



European Economic and Social Committee

SOC/148
Social Policy Agenda

Brussels, 10 December 2003

OPINION

of the
European Economic and Social Committee
on the

**Communication from the Commission to the Council, the European Parliament, the
European Economic and Social Committee and the Committee of the Regions: mid-term
review of the social policy agenda**

COM(2003) 312 final

On 2 June 2003 the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the

Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: mid-term review of the social policy agenda
COM(2003) 312 final.

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 25 November 2003. The rapporteur was **Mr Jahier**.

At its 404th plenary session (meeting of 10 December 2003), the Economic and Social Committee adopted the following opinion by 104 votes, with 5 against and 9 abstentions.

1. Introduction

1.1 The European social policy agenda has been a significant achievement in building a more social Europe based on the principles of solidarity and justice. In the Member States, welfare systems originated and developed in historically diverse national cultures, producing a variety of approaches to social protection, but all based on the principle of solidarity. The agenda provided and provides the joint foundation for social convergence and comparison between individual countries.

1.2 The strategy that has made it possible to accept a European social agenda is based on two pillars: a) recognition of work as a need and right that must be protected in order to guarantee the conditions for effective social integration and to shape and sustain economic competition in internal and international markets; b) the fight against poverty, social exclusion and the problem of inequality, especially where it has a negative impact on relations between social groups, gender relations and, as is becoming increasingly evident, on the younger generation.

1.3 The agenda is part of the broader strategic objective set by the European Council in Lisbon, which aims to foster synergies between economic, employment and social policies in order to promote virtuous circles of economic and social progress with a view to sustainable development¹.

1.4 The mid-term review of the social policy agenda is therefore part of a longer-term strategy intended to make the social agenda a road map for promoting human and social development in the individual Member States and the EU promoting the establishment of similar levels of social welfare provision and defining the most appropriate ways of promoting and realising these.

¹ The issue of sustainable development is discussed in numerous Committee opinions, e.g. *The Lisbon strategy and sustainable development*, OJ C 95 of 23.4.2003 (rapporteur: **Mr Ehnmark**; co-rapporteur: **Mr Ribbe**) and the opinion on the Commission Communication *Towards a global partnership for sustainable development*, OJ C 221 of 17.9.2002 (rapporteur: **Mr Ehnmark**).

1.5 This objective can be achieved first of all by ensuring the continuity of the approaches that were adopted and promoted in the agenda: the open coordination method, coherent legislation on implementing minimum social standards that encourages agreements between the social partners, social dialogue to enhance the way work is organised in terms of achieving a balance between flexibility and security, targeted use of the Structural Funds and programmes to support innovative policies, and so encourage individual countries to adopt an autonomous approach to the measures to be taken.

1.6 The review provides an opportunity to assess the results achieved², to make recommendations for effective implementation of the second phase of the social agenda (2004-2005) and to shape the preparatory phase for future discussion of the 2006-2010 agenda.

2. General comments

2.1 The EESC endorses the overall thrust of and proposals contained in the Commission Communication, in so far as these set out the main features of the ongoing process and the relevant problems that have to be taken into consideration. It is pleased to see that almost all the agenda's intended actions have been launched.

2.2 However, it is still difficult to monitor progress made in the fight against poverty and in promoting social inclusion owing to the lack of recent data in several sectors. Over the next two years, better information must be ensured in relation to the following: more and better jobs; working environment and job security; the fight against all forms of exclusion and discrimination; modernising and improving social protection; gender equality; and strengthening the social dimension of enlargement and the European Union's external relations.

2.3 One guiding principle in the social policy agenda was also the desire to strengthen the role of social policy as a factor of production: the Commission pursues this approach by examining the "costs of non-social policy" in the various countries.

2.4 Another key aspect of the social agenda is governance. More emphasis must be placed on governance during the second phase, in particular by promoting participation of stakeholders and joint evaluations of social policy. The Commission has undertaken to ensure that the legislative acquis in this area is fully complied with.

