



European Economic and Social Committee

SOC/295
A new European Social
Action Programme

Brussels, 9 July 2008

OPINION
of the
European Economic and Social Committee
on
A new European Social Action Programme
(exploratory opinion)

On 25 October 2007, the European Economic and Social Committee received a referral from the future French Presidency on

A new European Social Action Programme
(exploratory opinion).

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 10 June 2008. The rapporteur was Mr Olsson.

At its 446th plenary session, held on 9 and 10 July 2008 (meeting of 9 July 2008), the European Economic and Social Committee adopted the following opinion by 131 votes to 2, with 4 abstentions.

At the time of the adoption of this opinion, and in the light of the 12 June referendum on the Lisbon Treaty, the status and future of this Treaty need to be clarified. The opinion makes extensive reference to the Lisbon Treaty and of its social policy dimension and potential. The Committee believes that the case for an ambitious and participatory new European Social Action Programme remains relevant and even more necessary.

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1. Conclusions and recommendations

- 1.1 A new European Social Action Programme is needed so that EU social developments can keep pace with economic and market developments. It is opportune in the light of the new Lisbon Treaty, which creates new possibilities, responsibilities and objectives, to relaunch a more participatory and dynamic Social Europe. The new ESAP should promote, in tangible and practical ways, EU social policy goals and ambitions well beyond 2010 and be a comprehensive policy roadmap of action.
- 1.2 Social dialogue remains one of the main pillars and be reinforced. The programme should reconnect with citizens and organised civil society, enabling "bottom-up" participatory procedures, also including civil dialogue, to inter-act with EU initiatives.
- 1.3 The programme should specifically address policy areas such as quality of life, fundamental social rights, empowering people, social solidarity, employment and work of high quality, societal entrepreneurship, management of change, promotion of core social standards in EU external relations, especially in the area of trade. All instruments and tools available should be used. While the Community method should be maintained, it must be supplemented by other "new methods". Financial resources in the existing budget can be reallocated to support the programme. The budgetary reform after 2013 must focus social cohesion.

2. Introduction - background

- 2.1 The upcoming French EU Presidency has referred the idea of a European social action programme to the European Economic and Social Committee.
- 2.2 The French referral can be seen as a follow up to the Committee's earlier opinion on *Stocktaking European social realities* which proposed that "in order to build the basis of a new consensus on social challenges facing Europe, a new 'social action programme' may be outlined, taking into account both economic realities and social expectations"¹.
- 2.3 The above opinion referred to the 1989 *European social action programme* which formed an integral part of what can be identified as the *European social model* and demonstrated the reality of the *social dimension* of the single internal market. It was a 3-year programme of action, the "central support for the Commission's initiatives in the social sphere" with 45 clear measures considered "imperative to move forward in order to give tangible expression at Community level to the principles set out in the Community Charter of Fundamental Social Rights for Workers"². The measures were legislative and non-legislative covering Community action in almost all social fields in order to achieve the Treaty objectives of "improved living and working conditions".
- 2.4 The European social acquis achieved as a result of the 1989 Social Action Programme has not kept pace with the current-day economic and social challenges posed by globalisation, climate change and demographic development. These challenges have become even more acute by the slow down in economic growth, financial turmoil and the looming food crisis. There is even a sense among some groups and citizens of European social policy stalemate when compared to the progress of internal market policies.
- 2.5 The social stocktaking demonstrated that an affluent and rapidly changing European society is providing more opportunities, but new social risks are emerging. Issues such as differing incomes and equal opportunities, changes in the labour market, gender equality and pay gaps, child poverty and social exclusion, the "generation fracture", changing family patterns and access to housing and child care, the situation of the disabled, migration and integration were high lighted in the stocktaking exercise.

¹ EESC opinion of 18.1.2007 on "Taking stock of the reality of European society today", rapporteur: Mr Olsson (OJ C 93 of 27.4.2007), point 5.8.

