

Conference

‘Common social values and principles & social governance’

The EESC and the ESC of Luxembourg
4 November 2015

European Social Observatory interim report

Further Socializing the European Semester: Moving Forward for the Social Triple A

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Outline of the EESC presentation

1. The Interim report & our sources
2. Antecedents: the Semester 2011-2014
3. Key findings: the 2015 Cycle
4. Preliminary recommendations
5. Open questions & discussion

1. The Interim report & our sources

- Produced for the Luxembourg Presidency
 - Independent research
- Study of the social dimension in the *2015 cycle* of the Semester + policy *recommendations*
- Follow up of a 2014 [study](#) for SIEPS
 - Covers the 2011-2014 European Semesters

1. The Interim report & our sources

- 5 rounds of elite interviews, 2010-2015 with 50+ people, some interviewed several times
 - European Commission
 - DGs EMPL, ECFIN, SECGEN, SANTE, EAC, REGIO, Cabinets
 - Committees Chairs and Secretariats
 - SPC, EMCO, EPC (EFC?)
 - European Social partners & NGO networks
 - Council Secretariat & European Parliament
- Analysis of a wide range of EU documents, both published & unpublished

2. The Semester 2011-2014: a partial but progressive 'socialization'

Substantive policy orientations:

- Growing emphasis on social objectives in the AGS & especially the CSRs
- 'Socially oriented' CSRs expanded from year to year in scope & ambition
- ! But... expanding volume & coverage of social CSRs still counterbalanced by other CSRs
 - Primacy of fiscal consolidation

2. The Semester 2011-2014: *governance procedures*

- Enhanced role for EU social & employment policy actors in CSRs
 - drafting, monitoring, reviewing & amending
- DG EMPL increasingly prominent in preparing & drafting CSRs
 - within COM Country Teams & Core Group of DGs
- Revisions to procedural framework of Semester
 - 2013
- EMCO & SPC feed in views, amend COM draft CSRs
 - on both large & small issues

2. The Semester 2011-2014: governance procedures

- But still jurisdictional struggles with ECOFIN advisory committees about overlapping issues, especially ones linked to SGP & MIP
- *Very limited* role for social partners & NGOs in Semester process at both EU & national levels (in most MS)
 - European and national Parliaments?
 - EESC?

3. Key findings: the 2015 Cycle

3.1 'Streamlining' the Semester: Innovations in the 2015 Cycle

- In-Depth Reports (IDRs) and Staff Working Documents (SWDs) merged into single 'Country Reports'; released earlier in the Semester
 - More time for review and debate (EU and national)
- Number & scope of Country Specific Recommendations (CSRs) considerably reduced
 - A deliberate policy choice by the Juncker Commission
 - Focus on what is 'actionable' (18 months) and 'monitorable';
 - Focus on the 'what' rather than the 'how'

3.2 Substantive Policy Content: A Less Social Semester? (I)

- Question asked:

Did the EU's social and employment policy objectives figure more or rather less prominently in the 2015 Semester than in preceding cycles?

3.2 Substantive Policy Content: A Less Social Semester? (II)

- Annual Growth Survey ([AGS](#)):
 - Social pillar no longer an overarching priority
 - But does refer to social and employment issues in second ‘pillar’ (structural reforms)

3.2 Substantive Policy Content: A Less Social Semester? (III)

- Country Specific Recommendations ([CSRs](#)):
 - ‘Stronger linkage’ between social inclusion & employability
 - Strong focus: Member States of Central and Eastern Europe
 - Fewer CSRs on social and employment issues in *absolute* terms (streamlining): unsurprising
 - But *relative* decline is less clear:
 - Employment issues remain prominent element of 2015 CSRs
 - Social objectives *mainstreamed* into other recommendations

Table 1. Social objectives mainstreamed into other Recommendations

| | Public finances and welfare systems | | | | Financial sector | | Labour market | | | Product and service markets | | Education | Social inclusion | Administration | |
|-----------|-------------------------------------|----------|----------------|-------------------|-------------------------------|--------------------------|---------------|-----------------|--------------|---------------------------------|-------------------------------------|----------------------|------------------------------|--|-----------|
| | Public finances | Taxation | Pension system | Healthcare system | Banking and access to finance | Housing and private debt | Labour market | Labour taxation | Wage-setting | Services and network industries | Innovation and business environment | Education and skills | Poverty and social inclusion | Administrative modernisation and rule of law | |
| AT | | | | | | | S | | | | | S | | | AT |
| BE | | | | | | | | | | | | | | | BE |
| BG | | | | | | | | | S | | | S | | | BG |
| CZ | | | | | | | S | | | | | S | | | CZ |
| DE | | | | | | | | S | | | | | | | DE |
| DK | | | | | | | | | | | | | | | DK |
| EE | | | | | | | S | | | | | | S | | EE |
| ES | | | | | | | | | | | | | | | ES |
| FI | | | | | | | | | | | | | | | FI |
| FR | | | | | | | | | | | | | | | FR |
| HR | | | S | | | | | | | | | | | | HR |
| HU | | | | | | | | | | | | S | | | HU |
| IE | | | | | | | | | | | | | | | IE |
| IT | | | | | | | | | | | | | | | IT |
| LT | | | S | | | | | | | | | | S | | LT |
| LU | | | | | | | | | | | | | | | LU |
| LV | | | | S | | | | | | | | | S | | LV |
| MT | | | | | | | | | | | | | | | MT |
| NL | | | | | | | | | | | | | | | NL |
| PL | | | | | | | | | | | | | | | PL |
| PT | | | | | | | | | | | | | S | | PT |
| RO | | | | S | | | | | | | | S | | | RO |
| SE | | | | | | | | | | | | | | | SE |
| SI | | | | | | | | | S | | | | | | SI |
| SK | | | | | | | S | | | | | S | | | SK |
| UK | | | | | | | S | | | | | | | | UK |
| Euro area | | | | | | | S | | | | | | | | Euro area |

