



# The Employment Committee The Social Protection Committee

May, 2022

## Opinion of the Employment Committee and the Social Protection Committee on the 2030 national target setting process

### Introduction

1. On 4 March 2021, the European Commission published its Communication on the European Pillar of Social Rights Action Plan, outlining concrete actions to further implement the Pillar principles through a joint effort by the Member States and the EU in line with their respective competences. The Action Plan proposed, *inter alia*, three EU headline targets on employment, adult learning, and poverty reduction to be achieved by the end of 2030: at least 78% of the population aged 20 to 64 should be in employment; at least 60% of all adults (aged 25-64) should participate in learning activities every year; the number of people at risk of poverty or social exclusion should be reduced by at least 15 million (compared to 2019). It also called on Member States to define their own national targets to frame their policy strategies and thereby also contribute to this common endeavour.
2. The EU headline targets were welcomed by the EU leaders in the Porto Declaration at the Porto Social Summit of 7-8 May 2021 and by the European Council on 24-25 June 2021. These targets will be an integral part of the monitoring of progress towards the implementation of the principles of the European Pillar of Social Rights, in the context of the policy coordination framework in the European Semester. In the Porto Social Commitment of 7 May 2021, the President of the European Parliament, the President of the Commission, the Prime Minister of Portugal (Presidency of the EU Council), the leaders of EU Social Partners and the Social Platform called on Member States “*to set ambitious national targets which, taking due account of the starting position of each country, constitute an adequate contribution to the achievement of the European targets*”.

3. At the June 2021 EPSCO meeting, the Portuguese Presidency stressed the importance of setting national targets that are consistent with the overall EU framework and the shared ambition towards reaching the EU headline targets by 2030. During the debate, the Commission invited Ministers to set national targets that would be monitored within the European Semester and offered its availability to support Member States along the process. A follow-up discussion on guiding principles took place in the Employment Committee (EMCO) and the Social Protection Committee (SPC) on 29 June 2021. The Commission suggested possible simulated values to guide the setting of national targets that would reflect these principles and be consistent with the EU-level ambition and fostering upward convergence among Member States. The Commission also emphasised the importance of consulting social partners and other relevant stakeholders at national level, to secure a shared commitment towards this important objective.
  
4. Between September 2021 and May 2022, all Member States engaged in the process by reflecting on their national targets and generally undertaking internal consultations with different stakeholders. They also discussed proposals in bilateral meetings with the Commission aimed at sharing views on their degree of realism and ambition and addressing possible technical issues. On 8 March and 4 May 2022, the Commission presented to EMCO and SPC the state of play on the process and the proposals for national targets received and – pursuant to Art.150 and 160 TFEU - invited the Committees to prepare this Opinion in view of informing the Council, as planned in their respective 2022 Work Programmes.

### **Horizontal remarks**

5. The Committees appreciated the support offered by the Commission in the national target setting process and in particular the close cooperation established during the bilateral meetings. Several Member States reported that these exchanges helped them fine-tune their initial proposals, and thus contributed to setting realistic and yet ambitious targets (including by upward revisions in some cases).
  
6. EMCO and SPC welcome the consultation processes conducted at national level by Member States when formulating their proposals for national targets. In particular, several delegates confirmed that national parliaments, social partners, non-governmental organisations, local authorities and members of the academic community had been involved

and provided constructive observations. In few cases, national parliaments voted on the proposed national targets.

7. In this context, it was noted that while ensuring an adequate involvement of all the relevant stakeholders at the national level supported wide ownership in setting national targets in early 2022, it also took considerable time due to the high political significance of the process.
8. Some Member States underlined that their national targets were developed in a socioeconomic context that could not yet take into account the possible impact of the Russian invasion of Ukraine on employment, adult learning and poverty or social exclusion risks in the EU, and that this should be taken into account when monitoring progress.

