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**COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE
EUROPEAN PARLIAMENT, THE ECONOMIC AND SOCIAL COMMITTEE AND
THE COMMITTEE OF THE REGIONS**

SCOREBOARD ON IMPLEMENTING THE SOCIAL POLICY AGENDA

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1. INTRODUCTION

The Nice European Council endorsed the Social Policy Agenda until 2005. It invited the Commission to present annually a scoreboard outlining the progress made in implementing the Agenda, starting with a first report to be submitted to the Stockholm Summit.

The Social Policy Agenda is based on the Commission Communication of 28 June 2000¹. The Economic and Social Committee and the Committee of the Regions adopted their opinion respectively on 19 October 2000² and 13 December 2000³. The EP adopted its resolution on 25 October and the Employment and Social Affairs Ministers agreed a Council contribution on 28 November. Both the European Parliament and the Council invited the Commission to present a scoreboard in which progress made in terms of implementing the agenda can be monitored. Social partners and Non-Governmental Organisations have been fully involved throughout this process and their input has been reflected in the positions adopted by the Commission, the European Parliament and the Council. The Social Policy Agenda was endorsed by Heads of State and Government at the Nice Summit.

The Social Policy Agenda provides a coherent framework for new initiatives. They are not only derived from the Amsterdam Treaty, but also play a major role in transposing the reform agenda agreed in Lisbon in March 2000.

The Lisbon Summit laid down a highly ambitious, yet realistic, strategic objective for the European Union to become by 2010 'the most competitive and dynamic knowledge-based economy capable of sustainable economic growth with more and better jobs and greater social cohesion'.

This calls for an agenda aimed at economic and social renewal, as outlined in the Commission strategic objectives for the period 2000-2005. The Lisbon European Council referred to the adoption of a Social Policy Agenda to mark the commitment of all Member States, European institutions and other actors to modernise and improve the European social model.

For ease of presentation, the scoreboard retains the six headlines of the Social Policy Agenda as annexed to the Nice Presidency Conclusions. Together they provide a clear overview of the situation in terms of action to reinforce the quality of work, quality of social policy and quality of industrial relations.

¹ COM(2000)379: Social Policy Agenda

² CES/2000/1189: Social Policy Agenda

³ CDR/2000/300/: Social Policy Agenda

2. GENERAL ASSESSMENT

The Social Policy Agenda is about reform, in particular to respond to changes in the economy and in society. This will be a positive answer to the needs of people and businesses, aimed at strengthening at the same time productivity and competitiveness as well as solidarity and social justice.

The presentation of a first scoreboard for the Stockholm Summit, a few months after the Agenda's endorsement in Nice, means that a number of initiatives are only at a first stage, while, on the other hand, some achievements are the result of initiatives launched before the Social Policy Agenda. However, implementation is a dynamic process linking the old to the new, and involving many actors at different levels. Therefore, this dynamic and flexible aspect is reflected in the Scoreboard.

This scoreboard so early in the process, does in no way pre-empt the format or the substance of any future scoreboards monitoring the progress of implementing the Social Policy Agenda.

The further down in the process, the more explicit the precise steps of all relevant actors can and will be articulated. Furthermore, developing tools for better measurement, including on the quality dimension, is an intrinsic part of the Agenda. This aspect will need further attention in future editions of the scoreboard. In this context, reference must be made to the Annual Synthesis Report, prepared for the Spring European Council. This report highlights in particular the practical outcome of measures carried out to work towards the Lisbon strategic objective and the specific targets in terms of the overall economic and social reform programme.

Effective and lasting success in implementing the Social Policy Agenda depends on the active involvement of all actors, the positive interaction of all policy measures, and the complementarity of the policy instruments. European institutions, national governments, regional and local authorities, social partners at European level and within the Member States, non-governmental organisations, and businesses have been explicitly invited to take up their responsibility to carry out the Social Policy Agenda.

