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Employment, Social Policy, Health and Consumer Affairs

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President

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¹ • Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.

- Documents for which references are given in the text are available on the Council's Internet site (http://www.consilium.europa.eu).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

ITEMS DEBATED

European Semester 2015

The Council held an extensive <u>policy debate</u> on the employment and social policy aspects of the 2015 European Semester exercise.

Despite a slightly improved economic situation, unemployment remains a key challenge for the EU. An integrated approach of employment and social concerns, aligned to economic policies, is a prerequisite for successfully tackling unemployment. Ministers broadly welcomed the three-pillar approach of the annual growth survey (boost to investment, structural reforms, fiscal responsibility) to address current concerns.

Labour markets should be inclusive. Special emphasis and targeted assistance should be given to vulnerable groups. The role of women in the labour market and within society as a whole has to receive more attention and gender equality has to be achieved.

Long-term unemployment has become a critical issue which requires urgent attention and action. Youth unemployment continues to be a high political priority; youth guarantee programmes should be reinforced with the higher pre-financing of the Youth Employment Initiative.

The digital economy and new technologies offer new opportunities which need to be seized. Investment in people and skills needs to be continuously improved so that workers can face up to the dynamic economic environment. The effectiveness and efficiency of social protection systems need to be improved.

The EPSCO Council adopted conclusions on the <u>annual growth survey and on the joint employment</u> report.

- The <u>Joint employment report</u> contains an analysis and messages based on the employment and social situation in member states. This annual report constitutes the basis for the European Council to consider the employment situation in the EU. Its key messages are:
 - The employment and social situation continues to cause concern
 - Reforms supporting well-functioning labour markets must continue
 - Step up the implementation of the youth guarantee
 - Investing in human capital through education and training will increase productivity

- Foster labour market reintegration of the long-term unemployed
- Tax and benefits systems should support job creation
- Tackle gender gaps
- Modernisation of social protection systems with protection for all and investment in human capital.

The Council endorsed the <u>key messages</u> of a Social Protection Committee report on the social situation in the EU.

Financing of social protection systems

The Council took note of the <u>report</u> on financing arrangements and the effectiveness and efficiency of resource allocation and endorsed its <u>key messages</u>.

The key messages point to the need for future-oriented reform strategies. The aim of these reforms is to make social protection systems adequate and sustainable in order to underpin inclusive economic growth. As these systems are very complex, the approach needs to be broad and go beyond single indicators.

These reforms require a comprehensive assessment of existing social protection arrangements and challenges faced by member states. The analysis should also allow a comparison between Member States in order to evaluate the efficiency of identified practices in different contexts.

The report should be viewed as a starting point. It is intended to provide a framework for collecting this broad evidence and could complement the existing social monitoring instruments at EU level. All together, they can form the basis for further in-depth analysis of the situation in individual member states.

Inclusive labour markets

The Council adopted conclusions on inclusive labour markets.

Moving towards more inclusive labour markets in the EU is one of the priority objectives of the presidency.

Inclusive growth must enable everyone to take up employment, education or training and ensure that all citizens benefit from adequate social protection when exposed to different risks.

Most definitions of inclusive labour markets have something in common, i.e. a joint belief that increasing labour market participation and ensuring the sustainability of social security systems are decisive for a better standard of living. It is equally essential to maintain the adequacy and sustainability of social protection systems.

Job quality has come under pressure in recent years, and its relationship with rising inequality, inwork poverty and social exclusion calls for urgent answers.

Economies are recovering slowly from the crisis. Job creation is still lagging behind and at best only picking up gradually in some member states. The consequence is that long-term unemployment has increased and some of it has even become structural.

Well-functioning public employment services and well-targeted active inclusion strategies are crucial for preventing and overcoming long-term unemployment and reducing poverty whilst stimulating activation.

Strategic framework on health and safety at work 2014-2020

The Council adopted conclusions on a <u>strategic framework on health and safety at work for the</u> 2014-2020 period.

These conclusions are the Council's response to the Commission's communication published last year.

They confirm that the Council and the Commission agree on the need:

- to improve the implementation of the existing occupational safety and health legislation;
- to prevent existing, new and emerging risks to health and safety at work; and
- to address the challenges posed by an ageing workforce and longer working careers.

Adapting to these challenges requires action both by member states and by the EU.

The conclusions also recognise that, in the field of health and safety at work, action by the social partners is of great importance.

They call for the social partners to continue their action in the field of health and safety at work, from the European level down to the company level. There is also an important role to be played by the sectoral social partners, as some sectors and some categories of workers are facing or are affected by particular health and safety risks.

The changes in the working environment and in the technologies used may require an update of current legislation for health and safety at work. It is important to ensure that the member states and the EU as a whole continue to improve working conditions. This also implies that they have up-to-date tools to respond to today's challenges and to those of the future.

Employment Committee (EMCO) and Social Protection Committee (SPC)

The Council reached a general approach on decisions on the EMCO and SPC.

The functioning of EMCO and SPC is based on Council decisions dating back to 2000 and 2004 respectively. Since then, many developments have taken place, including Treaty change in 2009. The output of the committees needs to keep up with these changes and their functioning needs to be adjusted in order to ensure an effective input to the Council's work.

The decisions aim to enhance the committees' efficiency and continuity, especially as regards the European Semester process. In this context, the role of the committees should be strengthened.