² From the Charter to the Programme, Social Europe 1/90, page 28.

3. **A new framework for a European Social Action Programme**

- 3.1 There is a growing awareness among politicians that new policy orientations in order to meet the challenges to the European Model of Society are indispensable. European citizens are looking towards new social policy actions that need to be socially progressive and economically sustainable.
- 3.2 The Lisbon Reform Treaty creates a new opportunity to realise a European Social Action Programme by giving EU new social objectives³: "full employment and social progress, combating exclusion and discrimination, promoting social justice and protection, equality between men and women, solidarity between generations and the protection of the child".
- 3.3 The Reform Treaty strengthens the European Union's responsibilities to achieve those social objectives.
- 3.4 The opportunities for a more social Europe are in particular enshrined in the Charter of Fundamental Rights, in the mandatory provision of the "transversal social clause" and in the Protocol on Services of General Interest. The Treaty also provides opportunities for "enhanced cooperation" which Member States can promote and make use of in the social field⁴.
- 3.5 The Treaty confirms the role of the social partners to contribute to a Europe of economic and social advancement. With the provisions on participatory democracy it also provides new opportunities and additional instruments – for instance the "citizens' initiative" – for involving citizens and their organisations in the building of a more social Europe. The EESC must play an active role in this respect.
- 3.6 The EESC would also like to refer to the declaration⁵ of nine governments which stressed the need to strengthen the European social model as it has led to social progress and can take on the challenges of today. The declaration emphasised the responsibility of the European institutions to relaunch social Europe and make use of all the instruments at their disposal, highlighting the social dialogue. "EU-27 cannot just be a free trade zone but shall guarantee the necessary balance between economic freedom and social rights, so that the internal market could be regulated also at the social level". In its external policies the Union should promote the values of its social model to achieve fair globalisation and decent work for all.

³ Article 2.

⁴ Title IV, Article 10.

⁵ Enhancing Social Europe, presented by the Labour Ministers of Belgium, Bulgaria, Greece, Spain, France, Italy, Cyprus, Luxembourg and Hungary: <http://www.obreal.unibo.it/File.aspx?IdFile=816>.

3.7 In short, a new European Social Action Programme is needed so that EU social developments can keep pace with economic and market developments, and help endorse the Lisbon Strategy and promote its social, economic and environmental aspects, moving forward together on these dossiers. It is also opportune, in the light of the new Lisbon Treaty to relaunch a more participatory and dynamic social Europe matching citizens' needs and expectations. This is why the European Social Action Programme must be fully integrated in a post-Lisbon strategy based on *jobs, growth, social cohesion and sustainability*, where the social dimension will be on equal footing with the economic dimension.

4. **Principles and elements of a new European Social Action Programme**

4.1 The new European Social Action Programme must be firmly based on the values and objectives of the European Union as set out in the Lisbon Treaty. It should be a framework reference for a democratic, solidarity-based, sustainable, socially inclusive and competitive *welfare area for all citizens of Europe* based on wider distribution of life chances which leaves no-one by the wayside and a major tool for guaranteeing the rights of citizens as enshrined in the "Charter of Fundamental Rights". The ESAP must be based upon positive cooperation between the Member States, not on a competitive "race to the bottom" in terms of social rights, social protection and working conditions. The European Union will thus confirm its intentions regarding human rights, in order to guarantee them at the best level.

4.2 The European Social Action programme underpins a vision of a European Model of Society, which comprises at the same time both the concept of a Social Market Economy and the European Social Model. It responds to people's needs and aspirations, empowering citizens by giving them rights and responsibilities while promoting participatory democracy, identifying and mobilising actors within a reinforced social dialogue and an effective civil dialogue. The new European Social Action Programme should facilitate a creative and innovative approach to tackle new challenges and risks.

4.3 The new programme should be based on long-term social and societal perspectives and respond to new expectations and realities. This perspective of long-term sustainability should highlight measures for children and the young generation.

