

# Shaping Europe Recent EESC Achievements

**2021 EDITION** 



European Economic and Social Committee



# Shaping Europe Recent EESC Achievements



### | FOREWORD |

Dear readers,

From the very beginning of the pandemic, the EESC has played an active role in shaping policies related to ad-hoc response to COVID-19 and to overcoming the crisis. In parallel, we have maintained a long-term, forward looking approach, working to prepare economies and societies for the post-COVID-19 reality. This publication brings you concrete examples of our recent actions and initiatives that have made a difference, and have had an impact on shaping Europe.



Back in March 2020, the EESC was one of the first advocates of greater solidarity and joint action at European level. We were also, in April, the first to highlight the need for a fully-fledged European Health Union. Policy-makers shared our view and, in November 2020, the European Commission put forward a set of proposals to reinforce Europe's health framework to be in a position to respond to COVID-19 and future health emergencies.

However, shaping Europe nowadays is about much more than just extinguishing the fire caused by the pandemic. The future of Europe is not about simply going back to the old normal we all knew before COVID-19. Shaping Europe is about looking at the European project from a different perspective, through the lenses of two major transitions – green and digital.

This is exactly what I've been doing since the moment I took over the EESC presidency in October 2020. The Europe I work for is a Europe that is economically prosperous, socially inclusive and environmentally sustainable.

With regard to the economy, the EESC strongly advocated for overcoming the political impasse over the new EU budget and the Recovery Fund. We stood strong on the position of defending European values – especially the rule of law. We also provided an analysis of the main variables determining the success of the initial EU recovery plan. We will be continuing with this work – we want to monitor the deployment of the recovery fund to support the Commission in identifying possible bottlenecks and backlogs.

The profound changes brought about by COVID-19 have created a unique opportunity. As we rebuild our economies and societies, we can make them greener and more digital. The EESC has been a long-standing advocate of both digitalisation and sustainability. We have been monitoring both of these megatrends from an economic, social and environmental perspective, providing unique expertise to policy-makers. The numerous opinions, events and other initiatives we organised last year are part of this approach.

We also need a future that leaves no one behind. While the digital and green transitions bring numerous opportunities, they might also be challenging for certain regions and societal groups. On top of that, the pandemic has put thousands of people at risk of poverty. That is why it is our goal to make sure that the Europe of the future is socially inclusive. The EESC has an outstanding record of initiatives related to social policies – including tangible input to discussions on the European Pillar of Social Rights – and we continued that work throughout 2020.

2021 will be an important year for the Union, due to launch of the Conference on the Future of Europe in May. The EESC will actively participate in this long-awaited debate. I believe this is a chance to reconnect Europe with its citizens, to recognise the importance of European civil society and to engage every single European in shaping Europe. United, for the future of Europe!

Christa Schweng EESC President

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### | INTRODUCTION |



# Reflecting on the recent work and achievements of the EESC

### The EESC – a powerful voice for civil society in challenging times

The European Economic and Social Committee (EESC) represents civil society organisations within the European Union (EU). The Committee was established as an EU advisory body under the Treaty of Rome in 1957.

The European Parliament, the Council, and the European Commission rely on the EESC to provide advice on the potential impact of EU policymaking on society. That advice is delivered through the publication of around 150 opinions a year. The EESC's 329 members hail from all 27 EU Member States and represent a wide cross section of society. They use their experience to inform these opinions by taking on board the views of a wide variety of civil society organisations that represent – among others – employers, workers, and professionals and associations speaking for various socio-economic, environmental and civic interests.

The Committee works hard to fully explore issues and listen to feedback by organising hundreds of meetings, forums and conferences every year. Despite the COVID-19 pandemic, these efforts continued during the 2020 through dozens of virtual meetings.

The pandemic, associated lockdowns and subsequent economic impacts have been key issues requiring responses from all EU institutions, including the EESC. The Committee has adopted opinions on the EU recovery package and other related high-profile policies, including the European Green Deal. The EU recovery plan now calls for a consistent Conference on the Future of Europe with which the EESC will be fully involved.