2.5 Employment

2.5.1 The results of structural reform of European employment markets are becoming visible, especially in terms of higher employment intensity and the creation of jobs in high-tech and knowledge-intensive sectors. Twelve million new jobs have thus been created since 1997, raising the

² A comprehensive overview can be found in the Commission Communication which is the subject of this opinion and in the Communication of February 2003 *Scoreboard on implementing the social policy agenda* (COM(2003) 57 final).

level of employment by four percentage points and, according to Eurostat data, bringing total unemployment in the EU in 2001 to its lowest level since 1992 (7.4%).³

2.5.2 However, in 2002 unemployment already rose substantially for the first time since 1996; persistent regional disparities and long-term weaknesses, with low employment levels among older workers, gender differences, and high youth and long-term unemployment⁴, should thus prompt a definite strengthening of the measures already planned⁵. This situation has prompted the EESC to draw up an own-initiative opinion on employment support measures.⁶

2.6 Health and safety at work

2.6.1 Progress has been made during the last few years in reducing accidents at work, and the total number of serious accidents has been falling since the mid-1990s. However, rates of accidents at work remain high, taking a very high toll on European competitiveness and revealing shortcomings in current practices relating to health and safety at work⁷. Moreover, in a fast-changing employment market, new health problems arise, e.g. musculoskeletal disorders and psychosocial problems such as stress, depression and anxiety, and other disorders closely linked to developments in working conditions.

2.7 Gender equality

2.7.1 The gender balance in employment has improved slightly in the past few years, though without a major change being achieved⁸. This is compounded by the untenable difference in remuneration between the sexes⁹, with women estimated to earn on average 16% less than men. The EESC therefore endorses the idea of setting up a European institute with responsibility for gender equality issues, in order to step up Europe's commitment in this regard.

³ Eurostat / Employment DG, *The Social Situation in the European Union*, September 2003

⁴ The Committee would point out here that the employment level for immigrants is markedly below the average, as noted for instance in the EESC own-initiative opinion on *Immigration, integration and the role of civil society organisations*, OJ C 125 of 27.5.2002 (rapporteur: **Mr Pariza Castaños**).

⁵ The Committee has on several occasions called for these measures to be stepped up. See in particular the opinion on the *Guidelines for the employment policies of the Member States*, OJ C 208 of 3.9.2003 (rapporteur: **Mr Koryfidis**) and the exploratory opinion on the Lisbon strategy (rapporteur: **Mr Sepi**; co-rapporteur: **Mr Vever**).

⁶ Opinion currently in preparation concerning the review of the European Employment Strategy (EES) (CESE 1286/2003, rapporteur: **Ms Hornung-Draus**, co-rapporteur: **Mr Greif**).

⁷ See EESC exploratory opinion on *Health and safety at work*, OJ C 260 of 17.9.2001 (rapporteur: **Mr Etty**) and the opinion on the *New Community strategy on health and safety at work*, OJ C 241 of 7.10.2002 (rapporteur: **Mr Etty**).

⁸ See EESC opinion on *Equal treatment for men and women*, OJ C 123 of 25.4.2001 (rapporteur: **Ms Wahrolin**).

⁹ See EESC own-initiative opinion on wage discrimination, OJ C 155 of 29.5.2001 (rapporteur: **Ms Florio**).

2.8 Social impact of legislation

2.8.1 The social impact of legislation is largely a new concept, to which little attention has yet been paid. The social agenda has introduced monitoring of implementation of EU legislation and directives at Member State level, with reference to labour law, gender equality, free movement of workers, health protection and safety in the workplace.

2.8.2 The EESC thinks a more specific evaluation of the social impact of legislation and its effectiveness is called for. To this end, the concept of "social return" on legislation, expressed by means of comparable indicators, could be used to compare social impact between different countries, bearing in mind for example that the precarious nature of certain employment conditions – not to be confused with accepted forms of labour flexibility – also does substantial damage to the Union's economy.

