



Questions and Answers: the European Pillar of Social Rights Action Plan

Brussels, 4 March 2021

The European Pillar of Social Rights Action Plan

What is the European Pillar of Social Rights?

The European Parliament, the Council and the Commission proclaimed the European Pillar of Social Rights in 2017. It consists of twenty principles that have guided us ever since towards a strong Social Europe. They express principles and rights essential for fair and well-functioning labour markets and welfare systems.

The Pillar is structured around three chapters:

- 1. Equal opportunities and access to the labour market;
- 2. Fair working conditions;
- 3. Social protection and inclusion.

Why do we need an Action Plan to implement the Pillar?

We need to update our 'social rulebook' both in light of long-term transformations of our labour markets and economies shaped by climate change, digitalisation, globalisation and demographic trends, as well as the more immediate and drastic changes the pandemic has brought to our jobs, education, economy, welfare systems and social life. The Pillar principles set the framework for the path ahead.

Many people are worried about their jobs and their future. This is why we need to put a strong focus on quality jobs and skills and give adequate protection to those in need to pave the way for a fair, inclusive and resilient recovery and prepare for a just transition to greener and more digital economies. To do so, the Action Plan proposes concrete actions to accelerate the implementation of the principles and further turn Europe's social rights and principles into a reality. It also proposes employment, skills and social protection headline targets to be achieved by 2030. With the financial support of the Multi-Annual Financial Framework 2021-2027 and NextGenerationEU, and the monitoring under the European Semester, this will guide our joint efforts towards a strong Social Europe and reaching a sustainable impact.

With this Action Plan, we are also responding to calls from the European Parliament and Member States as well as social partners, other stakeholders and most importantly EU citizens. A special <u>Eurobarometer survey</u> has been conducted asking citizens for their views on social issues. In their 'European Council Strategic Agenda 2019-2024', Member States have noted that the European Pillar of Social Rights should be implemented at EU and Member State level, with due regard for respective competences. The European Parliament in its 'Resolution on a Strong Social Europe for Just Transitions' has also underlined the importance of pursuing the implementation of the Pillar's rights and principles.

The Action Plan builds on a broad public consultation conducted between January and November 2020, which resulted in more than 1000 written contributions from Member States, EU institutions and bodies, regions, cities, social partners, civil society organisations, international organisations, think tanks and citizens. In addition, the Commission has held a series of dedicated webinars with over 1500 individual stakeholders across Europe.

Why does the Action Plan set EU level targets?

The Commission proposes three headline targets for the EU, to be reached by 2030, on employment, skills, and social protection, in line with the UN Sustainable Development Goals (SDGs):

- 1. At least 78% of people aged 20 to 64 should be in employment.
- 2. At least 60% of all adults should participate in training every year.

3. The number of people at risk of poverty or social exclusion should be **reduced by at least 15 million**.

The headline targets are important to set a common ambition for a strong Social Europe. They will allow the Commission to monitor progress in turning the principles of the Pillar into action. Together with the EU's political goals for the green and digital transitions, social targets will help to focus policy efforts on reaching results and offer an incentive for reforms and targeted investments in the Member States. The Commission invites the European Council to endorse these three targets and calls on Member States to define their own national targets to contribute to this collective effort.

How will the Commission monitor the implementation of the Pillar?

The Commission will monitor progress through the European Semester, the EU's framework for coordinating social and economic policies across the European Union.

The Commission proposes to revise the Social Scoreboard, which feeds into the European Semester process, to better reflect the 20 principles of the Pillar, making it easier to monitor the progress of policy priorities and actions set out in the Action Plan. The Scoreboard will include new headline indicators on adult learning, child poverty, disability employment gap, and housing cost overburden.

The Commission will use the new EU 2030 employment, skills and social protection targets as part of its toolbox to monitor Member States' progress towards the implementation of the rights and principles of the Pillar.

What remains to be done to implement the Pillar?

Since the start of its mandate, this Commission has already taken concrete initiatives for a strong Social Europe. Several principles of the Pillar require further legislative or non-legislative initiatives to become effective. The additional initiatives outlined in today's Action Plan will further improve the social rights in the EU. The Commission will work to update, complement, and enforce existing EU law, wherever necessary.

Translating all of the Pillar principles into reality is a joint responsibility. It greatly depends on the commitment and action of Member States. They hold the main responsibility for employment and social policies and consequently also most of the tools to implement the Pillar. The Commission therefore calls on Member States, including regional and local authorities, social partners, civil society and other relevant actors, to join their forces. The Commission encourages Member States to organise a coordination mechanism to ensure engagement of all relevant stakeholders at national level in implementing the Pillar. Together they can advance the implementation of the Pillar within their respective spheres of competence.

What is the EU doing to safeguard jobs and social rights in the recovery from the current crisis?

The coronavirus pandemic tragically cost the lives of many people and had a drastic social and economic impact on our lives. For many people, their work routine has changed, some have lost their jobs or risk doing so.