As always, the impact of such initiatives on people's lives and society at large is foremost in the Committee's opinions and advice to the EU institutions. Meanwhile, work is continuing at pace across a range of other important issues. Whether examining the voting rights of disabled people, assessing the impact of economic change on EU regions, or raising awareness of future skills requirements for the EU labour market, the goal of the EESC remains to understand and advocate the interests of civil society.

### | EMPLOYERS' GROUP |

ECB EZB EKT EKP 2002

# Encouraging a more integrated health policy

Employers across Europe continue to face the brunt of the economic crisis triggered by the pandemic. But they are also seizing the opportunity to help shape a new Europe by speeding up the roll-out of the green and digital transitions, while pushing for greater integration in areas that matter for EU citizens, like health.

From the very onset of the pandemic, the EESC Employers' Group highlighted the importance of having a strong European Health Union to protect citizens from health threats, but also to safeguard the whole economic system.

They made the case that a Health Union, based on Article 168.5 of the Treaty, could boost Europe's response to the COVID-19 crisis by better coordinating the continent's health systems and attracting more investment, also in medical equipment, building up Europe's resilience to future unforeseen crisis.

Up to now, EU countries held primary responsibility for organising and delivering health services and medical care. The EU health policy only complemented national policies. But the pandemic changed perceptions almost overnight.

The Employers' Group was the first to push for a fully-fledged Health Union in April 2020, taking as a comparison the Banking Union, which was initiated in 2012 as a response to the Eurozone crisis.





In two positions papers entitled 'Help businesses survive the Corona crisis' and 'Business is key to the EU's recovery from the corona crisis', the Employers' Group emphasised the need for enhanced cooperation in the health sector between Member States. During the months that followed, employers put their words into action and campaigned for more integration in healthcare strategies.

In November 2020, the Commission put forward a set of proposals in record time to start building the European Health Union and reinforce Europe's health framework to respond to the COVID-19 pandemic and future health emergencies.

Employers greeted the move, as they consider that practical cooperation, coordinated by the Commission, is the very essence of EU solidarity. Contributing to the EESC political priorities after 2020, the Employers' Group underlined that businesses would continue to have an active role in developing ways to prevent and treat diseases by contributing to innovation in the healthcare sector.

More generally, EU businesses will be a driving force in Europe's continuing shift to a more sustainable economic future.

### WORKERS' GROUP

# Stronger standards needed to protect workers' rights

The EESC Workers' Group has taken an early lead on suggesting concrete proposals for the European Commission's work programme and the action plan to implement the European Pillar of Social Rights.

In an opinion on the implementation and recommendations for the future of the Pillar, the EESC highlighted the legislative and non-legislative measures the EU should take, thanks to the pressure from the Workers' Group. These include proper funding from the European Structural and Investment Funds, a 'golden rule' for public investment with a social target, the inclusion of social objectives in the European Semester with targeted recommendations, and a stronger focus on enforcing existing social rights and standards.

Unemployment insurance is one example of these minimum standards. An EESC own-initiative opinion, for which the Workers' Group President Oliver Röpke was rapporteur, recommended setting targets for Member States' unemployment benefits and using them as indicators within the framework of the European Semester.

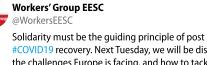
The Workers' Group continues to push for decent minimum wages across EU countries, with the European Parliament asking the EESC for an exploratory opinion on this issue ahead of a forthcoming Commission proposal.



Decent minimum wages, which would protect against wage dumping, are a long standing goal of the Group. The opinion makes clear that social partners should play a pivotal role in wage negotiations and that minimum wages are an important element in the EU model of a social market economy. Minimum wages contribute to upward convergence of salaries and economic and social cohesion.

The opinion also mentions that fair wages are a key feature of a sustainable response to the COVID-19 crisis.

In an exploratory opinion on the EU's industrial transition towards a green and digital European economy, the Workers' Group highlighted the need for social partners and civil society to achieve a much broader and stronger participation at all levels of policymaking. The Action Plan to implement the policies on social rights should play an important role in ensuring workers have a voice, rights, and decent working conditions.



#COVID19 recovery. Next Tuesday, we will be discussing the challenges Europe is facing, and how to tackle them.

