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NOTE

From:	Presidency
To:	Permanent Representatives Committee
No. prev. doc.:	8046/24
Subject:	La Hulpe Declaration on the Future of the European Pillar of Social Rights
	– Preparation for the approval

I. INTRODUCTION

On 15 and 16 April 2024, the Belgian Presidency of the Council of the EU will organise in La Hulpe a high-level conference on the European Pillar of Social Rights. The goal of the event is to bring together policymakers, stakeholders and experts to deliberate on possible avenues to consolidate the Pillar's principles and ensure their further implementation in the years to come.

The main output of the high-level conference is expected to be an interinstitutional Declaration on the Future of the European Pillar of Social Rights, intended to reconfirm the Pillar as the EU social policy compass and prepare the social agenda for the next legislative cycle in the broader context of the Strategic Agenda 2024-2029.

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II. STATE OF PLAY

In preparing the draft Declaration, the Presidency wished to allow for sufficient time and opportunity for delegations to scrutinise the text. To this effect, the first draft was circulated to delegations on 18 March, mainly drawing on the opinion of the Employment Committee and the Social Protection Committee on the Future policy priorities for the Union on the European Pillar of Social Rights, which was endorsed by the EPSCO Council on 11 March 2024. A first exchange of views on the draft Declaration took place at technical level in the Social Questions Working Party of 25 March. Following that, the Committee of Permanent Representatives provided guidance for further work on 27 March.

Building on this, as well as on consultations of the other envisaged signatories, a revised draft Declaration was issued with a view to the Social Questions Working Party of 4 April.

Taking into account the further input provided by delegations at that Working Party meeting and further feedback from the other parties, the Presidency puts forward a compromise proposal for the La Hulpe Declaration on the Future of the European Pillar of Social Rights, as set out in the Annex, with a view to its signature at the upcoming La Hulpe high-level conference.

III. CONCLUSION

The Committee of Permanent Representatives is invited to recommend to the Council (ECOFIN) to approve, at its session of 12 April 2024, the La Hulpe Declaration on the Future of the European Pillar of Social Rights, as set out in the Annex.

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La Hulpe Declaration on

the Future of the European Pillar of Social Rights

Preamble

Commitment to the European Social Model

1. We underline the importance of Europe's unique social market economy, combining the pursuit of a highly productive, competitive and innovative economy, attractive for investments, and fostered by a dynamic single market, aiming at full employment and social progress, and a high level of protection. The importance of some of these key elements is also underlined in Article 3 TEU and in Article 151 TFEU. We are steadfast in our resolve in the pursuit of a social Europe, with the aim of creating social and economic progress, ensuring equal opportunities for all, quality jobs and fair working conditions, reducing poverty and inequalities and fostering a just and fair transition to climate-neutrality, building on the Charter of Fundamental Rights of the European Union, the European Social Charter of the Council of Europe and the International Labour Organisation Centenary Declaration for the Future of Work.

EU welfare states: Resilience in the Face of Adversity

2. In recent years, the European Union has been facing an unprecedented series of crises and challenges, such as the COVID-19 pandemic, the rapidly unfolding climate crisis and environmental degradation, the repercussions of Russia's war of aggression against Ukraine, the changes in the geopolitical context, the growing global competition and the related erosion of the EU industrial basis, and the sharp rise in inflation and the subsequent cost of living crisis. Well-functioning labour markets, resilient businesses, an attractive investment environment, robust health systems, inclusive social protection systems and access to affordable and quality public services and services of general interest played an essential role in mitigating the impact of these crises, by protecting millions of people, businesses and jobs, and by reinforcing the resilience of our economy, allowing for a fast recovery.

The Compass: the European Pillar of Social Rights

3. After its proclamation by the European Parliament, the Council of the EU and the European Commission in 2017, the European Pillar of Social Rights has been serving as a compass to provide guidance in addressing common employment, skills and social challenges, and to foster upward convergence in working and living conditions in the Union. At Union level, the European Pillar of Social Rights does not entail an extension of the Union's powers and tasks as conferred by the Treaties. It should be implemented within the limits of those powers. As reaffirmed by the EU Leaders in the Porto Declaration in 2021, the implementation of the Pillar at Union and Member State level is a shared political commitment and responsibility, with due regard to their respective competences and the principles of subsidiarity and proportionality. The 20 principles of the Pillar are meant to be implemented taking due account of different socioeconomic contexts, the diversity of national systems and the role and autonomy of the social partners.