The Commission has been mobilising all means at its disposal to help support Member States to keep people in their jobs. The Commission's SURE scheme supports Member States by providing financial assistance of up to ≤ 100 billion in EU loans. The <u>overall financial support proposed under SURE</u> by the Commission is ≤ 90.6 billion and covers 19 Member States. The Commission's package on youth employment support, skills and vocational education and training presented in July 2020 is specifically designed to help the next generation of Europeans to get on the jobs ladder.

The EU's long-term budget, coupled with NextGenerationEU, the temporary instrument designed to boost Europe's recovery, will be the largest stimulus package ever financed through the EU budget. A total of \leq 1.8 trillion (in 2018 prices) will be available both for showing solidarity to overcome the crisis of today, and also for building the next generation EU.

Together with changes to the EU's social and employment funding programmes like the European Social Fund (ESF+) and the Fund for European Aid to the Most Deprived (FEAD), the package will help tackle the main social and employment challenges that lie ahead, such as rising youth unemployment, the need to steer basic food and material aid to those most in need, as well as addressing child poverty. REACT-EU will bring €47.5 billion in fresh money from 2020-2022. The ESF and FEAD can top up its funding from this new resource to fund measures to counter the negative impact of the coronavirus on the labour market.

The Recovery and Resilience Facility with a total of €672.5 billion will provide large-scale financial support for a lasting and inclusive recovery. It will fund coherent packages of reforms and

investments that respond to the challenges identified in the relevant country specific recommendations of the European Semester, many of which refer to labour, skills and social policies. It will therefore actively contribute to the implementation of the Pillar. The <u>Commission</u> <u>Recommendation on Effective Active Support to Employment following the COVID-19 crisis</u> (EASE) provides further guidance on how to use available funding opportunities, including from the Recovery and Resilience Facility, to support the recovery in labour markets.

The European Pillar of Social Rights Action Plan, together with its three EU 2030 headline targets on employment, skills, and social protection, will offer an additional incentive for Member States to invest in a strong Social Europe.

What has the Commission done so far to implement the European Pillar of Social Rights?

In her Political Guidelines, President **von der Leyen** has committed to putting forward an Action Plan to fully implement the European Pillar of Social Rights and reconcile the social and the market in a changing economy.

Since the start of its mandate at the end of 2019, this Commission has contributed to the implementation of the Social Pillar principles with the following initiatives, among others:

- Just Transition Fund;
- European Gender Equality Strategy;
- European Skills Agenda;
- Youth Employment Support;
- Instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE);
- Proposal for an EU Directive on adequate minimum wages.

A full list of key Commission actions is available in <u>Annex 1</u> of the European Pillar of Social Rights Action Plan.

What specific proposals will the Commission present in the future?

This week the European Commission presents three concrete deliverables of the European Pillar of Social Rights Action Plan:

- A <u>Commission Recommendation on Effective Active Support to Employment following</u> <u>the COVID-19 crisis</u> will promote job creation and job-to-job transitions towards expanding sectors to boost the economic recovery.
- A new **Strategy for the Rights of Persons with Disabilities 2021-2030** aims at enforcing their right to take part in all areas of life, just like everyone else.
- A proposal for a Directive on Pay Transparency will improve workers' access to information on pay, raising awareness of discrimination and making it easier to enforce the right to equal pay.

Further key Commission initiatives for a strong Social Europe in 2021 will include, among others:

- a proposal for the European Child Guarantee;
- a new strategic framework for Occupational Safety and Health;
- launching a platform of collaboration against homelessness;
- a Communication on Decent Work Worldwide;
- a legislative initiative to improve the working conditions for people working through digital labour platforms; and
- an Action Plan for the Social Economy.

Further initiatives will be proposed until the end of the Commission mandate, such as a proposal for a Council Recommendation on minimum income in 2022 to effectively support and complement the policies of Member States, a review of the Quality Framework for Traineeships or an initiative on long-term care.

A full list of key Commission actions is available in <u>Annex 1</u> of the European Pillar of Social Rights Action Plan.

What are the next steps?

The Action Plan presents the Commission's contribution to the **Porto Social Summit**, organised by the Portuguese Presidency of the Council of the EU, in May 2021. The Summit will focus on

strengthening Europe's social dimension, and it will be an occasion to renew, at the highest political level, the commitment to implement the Social Pillar.

The Commission invites the European Council to endorse the new social and employment targets and calls on Member States to define their own national targets, as a contribution to this common endeavour.

Engagement of national, regional and local authorities, social partners and civil society is essential to ensure an effective implementation of the Pillar. The Commission therefore encourages coordination mechanisms at national level to ensure all relevant actors engage to implement the Pillar's social rights and principles.

For More Information

Press release: The European Pillar of Social Rights: turning principles into actions

Questions and Answers: Commission Recommendation on Effective Active Support to Employment following the Covid-19 crisis (EASE)

Factsheet: European Pillar of Social Rights Action Plan

Factsheet: Effective Active Support to Employment (EASE)

Communication: European Pillar of Social Rights Action Plan

Staff Working Document accompanying the European Pillar of Social Rights Action Plan

<u>Commission Recommendation on an effective active support to employment following the COVID-19</u> <u>crisis (EASE)</u>

Eurobarometer Report on social issues

European Pillar of Social Rights website

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QANDA/21/821

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