Straightforward progress can only be realised if all initiatives are aimed at the overall strategic objective. That is also why economic, employment and social policies should mutually reinforce one another. It is also the reason why the open method of co-ordination (OMC), legislation, social dialogue, the structural funds (in particular ESF), and programmes have all a prominent place. Research, including the one carried out within the framework of EU research programmes, is instrumental in acquiring insight into a wide range of issues addressed in the Social Policy Agenda.

3. PROMOTING MORE AND BETTER JOBS

The Agenda calls for policies to encourage a radical increase of employment participation in line with the political top priority of full employment agreed in Lisbon⁴, and underlines the importance of better jobs. This will contribute to a society more adapted to the personal choices of men and women. The Social Policy Agenda emphasises therefore the need to

⁴ The Lisbon European Council identified an employment rate of 70% by 2010 as well as an increase of working women to 60% as the ultimate goal.

strengthen the quality of work, along improving the quality of social policy as well as the quality of industrial relations.

Progress was made on both accounts of this key theme as a result of the Employment package, involving the '*Joint Employment Report 2000*'⁵, the '*Council Recommendation on the implementation of Member States' employment policies*'⁶ and the '*Guidelines for Member States' employment policies for the year 2001*'⁷. The employment guidelines for 2001 incorporate the objectives laid down at Lisbon within the policy initiatives. A preparatory debate on an impact evaluation on the Employment Strategy for 2002 has been initiated. The social partners expressed their support to the Lisbon strategic objective in a joint declaration adopted on 15 June 2000. On 21 November 2000, they adopted a joint declaration asking that an annual meeting with social partners be organised before each European Council in the Spring in order to assess progress in the implementation strategy for economic growth and full employment defined in Lisbon and to bring their contribution to it.

The acquis of the employment strategy reflects the positive contribution of the open method of co-ordination. Guidelines, agreed at European level, set out a general orientation. Member States incorporate them into their policy-making, articulated in the National Action Plans, and this with full respect for the diversity within the EU. Peer group evaluation at EU level reinforces the dynamism and commitment to make real changes. The Broad Economic Policy Guidelines should, in this context, create a broad framework which supports and complements the implementation of the detailed objectives of the Employment Strategy.

The macro-economic dialogue, bringing together representatives of the Council, the Commission, the European Central Bank and the social partners, plays an important role through mutual information of key players on their respective aims and concerns as regards the role of macroeconomic policy in supporting structural reforms and promoting employment.

The main financial instrument to support the European Employment Strategy is the European Social Fund. The programming documents for 2000-2006 have been finalised and approved by the Commission. The ESF is an essential tool to move national and regional policies closer to EU policies. The Commission Communication on '*European Social Fund Support for the European Employment Strategy*'⁸ outlines how the 60 billion EUR investment in people over the period 2000-2006 will help to modernise and reform labour markets in the EU in line with the objectives of the Union.

EQUAL, the Community initiative on transnational co-operation for the fight against discrimination and inequalities in the labour market is also playing a major role here. Furthermore, the Commission adopted a Proposal for a Decision of the European Parliament and of the Council on '*Community incentive measures in the field of employment*'⁹, to financially underpin further policy work.

Reaching full employment and improving quality of work requires the involvement and participation of many actors at different levels. The Communication on '*Acting Locally for*

⁵ COM(2000)551: Joint Employment Report 2000

⁶ COM(2000)549: Implementation of Member States' employment policies

⁷ COM(2000)548: Guidelines for Member States' employment policies for the year 2001

⁸ COM(2001)016: European Social Fund support for the European employment strategy

⁹ COM(2000)459: Community incentive measures in the field of employment

*Employment. A Local Dimension for the European Employment Strategy*¹⁰ addresses how progress can be made in these areas.

Promoting mobility

A European labour market is built on the mobility of workers and the accompanying legal arrangements to facilitate this mobility.

