### COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 01.03.2004 COM(2004) 137 final

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

#### SCOREBOARD ON IMPLEMENTING THE SOCIAL POLICY AGENDA

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#### 1. Introduction

The social policy agenda is the EU's roadmap for modernising and improving the European social model. Its purpose is to respond to the common challenges the EU is facing and to ensure at the same time that full advantage can be taken of the new opportunities. Transposing the Lisbon objective - refined at subsequent European Council meetings - by establishing a dynamic and mutually reinforcing interaction between economic, employment and social policy is at the heart of this agenda. As foreseen, the Commission presented in 2003 the midterm review of the social policy agenda<sup>1</sup> with a view to determine the new policy measures needed to complete the agenda, with specific reference to the years 2004 and 2005, ensuring that the implementation of the agenda remains dynamic and flexible.

The presentation of an annual scoreboard responds to the invitation made both by the European Parliament and the European Council to keep track of the achievements and to verify the commitment and contributions from the different actors in executing this agenda.

This is the fourth scoreboard the Commission presents to report on the implementation of the social policy agenda<sup>2</sup>. This edition focuses essentially on the main achievements of the year  $2003^{3}$ .

Its objective is not to provide any ranking of Member States' performance, but rather to monitor how the agenda is transformed into policy measures and concrete action. The Scoreboard complements the annual synthesis report to the Spring European Council with regards to the actions which are part of the Social Policy Agenda.

The point of reference against which to measure progress is the Commission Communication of June 2000 and the political orientations endorsed at the Nice European Council in December 2000. For ease of presentation, the scoreboard retains the six headlines of the Social Policy Agenda as annexed to the Nice Presidency Conclusions.

#### 2. THE ECONOMIC, EMPLOYMENT AND SOCIAL SITUATION

On the economic situation

In the first half of 2003, the European economy's performance continued to be weak. This is the third year in a row that economic growth remained well below potential so that the period covered by the social policy agenda until now is essentially marked by a period of sustained growth slowdown. For the year 2003, average GDP growth is expected to be 0.8%, while it was 1.1% in 2002 and 1.7% in 2001. The Autumn Economic Forecasts<sup>4</sup> project that the average GDP growth for the EU will pick up to reach 2% in 2004.

Inflation is anticipated to be 2.1% in the euro-area in 2003 and to reach 2% in 2004. At the same time, public finances remain under pressure, with an average general deficit of 2.8% in 2003, widening further since the close to balance situation in 2000.

COM(2003)312 of 02/06/2003

COM(2000)379 of 28/06/2000; EP resolution A5-291/2000 of 25 /10/2000; Nice European Council:

<sup>3</sup> although the relationship with work undertaken in the past years and future initiatives is made throughout the document to present an overview as clear as is possible in such a synthetic report.

European Commission (2003): European Economy – 5. Luxembourg: Office for Official Publications.

As for the acceding countries, average GDP growth is anticipated to be 3.1% in 2003 and 3.8% in 2004. Inflation is expected to accelerate from 2.4% in 2003 to an average of about 3.5% in 2004. Government deficit is expected to reach 5.0% of GDP.

#### On the employment situation

The benefits of the structural reforms implemented since the second half of the 1990s became apparent during the past period of sluggish economic growth. Compared to the early 1990s, employment endured more successfully the weak economic performance. However, the sustained growth slowdown and the insufficient implementation of labour market reforms are expected to have pushed up unemployment to 8% in 2003 – up from 7.7% in 2002 - and contained employment growth. For 2004, there is a risk of continuing stagnation in employment, and possibly higher unemployment, unless further labour market reforms are implemented.

Consequently, the EU will not reach the Stockholm intermediate employment target in 2005<sup>5</sup>. With employment growth reaching a standstill in 2003 holding the employment rate at 64.3%, the 67% employment target for 2005 is now out of reach. The weak employment growth over the period 2002-2004 has put the full employment target for 2010 almost out of reach. Unless the Member States step up their reform efforts, it is looking increasingly unlikely that the employment objectives for 2010 will be attained.

On the positive side, the Stockholm intermediate target for 2005, defined as an employment rate of 57% for women, remains in reach, underlining the effectiveness of the structural reforms to increase the participation of women in the labour market. To reach the 2010 goal the EU cannot rely on economic growth alone, the pace of reform must also be maintained, in particular to encourage part-time and flexible working and to improve access to affordable childcare. In 2003 the employment rate for women amounted to 55.6%.

Although employment rates for older workers increased substantially to just over 40% in 2002, the target of 50% by 2010 is a considerable way off. Progress towards the full employment goal will depend tremendously on retaining older workers longer in the labour market.

For the acceding countries, it is expected that there will not have been a difference in the net job situation in 2003, while employment creation is expected to pick up in 2004 with 0.6%. At the same time, unemployment is expected to remain high, reaching 14.3% in 2003.

#### On the social situation

The latest available income data shows that about 15% of the EU population, or about 55 million individuals, were at risk of poverty in 2001, thus living below a threshold of 60% of the national median equivalised income<sup>6</sup>. More than half of them, or 9% of the EU population, is at persistent risk of poverty (i.e. they were at risk of poverty in at least 2 of the preceding 3 years).

See for further details, including on the situation of individual countries, the Joint Employment Report 2003/2004.

The national differences in the monetary value of the national at-risk of poverty thresholds underline the different level of economic well-being across countries. Whereas the value of the "at-risk of poverty threshold for a single adult household in PPS" amounts to 15000 in Luxembourg, it is barely 5000 in Portugal.

Within the EU, differences between countries are important. For instance, the risk of poverty was 10% in Sweden but reached 21% in Ireland. Some groups are significantly more vulnerable to the poverty risk than others. The household situations play an important role in that respect as the economic well-being of a person depends on the sum of all the resources contributed by all members of their household. By household type, the risk of poverty is highest among single parent households (35% for the EU average). Also those living in large households with three or more dependent children are particularly exposed to income risk poverty (27% for the EU average).

The absence of employment at the level of households is a key risk factor of poverty. In the EU as a whole, in 2003, 9.6% of individuals aged between 18 and 59 years were living in jobless households with women being more likely to live in a jobless household than men. The share of children living in jobless households amounts to 9.8% as an EU average.

Children deserve special attention as they tend to experience levels of poverty higher than those of adults. The material deprivation of the 19% of children who live at the risk of poverty in 2001 may have a tremendous impact on their future opportunities for development.

Also women are generally more at risk of poverty (16% for women as opposed to 13% of men for persons aged 16 or more).

Finally, the data re-confirm that employment alone is not necessarily sufficient to avoid poverty. About 7% of the employed population lives at risk of poverty. However, the importance employment can play in poverty reduction is also clear given that 38% of the unemployed and 25% of the inactive are in poverty.

