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# OUTCOME OF THE COUNCIL MEETING

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

# **Employment and Social Policy**

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<sup>&</sup>lt;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.

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#### **ITEMS DEBATED**

## **EMPLOYMENT and SOCIAL POLICY**

#### Economy of wellbeing - public debate

Ministers held a public policy debate on the economy of wellbeing, based on a presidency steering note (10416/19).

The economy of wellbeing is a Finnish priority theme in the EPSCO remit. The Finnish presidency invited the OECD to draft a background note (10414/19 ADD1) to explore and clarify the relationship between economic growth and human wellbeing, building on international research and evidence. This background note provides important empirical support for the policy debate (Executive summary of OECD's report).

Ángel Gurría, Secretary-General of the OECD, set the scene for the discussion by presenting the OECD's findings and stressing that improving people's wellbeing relied on four pillars:

- improved skills
- reduced inequalities
- better social protection
- gender equality

Ministers were invited to address the following questions:

- 1. What are your views on reinforcing the economy of wellbeing as a guideline for policy and decision-making?
- 2. In what way should the EU's policy and decision-making be developed in order to strengthen the link between economic policy and wellbeing policies?
- 3. Strengthening the economy-of-wellbeing principles throughout the EU is a long-term goal. What should be the first steps?

Ministers broadly agreed that reducing inequalities had to be a policy priority and that the concept of an economy of wellbeing needed to be integrated in future EU policies. Some participants stressed that social expenditure should be treated as an investment. The debate showed broad support for a horizontal approach to policy design. Ministers also highlighted the importance of taking into account the connection between the economy of wellbeing and economic growth in Europe's post-2020 strategy. The debate set the frame for the preparation of Council conclusions on the economy of wellbeing, which the Finnish presidency plans to table for adoption at the EPSCO meeting in October this year.

The concept of the economy of wellbeing provides a comprehensive approach to policy-making. It goes beyond GDP as a tool for measuring market production and economic growth. The concept's primary claim is that, while people's wellbeing is a value in itself, it is also vital for ensuring sustainable long-term economic growth. It seeks to increase understanding in the EU of how wellbeing policies and structures enhance productivity, generate economic growth, increase employment, and support fiscal sustainability as well as societal stability.

The economy of wellbeing favours a cross-sectoral approach to policy-making, taking into account that a sustainable long-term economic growth depends on:

**more inclusive social protection** which may lead to higher GDP growth. This can be achieved by promoting more inclusive social protection systems and reducing inequality in opportunities and outcomes;

**improved gender equality** that could lead to increasing GDP by up to 9.6% by 2050. This can be achieved by reducing the gender gap in access to quality jobs, ensuring better work-life balance, and providing more care support and flexible working arrangements;

**better health care** that can reduce the number of people dying each year in the EU due to noncommunicable diseases (550 000 deaths resulting in EUR 115 billion in economic potential lost annually). This can be achieved by ensuring access to high quality health care for all and investing in preventive measures and high levels of health protection;

**more accessible education and training**. Estimates show that in OECD countries, highly educated people live on average 6 years longer than less educated people. This problem can be addressed by expanding access to high quality education for all and promoting adult and lifelong learning.

#### **European Semester 2019**

1. Ministers approved the country-specific recommendations (CSRs) falling within the EPSCO competency (10687/19) (10182/19). The CSRs will be adopted by the ECOFIN Council on 9 July.

The approval of the CSRs was the main reason for convening this EPSCO session. Due to the delayed publication of the proposals on the CSRs, there was not sufficient time for member states to coordinate their positions, or for EMCO and SPC to examine the proposals before the Council meetings on 13-14 June and European Council on 21-22 June. Therefore, as an exception to the established practice, an additional EPSCO meeting was convened.

A policy debate on the European Semester had already taken place at the EPSCO meeting on 13 June. During the discussion it was recognised that the Semester remained an important tool for assessing reforms in the areas of employment and social policy.

2. Ministers endorsed (<u>10688/19</u>) the opinions of EMCO and SPC (<u>10688/19 ADD1</u> and <u>10688/19</u> <u>ADD2</u>), which provide an assessment of the employment and social protection challenges in the 2019 national reform programmes. The opinions are also focused on the implementation of the 2018 CSRs. They reflect the outcome of the thematic reviews and country reviews performed by both committees.

3. The Council also adopted a decision on guidelines for the employment policies (EGLs) of the member states (10475/19 and 9134/19). The Commission had proposed reconfirming the 2018 EGLs which had been aligned with the principles of the European Pillar of Social Rights. In their opinions, the European Parliament, the EMCO, and the Economic and Social Committee confirmed the Commission proposal.