2.9 Social indicators

2.9.1 The Committee welcomes the fact that strategies and instruments have been designed to monitor events and check the impact of actions promoted by the agenda, but it notes that there is still a lack of effective monitoring capacity for comparing formal performance indicators (on legislative and regulatory output) with indicators of the efficacy of action undertaken (lower rates of social problems, exclusion, poverty, long-term unemployment, etc.).

2.9.2 The Committee also points to the importance of getting people and social interest groups - as well as local authorities - more involved, not just in producing indicators but also in evaluating them, as proposed by the Social Protection Committee.

In one of its own opinions¹⁰, the EESC set out detailed recommendations that are intended not just to improve the reliability of indicators but also to make them easy to manipulate and apply, prioritising indicators that can be used to measure social integration and access to welfare, especially to health care and social services.

2.10 Costs attributable to absence of social policy

2.10.1 The agreed frame of reference for analysing the costs attributable to absence of social policy is the trade-off between economic efficiency and social efficiency, evidenced in terms of equity in the distribution of opportunities and resources¹¹.

¹⁰ See EESC own-initiative opinion, OJ C 221 of 17.9.2002 (rapporteur: **Ms Cassina**).

¹¹ *Costs of non-social policy: towards an economic framework of quality social policies – and the costs of not having them*. Report for the Employment and Social Affairs DG, 3 January 2003

2.10.2 The costs of an absence of social policy can be measured in terms of information and education deficits, unequal access to services, lack of equal opportunities for lifelong learning, gender inequality, lack of participation, and rigidity of educational and employment processes.

2.10.3 Inter-country comparisons of poverty levels before and after the implementation of redistributive policies show a significant social gain in the short term, but above all in the medium and long term. This gain is reflected not only in reduced poverty levels, but most importantly in a reduction in social conflict and disparities, which undermine family relations and the social capital of the communities concerned.

2.10.4 The EESC also stresses the importance of "welfare performance" as an idea, i.e. of positive indicators that can be monitored in the relationship between public welfare spending, rates of production and development, inflation, poverty and public debt and basic social indicators such as life expectancy, infant mortality, school attendance, the income of the most disadvantaged sectors of the population and education levels.

2.10.5 The Committee holds that measures under the social agenda must focus on and be completely geared towards these areas so that the agenda changes from being primarily theoretical and indicative to being much more concrete and to evaluating investment in social capital, in the quality of work and in social cohesion.

2.11 The second phase of the agenda in a changed economic context

2.11.1 The social policy agenda, just like the whole broad framework of new strategies adopted after the Lisbon summit, was conceived during a period of sustained economic growth and on the assumption that growth would continue, both in the context of international economic trends, as a positive result of integration of the new Member States into the European Union, and as a result of development and growth policies (social and employment) and their synergistic effects on the economic cycle.

2.11.2 The EESC believes that the social agenda should continue to play a key role, even against a background of prolonged economic crisis or stagnation. However, the EESC is concerned about the fact that there has not been a detailed review of the framework for applying the social policy agenda and that there is no discussion of the different impact, needs and sustainability, and the future of these social policies and of employment, in the context of such a radically transformed economic cycle.

2.11.3 It is crucial to continue on the course set by the Lisbon strategy, accelerating the measures provided for in the social policy agenda, but only if the following factors are considered and evaluated:

- the inevitable impact of the unfavourable economic cycle on persistent structural weaknesses in the employment market and the fact that this will make it considerably more difficult to achieve on a lasting basis the objective of 15 million new jobs by 2010 and the various qualitative targets;
- the inevitable consequences of the present economic cycle on the possibility of the social agenda having a significant and lasting impact – assuming current policies and resources invested by the Member States remain unchanged – on the current 9% of the European population living in long-term poverty.

2.11.4 Within the spheres of action provided for by the agenda it is therefore a matter of urgency to adopt a more specific system of priorities, taking account of the challenges posed, the political agenda for the next two years and the considerable limitations on available resources.

