



EUROPEAN COMMISSION

Brussels, 13.3.2014
C(2014) 1518 final

Dear President,

The Commission wishes to thank the Bundesrat for its Opinion concerning the Commission Communication 'Strengthening the social dimension of the Economic and Monetary Union {COM(2013) 690 final}. It is pleased to note the Bundesrat's general support for the Communication.

The Commission notes that the Bundesrat expresses disappointment that the Communication focuses predominantly on analytical instruments and mechanisms for strengthening the social dimension of Economic and Monetary Union, rather than on the need for effective structural reforms in the Member States. On this point, the Commission would like to point out that the Communication is only one step towards incorporating a social dimension in Economic and Monetary Union; the focus on instruments (the scoreboard and social dialogue) relates to its predominantly short-term aim of incorporating the social dimension in the current EU economic governance and strengthening it, in particular with regard to the 2014 European Semester.

The Bundesrat further raises a specific point with regard to the existing indicators now incorporated in the scoreboard's headline employment and social indicators and any additional administrative or cost burden on the Member States. It also suggests further consultation on, and fine-tuning of, the scoreboard of key employment and social indicators.

In this regard, the Commission feels that limiting the scoreboard to the five headline indicators identified will raise the visibility of employment and social challenges. It is convinced that the scoreboard of key employment and social indicators, which draws on data already collected, imposes no additional administrative or cost burden on the Member States.

*Mr Stephan WEIL
President of the Bundesrat
Leipziger Straße 3 - 4
D - 10117 BERLIN*

The Commission would further point out that the Council¹ has endorsed the scoreboard of key employment and social indicators, as presented in Chapter 3 of the Joint Employment Report, as the starting version to be applied in the 2014 European Semester. The scoreboard may be fine-tuned for future European Semesters in view of new developments. Nonetheless, it feels that further indicators, together with a more detailed analysis of the scoreboard outcomes, should draw on the existing battery of indicators already used in the European Semester, and in particular the Joint Assessment Framework, the Employment Performance Monitor and the Social Protection Performance Monitor.

The Bundesrat is of the opinion that the ex-ante coordination proposals are unclear as regards their incorporation in national decision-making processes. The Commission would refer, in this respect, to the December 2013 European Council conclusions as regards further agreed features on contractual arrangements and associated solidarity mechanisms.

The Bundesrat also points out that strengthening recruitment, matching and placement services through the European Jobs Portal EURES should not lead to a reduction in information and advisory tasks. In this regard, the Commission would like to refer to its forthcoming proposal on the European Jobs Portal EURES.

The Bundesrat finally notes the Commission's assessment of the need for Treaty change for longer-term options such as EMU-wide stabilisation schemes and expresses the view that such options call for political integration based on appropriate democratic legitimacy and accountability. The Commission agrees with that view.

The Commission hopes that these clarifications address the Bundesrat's concerns and looks forward to continuing our political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

¹ EPSCO Council meeting on 9 December 2013.