4.4 The Programme must therefore up-date and re-assert the EU's social policy goals, proposals and ambitions well beyond 2010. It should be a comprehensive policy roadmap of action at all levels for a re-energised Social Europe, supported by regularly updated "Social Agendas"⁶ based on common values.

⁶ Renewed Social Agenda was adopted by the Commission 2 July 2008 (COM(2008) 412 final).

- 4.5 The ESAP goes hand in hand with a dynamic European social model⁷. The strength of the model lies principally in its capacity to build on the common values inherent in a wide variety of situations to jointly establish instruments, procedures and action with legitimate participants, enabling real convergence in terms of progress. The EU's financing capacity is a determining factor for ensuring consistent development and enabling those countries which are structurally lagging behind to catch up.
- 4.6 The programme recognises that economic development and social progress are mutually enhancing and interdependent. Combining economic competitiveness with social justice and solidarity is the most appropriate way to promote the well-being of people in Europe. It could, subject to certain guarantees for beneficiaries, combine private and public initiatives also in order to find sustainable financial resources for an inclusive social welfare. Thereby it should also create a framework to guarantee that services of general interest are universal, accessible and of quality.
- 4.7 The new Social Action Programme should be supportive of socially responsible enterprise, fair competition and a level playing field enabling the internal market to prosper without being potentially undermined by "social dumping". In this context, it should also particularly focus on quality jobs for the future and the accompanying knowledge society that is needed.
- 4.8 To foster entrepreneurship in a broad sense, as defined by the Commission⁸, will improve both economic and social performance⁹. Plurality in enterprise must be safeguarded and promoted in order to take advantage of the specificities of small and medium enterprise and social economy enterprise and their contribution to the social dimension. European statutes for associations, foundations, mutuels and small enterprise are necessary for creating a level playing field between all economic actors.
- 4.9 An ESAP should be based on a comprehensive and coherent approach, also exploring the concept of social policy mainstreaming in other policy domains. It must become a natural part of macroeconomic policy, tax and competition policies, the strategy for sustainable development, industrial policy, territorial cohesion and the external dimension of the EU.

⁷ See EESC opinion of 6.7.2006 on the "European Social Model", rapporteur: Mr Ehnmark (OJ C 309 of 16.12.2006).

⁸ Commission definition: "Entrepreneurship refers to an individual's ability to turn ideas into action. It includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives. This supports everyone in day-to-day life at home and in society, employees in being aware of the context of their work and being able to seize opportunities, and is a foundation for more specific skills and knowledge needed by entrepreneurs establishing social or commercial activity", see point 2.2 of the EESC opinion of 25 October 2007 on "Entrepreneurship mindsets and the Lisbon Agenda", rapporteur: Ms Sharma, co-rapporteur: Mr Olsson (OJ C 44, 16.2.2008).

⁹ See above opinion.

- 4.10 A new ESAP would enhance in a tangible way the new "life chances" social vision for 21st century recently presented by the Commission¹⁰. The Commission suggests a framework for EU policies and underlines that the agenda of "opportunities, access and solidarity" requires long term investments in social and human capital. Such investments will increase economic performance and can also be justified from a sustainable development perspective. The Committee strongly supports this idea and considers that innovative ways to finance human and social capital must be secured both at EU level and in the Member States. The EU budget should be geared to this effect. The possibility of a European wide loan facility for social infrastructural development could also be explored.
- 4.11 The ESAP should also contribute to the achievement of a more equitable and balanced globalisation by promoting principles and values of its social model in EU external relations. Partnerships with third countries accompanied by increased technical and financial assistance should be offered to promote social and civil dialogues as well as employment and social welfare policies. Trading relations should be guided by respect for fundamental human and social human rights set out, for example, in ILO principles and norms¹¹.