#### 3. THE IMPLEMENTATION OF THE SOCIAL POLICY AGENDA

The focus in the social agenda has started to shift from initiating new measures to monitoring implementation. The majority of new policy oriented measures announced have been introduced. Nevertheless in a number of crucial areas, new measures have been slightly postponed until 2004 to allow a more in-depth analysis and evaluation of possible scenarios. This holds true for the review of the European Works Council and the Communication on the future co-operation in the field of health care and care for the elderly. Importantly, the Council also failed to find agreement on a draft directive on temporary agency work, inhibiting the progress needed to strike a new balance between flexibility and security.

#### 3.1. More and better jobs

An absolute top priority of the Social Policy Agenda is to work towards the goal of full employment, defined in the Lisbon strategy as raising the employment rate to as close as possible to 70% by 2010 and increasing the number of women in work to more than 60% in 2010 and refined with complementary targets added at subsequent European Council meetings.

As mentioned above, reaching the employment target for 2005 has become unattainable. There is a risk that the 2010 target will not be reached either, in particular as a consequence to the insufficient progress in keeping older workers at work.

Increasing active employment starts with encouraging specific categories to have access to jobs or to stay in a job. This involves in particular the development of policies for reconciling family and professional life as well as increasing the employment of older workers and

delaying the exit from the labour market through active ageing. The Commission followed up on its January 2002 Communication with a working paper deepening this issue, leading to operational Conclusions in the Council<sup>7</sup> at the end of 2003.

Strengthen and continue the co-ordinated strategy for employment

In 2003, the streamlining of the annual economic and employment policy co-ordination cycles was put into practice, synchronising the Broad Economic Policy Guidelines and the Employment Guidelines in time and emphasising their effective implementation.

The experiences of the first five years of the employment strategy have been extensively evaluated. The analysis underlined the need for continuity, in particular to address the remaining structural weaknesses in the labour markets and to incorporate the new challenges to be faced in an enlarged European Union with a focus on better implementation and governance.

The renewed strategy, as announced in the early 2003 Communication<sup>8</sup> on the future of the European Employment Strategy and specified in the employment guidelines, is based on three overriding objectives: full employment, improving quality and productivity at work, and strengthening social cohesion and inclusion. These cross-cutting objectives are supported by ten specific guidelines and strengthened governance provisions. In response to the new Employment Guidelines, Member States have submitted National Action Plans in Autumn 2003, which have been assessed in the Joint Employment Report 2003/2004 submitted to the 2004 Spring European Council.

The policy orientation should in principle cover the time span 2003-2006, just like the application time of the current set of Broad Economic Policy Guidelines<sup>9</sup>, thus allowing more time for on the ground implementation. Recommendations are addressed to the Member States, identifying specifically the key policy issues Member States should concentrate on in the immediate future.

The Brussels Spring European Council of March 2003 invited the Commission to establish a European Employment Taskforce, headed by Mr Wim Kok, to carry out an independent indepth examination of key employment related policy challenges and to identify practical reform measures that can have the most direct and immediate impact on the ability of Member States to implement the revised European employment strategy. The Kok Taskforce presented its report end November 2003<sup>10</sup>. In line with the European Council conclusions, the Taskforce reported to the Commission in time for the Joint Commission/Council Employment Report submitted to the 2004 Spring European Council.

The key message of the report is that the success in creating more employment will depend on the following four key requirements: increasing adaptability, attracting more people to the labour market, investing more and more effectively in human capital, and ensuring effective implementation of reforms through better governance

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OJ C:2003/260/3 of 29/10/2003

<sup>8</sup> COM(2003) 6 of 14/01/2003

<sup>9</sup> OJ L 195/1 of 01/08/2003

Jobs, Jobs, Jobs. Creating more employment in Europe. Report of the Employment Taskforce chaired by Wim Kok.

#### Key measures:

- Guidelines for Member States' employment policies for the year 2003<sup>11</sup>
- Council Recommendation on the implementation of Member States' Employment Policies<sup>12</sup>
- Draft Joint Employment Report<sup>13</sup>
- Report of the Kok Employment Taskforce: Jobs, Jobs, Jobs. Creating more employment in Europe<sup>14</sup>.

#### Quality in work

The Lisbon European Council introduced the twin objective of more and better jobs, underlining the strong interdependency between quantity and quality. The Brussels March 2003 European Council urged a review of the measures to improve quality in work by the end of 2003. The Commission adopted in November a Communication in which it reports on recent progress.

Quality improvements in European labour markets are important for further reductions in the various age, gender and skill-related gaps that continue to be among the main obstacles to improved employment performance in the EU, as well as for tackling the regional employment performance gap. For Europe to reach its full employment goal and step up its productivity levels, labour market dynamics need to be encouraged. The employment guidelines provide a clear orientation to work towards this goal.

#### Key measure:

Review of recent progress on improving quality in work<sup>15</sup>

#### *Role of the ESF*

The Structural Funds contribute to strengthening convergence and cohesion. The European Social Fund backs up employment policies with European financial resources. The Commission adopted early 2003 the second progress report on economic and social cohesion providing a comprehensive overview of the state of play<sup>16</sup>. The mid-term review of the ESF in the context of the Structural Funds Review is scheduled for 2004.

With regards to EQUAL, the Community initiative to combat all forms of discrimination and inequalities in connection with the labour market, the Commission presented a revision of the guidelines. While reconfirming the EQUAL principles, the revision simplifies the administrative implementation to enhance effectiveness, particularly within an enlarged European Union.

OJ L 197/22 of 05/08/2003

<sup>11</sup> OJ L 197/13 of 05/08/2003

COM(2004)24 of 21/01/2004

http://esnet.cec/comm/employment\_social/employment\_strategy/pdf/etf\_en.pdf

<sup>15</sup> COM(2003)728 of 26/11/2003

COM(2003)34 of 30/01/2003; EESC opinion 2003/929 of 16/07/2003; COR opinion 2003/391 of 02/07/2003; EP resolution 2003/267 of 02/09/2003

#### Key measure:

Communication revising the Guidelines for the Community initiative EQUAL<sup>17</sup>

#### Training and lifelong learning

The efforts to increase participation in education and training should be further pursued and coherent and comprehensive national lifelong learning strategies should be developed and implemented as a matter of urgency<sup>18</sup>. With regard to vocational training in enterprises, special efforts should be made to increase the participation rate of women, gender equality being a priority for lifelong learning policy. Also special measures to encourage the participation of disadvantaged groups, including disabled people, should be foreseen<sup>19</sup>.

Age, gender and educational level remain important parameters determining participation in training. There is also strong evidence showing that the social partners play a key role in this respect. The provision of training in collective agreements reduces for instance the difference between big and small and medium-sized enterprises with regards to participation in training activities<sup>20</sup>.