3. **Specific comments**

3.1 **Employment and incomes policy**

3.1.1 In the current economic situation, conditions are much more difficult for achieving the employment goals set, though these remain a crucial objective, especially in view of the structural problems affecting youth employment and the low employment rates of women and older workers.

3.1.2 In particular, especially in certain countries, younger people continue to experience chronic difficulty in entering the labour market. The short-term consequence of this is that they remain dependent on family; over the medium- and long-term, they build up a "deferred social debt". This will be borne by public welfare budgets, which in future will have to provide support during old age for those who have not been able to accumulate enough pension income to live above the poverty line.

3.1.3 Another critical question arising is that of the purchasing power of income, especially of lower incomes, against the background of inflation in various European countries. More must be done to find effective ways of countering this trend, which reduces the purchasing power of workers and families, especially those with low incomes, and of single-parent households, most often lone mothers with children, and increases the number of so-called working poor, i.e. people living below the poverty line even though they have work.

3.2 **EU enlargement**

3.2.1 EU enlargement and the integration of ten new countries is the most qualitatively demanding challenge that will be faced by Europe in the period in question (2004-2005) and the one

to follow. This strategic priority is becoming more and more important for the Union, especially in terms of the not insignificant issue of its economic and social cohesion¹².

3.2.2 In many of these countries, labour costs have adjusted to Western standards more rapidly than anticipated, especially in large cities and the specialised services sectors, where short-term gains have often been cancelled out by the rapid increase in the cost of living. Employment rates still diverge significantly from the EU average, and a large number of pensioners, farm workers and other groups are living in poverty.

3.2.3 With a demographic structure that is largely similar to that of the current EU 15, these countries cannot afford to reduce their own public spending and, having committed themselves to a programme of inevitable convergence, they can only expect an increase in the domestic demand for welfare to guarantee and maintain pensions and health, active anti-discrimination and anti-poverty policies, and policies to promote employment.

3.2.4 To avoid the sudden introduction of policies that would have devastating consequences for Europe, flows of economic aid should therefore increase, and not decrease, after enlargement. This major problem, which because of the current political climate will not really be addressed before 2005, goes hand in hand with the social policy agenda and its practical feasibility and sustainability. It is also fundamentally important to step up all flanking and enforcement measures with respect to correct and complete application of the Community acquis.

3.3 Governance and social integration

3.3.1 European governance is based on five principles: openness, participation, responsibility, efficacy and coherence. Experience shows that these principles must be complemented by the subsidiarity principle, which is the main foundation for correct governance. This also concerns the types of cooperation and co-responsibility, both vertical and horizontal, needed to maximise the contribution of all those social and regional players concerned by economic and social policies.

3.3.2 To this end, presentation of the legislative proposals should be preceded and prepared by a systematic and independent analysis of their anticipated impact on welfare and of the cost-benefit ratio of implementing them¹³.

3.3.3 The EESC thinks that the Communication should therefore place more emphasis on the open method of coordination, which was the major innovation of Lisbon and is certainly a significant factor in improving governance in the EU, but above all an important instrument for

¹² See the Commission's *Second Progress Report on Economic and Social Cohesion* (COM(2003) 34 final) and the relevant EESC opinion (CESE 929/2003, rapporteur: **Mr Barros Vale**).

¹³ EESC opinion on *European Governance – a White Paper*, OJ C 125 of 27.5.2002 (rapporteur: **Ms Engelen-Kefer**).

implementing new types of measure and achieving real modernisation in the sphere of social policy and employment.

3.3.4 The Committee considers that the Commission should make explicit and public the aspects of evaluation that it has already established for the process followed during the past few years. To this end, social dialogue should be used more widely, enhancing the profile of the social partners' work programmes, respecting their autonomy in implementing those programmes, and seeking to extend this practice of active consultation to as many sectoral policies as possible and above all to the new Member States of the EU¹⁴.