5. **Multi level governance**

- 5.1 The institutions of the European Union need to live up to their role of leadership and the obligations placed upon them under the Treaty to achieve social progress. A new European Social Action Programme is therefore opportune. In practice, all available instruments and measures foreseen in the Treaty¹² for this purpose should be used according to practicality and efficiency while acknowledging the requirements of subsidiarity and proportionality.
- 5.2 The 1989 European Social Action Programme, hand-in-hand with the 1992 Single Market project, both proved the worth of the "Community method". As this method is still valid for the on-going review of the internal market, the Committee thinks it should also be for a re-energised social dimension. There is, therefore, scope for legislative actions within an EU of 27.
- 5.3 At the same time can a rich and varied involvement of social partners and other civil society organisations at different levels help achieve a greater sense of "ownership". All concerned stakeholders must participate in order to make the European Social Action Programme relevant, tangible, practical and responsive to citizens. In this way, a proactive and "bottom-up" approach, as described below, should interact with EU initiatives.

¹⁰ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "Opportunities, access and solidarity: towards a new social vision for 21st century Europe", COM(2007) 726 final.

¹¹ EESC opinion of 22.4.2008 on the "New trade agreements negotiations - The EESC position". Rapporteur: Mr Peel and co-rapporteur: Ms Pichenot.

¹² Particularly article 136 in the Lisbon Treaty.

- 5.4 Citizens' needs, concerns and aspirations must be identified. The EU Commission initiative of stocktaking social realities can serve as one model and be organised on a more permanent basis also reaching the local level. Representative civil society organisations have a crucial role to channel the demands of citizens to the appropriate level, including Europe. They must systematically be involved in stocktakings and consultations launched by the EU Commission with the Committee playing its role as mediator.
- 5.5 In this context the EESC underlines the importance of organising a permanent debate at all levels to address future challenges and strategic choices in the area of social policies. The aim of the debate should be to contribute to a new progressive consensus on European social policy based on a shared commitment among all those involved.
- 5.6 Intersectorial, sectorial and transnational social dialogue remains one of the main pillars of the social model in Member States and at EU-level. Employers and trade unions have a key role in addressing social challenges as they are strong driving forces for the achievement of economic and social progress. Joint analysis reports and the priorities made by the European social partners will be essential elements of a framework of appropriate actions both at EU and national level¹³.
- 5.7 The civil dialogue – to be clearly distinguished from the social dialogue – will be another main pillar in the future. To engage citizens and their organisations at all levels to build social Europe will be a real challenge.
- 5.8 Economic and Social Councils and similar bodies should be put in a position where they can be invited to become involved with their governments in all stages to shape and implement the European Social Action Programme.
- 5.9 Existing partnerships and dialogues in the area of social policies need to be strengthened in practice. Positive experience and models of partnerships, from Member States as well as from the EU cohesion policy that have contributed to social welfare must be disseminated and possibly explored further.
- 5.10 The autonomy and the capacities of the social and economic actors need to be promoted and supported by adequate public measures in order to create an enabling environment which improves their ability to articulate the bottom-up perspective and identify key policy areas.

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For instance like the Joint analysis report "Key challenges facing European Labour markets" published by BusinessEurope, CCEP and ETUC in October 2007.

6. Key policy areas

6.1 *A sustainable life course*

- *Secure individual pathways by collective commitments.* Common principles to tackle transitions over the whole of the lifetime, not least also to support "flexicurity"¹⁴ through guaranteed education and training, access to services, maintained rights and sufficient income and via public and/or private funding depending on the type of social security chosen. Social security systems should be adapted and supplemented if possible by collective agreements and mutually based financial provision.
- *Improved life quality through a charter of social sustainability* covering for instance fundamental social rights, social protection, social services, health and patients' – including mental patients' – rights.

6.2 *Guaranteeing fundamental social rights*

- *The European Charter of Fundamental Rights.* The principles and provisions of the Charter should help guide and encourage EU social policy developments and actions.
- *Vigilance in combating all forms of discrimination.* Supplementary legislative actions and other measures to guarantee the provisions in the Treaty¹⁵ in order to cover all grounds of discrimination.
- *Ratifying International and European human rights instruments.* Actions to guarantee the legal and practical implementation of provisions included in those instruments and better monitoring by the EU and the Member States. The UN Convention on the Rights of the Child must be given particular attention.