In co-operation with the OECD and the World Bank, and through its agencies CEDEFOP and ETF, the Commission commissioned a study of policies for career guidance in all European countries. Country reports showed that governments view career guidance as making a significant contribution to the public policy goals of lifelong learning, social inclusion and social equity<sup>21</sup>.

Overall, the quality and attractiveness of vocational education and training remains too variable throughout Europe. Significant efforts are required at both national and European level to improve the status of the vocational route. Education Ministers have set benchmarks in five key areas in order to facilitate comparison among Member States and with the rest of the world, and to monitor progress. These include ensuring the attainment of a participation rate in training of 12.5% of the adult working-age population by 2010<sup>22</sup>, together with ensuring that 85% of the 22 years old have completed upper secondary education.

#### Key measure:

 Implementation of the Education and Training 2010 workprogramme and the Copenhagen process of enhanced co-operation in vocational education and training23

*Employment and social dimension of the information society* 

The training issue is pivotal for Europe's commitment to the knowledge based economy. In 2003, particular attention has been given to outlining the interactions between social and human capital for the knowledge society<sup>24</sup>. Through a resolution<sup>25</sup>, the Council underlined the

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<sup>17</sup> COM(2003)840 of 30/12/2003

COM(2003)685 of 11/11/2003

<sup>&</sup>lt;sup>19</sup> Council Resolution of 5 May 2003 and OJ C 134/6 of 07/06/2003

See Report on Employment in Europe 2003 published by the European Commission.

See Guidance Policies in the Knowledge Society: Trends, Challenges and Responses across Europe (CEDEFOP 2004)

The current rate is 8.5%

See draft joint interim report of the Council and the Commission – COM(2003)685 of 11/11/2003

SEC(2003)652 of 28/05/2003

<sup>&</sup>lt;sup>25</sup> OJ C/2003/175/3 of 24/07/2003

strategic importance for investing in the development of social and human capital, zooming in on learning, work, social cohesion and gender.

#### *Mobility*

The implementation of the action plan for skills and mobility was a major concern in 2003. The measures developed should reduce the obstacles to occupational mobility, low geographical mobility, the fragmentation of information on mobility and the lack of transparency of job opportunities. As follow-up to the Commission Communication<sup>26</sup> on free movement of workers of end 2002 in which information and guidelines are provided on the most important legal aspects of free movement of workers, the Commission continued to provide information to citizens and to monitor closely the Member States' rules and their application. To support citizens in finding jobs in another Member State and help employers in their recruitment efforts, the Commission completed the implementation of the reformed EURES network through the adoption of its related Charter and Guidelines. This process was also bolstered by the launch of new web portals for job and learning mobility, which not only publish vacancies but also provide information on living and working conditions, learning opportunities, as well as labour market conditions in all Member States. The Commission also adopted the Europass proposal for decision<sup>27</sup>, rationalising instruments and networks for the transparency of qualifications and competences, expected to be adopted by the European Parliament and Council by the end of 2004. The Europass will be supported by an information system integrated with the job and learning mobility web portals.

On the right of citizens of the Union and their family members to move and reside freely within the territory of the Member states, the Council reached a common position in December 2003 following the first reading in Parliament earlier in the year, and transmitted it to Parliament for the second reading.

Finally, specific reference should be made to the 2nd phase consultation of social partners which was launched on the measures to improve the portability of occupational pension rights.

#### Key measures:

- Commission Decision on EURES<sup>28</sup> and adoption of EURES Charter<sup>29</sup>
- New web portals to help citizens to find jobs and learning opportunities in other EU
  Member States<sup>30</sup>
- Launch of 2<sup>nd</sup> phase consultation of social partners on the portability of occupational pension rights<sup>31</sup>

#### *Immigration policy and employment*

Specific attention has been given to the development of an immigration policy and its links with employment and social integration. The Commission launched the debate with a Communication mid 2003 following an extended impact assessment evaluating the options. On the basis of an analysis of the economic and demographic challenge, the Communication

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<sup>&</sup>lt;sup>26</sup> COM(2002)694 of 11/12/2002

<sup>&</sup>lt;sup>27</sup> COM(2003)796 of 17/12/2003

<sup>28</sup> OJ L/2003/5/16 of 10/01/2003

<sup>&</sup>lt;sup>29</sup> OJ C/2003/106/3 of 03/05/2003

http://europa.eu.int/eures/index.jsp: (URL for the new portal) and http://europa.eu.int/ploteus as well as www.ploteus.net

SEC (2003)916 of 12/09/2003

identifies a number of orientations and strategic priorities for the future. Essentially, it predicts that labour migration to the EU will become increasingly necessary, but warns that immigrants will not be able to fulfil their potential nor make their full contribution to economic development unless more effective policies are developed to integrate these migrants entirely into the labour market, as well as into social, cultural and civic life.

#### Key measure:

Commission Communication on immigration, integration and employment<sup>32</sup>

#### 3.2. Anticipating and managing change

The Nice European Council political orientations on the social policy agenda called for fresh collective responses that take account of workers' expectations to manage the far-reaching changes in the economy and the labour market. It identified social dialogue and consultation as key instruments to create the right conditions for workers to participate in change.

The implementation of the social partners' multi-annual work programme adopted end 2002 is of crucial importance in this respect.

Involving workers more in managing change

As their response to the consultation launched by the Commission, the social partners have established preliminary orientations for managing the social consequences of restructuring, which include the effective involvement of workers in managing change and which constitute a useful basis for further work on this issue.

Following the final breakthrough in 2001 on the European Company Statute and the involvement of workers in such companies, the negotiations for a regulation on the statute for a European co-operative structure have now also been successfully completed, together with the European Parliament and Council directive supplementing the regulation with regard to the involvement of employees.

#### Key measures:

- Social partners' orientations for reference in managing change and its social consequences
- Adoption of a Council Regulation on the statute for a European cooperative society<sup>33</sup>
- Adoption of a Council Directive supplementing the statute for a European cooperative society with regard to the involvement of employees<sup>34</sup>

#### Health and safety at work

In 2002, the Commission proposed a new Community strategy on health and safety at work to cover the period until 2006. It builds on the knowledge that the absence of high quality occupational health and safety policy generates a significant economic cost<sup>35</sup>. To underline the principle of prevention within this strategy, the Commission adopted a recommendation on the European schedule of occupational diseases.<sup>36</sup>

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<sup>&</sup>lt;sup>32</sup> COM(2003)336 of 03/06/2003

oJ L/2003/207/1 of 18/08/2003

<sup>&</sup>lt;sup>34</sup> OJ L/2003/207/25 of 18/08/2003

See also COM(2002)89; Furthermore the theme of 'cost of non-social policy' is well documented by the European agency for safety and health at work – see <a href="http://agency.osha.eu.int">http://agency.osha.eu.int</a>.