A certain progress was made with regard to social security and social protection issues, in particular on simplifying and reforming Regulation 1408/71, as well as on carrying out miscellaneous amendments to Regulation 1408/71. The Commission also adopted a proposal for a Directive 'on the activities of institutions for occupational retirement provisions'¹¹ This initiative, once adopted by the Council and the European Parliament, should encourage labour mobility as it would make it possible to remain a member of the same pension fund, as is currently already the case for posted workers.

Facilitating the transition to the knowledge based economy

The Communication on 'Strategies for jobs in the information society'¹² proposed concrete solutions to problems such as matching the supply with demand for new skills needed in the knowledge based economy. It also addressed the need to combat a growing "digital divide" between those who do and do not have access to the knowledge based society.

As part of the follow-up to monitor progress, a benchmark report, setting out Member State figures for computers in schools, teacher training, ICT skill level of the workforce, teleworking and public access to internet has been finalised. In addition, the Employment Guidelines were adapted to integrate specific targets for Member States and Social Partners in the area of learning (schools, teachers), the labour force (skills, teleworking, work organisation), and equality (women in technology). The commitment of Member States to develop measures in order to halve by 2010 the number of 18 to 24 year olds with only lower-secondary level education who are not in further education and training is of crucial importance for the transition towards the knowledge based economy.

4. ANTICIPATING AND CAPITALISING ON CHANGE IN THE WORKING ENVIRONMENT BY CREATING A NEW BALANCE BETWEEN FLEXIBILITY AND SECURITY

This is a domain which is particularly apt for initiatives by the social partners, at both sectoral and interprofessional level.

This is also a domain which is based on a wide range of specific activities, rather than on a large package as for the employment strategy. However, such targeted approach with the direct involvement of those immediately affected facilitates the provision of the specific responses in terms of legislation, binding agreements, or any other action needed.

As to one large issue – the European Company Statute - a major political breakthrough was reached in Nice. Formal agreement on the Statute was reached by the Council, meeting just after the Nice Summit and a new consultation of the European Parliament is under way. This

¹⁰ COM(2000)196: Acting locally for employment - a local dimension for the European Employment Strategy

¹¹ COM(2000)507: Proposal for a Directive on the activities of institutions for occupational retirement provision.

¹² COM(2000)048: Strategies for jobs in the Information Society

also opens up new perspectives for reaching an agreement on the Information and Consultation Directive.

The Council and the European Parliament reached agreement to extend the working time directive of 1993, to most sectors and activities which were excluded from the Directive. This extension affects about five million workers in the air, rail, road, sea and inland waterway and offshore sector as well as doctors in training. The Council reached also a common position on a Directive on the organisation of working time for mobile workers performing road transport activities and for self employed drivers. As to the social partners, they concluded agreements in civil aviation¹³ on working time arrangements for mobile staff – confirmed as directive by the Council. Social partners in the telecom sector adopted guidelines on telework¹⁴. Social partners in commerce are negotiating on telework and on ageing work force.

Political agreement on a common position was made in the Council on proposals of directives on scaffolding¹⁵ and physical agents (vibrations)¹⁶ in the health and safety sector.

Social partners also completed first stage consultations on the modernisation and improvement of working relations, engaged in negotiations on temporary agencies, are identifying questions that need to be examined concerning telework and have set up a working group in order to identify ways of promoting access to life long learning and developing the skills of men and women. They also contributed to the preparation of the establishment of a 'European Centre on Change', within the framework of the Dublin Foundation. As a follow-up to the formal consultation rounds of social partners on insolvency, the Commission put forward a proposal to revise the Insolvency Directive¹⁷.

Corporate responsibility received a boost by the signing of the voluntary corporate social responsibility reporting guidelines by the business world and the Commissioner in charge of employment and social affairs. Furthermore, sectoral codes of conduct on social rights have been adopted in footwear and leather¹⁸, completing the existing codes in textile and clothing as well as in commerce.