Prioritising the European Pillar of Social Rights

- 4. We underline that progressing on the implementation of the Pillar at the appropriate level should remain a key priority for the European Union and the Member States, as well as for candidate countries. Reaching the 2021 EU headline targets on employment, training and poverty reduction by 2030 is paramount. The Pillar continues to provide the map to navigate today's megatrends and shape related policy responses. Amidst the digital and green transitions, the Pillar fosters the preservation of workers' rights, gender equality, equitable opportunities for skilling, reskilling and upskilling, fair working conditions, adequate social protection and inclusion, and accessible healthcare. The Pillar shall serve as our compass for fostering a fair transition, ensuring that no one is left behind. As demographic shifts unfold, the Pillar provides a framework for adapting policies, supporting families, promoting active and healthy aging, and addressing the diverse needs of a changing workforce and an aging population, all while upholding principles of intergenerational fairness and solidarity.
- 5. In the face of such transitions, we reaffirm the right and freedom for everyone to access public services and services of general interest of high quality, including social services and essential services, which are crucial for both social and territorial cohesion and sustainable competitiveness.
- 6. We reiterate that economic and social progress are intertwined, and the European Pillar of Social Rights is part of wider efforts to build a more inclusive and sustainable growth model, and also contributes to the achievement of the Sustainable Development Goals. This fosters social and territorial cohesion and contributes to improving Europe's competitiveness, making it a better place for companies, including SMEs and social economy enterprises, to invest and create quality jobs. In the face of declining productivity growth in the EU and persisting labour and skills shortages, negatively affecting EU competitiveness, we recall that well-designed social reforms and investments can have a positive impact on economic growth, by enhancing human capital and increasing productivity gains and the labour supply, while contributing to social progress.

7. Against all the challenges outlined above, we recall the importance of a full transposition and adequate implementation of the several initiatives agreed upon since 2017, as well as effective monitoring of their continued effectiveness. We welcome the planned review of the 2021 Pillar Action Plan in 2025, which will provide a basis for further actions at EU level with a view to achieving the 2030 EU targets.

Upholding Social Dialogue as a Pillar of Democracy

8. In line with the Val Duchesse Declaration, we reaffirm the indispensable nature of effective social dialogue at the European Union level, as a fundamental component of the European social model and of our European democracy. It improves working conditions and contributes towards our shared goal of making the EU the best place to live, work and do business in. We stress that social dialogue and collective bargaining remain key tools in shaping the ongoing transitions. We call for a reinforcement of European cross-industry and sectorial social dialogue, continued support for the social partners and their agreements, and for the involvement of social partners in EU policy making, including in the implementation of the green transition.

Empowering the Social Partners and Collective Bargaining

- 9. We recall the importance of guaranteeing the freedom of assembly and association, and workers' and their representatives' right to information and consultation within their workplace, with due regard for the reciprocal rights and obligations of both the employers and of the employees, and the right to collective bargaining and action. Trade unions and employers' organisations shall enjoy adequate protection against any acts of interference by each other or each other's agents or members in their establishment, functioning or administration.
- 10. We reiterate our commitment to fully respect the prerogatives and promote the role of trade unions and employers' organisations as the actors for social dialogue. We recall the provisions of the Directive on adequate minimum wages to promote collective bargaining and progressively increase its coverage. We look forward to the forthcoming appointment of a dedicated European Social Dialogue Envoy within the European Commission and the Pact for European Social Dialogue.

Acknowledgment of Civil Society's Role

11. We recognize the role of civil society, in particular regarding policies contributing to the fight against social and economic exclusion and inequalities, and regarding policies affecting underrepresented and vulnerable groups. We value its function in our democracies and stress the importance of safeguarding civic spaces to address the needs of these groups and ensure the efficient implementation of policies targeting them.

Equal Opportunities and Access to the Labour Market

- 12. In light of the widespread labour shortages and skills mismatches affecting all Member States, further actions promoting a mindset of lifelong learning are needed, in line with the Barcelona Tripartite Statement. The right to quality and inclusive education, training and lifelong learning as set out in Principle 1 of the European Pillar of Social Rights is essential to help all working, unemployed and inactive people and upholding this right requires action. More specifically, we underline the importance of innovative and quality education and training for all. We welcome the momentum created by the European Year of Skills and commit to keeping skills as a policy priority and to updating the Skills Agenda.
- 13. Public Employment Services are essential for meeting the needs of jobseekers and employers and for offering them effective and accessible services that lead to decent work and skilled personnel, while reducing inactivity rates. We recall the importance of using their knowledge to support EU and national labour market policies and call for further support of their capacity to use data and digital technology. We underline the importance of making full use of untapped labour market potential, including by fostering labour market access and retention, in particular for the long-term unemployed, older workers, underrepresented groups and groups in vulnerable situations. Private employment services also have a role to play in this respect.
- 14. We are particularly committed to supporting and investing in our young people, as their dynamism, entrepreneurship, talent and creativity is a key determining factor of Europe's current and future prosperity. We underline the importance of the reinforced Youth Guarantee and fair traineeships and apprenticeships.