<sup>&</sup>lt;sup>36</sup> OJ L 2003/238/28 of 25/09/2003

The Senior Labour Inspectors Committee (SLIC) adopted a resolution on their role in the new strategy on safety and health at work. SLIC agreed to initiate a working group to propose a set of revised principles for labour inspection throughout the EU. It also highlighted that in addition to quantitative inspection objectives also qualitative objectives can be established in the form of common initiatives on enforcement. Such qualitative objectives can contribute to the realisation of the primary objectives of consistent and uniform enforcement.

To strengthen the cooperation between labour inspectorates, SLIC decided to set up a working group to prepare a simple permanent network for the exchange of information, in particular on the content of different educational demands with regards to the performance of work requiring special qualifications; enforcement in relation to enterprises that infringe the rules; mutual assistance on criminal law; management of new, broader and more complex working environment problems; and exchange of labour inspectors.

In 2003, important progress was reached by the European Parliament and the Council. The directive on noise protection was agreed early in the year. They also adopted a directive, amending a 1983 directive, on the protection of workers from the risks related to exposure to asbestos at work. A common position was reached on the European Parliament and Council directive on the minimum health and safety requirements regarding the exposure of workers to the risks arising from electromagnetic fields and waves.

In response to the new health and safety strategy, work also accelerated on carcinogens. The Commission presented in March an amended proposal for a European Parliament and Council directive on the protection of workers from the risks related to exposure to carcinogens or mutagens at work for which the EP adopted in September its opinion in first reading.

The Council also agreed a recommendation on the application of legislation governing health and safety at work to self-employed workers. The Decision on the establishment of an Advisory committee on safety, hygiene and health protection at work was adopted by the Council.

With a view to facilitate the application of the European Parliament and Council directive 1999/92/EC on explosive atmospheres, the Commission presented a guide of good practice.

#### Key measures:

- Resolution by the Senior Labour Inspectors Committee on the new Community strategy on safety and health at work<sup>37</sup>
- Adoption of a European Parliament and Council directive on noise (physical agents)<sup>38</sup>
- Adoption by the European Parliament and the Council of a Directive amending Council directive 83/477/EEC on the protection of workers from the risks related to exposure to asbestos at work<sup>39</sup>
- Common position on a European Parliament and Council directive on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents - electromagnetic fields and waves<sup>40</sup>
- Amended proposal for a Directive of the European Parliament and Council on the protection of workers from the risks related to exposure to carcinogens or mutagens at work<sup>41</sup>

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As agreed at the 43rd Plenary session in Billund, Denmark

OJ L 2003/42/38 of 15/02/2003

of L/2003/97/48 of 15/04/2003

based on COM(2003)127 of 20/03/2003

- Council recommendation concerning the application of legislation governing health and safety at work to self-employed persons<sup>42</sup>
- Council Decision setting up an advisory committee on safety, hygiene and health protection at work<sup>43</sup>
- Presentation of a guide of good practice to facilitate the application of the European Parliament and Council directive 1999/92/EC on minimum requirements for improving the safety and health protection of workers potentially at risk from explosive atmospheres<sup>44</sup>

#### Working environment and working relations

The Council adopted in March the proposal to establish a Tripartite Social Summit for Growth and Employment. The Summit, to be held each year on the eve of the Spring European Council, should ensure that the social partners' initiatives and actions are fully taken into account into the policy-making process at European level and should help in monitoring the contributions delivered by the social partners towards the effective implementation of the Lisbon strategy.

A special Social Summit was held on 11 December 2003, on the eve of the European Council, focusing in particular on the Employment Task Force report, presented by Mr. Kok.

The implementation of the joint work programme for autonomous social dialogue covering the period 2003-2005 to which the social partners signed up at the end of 2002 is a crucial contribution to the social policy agenda.

In the framework of this joint work programme, the social partners have started work on a number of issues including annual reporting on social partners' initiatives in Member States to implement the employment guidelines, annual reporting on the implementation of their framework of actions on the lifelong development of competencies and qualifications, negotiations with a view to drafting a framework for action on gender equality, negotiations with the aim of concluding a voluntary framework agreement on stress at work, and orientations for reference in managing the social consequences of change, as well as the organisation of national seminars to promote the development of social dialogue in the acceding countries.

The social partners also completed the second phase consultation on processing of personal data and the protection of privacy in the employment context. Also the second stage consultation on measures to improve the portability of occupation pension rights was completed. Within the context of the European Year on People with Disabilities, the social partners adopted a declaration on promoting equal opportunities and access to employment for people with disabilities.

At sectoral level, the following achievements should be noted: a code of conduct on corporate social responsibility in the sugar industry, a joint statement on life-long learning in the electricity sector, and in the railway sector an agreement on certain aspects of the working conditions of railway mobile workers assigned to interoperable cross-border services and an agreement on the European licence for drivers carrying out a cross-border interoperability service.

<sup>&</sup>lt;sup>41</sup> COM(2003)127 of 20/03/2003; EP resolution A5/2003/255 of 02/09/2003

<sup>&</sup>lt;sup>42</sup> OJ L 2003/53/45 of 28/02/2003 following COM(2002)166 of 03/04/2002

<sup>&</sup>lt;sup>43</sup> OJ C/2003/218/1 of 13/09/2003

<sup>44</sup> COM(2003)515 of 25/08/2003

#### Key measures:

- Adoption of a Council Decision on the establishment of a Tripartite Social Summit for Growth and Employment<sup>45</sup>
- Social dialogue at interprofessional level:
- Completion of 2<sup>nd</sup> stage consultation of social partners on processing of personal data and the protection of privacy in the employment context
- Completion of 2<sup>nd</sup> stage consultation on measures to improve the portability of occupational pension rights
- Declaration of the social partners on promoting equal opportunities and access to employment for people with disabilities
- Social dialogue at <u>sectoral</u> level:
- a code of conduct on corporate social responsibility in the sugar industry
- joint statement on life-long learning in the electricity sector
- joint statement on corporate social responsibility in the commerce sector
- joint statement on telework in local government
- agreements in the railway sector concerning working conditions and a European licence

The emphasis on correct transposition and application of existing legislation is being stepped up. Also great attention is being given to the monitoring and evaluation reports of existing legislation.

The legislation to be singled out for 2003 on which reports were published concerns the following issues: Council Directive 96/34/EC on the framework agreement on parental leave concluded by UNICE, CEEP and ETUC; the review of the Directive 96/71/EC concerning the posting of workers in the framework of the provision of services; and the review of Directive 93/104/EC on the organisation of working time; report on the practical implementation of the Framework Directive 89/391/CEE and of the five first particular Directives.