Stay tuned for more! #RebuildEU

#### Challenges of Europe and Priorities of the Workers' Group





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### | DIVERSITY EUROPE GROUP |

## Learning from Brexit and preparing for the future

The EESC's Diversity Europe Group was quick to spring into action when the United Kingdom voted to leave the EU. From the very start, the Group's mission was clear – it wanted to examine the reasons behind Brexit, to involve national and European civil society in the discussions on the future partnership and to build a close and sustainable relationship with civil society organisations in the UK.

Crucially, the Group also wanted to learn from the lessons of Brexit, to invest in a new positive vision of the EU, which will reach out to European citizens and provide a collective sense of optimism for the future.

Within this context, when it became clear that the UK would formally withdraw from the EU, the Diversity Europe Group organised a number of extraordinary meetings with UK civil society.

One such meeting was held in Belfast, Northern Ireland in February 2019. The focus was on the fragility of the Good Friday Agreement once the UK left the EU. The meeting provided an opportunity for civil society from both sides of the Channel to participate in the political debate, to influence change, and to draw lessons from Brexit.

> A number of topics were discussed, including jobs, growth, economic and social cohesion, security, sovereignty, identity and the added value and the perception of the EU. Discussions revealed the strong connection between Brexit and the rise of populism and EU scepticism across Europe. The event also highlighted the fragility of the peace agreement in Northern Ireland and the threats that a badly implemented Brexit agreement would pose.





The Group commissioned a number of studies to further analyse the reasons for Brexit and to explore ways for civil society to address them.

Furthermore, Diversity Europe Group members who sit on the EESC's Farmers' Category organised debates that focused on EU trade policy and agriculture. Given the importance of establishing resilient food chains in Europe and a Common Agricultural Policy, in order to avoid the enormous food shortages of the last century and to encourage a flourishing of rural Europe, these debates aimed to ensure that regional economic balance would be prioritised as a cornerstone of EU policy, post Brexit. Through its contributions to the EESC's legislative work, the Group's members have continued to address the consequences of Brexit and questions related to the rise in populism and EU scepticism.

Over the coming years, the Group will focus its work on the role civil society organisations play in combatting poverty, an issue that the Group considers to be strongly related to populism and EU scepticism. Ultimately, it is imperative for all actors to turn their attention to building an equitable and sustainable future.

### | A FRAMEWORK FOR EUROPE |

### The EU recovery plan – ensuring Europe bounces back from COVID

The COVID-19 pandemic and subsequent lockdowns have led to considerable upheaval for all European citizens and governments. The EESC is acutely aware of the difficulties being caused throughout society and was quick to call for – and support – a comprehensive recovery plan by the EU.

Despite the considerable problems linked to travel, holding consultations and organising meetings, the EESC has made full use of its members' expertise and lived up to its responsibilities in fighting the economic consequences of the crisis.

The EESC has helped to preserve the EU's integrity as a community of common destiny by responding rapidly to the crisis and advising decision-makers on the necessary course of action through a series of statements, resolutions, position papers and opinions.

When EU Member States announced the first lockdowns in March 2020, the Committee called for exceptional policy coordination and a coherent, supportive approach by the EU. This common approach helped to guarantee essential supplies for Europe's healthcare system and to deliver a comprehensive emergency package of financial support.

The EESC declaration in April 2020 outlined the seriousness of the situation.

It called for a comprehensive European economic recovery plan that would allow EU Member States, citizens, companies and workers to best address the consequences of the COVID-19 pandemic and rebuild a more sustainable and resilient European economy.

Such a plan would make use of the European Stability Mechanism to help EU countries restore market confidence. It would also involve the quick setup of the European Commission's proposed temporary Support to mitigate Unemployment Risks in an Emergency (SURE), which could provide up to EUR 100 billion in loans to Member States to keep people employed. Finally, a dedicated COVID-19 fund that could act as a 'war chest' was needed to provide maximum financial support to Member States for their recovery programmes.

These recommendations were actually followed through the measures subsequently taken by the EU institutions to tackle the crisis, including interventions from the European Central Bank and other support packages to help businesses, workers and the self-employed.