3.3.5 Similarly, insufficient attention is given to the role of organised civil society and non-profit-making social services; the part they play in the public sphere of activity should be better identified and developed, bearing in mind that they are not required to protect rights (this being the responsibility of the relevant public authorities) but to help make them more enforceable in the individual national welfare systems. As the Committee has pointed out previously, not-for-profit social services can make a crucial contribution to various objectives of the social policy agenda, through the support provided by associations, foundations, cooperatives and mutual societies¹⁵, in the various national and local contexts of the Union.

3.3.6 The contribution of non-profit-making social services to employment and their social impact is increasingly recognised and exploited, with significant implications in terms of promoting and protecting the rights of disadvantaged people, responding to needs in education, social assistance and health assistance, and support for policies to promote inclusion and reduce social inequality.

3.3.7 Non-profit-making organisations help to identify and articulate emerging social needs, especially those of less-advantaged sectors of the population; they invest in repairing a damaged social fabric where healthy structures must be restored; they mobilise social fellow-feeling and participation, as the necessary condition for flourishing democratic structures, even in the most disadvantaged areas.

3.3.8 The role of the **social economy** as a development factor and that of the non-profit players that support it must therefore be better recognised and developed in the social services and care sectors, with particular reference to European competition law.

¹⁴ Cf. EESC opinion on the Social Policy Agenda 2000, OJ C 14 of 16.1.2001 (rapporteur: **Mr Bloch-Lainé**) and EESC opinion on *The scoreboard on implementing the social policy agenda*, OJ C 241 of 7.10.2002 (rapporteur: **Mr Bloch-Lainé**).

¹⁵ Cf. EESC opinion on *The scoreboard on implementing the social policy agenda*, OJ C 241 of 7.10.2002 (rapporteur: **Mr Bloch-Lainé**), EESC opinion on *Private not-for-profit social services in the context of services of general interest in Europe*, OJ C 311 of 7.11.2001 (rapporteur: **Mr Bloch-Lainé**) and EESC opinion on *The social economy and the single market*, OJ C 117 of 26.4.2000 (rapporteur: **Mr Olsson**).

4. **Developing European social citizenship**

4.1 The period 2004-2005 will be primarily a completion and consolidation phase for the strategy launched in 2000. In view of the changed economic situation, the EESC believes that the strategic axes should be clearly and progressively defined; although these axes are already present in the current agenda, they must play a greater role:

- in order to guide sectoral policies and priorities in implementing the current agenda;
- and to shape the preparatory phase of the new social agenda for 2006-2010, which has already been launched.

4.1.1 The mid-term review is actually a valuable opportunity to underpin the transition from a social agenda focusing mainly on employment (and social measures to promote employment in a context of international competition) to a future agenda in which social development and cohesion are addressed separately and in relation to other areas of EU political action.

4.1.2 In particular, if today the guiding concept is social cohesion as a factor of production in a Union that is making social solidarity the locomotive for its development, the term "production" must be better defined, both in the economic sense and in the sense of promoting better social conditions. Social issues must be treated not just in the sense of social problems (exclusion, inequality, etc.), but also in the sense of promoting and strengthening the positive elements favouring "citizenship", i.e. national and local social capital.

4.1.3 It is particularly important to address the issue of how a shared European identity can be understood as **European social citizenship**, not in the sense of a new legal status based on a process of assimilation of particular national characteristics (civil and political), but rather in the sense of drawing on those characteristics in the context of increasing mobility of people for work, education, research, production and skills transfer. As has occurred in the case of currencies, mobility of citizens means sharing certain basic aspects of citizenship and social solidarity intended to ensure the "transferability" of basic rights within the EU area, so as to meet people's basic needs and thus offer them more opportunities for exchange, mobility and security.

4.1.4 The prospect of thus providing shared **social citizenship infrastructures** ties in with the drive to put in place large infrastructures for European economic development. This is an ambitious project that must be set out and examined in terms of its feasibility. It requires consideration of the conditions (minimum infrastructure) that will be needed to promote social citizenship in the light of options already chosen by individual countries, with respect to health, social protection, welfare, education, environmental protection and family policy, in other words the social capital of the various national communities.