5. FIGHTING POVERTY AND ALL FORMS OF EXCLUSION AND DISCRIMINATION IN ORDER TO PROMOTE SOCIAL INTEGRATION

Promoting social inclusion

¹³ COM(2000)382: European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation concluded by the Association of European Airlines (AEA), the European Transport Workers' Federation (ETF), the European Cockpit Association (ECA), the European Regions Airline Association (ERA) and the International Air Carrier Association (IACA)

¹⁴ Signed on 7 February

¹⁵ 1998/0327 (COD) and
COM(2000)648: Amending for the second time Directive 89/655/EEC concerning the minimum safety and health requirements for the use of work equipment by workers at work (2nd individual Directive within the meaning of Article 16 of Directive 89/391/EEC)

¹⁶ 1994/0449 (COD) and
COM(1994)284: Amended proposal for a Council Directive on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (tenth individual directive within the meaning of Article 16 of Directive 89/391/EEC)

¹⁷ COM(2000)832 The approximation of the laws of the Member States relating to the protection of employees in the event of the insolvency of their employer

¹⁸ November 2000

The Social Policy Agenda refers to a European level approach promoting social inclusion. Such approach should counter what the Lisbon Summit called the 'unacceptable high number of people living below the poverty line in the European Union'.

The establishment of the Social Protection Committee¹⁹ (composed of representatives of the Member States, supported by the Commission) - which is written down in the mean time in the Draft Nice Treaty²⁰ - has already proven to provide an appropriate platform to take forward this approach. It prepared the strategy approved by the Council in October for inclusion policies, including the definition of the objectives which are the base for the National Action Plans (NAP's) for the coming two years. The NAP's will be submitted in June of this year. This will provide for initiatives by all Member States within the context of the open method of co-ordination to develop a comprehensive inclusion policy, responding to the specific needs per country.

In order to complement the strategy, the Commission proposed a programme²¹ to combat social exclusion. It aims at establishing comparable ways to measure poverty, encouraging co-operation between Member States and supporting capacity building and networking of NGO's to fight social exclusion.

NGO's have been involved in the informal discussions in the Council, as well as in the preparatory work on the exclusion programme.

Fighting discrimination and reinforcing fundamental rights

The adoption of the Charter of Fundamental Rights of the European Union, bringing together in one European document fundamental, economic and social rights, is a major achievement.

Progress in the fight against discrimination has been very significant. Two directives^{22 23}, unanimously agreed in record time by the Council, after consultation of the European Parliament, underline the commitment of all Member States for a legislative framework providing a minimum common level of protection against discrimination. The action programme²⁴, agreed by the Council after consultation of the EP, will provide financial incentives to complement legislation with awareness raising campaigns, exchange of information and the dissemination of best practices in both legislative and non-legislative areas. The Commission has benefited from the input of NGO's to prepare the anti-discrimination package.

A group of citizens facing specific and severe barriers to participate in the economy and society are those with disabilities. The Commission Communication *'Towards a barrier free Europe for people with disabilities'*²⁵ addresses how these impediments can be overcome. Furthermore, the European Day for the Disabled focused on discrimination in the field of employment. Work on these issues is carried out in close co-operation with the European Disability Forum.

¹⁹ COM(2000)134: Setting up of a Social Protection Committee

²⁰ SN 533/00: Draft Treaty of Nice

²¹ COM(2000)368: Establishment of a programme of Community action to encourage cooperation between Member States to combat social exclusion

²² COM(1999)565: Establishing a general framework for equal treatment in employment and occupation

²³ COM(1999)566: Implementing the principle of equal treatment between persons irrespective of racial or ethnic origin

²⁴ COM(1999)567: Establishing a Community Action Programme to combat discrimination 2001 – 2006

²⁵ COM(2000)284: Towards a Barrier Free Europe for People with Disabilities

6. MODERNISING SOCIAL PROTECTION

Social protection systems face common challenges across the European Union. That is why co-operation between the Member States is being strengthened, even when responsibility for the systems clearly remain with each Member State. The co-operation is intended to facilitate reform and to adjust systems to the changes in the economy and in society, with a view to ensure the double objective of solidarity and social justice together with an active welfare state based on incentives and encouragement for a high labour market participation.