The modifications also aim at ensuring consistency in the coordination of economic, employment and social policies. Furthermore, the amended texts aim to improve cooperation between the EMCO and SPC as well as with the ECOFIN committees.

Any other business

a) Tripartite Social summit

The presidency informed the Council about the forthcoming social summit on 19 March.

- b) i) High-level conference on "A new start for social dialogue" (Brussels, 5 March 2015)
 - ii) Commission proposal on the youth employment initiative

The Commission informed the Council about the high-level conference on the re-launching of social dialogue, organised by the Commission on 5 March in Brussels, and a proposal on the <u>pre-financing of the youth employment initiative</u>.

c) i) Country reports (European Semester 2015) and the guidelines for the employment policies of the member states

The Commission presented to the Council the country reports and the guidelines for the employment policies of the member states.

ii) EMCO and SPC work programmes 2015

The respective Chairs informed the Council about the EMCO and SPC work programmes for 2015.

OTHER ITEMS APPROVED

EMPLOYMENT

Mobilisation of the European Globalisation Adjustment Fund - Belgium, Germany, Poland

The Council adopted the six following decisions mobilising a total amount of EUR 6.35 million under the European Globalisation Adjustment Fund (EGF), providing support for workers made redundant in Belgium, Germany and Poland:

- an amount of EUR 1.59 million is being mobilised after 1 591 workers of Arcelor Mittal were dismissed in Belgium as a result of major structural changes in world trade patterns due to globalisation
- EUR 1.34 million is being paid out of the EGF following the dismissal of 257 workers at Saint-Gobain Sekurit in Belgium, which manufactures glass and glass products
- EUR 1.22 million is being deployed for 1 030 dismissed workers at the Caterpillar company, a manufacturer of machinery and equipment in Belgium
- EUR 1.09 million is being mobilised after 657 workers became redundant at Aleo Solar, a German manufacturer of computer, electronic and optical products
- EUR 0.91 million is being paid out of the EGF following the dismissal of a total of 708 workers at Duferco Belgium and NLMK La Louvière, two Belgian companies operating in the steel sector
- EUR 0.12 million is being deployed after 615 workers at Zachem, a Polish enterprise operating in the manufacture of chemicals, were dismissed

The EGF helps workers to find new jobs and develop new skills when they have lost their jobs as a result of changing global trade patterns, e.g. when a large company shuts down or a factory is moved outside the EU, or as a result of the global financial and economic crisis. The EGF's help consists in co-financing measures such as job-search assistance, careers advice, tailor-made training and re-training, mentoring and promoting entrepreneurship. It also provides one-off, time-limited individual support, such as job-search allowances, mobility allowances and allowances for participating in lifelong learning and training activities.

JUSTICE AND HOME AFFAIRS

External Border Fund - Conclusions on Court of Auditors' report

The Council adopted the following conclusions on the Court of Auditors' Special report entitled "The external Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value" (5688/15):

"THE COUNCIL OF THE EUROPEAN UNION

- 1. WELCOMES the European Court of Auditors' Special Report No 15/2014 "The External Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value"¹.
- 2. RECALLS that the External Borders Fund (EBF) is the main European Union (EU) financial instrument in support of external border management, amounting to EUR 1,9 billion for the period 2007-2013, and that its overall aim is to help current and prospective Schengen states to ensure uniform, effective and efficient controls at their common external borders and to establish financial solidarity between the 28 states participating in the EBF by supporting those for which the control of the external borders represents a heavy burden.
- 3. NOTES WITH SATISFACTION the overall positive contribution of the EBF to external border management and the fostering of financial solidarity among the participating states.
- 4. ACKNOWLEDGES the Court of Auditors' conclusions such as that the EU added value of the fund was limited, that the overall result could not be properly measured and that serious weakness and deficiencies in the management were found, and TAKES NOTE of the recommendations to the Commission and participating states aimed at improving the situation in four areas, by ensuring the availability of information on overall results, increasing the EU added value of the fund, embedding the fund in a national strategy for border management and strengthening the implementation of the fund.

OJ C 356, 9.10.2014, p. 6. This special report is available on the European Court of Auditors' website: http://www.eca.europa.eu/Lists/ECADocuments/SR14 15/OJAB14015ENC.pdf

- 5. ACKNOWLEDGES the Commission's replies to the Court's conclusions and recommendations and TAKES NOTES of the fact that the Commission disagrees with some of them, of the Commission's willingness to accept some of the Court's recommendations and of the Commission's statement that some other recommendations have been already implemented in the legal base of the Internal Security Fund Regulation¹ in respect of the period 2014-2020.
- 6. ENCOURAGES the Commission and the participating states to do their utmost to follow up on the recommendations of the Court and to apply the lessons learnt to the fund that is the successor of the EBF for the period 2014-2020, the Internal Security Fund."

<u>ENERGY</u>

Network code on interoperability to facilitate gas trading

The Council decided not to oppose the adoption of a Commission regulation establishing a network code on interoperability and data exchange rules (16844/14). This network code is aimed at facilitating efficient gas trading and transmission across gas transmission systems within the EU.

The Commission regulation is subject to the so-called "regulatory procedure with scrutiny". This means that now that the Council has given its consent, the Commission may adopt it, unless the European Parliament objects.

Regulation (EU) No 515/2014 of the European Parliament and of the Council of 16 April 2014 establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa and repealing Decision No 574/2007/EC (OJ L 150, 20.5.2014, p. 143).