On the European Works Council, the European Economic and Social Committee submitted an exploratory opinion with a view to examine what aspects might need to be revised.

As to new draft legislation, the Brussels European Council of March 2003 urged for agreement by December 2003 on temporary agency work. However, the Council failed to find political agreement on a temporary agency workers' directive in the first semester of the year and no progress was reached since then. This failure hampers striking a new balance between flexibility and security better adapted to the needs of both businesses and workers. A directive on this issue, which is strongly called for by the European Parliament, would provide EU wide minimum protection to temporary agency workers and would open up the sector in those countries with restrictions on the use of temporary agency workers, impeding job creation and extending flexibility.

With regards to the follow up of the Commission Communication on a framework for the promotion of employee financial participation, the European Parliament adopted a resolution in June<sup>46</sup>.

<sup>&</sup>lt;sup>45</sup> OJ L 2003/70/31 of 14/03/2003

A5/2003/150 of 05/06/2003

#### Key measures:

- Commission Communication on the review of the Directive 96/71/EC concerning the posting of workers in the framework of the provision of services<sup>47</sup>
- Communication from the Commission on the review of Directive 93/104/EC on the organisation of working time<sup>48</sup>
- Commission's report on the practical implementation of the Framework Directive 89/391/EEC concerning the implementation of measures to promote the improvement of Health and Safety of workers and of five first particular Directives (89/654/EEC, 89/655/EEC, 89/656/EEC, 90/269/EEC and 90/270/EEC)
- Exploratory Opinion by the EESC on the Practical applications of the European Works Council directive (94/45/EC) <sup>49</sup>

#### Corporate social responsibility

Following the Commission's initiative to promote widely Corporate Social Responsibility, both the Council and the EP adopted a resolution to express their political support<sup>50</sup>. The objective of CSR is to encourage enterprises to integrate social and environmental concerns in their business operations on a voluntary basis, with a view to contribute to sustainable development.

The work within the Multi-Stakeholder Forum on CSR was pursued in 2003, bringing together European representative organisations of employers, trade unions and civil society, as well as other business organisations with the aim to promote transparency and convergence of CSR practices and instruments. In order to promote CSR by highlighting best practice, European Prices for excellence in the fields of lifelong learning, diversity and gender equality have been awarded. The announcement of the winners of the Awards was accompanied by a presentation of the top 100 workplaces in the European Union.

Furthermore a project looking at responsible entrepreneurship for SMEs terminated in mid-2003 and a resulting brochure containing best practices in the field of CSR was published at the end of that same year.

#### 3.3. Promoting social inclusion and fighting discrimination

*Social inclusion strategy – the open method of co-ordination* 

Now that the open method of co-ordination has gone through a first cycle since the Nice European Council, a consolidation is taking place in the approach to make a decisive impact on the eradication of poverty by 2010. At the end of 2002, the Council agreed the objectives and working methods for the second generation of National Action Plans.

These Plans were submitted in 2003 and the Commission presented its analysis in the draft Joint Report on social inclusion in December. The report reiterated the urgency to fight poverty and social exclusion and underlined the immediate link with economic development.

<sup>47</sup> COM(2003)458fin of 25/07/2003

<sup>48</sup> COM(2003)843 of 30/12/2003

<sup>&</sup>lt;sup>49</sup> EESC/552/2003 of 24/09/2003

OJ C/2003/39/3 of 18/02/2003 and EP Resolution A5/2003/133 of 13/05/2003

It highlighted some positive strategic developments. Overall, civil society and key actors such as social partners have been better involved in the design of the new National Action Plans<sup>51</sup>. It is crucial now that such participation is extended to the implementation and monitoring phase of the Plans. The multi-dimensional nature of poverty is better catered for than in the previous National Action Plans. However, there is significant scope for further progress and in particular more attention needs to be given to lifelong learning, housing, e-inclusion and transport.

There is also a trend that more Member States set quantitative targets and that the mainstreaming of fighting poverty has been stepped up. Nevertheless, not all Member States have identified clear national targets. More precision, including by quantifying more targets, will be essential to focus the national measures better. These targets also need to be backed up by effective implementation of reforms.

Also a better articulation between economic, employment and social policies is essential, in particular to ensure that the modernisation of the economy goes hand in hand with the strategies to fight poverty and the other way round. In addition, social inclusion goals need to be considered when setting overall expenditure priorities.

In the draft Joint Report on social inclusion, the Commission highlighted the following six priorities:

- Increasing investment in and tailoring of active labour market measures to meet the needs of those who have the greatest difficulties in accessing employment;
- Ensuring that social protection schemes are adequate and accessible for those unable to work while providing effective work incentives for those who can work;
- Increasing the access of the most vulnerable and those most at risk of social exclusion to decent housing, quality health and lifelong learning opportunities;
- Implementing a concerted effort to prevent early school leaving and to promote smooth transition from school to work;
- Developing a focus on ending child poverty;
- Making a drive to reduce poverty and social exclusion of immigrants and ethnic minorities

From 2004 onwards, the social inclusion strategy will have to reflect in it entirety the participation of ten new Member States. Finally, on the basis of the in 2003 endorsed approach on the future for EU–level co-ordination on social protection, the open method of co-ordination in the social field will be streamlined by 2006.

#### Key measures

- Presentation of new National Action Plans Inclusion
- Draft Joint Report on social inclusion<sup>52</sup>
- Streamlining the open method of co-ordination in the field of social protection<sup>53</sup>

#### *The digital divide*

To prevent a digital divide, the EU and its Member States, notably through structural and R&D funds, are investing significantly to make sure that everyone has the opportunity to

The Council also adopted a Resolution on social inclusion through social dialogue and partnership – see OJ C 39/1 of 18/02/2003

<sup>&</sup>lt;sup>52</sup> COM(2003)773 fin of 12/12/2003

<sup>&</sup>lt;sup>53</sup> COM(2003)261 of 27/05/2003 and endorsed by the Council in October 2003

benefit from the new possibilities offered by new information and communication technologies. The final report on *e*Europe 2002 was adopted<sup>54</sup>.

#### Equal treatment for third country nationals

The proposal to extend Regulation 1408/71 on the co-ordination of social security schemes to third country nationals was adopted by the Council in early 2003.

#### Key measure:

Adoption by Council of the extension of regulation 1408/71 to third country nationals<sup>55</sup>

#### Combating discrimination

The two European Directives prohibiting discrimination on the grounds of race or ethnic origin, religion or belief, disability, age and sexual orientation that were agreed by Member States unanimously in 2000, should have been transposed into national law in 2003<sup>56</sup>.

