2016 to analyse the impact of pharmaceutical incentives and rewards on innovation, availability and accessibility of medicinal products.
- *Revision of the paediatric medicines regulation*  
[The Luxembourg delegation asked the Commission](#) to put the necessary measures in place to further enhance children's access to innovative medicinal products.
- *State of health in the EU*  
[The Commission informed ministers about the state of health in the EU](#), a two-year series of analytical products on country-specific and cross-country knowledge in the field of health.
- *Antimicrobial resistance*  
[The Commission informed ministers](#) about its work to set up a new EU action plan to fight antimicrobial resistance in 2017, as requested by the Council in June 2016.
- *European reference networks*  
[The Commission informed ministers](#) about the ongoing work to set up European reference networks; as from 2017 these networks will pool the expertise of specialist healthcare centres throughout the EU to provide patients affected by a rare disease access to the diagnosis and to high-quality treatment.
- *WHO framework convention on tobacco control*  
[The presidency and the Commission informed ministers](#) about the outcome of the 7th conference of parties of the framework convention on tobacco control held in New Delhi/India from 7 to 12 November 2016.

– ***Labelling of alcoholic beverages***

The Irish delegation asked the Commission (15000/16 REV 1) to update the Council on its plans to publish a report on whether there should be an obligation to label the energy value of alcoholic beverages.

– ***Election of the WHO Director-General***

[The Hungarian delegation informed the Council](#) about the decision of the Hungarian government to submit the nomination of Dr Miklós Szócska as candidate for the post of Director-General of the World Health Organisation.

– ***Conferences***

The presidency informed the Council about the outcome of conferences held during its term of office.

– ***Work programme of the incoming presidency***

The Maltese delegation informed ministers about its work programme in the field of health and consumer affairs as the incoming Presidency of the Council of the EU.



## **OTHER ITEMS APPROVED**

### **FOOD LAW**

#### **Health claim on foods**

The Council decided not to oppose the adoption of a Commission regulation refusing to authorise a health claim made on foods referring to the reduction of disease risk ([13869/16](#)).

The Commission regulation is subject to the so called regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulation, unless the European Parliament objects.

### **ECONOMIC AND FINANCIAL AFFAIRS**

#### **Institutions for occupational retirement provision**

The Council adopted a directive on institutions for occupational retirement provision (IORPs), aimed at facilitating their development and better protecting pension scheme members and beneficiaries.

IORPs manage collective schemes for employers that provide retirement benefits for their employees.

Revising directive 2003/41/EC, the text has four specific objectives:

- to clarify cross-border activities of IORPs
- to ensure good governance and risk management
- to provide clear and relevant information to members and beneficiaries
- to ensure that supervisors have the necessary tools to effectively supervise IORPs

It will also strengthen the role of IORPs as institutional investors and help channel long-term savings to growth-enhancing investment.

Agreement was reached with the European Parliament on 15 June 2016. The Parliament approved the agreed text at first reading on 24 November 2016.

Member states will have two years to transpose the directive into their national laws and regulations.

### **Jordan - Macro-financial assistance**

The Council adopted a decision providing €200 million in macro-financial assistance to Jordan, to help cover its balance of payments needs.

The EU assistance will help the country's economic stabilisation and will support a substantive reform agenda. It will supplement resources provided by the IMF, which has been discussing a new support programme with Jordan.

Agreement was reached with the European Parliament on 27 October 2016. The Parliament approved the agreed text at first reading on 24 November 2016.

[Press release on December 2016 decision to grant macro-financial assistance to Jordan](#)

### **Packaged retail and insurance-based investment products**

The Council adopted a regulation postponing the application date of rules on packaged retail and insurance-based investment products (PRIIPs) by 12 months.

Regulation 1286/2014 will now be applied from 1 January 2018, instead of 31 December 2016 as initially stipulated.

The one-year delay will enable regulatory technical standards to be defined, leaving sufficient time for the industry to adapt to the new rules. This comes after the European Parliament objected to the regulatory technical standards that were initially adopted by the Commission.

Regulation 1286/2014 sets out to improve market transparency for retail investors and to boost consumer trust in financial markets. It requires key information documents to be drawn up for all PRIIPs.

## **CUSTOMS UNION**

### **Union Customs Code - Goods temporarily away from the EU's territory**

The Council adopted a [regulation](#) amending the [Union Customs Code](#) (UCC) to improve customs supervision for goods that have temporarily left the EU's customs territory while moving between two Union ports or airports, without stopping outside the EU's customs territory.

The European Parliament approved the new regulation, which amends article 136 of the UCC, on 1 December 2016.

The modernised UCC entered into force on 1 May 2016 but further work is planned for a transitional period up until 2020 to refine and fully implement the new rules.

In June, the Council adopted conclusions on the UCC ([10111/16](#)) to provide guidance to continue the work on keeping the Union Customs Code up to date.

## **ENVIRONMENT**

### **Air quality**

The Council adopted a new directive ([PE-CONS 34/16](#)) to reduce air pollution. The new rules set stricter national limits for the emission of some of the most dangerous air pollutants.

Press release - [Air quality: new stricter limits for pollutant emissions](#)