6.3 *Empowering people – developing capacities*

- *European knowledge lift programme*¹⁶. Key priorities and actions of life long learning, giving them a legal basis and providing sufficient financial resources.

¹⁴ EESC opinion of 22.4.2008 on the "Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Towards Common Principles of Flexicurity: More and better jobs through flexibility and security". Rapporteur: Mr Janson and co-rapporteur: Mr Ardhe.

¹⁵ Article 16 E in Lisbon Treaty (previous article 13).

¹⁶ See Günther Schmied: "Transitional Labour Markets: Managing Social Risks over the Life Course", contribution to the Informal Meeting of Ministers of Employment and Social Affairs, Guimarães, Portugal, July 2007: http://www.mtss.gov.pt/eu2007pt/en/preview_documentos.asp?r=29&m=pdf, p. 69).

- *Implementation of the European Youth Pact*, particularly
 - *a Youth Employment Package* based on substantial investments giving access for young people into decent first work experience leading to more permanent employment in the labour market;
 - *giving a second chance for early school leavers.*
- *Community Framework Programme of integration policies.* Effective, coherent rights based integration policies of immigrants, refugees and minorities supported by ambitious financial resources. Permanent support for the proposed European Integration Forum to be established by the EESC and the Commission in order to give voice to immigrants.

6.4 *Towards a society for all*

- *Eradication of poverty*
 - maintaining the goal to eradicate poverty in all Member States
 - implementing a zero child-poverty vision
 - decent pensions to combat old-age poverty
 - establishing common principles for a decent minimum income respecting subsidiarity.
- *Gender equality*
 - implementing the Pact for Gender Equality (by legislation, OMC and common principles)
 - guaranteeing individual rights for women
 - increase their participation in all sectors of society
 - combating women poverty
 - investments in affordable and accessible child and elderly care
 - reviewing tax and social security systems
 - combating violence against women.
- *Responding to the needs of aging society*
 - making the Alliance for Family, adopted by the EU Heads of State, operational in this respect
 - create a Senior Citizens' Alliance¹⁷
 - guaranteeing universal access and sustainable financial sustainability to long term care
 - launching research programme
 - creating an Observatory on best practices.

¹⁷

SOC/308, draft opinion on "Taking into account the needs of the elderly". Rapporteur: Ms Heinisch.

- *A comprehensive EU disability strategy*
 - introducing a disability specific anti-discrimination framework proposal
 - consolidating the principle of mainstreaming disability in all policies
 - formulating a comprehensive package of legislative measures and impact assessments of other legislation.

- *Improved services of general interest*
 - introducing the legal stability required to ensure the operation of services of general interest and, in particular, social services of general interest and maintaining a high level of quality, with due regard for the role of individual stakeholders;
 - developing and monitoring quality tools for assessing the performance of such services and increasing efficiency, including cost-efficiency;
 - promoting investments via combined public/private finance instruments (public/private partnerships) especially public infrastructure projects capable of generating revenue from their operations.

6.5 *Creation of employment and work of high quality*

- *An ambitious and effective European employment strategy*, in particular measurable targets in the fields of activation, life-long learning, youth employment and gender equality which can be benchmarked. The Commission should be given more enforcement powers.

- *Making mobility an opportunity for all*. The benefits of the internal market should be exploited, fully implementing the free movement of labour within the EU, coupled with:
 - adequate measures of social security (efficient transnational coordination of social security as well as portability of social rights on pensions and health)
 - access to housing, child care and education
 - equality of treatment for posted and mobile workers and workers in the host country
 - more efficient and coordinated control mechanisms of posting of workers.