However, to date, there have been mixed results concerning transposition with some Member States failing to integrate these directives into national law. The Commission has consequently launched infringement proceedings against the relevant Member States. In order to raise awareness of the directives and the rights and obligations they confer, the Commission launched a multi-annual EU-wide campaign to combat discrimination under the heading 'For diversity – Against Discrimination'. This information campaign was funded under the Community Programme to combat discrimination 2001-2006.

The benefits to businesses of diversity policies were illustrated in a report<sup>57</sup> which combined a survey with case studies and in-depth interviews with companies.

Some 69% of companies interviewed for the report said that diversity policies had enhanced their corporate reputation; 62% said that these policies had played a part in helping to attract and retain highly talented personnel; just under 60% said that diversity in action had improved motivation and efficiency, increased innovation, enhanced service levels and customer satisfaction, and helped overcome labour shortages.

In 2003, the Commission also adopted proposals to recast Regulation 1035/97 establishing the European Monitoring Centre on Racism and Xenophobia, to ensure the Centre's sustainability and proper functioning<sup>58</sup>. Furthermore, the European Council of December 2003, stressing the importance of human rights data collection and analysis with a view to defining Union policy in this field, called for extending the Centre's mandate to become a Human Rights Agency.

#### Integration of disabled people

The year 2003 was the European Year of People with Disabilities. Building on the momentum and the increased awareness, the Commission presented an action plan on equal opportunities

<sup>&</sup>lt;sup>54</sup> COM(2003)66 of 11/02/2003

OJ L/2003/124/1 of 20/05/2003

Racial Equality directive 2000/43/EC – with transposition deadline 19 July 2003 – prohibiting discrimination against people on the grounds of their racial or ethnic origin and the Employment Equality Directive 2000/78/EC – with transposition deadline 2 December 2003 – prohibiting discrimination in employment and training on grounds of a person's religion or belief, disability, age or sexual orientation.

http://europa.eu.int/comm/employment\_social/fundamental\_rights/prog/studies\_en.htm

<sup>58</sup> COM(2003)483 of 05/08/2003

for people with disabilities. The Council adopted also a Resolution on promoting employment and social integration of people with disabilities.

#### Key measure:

- European Action Plan on equal opportunities for people with disabilities<sup>59</sup>

#### Civil dialogue

The Commission took steps in 2003 to ensure that a long term and stable solution was found to support civil dialogue in the social policy field and in particular to contribute funding towards the running costs of the Platform of European Social NGO's (Social Platform). On 27 May 2003, the Commission adopted a proposal<sup>60</sup> for a Council Decision establishing a Community Programme to promote active European citizenship (civic participation) for 2004-2008, which provides, inter alia, for the funding of the running costs of the Social Platform. This proposal is due to be adopted by the Council in January 2004.

#### 3.4. Modernising social protection

A crucial step forward was made in making the co-ordination in the social field more operational. The Commission proposed to gradually streamline the co-ordination processes into a single entity by the year 2006. This approach was endorsed by the Council, so that in time, the strategic importance of co-ordination in the social domain will be strengthened, bringing social inclusion, pensions, health care and making work pay within one open method of co-ordination. This should simplify the reporting requirements, allowing more attention to be given to implementing the policies in a framework in which the internal interaction between the social policy strands and the external interaction with the employment and economic co-ordination processes will be facilitated.

#### Adequate and sustainable pensions

To address the challenge of an ageing population to pension systems, steps have been undertaken since the Lisbon European Council to gradually introduce an open method of coordination on adequate and sustainable pensions. At the Laeken European Council, eleven common objectives were defined, to be covered under three headings: safeguarding the capacity of systems to meet their social objectives, maintaining their financial sustainability and meeting changing societal needs.

A Joint Report on adequate and sustainable pensions was adopted by the Commission and the Council. It assessed and highlighted the main findings on the national strategy reports submitted in the second semester of 2002. It provided evidence of the commitment to maintain the adequacy of pensions systems, but also stressed the need for further action to secure financial sustainability. Member States should take advantage of the limited window of opportunity for action before the demographic ageing alters the age composition of the population in an important way.

The Joint Report was welcomed by the European Council which called for further reforms focusing in particular on the employment of older people. The open method of co-ordination is to be continued and developed leading to a review of progress in 2006. This requires the submission of national strategy reports by the acceding countries and the up-dating of the

<sup>&</sup>lt;sup>59</sup> COM(2003)650 of 30/10/2003

COM(2003)276 of 27/05/2003

reports of the current Member States by mid-2005. In order to prepare the acceding countries for the open method of coordination, bilateral seminars were held during 2003.

#### Key measure

Adoption of the joint Commission/Council report on adequate and sustainable pensions<sup>61</sup>

#### High quality and sustainable health care

A joint Commission and Council report on supporting national strategies for the future of health care and care for the elderly was adopted in early 2003. The report was based on national replies to a questionnaire.

The European Council of March 2003 called for a next Commission Communication setting out further proposals for the intensification of the co-operative exchange in the field of health care and care for the elderly.

The Commission also brought Health Ministers together with health sector stakeholders, acceding States and the European Parliament in a high level process of reflection on patient mobility and healthcare developments in the European Union. This aimed to provide an informal forum to start developing a common vision for European health systems whilst respecting national responsibilities in this area. At its concluding meeting on 8 December 2003, the reflection process agreed a report including 19 recommendations for further action.

#### Key measure:

Adoption of a Joint Commission/Council report on health care and care for the elderly<sup>62</sup>

#### Making work pay

Finally, the Commission also presented a Communication on the fourth element of its social protection policy launched in 1999. It presented a Communication on making work pay, to pave the way for further work on this issue, connecting social inclusion, social protection and employment policy. This Communication responded at the same time to the specific request formulated by the 2003 Spring European Council for a report on how to improve social protection policies through a greater emphasis on incentives for work.

#### Key measure:

 Communication on modernising social protection for more and better jobs through a comprehensive approach contributing to making work pay<sup>63</sup>

Modernisation of the co-ordination of social security systems

The Nice European Council encouraged the adaptation and extension of the rules with regards to social security rights in cross-border situations. Progress on amending Regulation 1408/71 has been gradual over the previous years.

In 2003, the Council formally adopted the proposal to extend the regulation to nationals of third countries who were not already covered by these provisions solely on the ground of their nationality.

<sup>61</sup> OJ C/2003/260/3 of 29/10/2003

<sup>62</sup> COM(2002)774fin of 03/01/2003

<sup>63</sup> COM(2003)842fin of 30/12/2003

With regards to the co-ordination of social security systems, an agreement was reached by the Council in June on the simplification of three specific areas: invalidity benefits, old age and survivors' benefits, special non-contributory cash benefits. In October, the Council also agreed the three last material chapters: pre-retirement, family benefits and unemployment. This allowed the Council to reach a political agreement<sup>64</sup> in December on the overall text of the proposal excluding the annexes. After the adoption by the Parliament of its report on 3 September, the Commission adopted a modified proposal<sup>65</sup> on 9 October. The final adoption of the new Regulation is expected in Spring 2004. Despite the requirements for unanimity in Council, the modernisation of Regulation 1408/71 is an excellent example of simplification and better regulation.