The formal establishment of the Social Protection Committee is a milestone in European co-operation in the social field. This Committee will be a platform for the Member States to exchange information that will underpin the modernisation of social protection systems.

From a policy angle, the Commission adopted a Communication on pensions²⁶ within the framework of the concerted strategy on social protection. This served also as the kick-off for work in the Social Protection Committee to engage into a reflection to ensure the sustainability of social protection systems. A status report on social protection on the viability of pensions systems, drawn up by the Committee as requested by the Lisbon European Council, and which included the contribution from the Economic Policy Committee, was endorsed at the Nice European Council. The Commission also issued a Communication on *'the contribution of public finances to growth and employment: improving quality and sustainability'*.²⁷

7. PROMOTING GENDER EQUALITY

Establishing gender equality is written down in the EC Treaty as a major objective and field of action for the European Community. A new framework strategy covering the period 2001 to 2005 has been laid down²⁸. This strategy, based on both mainstreaming equal opportunities and launching specific actions, is intended to play an important role in reducing gender inequality in the economy and society at large. This framework strategy is complemented by a programme²⁹ adopted by the Council after consultation of the European Parliament, to financially support awareness raising campaigns, data collection and transnational projects.

A proposal of directive modifying directive 76/207/EEC³⁰ with regards to equal treatment between men and women was also adopted by the Commission. This draft directive is intended to give a definition of sexual harassment as an illicit gender discrimination at the workplace.

²⁶ COM(2000)622: The future evolution of Social Protection from a long-term point of view: safe and sustainable pensions

²⁷ COM(2000)846: The Contribution of public finances to growth and employment: improving quality and sustainability.

²⁸ COM(2000)335: Towards a Community Framework Strategy on Gender Equality (2001-2005)

²⁹ COM(2000)335: Programme relating to the Community framework strategy on gender equality (2001-2005)

³⁰ COM(2000)334: amending Council Directive 76/207/EEC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions

The advisory committee on equal opportunities, composed of representatives of the Member States, social partners and equal opportunities' organisations as well as the European Women's Lobby has played a crucial role to take forward concrete action.

Furthermore, on the follow-up to the Beijing Women's Conference, the Council adopted conclusions on reconciliation of family and working life.

8. STRENGTHENING THE SOCIAL POLICY ASPECTS OF ENLARGEMENT AND THE EUROPEAN UNION'S EXTERNAL RELATIONS

Both the enlargement of the European Union and its external relations are in many ways both a challenge and opportunity for action in the social area. In addition to the new elan given to enlargement negotiations, important concrete achievements have been made to help applicant countries design policies and establish the institutional architecture (public sector, social partners, NGO's) to take on board EU initiatives in the social field. Evidence of this is given in the signature of the so called Joint Assessment Reports, which the Commission signed already with the Czech Republic, Slovenia, and Poland³¹. Early 2001, Joint Assessment Reports are expected to be signed with Hungary, Estonia, Malta and Cyprus.

As to core labour standards, the Commission encouraged Member States in its Recommendation from 15 September to ratify ILO Convention 182 – Worst forms of Child Labour Convention.

9. CONCLUSIONS

Despite the early period in the implementation phase of the Social Policy Agenda, significant progress has already been made to put in place concrete policy measures.

However, the complete implementation of the Agenda depends on the full commitment of all actors to take up their responsibility and to engage in work aimed at sustainable economic growth, more and better jobs and greater social cohesion. The social partners hold an important key in their hands. It is crucial that they use this key to make real progress in those areas for which they are competent.

³¹ 11 May 2000: Joint Assessment of the Employment Policy Priorities of the Czech Republic

18 July 2000: Joint Assessment of the Employment Policy Priorities of Slovenia

29 January 2001: Joint Assessment of the Employment Policy Priorities of Poland