4.2 Developing Europe's human and social capital

4.2.1 Developing Europe's human and social capital is not just essential for building a knowledge-based economy and so increasing competitiveness, but is also a key element in effectively supporting structural changes in the labour market and the future of citizenship and social inclusion¹⁶. Higher-quality human capital is the key resource for tomorrow's Europe, based on full and active involvement of the various social stakeholders.

4.2.2 This also requires that lifelong learning policies¹⁷ become an absolute priority, not just in active job-creating policies, but also in social policies in the broader sense. If the different countries of the Union offered everybody the equivalent of one extra year's education or training, total productivity in the EU would certainly increase both in the short and in the longer term. The EESC therefore believes that this aspect should become a more prominent and long-term horizontal priority in the new phase of implementing the social agenda.

4.3 Modernising and improving social welfare systems

4.3.1 Welfare systems are the key distinguishing feature of the European social model as well as making that model an example in today's world¹⁸. The issue of pensions and the changes under way in the various national systems, and the complex question of health and healthcare promotion against a background of free movement of workers within the Union, are the two main pillars of European welfare systems and thus have a significant impact on the efficiency, cohesion, security and development of the social system.

4.3.2 Alongside the National Action Plans for Social Inclusion (NAPs/inclusion), the EESC agrees that there should be a concerted effort to streamline and strengthen the open coordination method. The 2005 deadline for the process and measures planned in relation to pensions and the European Council's call on the Commission to put forward new proposals for stepping up cooperative exchanges, e.g. in the sectors of healthcare and care of the elderly, could become important levers of this strategy, boosting the impact of the social policy agenda¹⁹.

¹⁶ See also the resolution of the Employment, Social Policy, Health and Consumer Affairs Council of 2-3 June 2003 on the importance of social and human capital.

¹⁷ See EESC opinion on the *Memorandum on Lifelong Learning*, OJ C 311 of 7.11.2001 (rapporteur: **Mr Koryfidis**) and EESC opinion on the Commission Communication *European benchmarks in education and training: follow-up to the Lisbon European Council*, OJ C 133 of 6.6.2003 (rapporteur: **Mr Koryfidis**).

¹⁸ See EESC opinion on *Options for the reform of pension schemes*, OJ C 221 of 17.9.2002 (rapporteur: **Ms Cassina**) and EESC opinion on *Safe and sustainable pensions*, OJ C 48 of 21.2.2002 (rapporteur: **Ms Cassina**).

¹⁹ See the Commission communication on *Strengthening the social dimension of the Lisbon strategy: Streamlining open coordination in the field of social protection* (COM(2003) 261 final) and the relevant EESC opinion adopted at the plenary session of 29-30 October 2003 (rapporteur: **Mr Beirnaert**).

4.4 **Employment as a priority for economic and social development**

4.4.1 The issue of employment has been one of the main points of convergence and commitment of the European social agenda. Solutions found mainly involve the creation of jobs in high-technology and more knowledge-intensive sectors. This strategy must be paralleled by a social inclusion programme (directed at women, young people, disadvantaged people, adults made redundant in economic sectors facing problems, immigrants, etc.). It is particularly important to pursue both anti-discriminatory and positive action policies promoting access to employment for disabled people.

4.4.2 Even during an economic downturn, the political and cultural basis exists for capitalising on investment already made, in terms of improving the quality of employment. As well as tackling the still grave problems of safety and protection in the workplace, this means considering the issues of working conditions and labour relations²⁰.

4.4.3 Quality of employment relates to strategies for transferring knowledge (lifelong learning and learning environments), to the problem of flexibility versus precariousness of work (which concerns the younger generations in particular), to non-conflictual and collaborative strategies for managing work processes (accountability, sharing strategies and results) and to the balance between work and family life –, which in some countries has significant effects on the birth rate.

