

Council of the European Union

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NOTE	
From:	General Secretariat of the Council
То:	Permanent Representatives Committee/Council
Subject:	Follow-up of the Porto Social Summit – next steps for the EPSCO Council
	- Policy debate

Delegations will find attached the Presidency steering note on the above subject, with a view to the EPSCO Council on 14 June 2021.

EPSCO 14 June 2021

Follow-up of the Porto Social Summit – next steps for the EPSCO Council Policy debate

Steering note

1. The Porto Social Summit: outcomes and follow-up

The EU and its Member States are facing profound transformations brought about by new societal, technological and economic developments and by the socio-economic consequences of the Covid-19 pandemic. Against this background, the **Porto Social Summit of 7 and 8 May 2021 has marked a pivotal moment for social Europe**.

In order to ensure a fair and inclusive recovery and just digital, green and demographic transitions, Member States, EU institutions, social partners and civil society have confirmed their shared commitment to implement the principles of the European Pillar of Social Rights. On 7 May, the European Parliament, the Commission, the Portuguese EU Council Presidency, EU social partners and the Social Platform have signed the historical **Porto Social Commitment**¹, and on 8 May, EU Leaders agreed on the **Porto Declaration**², the first-ever dedicated exclusively to social issues.

¹ <u>https://www.2021portugal.eu/en/porto-social-summit/porto-social-commitment</u>

² <u>https://www.consilium.europa.eu/en/press/press-releases/2021/05/08/the-porto-declaration/</u>

Both documents will underpin the implementation of the Pillar principles at all levels in the months and years to come, welcoming the **three new 2030 EU headline targets on employment, skills and poverty reduction** as set in the **European Pillar of Social Rights Action Plan³** and **the proposal for a revised Social Scoreboard**⁴, put forward by the Commission on 4 March 2021. Both the EU-level headline targets and the revised Social Scoreboard will help monitor progress towards the implementation of the Pillar principles in the context of the European Semester. The Employment and Social Protection Committees have in the meantime agreed on the headline indicators of the revised Social Scoreboard⁵, as proposed by the Commission, to be used in the Joint Employment Report. They are currently pursuing their work in relation to the possible integration of secondary indicators.

Importantly, EU Leaders have emphasised that the implementation of the Pillar principles will be essential to ensure the creation of more and better jobs for all within the framework of an inclusive recovery. In this respect, relevant legislative and non-legislative work should be taken forward at EU and Member States level. This entails an important backing for the **ongoing and planned work in the EPSCO filière of the Council** and for ensuring a coordinated and inclusive approach to the implementation of the Social Pillar at Member States level, in order to turn principles into action and tangible results.

³ Doc. <u>6649/21</u>.

⁴ Doc. $\frac{6649/21}{1}$ ADD 1.

⁵ Adult participation in learning over the past 12 months; at risk of poverty or social exclusion rate of children; housing cost overburden rate; employment disability gap.

2. Setting national targets

The Action Plan **calls on the EU Member States to define their own national targets in relation to the three EU headline targets on employment, skills and poverty reduction.** Setting ambitious and realistic national targets will be crucial to enhance our joint commitment to continue deepening the implementation of the Pillar principles, notably through effective policies and investments that will contribute to achieving the headline targets by 2030. It will also help ensure that **progress achieved at EU and Member States level will be monitored** in the context of the European Semester.

When setting national targets, the starting situation of each Member State concerning each of the targets should be taken into account, including in relation to the specific gaps experienced by vulnerable groups compared to the overall performance on the three headline targets. Like for previously agreed EU targets, the aim is that ultimately national targets ensure consistency with the overall framework and shared ambition towards 2030.

In this context, it would be important to establish a roadmap on how Member States are to proceed in the identification of their own national targets. If national targets are agreed upon by early 2022, this would allow to begin their monitoring in the next European Semester cycle, including through the EMCO and SPC monitoring tools.

3. Implementing the Pillar principles through the European Semester

The Porto Social Commitment and the Porto Declaration confirm the **key role of the European Semester** in monitoring progress towards the implementation of the Social Pillar principles and in coordinating social and employment policy action. This has also been confirmed in the Commission communication on the Semester Spring Package 2021. Since the 2018 cycle, the **Social Pillar has been integrated into the European Semester**, and a substantial share of country-specific recommendations aim to address challenges related to its implementation. The Action Plan calls on stepping up this process, notably with a more comprehensive monitoring of the Pillar principles via the **revised Social Scoreboard** and tracking **progress towards the new EU headline targets** (and the national targets). The most recent **Employment Guidelines**⁶ provide concrete steer on how to implement the Pillar principles through effective employment, skills and social policies to support the recovery from the crisis and fair green and digital transitions in line with the Pillar. The Commission has now proposed to maintain them⁷. The **Joint Employment Report**, which in recent years helped achieve a common assessment of challenges at EU and Member States level, could have a stronger role in **assessing the implementation of relevant Pillar principles**, on top of monitoring the implementation of the Employment Guidelines as per the Treaty mandate (Art. 148 TFEU).

In addition, the engagement of national, regional and local authorities, social partners and civil society is essential to ensure commitment to the Pillar.

Looking at the experience of the exceptional 2021 Semester cycle so far and **in view of the forthcoming 2022 cycle**, which will integrate the monitoring of the recovery and resilience plans, it is important to reflect on the **future role of EPSCO and its advisory bodies** in the process.

⁶ <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020D1512</u>

⁷ <u>https://ec.europa.eu/social/BlobServlet?docId=24064&langId=en</u>

4. Questions for discussion

Ministers are invited to present their views on the following questions:

- What policy and coordination strategies at national level do you foresee to continue deepening the implementation of the European Pillar of Social Rights, further to the Porto Declaration and in the framework of the European Pillar of Social Rights Action Plan? How do you see the necessary involvement of social partners and the civil society?
- What is your view on the way forward for setting national targets?
- What should in your view be the key features of the future European Semester cycle in order to enhance policies in the employment, skills and social areas and adequately monitor progress on the implementation of the European Pillar of Social Rights? How can the role of EPSCO and its advisory bodies be enhanced?