- *High quality work with fair pay*.
 - Common principles to promote high work quality with fair pay while reducing precarious employment
 - Measures for underskilled and as yet unskilled workers
 - Intensified actions to combat undeclared work
 - Development of a European Index of Quality of Work
 - Measures to improve health and safety at the workplace with efficient measures to confront new risks, and this also in respect of new types of work.

- *Eliminating all discriminations in the labour market* also by implementing efficient strategies for reducing gender gaps, combating exclusion and creating pathways for inclusion.

6.6 *Promoting entrepreneurship in a societal context*

Entrepreneurship in its broadest sense should be promoted to generate more growth and better jobs as well as achieve social cohesion and combat social exclusion.

- *Enterprises, especially social enterprises and other social economy enterprises*, as pathways for effective integration in society and work.
- Commission programmes to support entrepreneurship should remain focused on quality employment.
- *Corporate social responsibility*. To make Europe a pole of excellence on CSR through joint actions of employers, trade unions, NGOs and public authorities developing, in addition to full compliance with labour law and social law, models and good practice in a sustainable manner supported by EU incentives.

6.7 *Anticipation and monitoring of structural change*

- *Management of change* within a partnership between enterprise and all concerned actors whereby the participation and consultation of workers and their representatives is essential for finding appropriate solutions.
- *Integration of environmental, industrial, economic and social dimensions* in EU proposals on industry, climate change and environment combined with particular funding instruments to support new technology and employment.

6.8 *Emphasising the external dimension*

- *Promote the characteristics of the European Social Model in the external policies of the EU* (particularly the notion of decent work, social dialogue and civil dialogue for instance in policies concerning trade, ACP and neighbourhood countries)
- *Strengthen the ILO approach*
 - ratification and implementation by Member States of all the relevant ILO conventions including those concerning non-discrimination
 - integrate core standards of the ILO in trade agreements
 - strengthen the ILO supervisory system.

- *Promotion of social and environmental labelling*
- *Making the conventions of the GSP Plus system a reference point*¹⁸
- Promoting international governance systems for new technological and environmental choices and for new international finance rules
- *Promoting international agreements on CSR*
- *Development and management of immigration policy* in cooperation with the countries of origin.

7. **Methods and tools**

7.1 *General remarks*

7.1.1 Finding appropriate and effective methods to address the new challenges in order to advance social progress is of utmost importance.

7.1.2 Both the existing and the new elements of the Treaty referred to above should be fully utilised as well as strengthening the implementation of the "*social acquis*". The same goes for other ways of actions and measures.

7.2 *New and pending legislation*

7.2.1 Within the scope of articles 136 and 137 of the Treaty some legislative actions are necessary to pursue such as:

- *Unblocking pending legislation* (working time, agency and interim work, portable supplementary pensions etc.).
- *Improving certain directives.*
- *Phasing out opt outs.*
- *Establishing framework for new forms of employment and new risks at the work place.*

7.3 *Strengthening the transposal, monitoring and action evaluation procedure*

- European Court judgements and their effects on the social acquis must be closely followed, and if necessary, political and legal measures must be taken to exclude the possibility of any encroachment on inalienable fundamental rights¹⁹.

¹⁸ See point 5.7 in EESC opinion of 22.4.2008 on the "New trade agreements negotiations - The EESC position". Rapporteur: Mr Peel and co-rapporteur: Mrs Pichenot.

¹⁹ For instance Laval un Partneri Ltd. Judgment of the ECJ C-341/05 of 18.12.2007. Viking Judgment ECJ and Rüffert ECJ C 346/06.

- The full potential of the social partners and organised civil society in the process of transposition and implementation of Community legislation, actions and programmes must be released.
- Control and inspection capacities in the field of health and safety at work and the implementation of workers' rights must be improved.