The Committee also recommended that decisionmakers should mobilise all available unspent funds in the 2020 EU budget and adopt an ambitious EU budget for 2021-2027, which needed to be in line with the expectations of citizens.



#### @stefanopalmier, head of @EESC\_ECO

"We welcome the informal agreement on #MFF reached on 10/11. We hope that a final deal, which duly takes into account the needs of civil society, will be quickly approved by @Europarl\_EN & @EUCouncil to avoid delay in #NextGenerationEU plan"



Thus the Committee endorsed the EUR 1.8 trillion recovery package – which includes the EU's next multiannual budget and the innovative EUR 750 billion NextGenerationEU recovery fund – as well as associated efforts to rebuild the economy.

The EESC also insisted on maintaining rule-of-law clause requirements and on ensuring the necessary financing for the green and digital transitions – proposals that were fully supported by the European Parliament's negotiating team and ultimately taken up during the legislative process.

Underlining the very serious blow that COVID-19 has dealt to SMEs across Europe, many of which risk being swept out of business in its wake, the EESC called for a similar 'Next Generation EU strategy' for these types of companies.

The strategy would help businesses recover quickly by bringing together all EU support for SMEs under the huge umbrella of loans and grants available through the EU's recovery plan to mitigate the negative effects due to lockdowns, social distancing and health security measures.

### **Re-building a stronger Europe**

The medium and long-term outlook and policy agenda will depend on how the pandemic plays out, including the knock-on economic and social consequences. The priorities will be to put the EU's economy back on track and support people and business most affected by the crisis.

A deep and genuine Economic and Monetary Union, founded on strong democratic participation and accountability at all levels, will be indispensable to achieve these priorities.

Decision-makers must quickly agree on and implement the necessary structural reforms and productive investments within the Member States' recovery and resilience plans, by making full use of the exceptional



#### EESC Economy & Cohesion @EESC ECO

We are facing our biggest recession in history. EESC ECO section advises

Support recovery with fiscal & monetary policy Prosperity-focused economic governance Reforms on tax policies

Maintain single market and implement social pillar

https://europa.eu/!Gh78Xf

#EURecovery



EU financial and policy support. At the same time, the EU has no time to lose in completing the banking and the capital markets unions, modernising the current economic governance framework, reforming taxation policy, and creating a euro area fiscal stabilisation function based on the experience of the SURE instrument and the recovery plan.

The creation of an 'EU Health Union' should also be on the European agenda.

The Committee stands ready to help the EU develop the necessary policies and tools for a stronger Europe, with regular dialogue among the EU institutions and the active participation of civil society in the upcoming Conference on the Future of Europe. It will continue to be a beacon to steer the European economy through the COVID storm to a more sustainable and resilient future.

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# A European model for the future

The coronavirus crisis and its economic and social impacts have focused minds across the EU and its Member States. But beyond dealing with the current situation, the EU must engage in long-term thinking about an array of issues, including geopolitical and economic change, social tensions, climate change and the effect of new technologies on society.

The Committee has called for the European model to be updated in a resolution on the European Commission's 2020 work programme and beyond. A new economic strategy is needed to increase the EU's resilience to economic shocks while enhancing the bloc's economic, social and environmental sustainability.

Revitalisation, reform and completion of the EU's single market would improve economic conditions for both large and small businesses while helping entrepreneurship to prosper. Reviews of current mobility schemes and other cross-border opportunities – especially the single market for services – must take into account the growing role of the social economy and its ability to foster inclusive and sustainable development.

Meanwhile, a new sustainable industrial policy, formed as part of the EU's 2050 climate strategy, would ensure that Europe remains a leader in technology, innovation and sustainability.

The EU needs a coherent mix of economic, industrial, sectoral and labour-market policies to boost the creation of green and productive jobs. This could be achieved through the EU's green and sustainable growth agendas. To compete on the global stage, the EU needs to create the conditions for a true digital transformation.





### **Protecting fairness**

However, the EU must also ensure fairness to workers as the economy adapts and changes. Ensuring fairness would mean improving health and safety in the workplace and guaranteeing a right to lifelong learning for everyone, with special attention given to acquiring digital skills. Ensuring that all workers in the EU – including those in the new types of work – come under the protection of occupational health and safety legislation is also essential.