In addition, based on a Commission proposal, the EU-Swiss Agreement on the free movement of persons was updated regarding the provisions of social security co-ordination<sup>66</sup>. The Commission presented also a proposal intending to update Regulations 1408/71 and 574/72 to take account of changes in national legislation, and to clarify the legal situation with regards to certain articles of the Regulations. It also seeks to take account of recent developments in the case law of the Court of Justice of the European Communities<sup>67</sup>.

The Commission also presented a Communication on the introduction of the European Health Insurance Card presenting a roadmap for the gradual introduction of the Card to replace the current forms needed for health treatment during a temporary stay in another Member State. Following the mandate given by the Spring European Council of 2003, the relevant decisions were adopted on 18 June 2003<sup>68</sup>. At the same time, the Commission tabled a proposal for an amendment to Regulation 1408/71 which would give the same entitlements to 'medically necessary care' to all categories of insured persons. The Council reached rapid agreement on 20 October on this issue. The European Parliament adopted its report on 4 December 2003. The formal adoption is expected in Spring 2004.

#### Key measures:

- Adoption by the Council of the proposal to extend Regulation 1408/71 to nationals of third countries who are not already covered by these provisions solely on the ground of their nationality<sup>69</sup>
- Agreement by the Council on modernising and simplifying Regulation 1408/71
- Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Council Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71<sup>70</sup>
- Communication on the introduction of the European Health Insurance Card<sup>71</sup> and adoption of the relevant decisions<sup>72</sup>

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Three annexes will be completed before the entry into force of the Regulation

<sup>65</sup> COM(2003)596 of 09/10/2003

OJ L 187/55 of 26/07/2003 – Decision of the EU-Swiss Joint Committee of 15/07/2003

<sup>67</sup> COM(2003)468 of 31/07/2003

<sup>&</sup>lt;sup>68</sup> OJ L 2003/276/1, /4, /19 of 27/10/2003

OJ L 2003/124/1 of 20/05/2003 – Council Regulation (EC) No 859/2003 of 14 May 2003 extending the provisions of Regulation (EEC) No 1408/71 and Regulation (EEC) No 574/72 to nationals of third countries who are not already covered by those provisions solely on the ground of their nationality

<sup>&</sup>lt;sup>70</sup> COM(2003)468 of 31/07/2003

<sup>&</sup>lt;sup>71</sup> COM(2003)73fin of 17/02/2003

OJ L 276/1, /4, /19 of 27/10/2003

Proposal for a Regulation of the European Parliament and of the Council amending Council Regulations (EEC) 1408/71 and 574/72 in respect of the alignments of rights and the simplification of procedures<sup>73</sup>

#### 3.5. Promoting gender equality

The Social Policy agenda defines two major approaches to promote gender equality: specific initiatives and mainstreaming. The 2003 Spring European Council invited the Commission to prepare in collaboration with the Member States an annual report on developments towards gender equality and orientations for gender mainstreaming. The first annual report will be submitted to the 2004 Spring European Council.

#### Mainstreaming gender equality

Integrating gender equality into all relevant policy areas is known as mainstreaming. This is encompassed in the European Framework Strategy on gender equality. Every year, the Commission reports on progress made in the Community policies and practices and presents a workprogramme with initiatives for the following year.

Within the areas of employment and social policy, the gender dimension continues to be developed in the European Employment Strategy and has been strengthened in the second round of National Action Plans on social inclusion. Gender issues are also starting to be considered in the wider scope of social protection, such as pensions and making work pay.

### Specific measures

From the legislative point of view, the Commission presented a proposal for a directive implementing the principle of equal treatment between men and women with regards to access to and supply of goods and services. This draft directive, based on Article 13 of the EC Treaty, provides for the prohibition of sex discrimination outside the workplace. In order to ensure that the legislation is effective for citizens, it also sets out requirements for legal recourse when individuals' rights are considered to have been infringed. The draft directive addresses in particular the issue of premiums and benefits in the insurance sector.

Within the context of better regulation, also the recasting of gender equality directives was initiated with a view to simplifying the existing legislation. In a first phase, the Commission carried out a public consultation on options for recasting the gender equality directives.

The Commission also proposed a new action programme to continue to financially support organisations active in the field of equal opportunities between men and women.

#### Key measures

- Annual report on equal opportunities for women and men (2002)<sup>74</sup>
- Framework strategy on gender equality work programme for 2003<sup>75</sup>
- Proposal for a Council Directive implementing the principle of equal treatment between women and men in the access to and supply of goods and services<sup>76</sup>
- Proposal for a European Parliament and Council Decision establishing a Community action programme to promote organisations active at European level in the field of equality between men and women 77

<sup>73</sup> COM(2003)378 of 27/06/2003

<sup>74</sup> COM(2003)98 of 05/03/2003

<sup>75</sup> COM(2003)47 of 03/02/2003

COM(2003)657 of 05/11/2003

# 3.6. Strengthening the social policy aspects of enlargement and the European Union's external policies

#### Enlargement

The top priority for enlargement is ensuring compliance with the acquis communautaire. However, in order to facilitate the participation of the accession countries immediately in all policy domains at the day of enlargement, specific attention is given to preparing the participation in the open method of co-operation in the employment and social inclusion fields. Enlargement also requires investment in capacity building, in particular with regards to the social partners and the preparation for the future intervention of the European Social Fund.

The exchange of information and networking, including for actors at local and regional level, whether public or private<sup>78</sup>, was supported through the participation of accession countries in the action programmes on equal opportunities between women and men, anti-discrimination, the fight against social exclusion, and the incentive measures for employment.