7.4 *Co-regulation and self-regulation*

7.4.1 Co-regulation and self-regulation (agreements, voluntary codes of conduct, standards, etc) can supplement EU-framework legislation and other measures also in the social field. The social dialogue as such is one element of this instrument. Co-regulation and self-regulation can be a dynamic process responding to the rapid development of social realities. However it must always be thoroughly assessed and based on a participation and responsibility of all concerned stakeholders and should not lead to a weaker legal status than the available Community method.

7.5 *The autonomy and efficiency of the social dialogue needs to be reinforced*

7.5.1 The ongoing Joint work programme for 2006-2008 of the European Social Partners shows that the European social dialogue is on track to face the challenges of Europe providing that the European Social Partners adopt the means to create a well-functioning and dynamic culture of autonomous industrial relations at all levels. The EU can support this by:

- ensuring a proper consultation of the European Social Partners in the framework of Article 138 of the Treaty;
- guaranteeing the smooth implementation of their joint long-term work programmes;
- strengthening trade unions' and employers' capacities in the field of training and taking action also by new means, particularly in the new Member States;
- promoting collective trans-national agreements by guaranteeing the social partners a stable juridical framework for European wide collective negotiations including provisions for the transposition of collective agreements;
- developing further the directives on worker participation particularly as regards the right of information and consultation.

7.6 *Civil dialogue – reinforcing participatory democracy*

7.6.1 The provisions²⁰ on "participatory democracy" of the Lisbon Treaty provide new opportunities for involving other civil society organisations than the social partners fully in European social policy making and in particular in the framing of a new European Social Action Programme.

²⁰ Article 8 B.

7.6.2 The EESC is the representative institution of organised civil society at EU level. The Lisbon Treaty gives the Committee additional scope to play fully its role as an intermediary between organised civil society and the decision-making bodies of the EU. The EESC has a particular responsibility in fostering participatory democracy. It will take initiatives and explore ways and means for making the new article of the Treaty operational as well as evaluating the different methods of participation, consultation and the impact assessments being used by the EU Commission and other EU institutions with the aim to make them more reliable, useful and participatory. In this context the Committee reiterates its call for the adoption of a statute for European Associations²¹.

7.7 *The citizens' right of initiative – an important tool*

7.7.1 The citizens' right of initiative²² may be considered as one of the most important tools for organised civil society to try to promote a social Europe closer to the citizens and their social expectations.

7.7.2 Therefore, civil society organisations must evaluate the effectiveness of this new Treaty clause. They must examine under what circumstances they can use it and how it will be made operational. The EESC can contribute to this analysis also by involving national economic and social councils as well as the national organisations which members represent.

7.8 *Enhanced cooperation*

7.8.1 The ever-increasing diversity of the European Union is an argument for enhanced cooperation. Member States that want to go further and more rapidly in social policy matters can use this opportunity finding common and proper solutions. This should of course neither lead to "social dumping" nor leave those not taking part totally behind. It should in this context be noted that cooperation between certain Member States already exists in some fields²³.

7.8.2 Some possible fields for enhanced cooperation can be:

- to achieve a common approach of how to integrate economic and social policies in the euro zone;

²¹ See for instance the EESC opinion of 28.1.1998 on "Voluntary Organisations and Foundations in Europe", rapporteur: Mr Olsson (OJ C 95 of 30.3.1998).

²² Article 8 B.4.

²³ For instance the Euro and Schengen.

- portability of social rights other than those covered by the regulation on the coordination of social security schemes²⁴;
- actions to reinforce the different EU strategies where competence mainly lies with the Member States, such as, for example, in the field of education.

7.9 *Open Method of Coordination (OMC)*

7.9.1 In different opinions the Committee has supported but considered that the OMC should be more effective. The OMC has delivered some results but all too often Member States have not shown sufficient commitment to the objectives and actions agreed upon.

7.9.2 The Committee has proposed that the OMC should be utilised to establish both quantitative and qualitative targets accompanied by better social indicators, and be used in new areas, for instance policies on integration, intergenerational solidarity and disability policies.

