



**COUNCIL OF
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NOTE

from:	The Social Protection Committee
to:	Permanent Representatives Committee (Part I) / Council (EPSCO)
Subject:	Evaluation of the second European Semester and thematic surveillance in employment and social policies - <i>Opinion of the Social Protection Committee</i>

Delegations will find attached the above mentioned Opinion of the Social Protection Committee for endorsement by the Council (EPSCO) at its session on 4 October 2012.

Preparing the 2013 European semester - from evaluation toward recommendations for improvements

Opinion of the Social Protection Committee

This opinion presents the main political conclusions drawn from the full evaluation of the 2012 European semester (document SPC /2012.09/1b) and formulates proposals for the future. It contributes to the overall review process undertaken by the Council. The Committee welcomes the new orientations as presented by the Commission in a letter to the Committee of Permanent Representatives regarding the 2013 process.

Part I: Emerging political issues

- a. The Council recommendations on the National Reform Programmes play an essential role for structural reforms in Member States. They will be highly important after the entry into force of the new budgetary coordination (the so called "two-pack") and for accessing the EU financial assistance instruments.
- b. The second European semester confirmed that social policy issues are increasingly relevant in the framework of the semester. Therefore, EPSCO has a key role in ensuring that the positive contribution of social protection to inclusive growth is duly taken into account and that the achievements of social protection reforms are properly reflected in all relevant Council recommendations. To support the Council in this, the SPC will step up its involvement in the decision-making process leading to the adoption of Council recommendations.
- c. With the non-binding arrangements for social policy coordination in place and with the increasingly codified macroeconomic coordination, the balance and focus of coordination in the European semester is increasingly shifting toward the latter. Improved coordination of social policies at EU level will be important to achieve comprehensive coordination of all public policies mobilised to reach Europe 2020 targets, the objectives of the OMC and by that to spur investments in human capital.

Part II: Improving the 2013 European semester

- d. The SPC will advise the Council on the core social protection and social inclusion issues (pensions and longer working lives, social inclusion, health and long-term care, and financing of social protection) appearing in the CSR 2013 package. The Committee will decide how to bring its input to the Council once the concrete arrangements and road map for the new Semester are decided by the Presidency of the Council and the Commission. Joint meetings of Committees¹ examining recommendations of shared competence add value as they provide for a multidisciplinary examination of the recommendations. To be successful, the joint final outcome of joint meetings needs to remain consistent throughout the process, reflect key issues and be achieved following pre-agreed arrangements concerning procedures and rules for voting. Member States are responsible to ensure coordinated and consistent positions of their representatives in all Committees intervening in the process.
- e. The future SPC thematic and country surveillance will enable the Committee to issue "peer policy advice" with a view to subsequently assessing the Commission proposal for Council recommendation against the particular challenges Member States face. The future SPC surveillance will be oriented toward identification of challenges that need to be addressed making full use of the potential of the open method of coordination. The Social Protection Performance Monitor will be used to guide the choices for the SPC thematic surveillance. The SPC will continue monitoring and reviewing the indicators in its policy field.
- f. The 2012 Council recommendations prescribed the implementation of concrete measures. Member States need to retain full competence and discretion on the choice of measures with a view to comply with a recommendation, particularly when alternative measures have an equivalent effect on outcomes. The recommendations should refrain from predetermining the negotiations between social partners at national level. The SPC will maintain regular dialogue with social partners in particular on pensions and longer working lives as well as with civil society organisations at EU level in its preparatory work under the Semester.

¹ EMCO, EFC, EPC

- g. A genuine multilateral discussion necessitates full participation of the Commission in the policy dialogue. Reasonable time is required allowing Member States to analyse the proposal for Council recommendations and hold discussions with the Commission. For recommendations to be successfully implemented and to become an effective instrument for change, it is crucial that an enhanced policy dialogue between Member States and the Commission generates common understanding and ownership at national level.
 - h. A good preparatory work at Committees' level will ensure smooth adoption of the recommendations by Council and full endorsement by the European Council. The European Commission and the Presidency of the Council have an essential role to play in the organisation of the work in the Committees and of the Council. The comprehensive nature of the exercise creates challenges to all actors and pragmatic solutions are required to make the outcome accepted by all stakeholders.
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