- 15. We commit to fight discrimination in society and on the labour market, including in recruitment, and to strive for a Union of Equality. We call for the evaluation of the anti-discrimination strategies and of the need for their renewal, in particular those expiring in 2025, and we call for a deepening of the work on the EU equality, anti-discrimination and anti-racism frameworks to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation through an intersectional approach. In this context, we recall the importance of promoting Roma equality, inclusion and participation.
- 16. We recognise the important progress made to advance gender equality at the EU level, which should be reinforced to overcome all remaining obstacles to gender equality and ensure the full realization of women's rights. We call for a new and ambitious Gender Equality Strategy pursuing a dual approach combining gender mainstreaming with specific measures, while fostering intersectionality. We call for continued action to tackle gender segregation and to close the gender employment, pay, pension and care gaps and for necessary measures to eliminate gender stereotypes. We also call for determined action to combat all forms of violence against women and domestic violence and harmful gender stereotypes.

Fair Working Conditions

17. We are determined to fully exploit the opportunities that new technologies and digital ecosystems bring for innovation, increased productivity and competitiveness. However, uncertainties persist surrounding the progressive proliferation of platform work, artificial intelligence and algorithmic management on workplace dynamics. Further evaluation and additional actions may be required to ensure fair working conditions in key areas for the digital age such as telework, the right to disconnect, incorporating the 'human in control' principle for artificial intelligence in the world of work, regulating algorithmic management, and information and consultation of workers.

- 18. We strive to bring more people into employment, increase productivity and improve working conditions and work-life balance, including through social dialogue and collective bargaining. We stress the need to recognise skills and qualifications within the EU, in an inter-operable way, including those of third country nationals. We take note of the Action Plan on Labour and skills shortages in the EU. Further steps at EU and national level, involving social partners, are needed for its implementation.
- 19. We will take measures to foster fair and effective labour mobility across the European Union. Initiatives to improve the ability to detect fraud and abuse, as well as increasing the capacity and enhancing the cross-border cooperation of national labour inspectorates may also contribute to further improving working and living conditions, for EU and third country nationals, with special attention to measures in the areas of sub-contracting and agency work. Counselling and support for mobile workers as well as improving access to information for workers, enterprises and social partners should be supported. The forthcoming evaluation of the European Labour Authority represents an opportunity to reflect upon its further development, its role and competences.
- 20. While it is a priority to preserve and create new jobs to boost the economic performance of the Union, equal attention should be paid to the quality of these jobs. Decent working conditions are vital to attract and retain workers, while strong collective bargaining, adequate and fair wages, supporting inclusive growth and preventing in-work poverty are essential to restore the labour share of income. We recall the key role of the social partners in this domain.
- 21. Guaranteeing collective bargaining and social dialogue as well as promoting employee involvement and workers' and their representatives' right to information, consultation and participation, is key for a flexible and inclusive adaptation to the upcoming changes in the European labour market and to enable them to have an active role in anticipating and managing the digital and green transitions. In this respect, mutual trust and cooperation between employers and workers and their representatives is essential.

- 22. The social economy proposes a model of social and economic development capable of offering high-performance, inclusive and sustainable economic activities that serve the collective interest. We recognise the added value of the Council recommendation on developing social economy framework conditions, also in the context of the San Sebastian Manifesto and the Liège Roadmap for Social Economy in the EU.
- 23. In relation to occupational safety and health, we reconfirm the "vision zero" approach aiming to prevent work-related deaths. While respecting the role of the social partners, further evidence-based adaptation of the relevant regulations and frameworks may be considered to better incorporate psychosocial risks, e.g. those linked to the digital transition, including negative impacts on mental health. With regard to specific hazards stemming from climate change, such as heat stress or severe weather events, it is important to encourage their prevention. In addition, it is important to speed up the setting of minimum standards regarding hazardous substances and to foster the evolution towards substituting them, with particular attention to the prevention of occupational cancers. We reaffirm the need to pursue efforts to prevent, remedy and eliminate violence and harassment at work.
- 24. The experience of the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) and its ongoing evaluation may provide lessons for other EU schemes.
- 25. We emphasize the importance of fostering work-life balance. We recommit to reaching the renewed Barcelona targets on early childhood education and care and recall the importance of investing in universally accessible, affordable, high-quality childcare, including by guaranteeing workforce professionalisation and fair working conditions. Further implementing and strengthening the European Child Guarantee is key, including with an improvement of its monitoring.