### **Employment target**

9. All Member States have come forward with national employment targets for 2030, relying on the indicator used for the 2030 EU headline target (employment rate, 20-64 years-old).
10. The employment targets put forward by Member States tend to display overall a very good level of ambition, with most Member States having set them at or above the EU headline target of 78% by 2030. This recognises the importance of fostering strong and inclusive labour markets for the next decade, supporting the participation of all those that are able to work. Moreover, Member States with low initial employment rates set more ambitious targets, considering their starting position, which is important to ensure upward convergence over the decade to come.
11. In line with the European Pillar of Social Rights Action Plan, several Member States have also set complementary goals to reduce the gender employment gap, to increase the provision of formal early childhood education and care and to decrease the share of young people neither in employment nor in education or training (NEETs).

### **Skills target**

12. All Member States have set national adult learning targets for 2030, relying on the indicator used for the 2030 EU headline target (adults' participation in learning during the past 12 months, excluding guided on the job training). Some Member States raised as a potential concern the lack of recent data with regard to the indicator, arguing that this may justify a future review of the national targets once new values will be available.<sup>1</sup>
13. In the context of the ambitious level of the EU headline target on adult learning, some Member States chose a cautious approach in setting their national targets. Most of them nonetheless showed high levels of ambition to increase their participation in adult learning. This was notably the case for many countries that started from lower levels, thus importantly supporting upward convergence in the Union. The commitment shown by Member States on the skills target recognises the need to ensure full participation in our societies and economies, also in view of the digital and green transitions and demographic developments that are projected for the decade to come.
14. To complement the skills target, some Member States set complementary goals, in particular to increase digital skills and to reduce early school leaving.

### **Poverty reduction target**

15. All Member States have come forward with national poverty reduction targets for 2030. Almost all Member States expressed them using the indicator underlying the 2030 EU headline target (number of persons at risk of poverty or social exclusion, AROPE). Two Member States have set targets using the AROPE sub-indicator for persons living in households with very low work intensity, one is expected to set the target in terms of percentage points rather than number of persons and a confirmation of one Member State is pending. For Member States not having set their final targets as a reduction in the number of people at risk of poverty or social exclusion, the contribution to the EU headline target cannot be calculated ex ante (though it will contribute ex post).

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<sup>1</sup> The latest Social Scoreboard headline indicator values for 2016 are [available online](#) from a special Adult Education Survey extraction excluding guided on the job training. New values will be available in 2023, after the transition to the EU Labour Force Survey as a new data source in 2022.

16. The proposals for national targets on poverty reduction display overall a very good level of ambition and are expected to come close to the EU level target of reduction in the number of people at risk of poverty and exclusion by at least 15 million by 2030 though not all contributions could be taken into account at this stage. This tentative result indicates that Member States are strongly committed to reducing poverty risks in the EU through effective action. Moreover, Member States with higher initial levels of poverty or social exclusion set targets that are ambitious compared to their starting position, which is important to ensure upward convergence over the decade to come.
17. A majority of Member States also set a complementary goal to reduce the number of children at risk of poverty or social exclusion, reflecting the relevance of addressing the intergenerational transmission of poverty in their national context.

### **Conclusions**

18. The 2030 national targets represent the contribution of Member States to the EU headline targets proposed by the Commission and welcomed by the EU leaders at the Porto Social Summit and the European Council in June 2021. The Committees welcome that all Member States submitted their preliminary or final proposals for national targets.
19. The process was conducted with a view to define ambitious yet realistic targets that will help steer progress in the employment and social domains and foster upward social convergence in the EU, taking due account of the respective starting positions in the Member States. Accordingly, EMCO and SPC welcome that the national employment targets taken together exceed the ambitions of the corresponding EU headline target and the sum of poverty reduction targets come close to (and are eventually expected to exceed) the headline target, while taking note that the national adult learning targets slightly fall short of the EU headline one.
20. The Committees invite the remaining Member States to submit their final proposals, possibly including on complementary goals, as soon as possible with a view to have a complete set of national targets ready to be monitored starting with the 2022-23 European Semester cycle. Accordingly, EMCO and SPC also invite the Commission to take into account the national targets set by Member States and start monitoring progress towards them in the European Semester, including through the Joint Employment Report. It will be

important to continue the established regular dialogue between the European Commission and the Member States also during the monitoring of progress on the EU and the national targets.