# Clean Planet for All: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy - policy debate

In November 2018, the Commission adopted the Communication 'A Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy' (Commission communication).

At the EPSCO Council meeting ministers held a public debate on the employment and social policy aspects of the Clean Planet communication, based on a presidency steering note (10467/19).

Ministers were invited to exchange views on the following questions:

- 1. How should employment and social policies (including skills policies) at both EU and Member State level be designed to best support a just transition to a competitive, environmentally-friendly and climate-neutral economy?
- 2. Which actions are most urgent in order to mitigate the adverse effects of the transition to a climate-neutral economy, taking into account in particular the low-skilled workers affected by this transition?

Ministers agreed on the main goal of achieving a climate neutral economy by 2050 and highlighted the following important key elements in the process:

- fair transition
- benefits for all (people, countries, regions, economic sectors)
- no one is left behind

The outcome of the EPSCO debate will contribute to the overall strategic long-term vision of the Union by discussing the relevant employment aspects. Several other Council formations had already held policy debates on the topic, focusing on the aspects within their respective remits.

While recognising that it is important to foster the competitiveness of climate-neutral solutions, the presidency highlights the need to monitor their economic and social impact in terms of added value, jobs, trade balances and exports. Special attention should also be paid to those sectors which need to adapt to new climate-neutral ways of carrying out their activities, and to those people, including low-skilled workers, who are affected by the transition.

Another significant challenge is related to the future of some economic sectors. While the number of jobs is expected to increase in the construction, farming, forestry and renewable energy sectors, activities are expected to decline significantly in some other sectors, such as coal mining and oil and gas exploration. Energy-intensive sectors such as steel, cement and chemicals, as well as car manufacturers, will see a shift to new production processes. Other existing jobs will have to be adapted to the new economy and workers will need to acquire new skills and competences. The presidency underlines the fact that education and training systems have a crucial role to play in providing all citizens with the opportunity for continuous lifelong learning. People will need not only specific professional skills, but also 'key competences' in fields such as science, technology, engineering and mathematics. Investing in the reskilling and upskilling of the population is essential so that nobody is left behind.

#### Any other business

The Commission informed ministers about international developments in employment and social policies (<u>10781/19</u>).

# **OTHER ITEMS APPROVED**

# FOREIGN AFFAIRS

#### Sanctions on Guinea Bissau

The Council reviewed the list of certain persons, entities and bodies subject to restrictive measures in view of the situation in Guinea-Bissau. The Council extended the restrictive measures for a further 12 months. The sanctions were introduced by the Council in May 2012. They are targeted against those who seek to prevent or block a peaceful political process or who take action that undermines stability in the Republic of Guinea-Bissau. The sanction list is reviewed on a regular basis and at least every 12 months.

#### Agreement on Cooperation and Customs Union with the Republic of San Marino

The Council adopted a decision on the EU position to be taken in the Cooperation Committee established by the Agreement on Cooperation and Customs Union between the European Economic Community and its member states, and the Republic of San Marino, with regard to applicable provisions on organic production and labelling of organic products, and arrangements for imports of organic products (<u>8996/19</u>).

The Agreement on Cooperation and Customs Union with the Republic of San Marino entered into force on 1 April 2002. Pursuant to the agreement, the Cooperation Committee is to determine in greater detail the provisions of EU legislation to be applied, in respect of countries not members of the Union, inter alia in the field of Union veterinary, plant health and quality regulations where necessary for the proper functioning of the agreement.

The Cooperation Committee is to adopt a decision on the applicable provisions, under the agreement, of EU legislation on organic production and labelling of organic products, and arrangements for imports of organic products.

# **DEVELOPMENT COOPERATION**

#### Supporting the Sustainable Development Goals across the world

The Council adopted conclusions welcoming the publication of the first joint synthesis report of the EU and its member states on 'Supporting the Sustainable Development Goals across the world' as an important contribution to EU reporting at the High-level Political Forum in 2019.

The Council welcomes the collective contribution of the EU and its member states to the implementation of all Sustainable Development Goals (SDGs) across the world, leveraging all means of implementation, in support of the 2030 Agenda.

The Council notes that the EU and its member states have consistently and strongly supported EU values and principles, and welcomes in particular the enhanced efforts to reach those in extreme poverty and to tackle all forms of inequality, in line with the principle of leaving no one behind and seeking to reach the furthest behind first.

The Council highlights that the EU and its member states have promoted peace, security and stability, and have been amongst the strongest supporters of democracy, human rights, good governance, and the rule of law.

The Council underlines that the EU and its member states have strongly supported social and human development, including by giving priority to social protection, decent work, universal health coverage and access to education in their development cooperation. The Council stresses in particular the achievements made with regard to gender equality, the empowerment of women and girls and addressing violence against girls and women.