[3.2 'Hidden' Social CSRs: illustrations]

- CZ:
 - Further improve the availability of affordable childcare
 - Increase educational participation among disadvantaged children, including Roma
- LT:
 - Address the challenge of pension adequacy
 - Improve the coverage and adequacy of unemployment benefits and cash social assistance

3.3 Governance Processes and Procedures: The Role of the Social and Employment Actors (I)

- COM DG for Employment & Social Affairs plays increasingly important role in the Semester
 - With the Secretary General (SECGEN) and the DG for Economic and Financial Affairs (ECFIN)
 - Drafting Country Reports & CSRs
 - 3 ‘Core DGs’
- More time for multilateral deliberation because of revised timetable (EMCO, SPC)
- Better cooperation between EPSCO & ECOFIN advisory committees

3.3 Governance Processes and Procedures: The Role of the Social and Employment Actors (II)

Problematic issues of streamlining

1. Increased proportion of social and employment CSRs are linked to Stability & Growth Pact (SGP) and Macroeconomic Imbalances Procedure (MIP)
2. The organization of 'Jumbo' meetings for joint EPSCO-ECOFIN review of the CSRs
 - Size, timetable, voting rules
3. Role of the social partners and civil society organizations formally enhanced at both EU & national levels in 2015 cycle
 - But did it make a difference
 - 'Hearing' vs. 'listening'?

3.4 National Ownership and Deliberation

- Key objective of streamlining was to increase national ‘ownership’ and implementation
 - Welcomed by MS
 - More bilateral deliberation on Country Reports
 - Increased quality/accuracy of CSRs
- However, consequence of streamlined CSRs:
 - Significant policy challenges omitted from CSRs
 - Selection of CSRs was more ‘political’
 - Amendment process of CSRs was more politicized (lobbying) and less deliberative

3.5 Monitoring and Reviewing Progress towards EU Social Objectives

- Narrowed scope of CSRs creates major challenge for multilateral surveillance, peer review & monitoring of progress towards EU social objectives
- Mutual learning has become increasingly prominent
 - Experimentation with *ex ante* reviews of major national reforms before their enactment

4. Preliminary Recommendations (I)

4.1 CSRs on social and employment policy issues should not be overly prescriptive

- CSRs should focus on reform challenges & outcomes rather than specifying policy measures to meet them
- Should leave political space for MS to find their own path to key reforms, with involvement of domestic stakeholders

4.2 CSRs on all issues should take full account of EU social objectives & values (horizontal social clause)

- Criteria for including social & employment CSRs under the MIP & SGP should be clarified
- Overlapping issues should be jointly reviewed & adopted by EPSCO & ECOFIN Councils, irrespective of legal basis

4. Preliminary Recommendations (II)

4.3 The final review process for amendment and adoption of the CSRs should be conducted more transparently and deliberatively

- Sufficient time should be devoted to the joint meeting to allow proper debate & considered decisions on contested amendments
- Commission should be prepared to accept amendments justified by evidence of multilateral surveillance reviews, *without* necessarily requiring a qualified majority vote

4. Preliminary Recommendations (III)

4.4 The SPC and EMCO should continue to monitor & review the full range of EU social & employment policy commitments and objectives, as well as CSR implementation

- Including Europe 2020 targets & social investment package
- Should also continue to monitor & review national progress in addressing earlier CSRs & other reform challenges flagged by Country Reports
- Should focus attention on common emerging challenges identified through monitoring instruments (JAF, EPM, SPPM) & Social Scoreboard

4. Preliminary Recommendations (IV)

4.5 The results of this monitoring and review process within the SPC and EMCO should be fed into the broader EU policy debate

- Through key messages of Joint (Social and) Employment Report & Social Europe Report
- Key messages should be discussed by EPSCO Council, as well as with EP, EU social partners & NGO networks
- Should inform debate on EU priorities in AGS

5. Open questions & discussion

- *Feedback to initial recommendations?*
- *Articulating social monitoring & review in the streamlined Semester with the Social OMC*
 - Role of the NRPs and NSRs?
 - What place for Social Impact Assessment, and when?
- *Enhancing broad stakeholder participation*
 - What forms of stakeholder input at EU level?
 - SPC discussion: quality !
 - EU guidelines for Member States?
 - Role of the European Semester Officers?
- *Proposals of the Five Presidents' Report?*

Further reading

Free download from
the [OSE](#) and [ETUI](#)
websites

Social policy in the European Union: state of play 2015

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 | Ose | **etui.**

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