The EU must also establish benchmarks and minimum standards for a 'triple A' social Europe. For this to work effectively, the European Commission and Member States should agree on a set of common principles, definitions and methods for an adequate minimum income scheme to be put in place across all Member States.

### Towards a new economic strategy

The EESC believes any new economic strategy should aim to:

- strengthen financial stability
- complete the Economic and Monetary Union in a way that gives equal weight to its economic, financial, social and political pillars
- · increase the productivity of European economies
- strengthen collective bargaining and social dialogue
- promote social cohesion by developing and applying the European Pillar of Social Rights
- promote the creation of favourable environments for business activity and investment by improving the financing of companies
- promote minimum requirements for unemployment insurance.

### | THE TWIN TRANSITION: A GREEN AND DIGITAL EUROPE |

### A European Green Deal that is fair for everyone

The European Green Deal is the EU's plan to transform climate and environmental challenges into opportunities whilst ensuring the transition to a more sustainable economy is just and inclusive. The EESC fully supports the aims and objectives of the Green Deal, the introduction of which is beginning to inform many areas of its work – from building a circular economy to making international trade more sustainable.

The Green Deal aims to help Europe use resources more efficiently while cutting greenhouse gas (GHG) emissions and restoring biodiversity. The goal is for Europe to be climate neutral by 2050 by taking action across the entire economy, including investing in environmentally friendly technologies, developing cleaner transport, decarbonising the energy sector, and making buildings more energy efficient.

Crucially for the EESC, the EU will provide financial support and technical assistance to help those most affected by the move to a greener economy. Between 2021 and 2027, the Just Transition Mechanism will mobilise at least EUR 100 billion to help the most affected regions.

During a debate in March 2020, EESC members stressed that the Green Deal must be backed and owned by all EU citizens, and efforts made to ensure the financing matches the Deal's ambitions. Committee representatives emphasised the importance of working together on this cross-cutting topic in order to break down sectional interests and improve coordination.

With the focus on the Green Deal's social dimension, it was made clear that the Just Transition Fund is designed to support change in those regions most dependent on fossil fuels or carbon-intensive processes. The Fund will also steer investments and provide support for workers who need reskilling.

### A commitment to sustainability

The Committee is now integrating the Green Deal and related policies into its opinions. For example, a recent opinion on the Western Balkans assessed the contribution civil society can make to drive the region's green agenda and sustainable development. In addition, the EESC is committed to making international trade more sustainable and working with international partners to improve global environmental standards, as required by the Green Deal. Building Europe's circular economy is another area of work relevant to the Green Deal with the European Commission's new Circular Economy Action Plan at its heart and its implementation fully supported by the EESC.



# **Empowering civil society on climate action**

The EU can only deliver successful climate policies with the active participation of all sections of society. Participation must go beyond mere consultation – everyone should have the opportunity to get involved in activities that combat climate change. Civil society and EU citizens are crucial partners in the fight against climate change.



The Committee was delighted to see its recommendations taken on board in the European Commission's Communication on the European Climate Pact, published in December 2020. Although the Pact offers scope for genuine participation and the ownership of activities by local bodies, which can help deliver the EU's ambitions, it must focus on empowering people to change the systems that have led the world to the brink of climate crisis.

The EESC made several concrete proposals on the Pact. These included the establishment of an EU Climate Finance Forum. Such a platform could help to remove barriers to financing climate-oriented actions and stimulate access to investment.



### **Boosting engagement**

A more enabling environment must be created if civil society organisations and the public are to engage actively in climate change issues. To that end, the EESC would like to work with the Commission and other EU bodies to create a European Climate Pact Stakeholder Platform.

This should be based on inclusiveness and transparency to encourage genuine participation by climate actors at all levels of society. In addition, youth climate and sustainability round tables should be woven into the fabric of the Pact to ensure an active role for Europe's younger generation.

In March 2020 the EESC organised a conference on environmental migration. Environmental crises have a growing impact on displacing people in many parts of the world. Two to three times as many people are currently displaced by natural disasters than by conflicts and violence.