The Council also underlines the progress made by the EU and its Member States in supporting climate change mitigation and adaptation, environmental protection and the sustainable management and use of natural resources.

Full text of the Council conclusions on Supporting the Sustainable Development Goals across the world: the 2019 joint synthesis report of the European Union and its member states

# EUROPEAN ECONOMIC AREA

#### EEA Agreement - Cooperation in specific fields outside the four freedoms

The Council adopted five decisions establishing the EU position to be taken in the Joint Committee of the European Economic Area (EEA) (9741/19, 9735/19, 9738/19, 9820/19, 10119/19). The decisions concern amendments to Protocol 31 to the EEA agreement on cooperation in specific fields outside the four freedoms. Their aim is to allow the contracting parties of the EEA Agreement to continue their cooperation in 2019 in the Union actions funded from the general budget regarding:

- company law,
- the free movement of workers, coordination of social security schemes and measures for migrants, including migrants from third countries,
- the operation and development of the internal market of goods and services and regarding internal market governance tools,
- the preparatory action on defence research, and
- the implementation and development of the single market for financial services.

# JUSTICE AND HOME AFFAIRS

#### Schengen evaluation

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of **Lithuania** on the application of the Schengen acquis in the field of the **common visa policy** (11059/19).

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of **Lithuania** on the application of the Schengen acquis in the field of **police cooperation** (11060/19).

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of **Finland** on the application of the Schengen acquis in the field of **return** (11056/19).

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of **Estonia** on the application of the Schengen acquis in the field of the **common visa policy** (11057/19).

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of **Estonia** on the application of the Schengen acquis in the field of **police cooperation** (11061/19).

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of **Switzerland** on the application of the Schengen acquis in the field of the **common visa policy** (11058/19).

## INSTITUTIONAL AFFAIRS

#### **Replacement of Commission members**

The Council confirmed it is not in a position to adopt a proposal by the President of the European Commission on the non-replacement of members of the Commission, since unanimity has not been attained (10797/19).

The procedure for the replacement of Andrus Ansip and Corina Crețu in their functions as members of the Commission shall therefore be initiated.

# <u>ENERGY</u>

# Report on the implementation of the obligations under the Convention on Nuclear Safety

The Council took note of a report on the implementation of the obligations under the Convention on Nuclear Safety (10365/19 + ADD1). The report presents developments regarding the implementation of the obligations of Euratom under the Convention on Nuclear Safety and highlights key actions taken to enhance nuclear safety.

The European Atomic Energy Community (Euratom) and its member states are parties to the Convention on Nuclear Safety. In accordance with Article 5 of the Convention, each party must submit a report on the measures it has taken to implement each of the obligations of the Convention. Those reports will be examined at the next (8th) Review Meeting, to be held from 23 March to 3 April 2020.

The Council also noted that the report was prepared in consultation with the member states and that replies to any questions on the report raised by other Contracting Parties will be formulated in the framework of Community coordination.

# TRANSPORT

#### **Cooperative intelligent transport systems**

The Council decided to object to a delegated regulation relating to the deployment and operational use of cooperative intelligent transport systems as set out in document (7510/19 + ADD 1 - ADD 9) (10471/19). The delegated act supplements directive 2010/40/EU on the framework for the deployment of intelligent transport systems in the field of road transport and for interfaces with other modes of transport.

While member states supported the objective of the delegated act, the vast majority of them expressed concerns of a legal and technological nature.

The regulation is a delegated act pursuant to Article 290 of the Treaty on the Functioning of the EU. The Commission and the European Parliament will be informed of the objection.

# <u>FISHERIES</u>

## EU-Mauritania: negotiations for a Sustainable Fisheries Partnership Agreement and Protocol

The Council adopted a decision authorising the opening of negotiations with the Islamic Republic of Mauritania for the conclusion of a Sustainable Fisheries Partnership Agreement (SFPA) and protocol implementing that agreement, including negotiating directives.

The Council decided not to publish the decision in accordance with Article 17(2)(b) of its Rules of Procedure, but will inform the European Parliament in accordance with Article 218(10) TFEU (decision and negotiating directives).

## AGRICULTURE

## **OIV: EU position at 17th General Assembly**

The Council adopted a decision establishing the position to be taken on behalf of the EU with regard to certain resolutions to be voted at the 17th General Assembly of the International Organisation for Vine and Wine (OIV), to be held in Geneva (Switzerland), on 19 July 2019 (10635/19).

The Council decided not to publish the decision in accordance with Article 17(2)(b) of its Rules of Procedure, but the European Parliament will be informed in accordance with Article 218(10) TFEU.