The Social Protection Committee



The Secretariat

Thematic discussion on the implementation of the

2019 Council Recommendation on access to social protection

Antwerp, 16 February, 2024

Summary and thematic conclusions

Initiated by the Belgian Presidency, the SPC -at its February meeting, hosted by the Presidency - held a thematic discussion about the state of play and potential future actions on how to strengthen the implementation of the Council Recommendation on access to social protection.

The discussion aimed at gathering reflections from the Member States on their challenges in implementing the Council Recommendation and, related to that, to explore ideas on what could be done at the EU-level to further support its implementation.

The timing of this debate was very appropriate, as at the end of the current mandate of the Commission and the European Parliament, and four years after the adoption of the Recommendation, challenges persist in ensuring access to social protection for all. The Report of the Commission to the Council recognises that 'adapting systems to ensure better access to social protection for all is a long-term process', and therefore invites 'debates on how to address the remaining challenges and how the EU could support these efforts'.¹

The debate was organised around two steering questions that were discussed separately in two rounds of exchanges:

1) Which part(s) of the Council Recommendation on Access to Social Protection do you find particularly challenging to implement in your country and why?

¹ Report from the Commission to the Council on the implementation of the Council Recommendation on Access to Social Protection for Workers and the Self-employed. Brussels, 31/1/2023. COM(2023) 43 final, p. 28.

2) In your opinion, what type of action at the EU level could help you in addressing the identified challenges in your particular situation or could improve the implementation of the Recommendation across the EU more generally?

The discussion started with the opening remarks of the Presidency, emphasizing their strong commitment to reinforcing the social dimension of the EU, and recalling the discussion in the informal EPSCO meeting in Namur on the topic of access to social protection, where many Ministers supported a renewed commitment to close the gaps in access to social protection for all, in particular non-standard workers and the self-employed. The Presidency underlined that during the COVID-19 pandemic countries with good social protection systems and job retention systems better resisted the shock, and the need to draw lessons from it.

The Commission, in the opening remarks recalled that the text of the 2019 Council Recommendation remains vague in terms of follow up on the implementation of the initiative, not foreseeing regular reporting or other systematic monitoring requirement. The single national reporting exercise in 2021² was very much influenced by policy responses to COVID crises, thus remained insufficient to address systematic gaps.

The debate was introduced by external experts (S. Spasova, Director of OSE and P. Schoukens, Full Professor at KU Leuven) who presented possible options to reinforce implementation and monitoring. In their views, implementing in practice the main principle of the Council Recommendation (i.e. "ensuring an equal level playing field for all those economically active") is challenging and interpreting guidelines could contribute to having a positive concrete impact.

Regarding the **first question on the obstacles** at national level to the full implementation of the Recommendation, delegates highlighted the main challenges faced by several Member States, namely, how to extend social protection to all (including non-standard contract workers and the self-employed) and how to ensure effective coverage and adequacy, especially for low-income workers. Several Member States underlined that they already fulfil

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² See national plans available <u>here</u> and analysed in the Commission's <u>report</u>.

most of the provisions of the Recommendation and that gaps in formal coverage are limited. Sustainability and financing of their social protection system were also mentioned as an area of challenges in many MSs, in light of increasingly diverse labour markets and non-linear careers, as well the lack of willingness by workers and in particular self-employed to contribute further. Other challenges were mentioned in relation to the diversity of systems and the need to keep flexibility for Member States in implementation as well as the potential to define better some concepts used in the Recommendation (such as what *adequate* social protection is), to enhance clarity and implementation. Several actions were mentioned for enhancement of digitalisation and communication campaigns to improve transparency about the rules including rights and duties, to raise awareness about the need to contribute to social insurance schemes and therefore increase take-up, especially of voluntary schemes. It was concluded that structural challenges exist, and as other challenges might arise as well, further work is needed to shape the path forward in enhancing access to social protection.

Regarding question 2 on suggestions for what could be done at EU level to support national efforts, most Member States highlighted that existing initiative (i.e. the 2019 Council Recommendation) sufficiently ensures the policy guidance and that they do not see the opportunity for further legislative action. However, further steps might be needed for strengthened efforts at national level, and more time and capacity should be devoted to thematic exchanges at EU level, for instance to clarify some concepts used in the Council Recommendation.

Delegates committed to continue working on implementing and monitoring the Council Recommendation in all its dimensions (therefore beyond gaps in formal coverage) while avoiding creating new administrative burden. Regarding multilateral surveillance, it was noted that monitoring in the European Semester process leads to limited focus, given small number of CSR on access to social protection – while a yearly snapshot of national measures is ensured by the Joint Employment Report. Ways for systematic, regular reporting could be explored, to enhance understanding of common challenges and mutual learning on good practices and solutions looking forward, as for instance through the thematic social reporting

for the SPC Annual Report. On the other hand, further additional administrative reporting burdens should be kept at a minimum.

The forthcoming work of the SPC-ISG regarding the improvement of the monitoring framework and update of the indicators was recalled and there was support for further work on improving statistics and indicators. Moreover, delegates expressed their strong support and willingness to participate in further mutual learning exchanges (including peer reviews).

Conclusions:

- Member States welcomed the discussion and confirmed that access to social protection for all remains an important policy objective.
- The 2019 Council recommendation on access to social protection is considered the right policy framework and there is no need for new legal instruments.
- Continuation of the implementation of the Recommendation together with relevant stakeholders is essential, taking into account the competences of the Member States and the diversity of national social protection systems.
- Member States support continued work on monitoring the implementation at EU
 level and improving available indicators. It can partially be fulfilled by the European
 Semester process, but regular dedicated stocktaking of the implementation of the
 Recommendation is key.
- The existing monitoring framework requires an update and improvement, delivered by the SPC Indicator Subgroup, but it is important to avoid additional administrative burden and where possible existing monitoring systems should be used for gathering information.
- The possibility of providing a periodic report to the Council that would facilitate recurring ministerial exchanges on the topic could be explored, while taking into account that additional administrative burden for reporting should be kept to a minimum.

- The discussion confirmed that structural challenges still exist in many Member
 States and since new challenges are also foreseen, the continuous exchange of
 practices at EU-level can support the Member States in their preparatory work of
 reforms or policy measures.
- There is strong support for mutual learning among the Member States, in a way to subsequently focus on different aspects of the Recommendation.
- The Commission stands ready to facilitate the mutual learning, among others by collecting ideas of common interest for topics of future events.
- EU funds (such as the Technical Support Instrument) are available, and Member States are encouraged to use them for preparing policy reforms.