4.4.4 In short, individual countries must considerably step up their efforts to combat undeclared work, given that according to current World Bank estimates some 20 million people in Europe are working illegally²¹. Not only do these people not fulfil their tax and welfare obligations, but at the same time they are not helping to provide funding for their own pensions. In this connection the Committee welcomes the relevant Resolution adopted by the Employment, Social Policy, Health and Consumer Affairs Council, which re-emphasises the gravity of the problem and calls on the Member States, European institutions and social partners to take measures to combat it.²²

4.5 **Participatory evaluation and monitoring**

4.5.1 Monitoring efforts have revealed limitations inherent in the European objective of evaluating social trends and the impact of the agenda on the basis of shared and credible criteria. The current trend towards simple reporting creates problems: an assessment is needed that can measure whether the anticipated results have actually been achieved. The inadequacy of monitoring

²⁰ See EESC opinion on *Improving the quality dimension of social and employment policy*, OJ C 311 of 7.11.2001 (rapporteur: **Mr Bloch-Lainé**).

²¹ The Committee points out, as it has several times before, that immigrants are a particularly vulnerable group in this respect. See in particular the EESC own-initiative opinion on *Immigration, integration and the role of civil society organisations*, OJ C 125 of 27.5.2002 (rapporteur: **Mr Pariza Castaños**).

²² Resolution of the Council on Undeclared Work, in the Conclusions of the Employment, Social Policy, Health and Consumer Affairs Council of 20 October 2003.

instruments, mentioned several times, must therefore not be an obstacle in the future or, even worse, an accepted excuse, but rather should become a limit to be overcome as a matter of priority.

4.5.2 Measures to remedy this knowledge gap should prompt the development of a "European social impact assessment model" for legislation and relevant policies, based on a threefold system of indicators: investment and financing (input), organisation of responses (output) and efficacy (outcome). This should provide a reliable picture of levels of European social citizenship as attained in the various countries.

4.5.3 Such a system, which is already being tested through pilot schemes, demonstrates how evaluation can be simplified and made more cost-effective by reducing the number of variables observed, and how results can be presented by combining the above-mentioned indicators, making comparison between countries simpler and clearer. This would make it easier to read and interpret results in the current strategy of social indicators, demonstrating the "social return" of the measures carried out at European level and in individual countries and facilitating a more participatory evaluation of outcomes by involving the social partners and various social stakeholders with an interest in social citizenship.

5. Conclusions

5.1 The EESC is pleased that all the actions planned under the 2000 social policy agenda have been launched and reiterates its firm conviction that continuing to implement the measures planned and the future of the social agenda are crucial, even in a period of economic crisis and stagnation.

5.2 The EESC agrees that measures, investment and approach must be sustained, paying particular attention to the social impact of legislation, investment in human and social capital and development of the social economy and its various actors, so as to ensure fuller and more effective achievement of the social development and cohesion objectives provided for by the Lisbon Strategy.

5.3 The EESC reiterates that it is imperative for recent data to be more readily available, in order to underpin the necessary ongoing monitoring, also with a view to identifying more effective and innovative methods of participatory evaluation.

5.4 The EESC believes priorities should be defined more precisely for the second phase of the agenda that has now been launched, so as to take account of political and economic problems, the institutional timetable, scarcity of resources and the specific task of integrating the new Member States.

5.5 The EESC would stress the need to help the new Member States to participate actively in implementing the Lisbon strategy and to honour their commitment to respect the Community social *acquis*.

5.6 Finally, the EESC agrees that 2004 and 2005 will be key years for properly setting out the terms of the debate on the future of European social policy. It therefore strongly endorses the Commission's setting-up of a high-level study group to examine the future of social policy and employment, as provided for in the Communication. In preparation for the public debate to be held in autumn 2004 and on the basis of the solid and extensive stock of opinions issued over the past few years, the EESC therefore expresses its interest in being actively involved in this process that has now been launched.

Brussels, 10 December 2003

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Roger Briesch

Patrick Venturini