7.9.3 The OMC should "go more local" thereby reflecting the participatory bottom-up approach and the necessary coordination of partners and policies to achieve local and regional development with support of the structural funds.

7.9.4 Some proposals:

- Local, regional and national action plans as an essential element for the European Social Action Programme.
- Benchmarking of the OMC itself by using targets and indicators, peer reviews as well as exchange of good practice whereby governance and particularly participation of organised civil society at all levels and national ESCs should be highlighted.

7.10 *Common principles*

7.10.1 The recent Commission initiatives on, for instance flexicurity, have introduced a "new" method based on common principles serving as recommendations for Member States to follow²⁵ as they see fit.

7.10.2 The method seems worthwhile when it is focusing on very specific themes and where Member States want progress should be made even if EU competence is limited. As many policy fields are involved, there is a need for an integrated approach.

²⁴ Regulation 883/04.

²⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Towards Common Principles of Flexicurity: More and better jobs through flexibility and security, COM(2007) 359 final, plus others.

7.10.3 The "method of common principles" is also an opportunity for participation of organised civil society both to formulate and even to negotiate them and in their implementation.

7.10.4 However there is a strong necessity to find the linkages to other EU instruments and methods, for instance the OMC and the integrated guidelines of the Lisbon strategy in order to evaluate and measure the efficiency of this "new" method and its proper application. In implementation, it is important that the common principles are effectively respected so as not to lead to unfair competition.

7.11 *Indicators*

7.11.1 The Committee suggests that within the framework of the ESAP a particular action related to indicators should be introduced with active participation of the concerned stakeholders. It should:

- establish new "well-being" indicators which are not closely based on GDP/GNP but which make it possible to show progress in the area of social development²⁶;
- elaborate high quality, reliable and comparable social indicators to provide a sufficiently detailed, true picture of progress regarding the objectives;
- develop qualitative indicators in order to measure, for instance, accessibility and quality in relation to expectations as well as user involvement and user-friendly treatment to reflect how the needs of the citizens are being met.

7.12 *Impact assessment of EU policies*

7.12.1 European Union legislation, policies and programmes should be screened as to their social consequences. The Commission has particular responsibility for such impact assessment which should closely involve all concerned actors. All major social policy fields, particularly their effects on employment, growth, social cohesion and sustainability should be evaluated on a five year basis. Quality criteria should be established to support the necessary analysis and evaluation.

7.13 *Financial resources*

7.13.1 The budgetary instrument to implement a social action programme should be seen within a comprehensive vision of both EU and national financial resources.

7.13.2 In the budgetary reform special emphasis should be placed on action in support of economic and social cohesion. A reallocation of resources is needed in order to safeguard and promote cohesion, employment and the European social model, and thereby the ESAP, in accordance with the five-year evaluations (see point 7.12.1).

²⁶

In accordance with the work of Nobel Prize-winning economist Armatya Sen.

7.13.3 However, until the new budget is effective (2013) certain reallocations can be made within the existing budget both without and with renegotiations between Member States.

7.13.4 More coherence and coordination is needed between different funds (e.g. cohesion, regional, social, rural, European Globalisation Adjustment Fund (EGF)) in order to integrate the social dimension in different policies.

7.13.5 Proposals for mid-term initiatives

- re-examine the EGF with a special emphasis on the scope, methods of application and better access to funding including strengthening the link to the ESF. The possible extension of the EGF to cover the impact of climate change and environmental policies on employment should be considered;
- the structural funds should be more responsive to small-scale but effective support structures at grass-roots level;
- a Social Innovation Fund could be established to support new initiatives of experimental character in line with the positive experience of the Equal programme;
- rapidly create a Demographic Fund²⁷;
- to reinforce the European Integration Fund.

Brussels, 9 July 2008.

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Dimitris Dimitriadis

Patrick Venturini

²⁷

See EESC opinion of 18 December 2007 on the "Fourth Cohesion Report", rapporteur: Mr Derruine (OJ C 120 of 16.05.2008).