#### Key measures:

- Facilitating and monitoring implementation of acquis communautaire
- Participation by accession countries in the opening up of the four action programmes in the field of employment and social affairs to Candidate Countries<sup>79</sup>
- Joint Assessment Papers on employment<sup>80</sup>
- Progress report on the implementation of the Joint assessment papers on employment policies in the candidate countries<sup>81</sup>
- Progress report in implementing the Joint Assessment Papers on employment policies in acceding countries<sup>82</sup>
- Joint Inclusion Memoranda<sup>83</sup>
- Launching of co-operation on pension reforms
- Preparation for participation in the European Social Fund

#### International co-operation and external relations

The Commission pursued its co-operation with international organisations such as the OECD and the ILO on employment and social issues. Specific reference should be made to the European Commission's contribution to the work of the World Commission on the social dimension of globalisation established by ILO, in particular through the organisation of a high level seminar early 2003. Moreover the Commission is strengthening its cooperation with the ILO in relation to the worldwide promotion of core labour standards, social dialogue and poverty eradication and of the decent work agenda as covered by the exchange of letters signed on 14 may 2001 between the European Commission and the ILO. In that context it has also launched the preparation of a Strategic Partnership with the ILO in the field of development co-operation. The Partnership is based on the follow-up to the Communication

<sup>&</sup>lt;sup>77</sup> COM(2003)279 of 27/05/2003

<sup>&</sup>lt;sup>78</sup> Including social partners and NGOs

C/2002/2035 adopted by Commission on 06/06/2002 (fight against social exclusion); C/2002/2036 adopted by Commission on 06/06/2002 (equal opportunities); C/2002/2037 adopted by Commission on 06/06/2002 (anti-discrimination); C/2002/3964-1 and C/2002/3964-2 adopted by Commission on 23/10/2002 (incentive measures for employment).

in 2003, a JAP was signed with Latvia on 06/02/2003

COM(2003)37 of 30/01/2003 and supporting document SEC(2003)200 of 18/02/2003; EP resolution A5/2003/282 of 23/09/2003

<sup>82</sup> COM(2003)663 of 06/11/2003 and supporting document SEC/2003/1361 of 24/11/2003

JIMs were signed with the ten accession countries on 18/12/2003

on "Building an effective partnership with the United Nations in the fields of Development and Humanitarian Affairs".

As to the promotion of core labour standards, the General Affairs Council agreed conclusions in July 2003, following the Commission's Communication<sup>85</sup> on this issue in 2001.

Within the context of the G-8, the Labour and Employment Ministers met in December in Stuttgart to discuss structural change in the context of globalisation, underlining the need for human capital investment and increasing employability.

Furthermore, the Commission presented a Communication on the UN Convention on Human rights of people with disabilities.

The Commission also pursued its bilateral cooperation on employment with Japan and the United States.

In the context of gender equality the Commission presented a Proposal for a Regulation of the European Parliament and of the Council on promoting gender equality in development cooperation. The draft Regulation provides for community financial assistance and expertise aimed at promoting gender equality in all development co-operation policies and intervention in developing countries.

#### Key measure

- Communication on the UN Convention on Human rights of people with disabilities<sup>86</sup>
- Proposal for a Regulation of the European Parliament and of the Council on promoting gender equality in development cooperation<sup>87</sup>

#### 4. MAJOR INITIATIVES FOR 2004

The mid-term review of the social policy agenda updated the planning of policy action for the years 2004 and 2005, building on the assessment of the first years of implementation of the social policy agenda and the assessment of the main challenges to be addressed. It also developed further the guiding principle of the Social Policy Agenda. Starting from the approach that social policy is a productive factor and that the promotion of quality is a driving force for a thriving economy, more and better jobs and greater social cohesion, the Commission has now taken this rationale a step further by examining 'the costs of non-social policy', embedding the approach entirely into the 'better regulation' exercise and the accompanying impact assessments.

In essence, the mid-term review identifies two key priorities:

Consolidating social standards throughout the EU by ensuring the correct transposition and application of the acquis communautaire: The acquis ensures a level-playing field for businesses, facilitates the workings of the internal market, and addresses social needs of workers in an economically integrated Europe. The Commission will make of compliance with the social acquis as well as the monitoring of its application a top priority. Close cooperation between the Commission and the Member States will be crucial for the effective monitoring of the application of Community law.

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<sup>84</sup> COM(2001)231

<sup>85</sup> COM(2001)416 of 18/07/2001

<sup>&#</sup>x27;Promoting core labour standards and improving social governance in the context of globalisation'

<sup>86</sup> COM(2003)16 of 24/01/2003

<sup>87</sup> COM(2003)465 of 30/07/2003

 Implementing the agenda launched at the Lisbon Summit and the Social Policy Agenda endorsed by the Nice European Council to carry out the necessary reforms and adaptations.

As to the year 2004, the following initiatives will be launched by the Commission.<sup>88</sup>

#### → On the **employment** front, key initiatives will concern:

- Draft joint employment report 2004/2005
- Employment guidelines
- Employment recommendations
- Proposal for a Regulation on the European Social Fund for the next programming period
- Portability of occupational pension rights Follow-up of the 2nd stage consultation of the social partners
- Communication on the implementation of the Action Plan for skills and mobility
- Communication on strategies for raising the effective labour market age
- Mainstreaming employment in other EU policies
- EURES activity report 2002-2003
- Interim report on the results of the programme on incentive measures for employment

#### → On **change** and the working environment

- Second stage consultation of social partners on corporate restructuring
- Review of Directive 94/45/EC on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees – First stage consultation of social partners
- Follow-up to the Commission Communication on working time
- Extension of the scope of the directive on carcinogenic substances -Consultation of the social partners
- Psychosocial risks harassment and violence at work Consultation of the social partners
- Stress and its effect on health and safety at work Follow-up of the first stage Consultation of social partners
- Communication on the transparency and impact of the European social dialogue in an enlarged European Union
- First report assessing the implementation of the EU Strategy on Corporate Social Responsibility
- Report on the practical implementation of Directive 91/383/EC supplementing measures to encourage improvements in the safety and health at work of workers with a fixed-duration or a temporary employment relationship
- Report on the social and environmental performance of the Commission
- Prevention of musculo-skeletal disorders at work
- Guidelines for the application of Directive 1998/24 "Chemical agents"

#### → On promoting social inclusion and fighting discrimination

- Communication on social inclusion in the accession countries A synthesis report based on the 2003 Joint Inclusion Memoranda
- Consultation on the feasibility of minimum income and other measures to promote the integration of persons excluded from the labour market
- Future strategy to combat discrimination (Green Paper)
- Report on the Evaluation of the European Year of People with Disabilities

#### → On social protection

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See also the Commission's legislative and work programme for 2004 COM(2003)645fin of 29/10/2003, where employment and social policy is presented within the framework of the Commission's strategic priorities.

- Communication on further co-operation in the field of health care and care for the elderly
- Proposal for a Regulation for implementing the provisions of the simplified Regulation on the co-ordination of social security scheme
- Commission Regulation amending the annexes of Regulation 574/72 (laying down procedure for implementing Regulation 1408/71)
- Regulation updating Regulation 1408/71

## → On equal opportunities

- Communication on gender equality Report to the Spring European Council
- Recasting of gender equality directives
- Interim report on the gender Equality Programme
- 2004 Annual Work programme on gender equality

### → On enlargement and external relations

- Communication on the social dimension of globalisation and of EU International relations
- Proposal for a Council Decision for implementing social security provisions of the Association Agreements with Third Countries.