Social Protection and Inclusion

26. While there is a need to safeguard the fiscal sustainability of pension systems, continued efforts are also needed to improve the adequacy of pensions. At the EU level, a strengthened coordination between the delivery of the Ageing Report, the Pension Adequacy Report and the Long-Term Care Report would ensure complementarity and coherence of monitoring.

- 27. While addressing existing and increasing needs in the health and long-term care sectors, a strong focus on prevention as well as adequate, equal and affordable access to care is key. Taking into account national contexts and division of competences, action could include addressing workforce needs, with attention to training and working conditions and support for collective bargaining in the care sector.
- 28. Labour market transformations reinforce the need for a continuous improvement of the adequacy of national social protection systems. It is thus a key priority to intensify mutual learning and further monitor the implementation of the Council Recommendation on access to social protection for workers and the self-employed, while respecting the diversity of national social protection systems.
- 29. To make social security coordination future-proof, more legal certainty, more transparency and more cooperation between Member States is needed. To ensure the portability of social security rights within the Union and make our social protection systems more user-friendly for mobile citizens, workers and employers, and to facilitate enforcement and combat illegal practices, we call for a comprehensive vision on digitalisation and for continued steps to further implement and complement the Electronic Exchange of Social Security Information system.
- 30. We underline the need to give effect to the right and freedom of access for all to accessible, affordable and high-quality public services and services of general interest. While taking into account national contexts, we emphasize the importance of investing in high-quality services, taking into account the specific needs of vulnerable groups.
- 31. The fight against poverty and for social inclusion is a core dimension of European welfare states. To make substantial progress towards the EU headline target and tackle the multidimensional issue of social exclusion, we recall the importance of an integrated approach in tackling poverty.
- 32. The implementation of the Council recommendation on adequate minimum income ensuring active inclusion should play a role in further developing and updating social safety nets at national level, ensuring basic protection of persons in need and effective take-up of their entitlements, while facilitating smooth transitions to the labour market of those who can work.

- 33. To respect and promote the rights of persons with disabilities, in line with the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD), further steps should be taken to mainstream the disability perspective in all EU policies and to develop an ambitious second phase of the Strategy for the Rights of Persons with Disabilities.
- 34. For persons with mental health issues, we could build further on the Comprehensive Approach to Mental Health.
- 35. Homelessness remains an issue in many Member States, along with challenges related to housing affordability and accessibility, particularly in urban areas, to energy poverty and to the high cost of living impacting a broad range of people, but mostly those on low incomes, calling for integrated strategies and follow-up. Taking into account national competences, continued action is warranted on accessible, efficient, green and affordable social housing to meet the housing needs of all, to eradicate homelessness and to promote 'a housing first' approach. We recognise the importance of the European Platform on Combating Homelessness.

Governance

- 36. We reiterate that the European Semester, with its economic and social aspects, should remain a key framework to monitor the implementation of the Pillar, including via the Social Scoreboard, to identify risks to upward social convergence and to monitor the progress achieved towards the 2030 EU and national targets on employment, skills and poverty reduction.
- 37. We recall the importance of ensuring an integrated approach in the European Semester. We stress the need to continue and deepen the work for a common understanding of social investment with the aim to fully exploit the potential of skills, labour market and social policies for economic growth, productivity and competitiveness.
- 38. Renewed efforts to improve evidence-based policymaking are needed. In addition to enhanced mutual learning opportunities, we recall the importance of developing common guidelines on the use of impact assessment and evaluation tools. Furthermore, we stress the need to invest in more timely harmonised EU, national and sub-national statistics, and to facilitate access to data for policy design and monitoring purposes while ensuring compliance with data protection regulations.

- 39. We call for the European Pillar of Social Rights to be mainstreamed in all relevant policy domains. Ensuring policy synergies is crucial for establishing a high-quality and efficient system by investing in people. To make sure that policies in all domains do not exacerbate poverty or inequality, we recall the importance of strengthening the use of distributional impact assessments. We call for sustainable public procurement, including to promote collective bargaining. In this light, the directives on public procurement could be evaluated.
- 40. The European Pillar of Social Rights along with international labour standards should be taken into account in the external action of the EU, including through its trade policy. With a view to the enlargement of the EU, enhanced cooperation with candidate countries, assisting them in the implementation of the social *acquis* and fostering upwards social convergence, is key. Support to and promotion of social dialogue, social partners and collective bargaining in accession countries is also needed. We equally commit to further cooperation with the countries neighbouring the EU, including through the Union for the Mediterranean.
- 41. In promoting social rights, the EU should further enhance the cooperation with the Council of Europe and promote the European Social Charter.
- 42. We reconfirm our commitment to the ILO, including with regard to the definition of global norms, and the values of the International Labour Organisation and welcome the participation of the European Commission, the European Economic and Social Committee and some Member States in the Global Coalition for Social Justice.