The conference explored this problem and examined ways it could be addressed by policymakers. Participants noted that while it is important to move people out of harm's way, mitigating climate change is an essential means of reducing migrant flows in the long term.







# **Reconciling climate and energy policies**

Industry will always need secure, reliable sources of energy. At the same time, businesses have a key role in tackling climate change by adopting greener technologies and reducing emissions. The EESC considered these intertwined goals in a July 2019 opinion: 'The sectoral industrial perspective of reconciling climate and energy policies'.

This opinion departs from the view that European industrial, energy and climate policies are hampered by contradictory requirements on the price for GHG emissions. On the one hand, high prices are necessary to incentivise investment and changes in consumption patterns; on the other, low prices preserve the international competitiveness of the EU's energy-intensive industries, as well as preventing 'carbon leakage'.

The EESC's opinion examines the technical and legal feasibility of border adjustment measures for the internal pricing of GHG emissions. Such an approach would lead to importers paying the GHG emissions price while exporters receive a refund – as is the case for VAT and for excise on tobacco and alcohol.

Refunding of GHG emission fees could be based on a product's content, such as the amount of basic metals, chemicals and other materials used for its manufacture. Such a system would be in line with World Trade Organization (WTO) rules and rely on proven methodologies. These proposals were examined in September 2020 at a high-level debate on carbon border adjustment measures. The EESC's proposals were also discussed in other forums, including an EESC debate on the state of Europe's steel industry, held in November 2020.

### **Future options**

As the EU works to frame a concrete proposal for carbon border adjustment measures, the Committee will continue to provide advice informed by the views of Europe's industrial sectors on any adopted measures.

## Investing for a sustainable and resilient economy

The EESC is spearheading discussions on the way money is invested and spent, with a greater focus on sustainable, long-term investments which consider environmental, social and governance issues. Reorienting capital flows towards a more sustainable economy must also take account of issues such as financial inclusion and social cohesion in a Europe where no one is left behind.

In an effort to help drive initiatives to make Europe the prime destination for sustainable investments, the Committee has developed several policy proposals relating to the European Commission's Sustainable Finance Action Plan and complementary legislation. The challenges that come with reorienting finance to more sustainable investments should be addressed in a joint effort by the financial sector, businesses, regulatory authorities and citizens.

In addition to organising a high level conference on the subject, the Committee has channelled its members' expertise into the work of an expert group set up by the European Commission. EESC speakers participated in conferences and debates across Europe to drive discussions on sustainable finance.

In 2021, the Commission proposed new actions to further stimulate sustainable finance. These included a number of EESC proposals.

# Classifying sustainable investment activities

What constitutes a sustainable investment? The EU has devised a classification system for sustainable activities – described as an 'EU taxonomy'. Following suggestions from the EESC, the taxonomy will be dynamic. It will be developed gradually based on clear definitions of sustainable economic activities, and address environmental, social and governance issues.

As proposed by the Committee, the taxonomy will initially focus on those economic activities and sectors that play key roles in climate change mitigation and adaptation. The EESC has also insisted on the need to introduce safeguards in the social sphere and in

relation to good corporate governance, and would like to ensure that the taxonomy is revised regularly.



## Spearheading the circular economy

Everyone has a role in ensuring precious resources are used to their full potential while waste is reduced as much as is possible. In line with the EESC's proposals and support, the European Circular Economy Stakeholder Platform (ECESP) was established in 2017 to strengthen engagement and action by businesses, workers, consumers and policymakers.





The platform's mandate was renewed in November 2020 to allow it to continue its role as a 'network of networks' cutting across sectoral interests and bringing everyone together to further develop the circular economy by linking policy and practice.

As a joint initiative of the European Commission and the EESC, the platform serves as a knowledgegathering hub for dialogue and as a bridge between existing initiatives. By making it easier for people to access information, the platform helps to raise the profile and improve understanding of the circular economy at national, regional and local levels.

The ECESP also strengthens cooperation among stakeholder networks to improve the exchange of expertise and good practices while identifying the social, economic and cultural barriers to the development of the circular economy.

The ECESP's coordination group brings together circular economy stakeholders, including representatives from industry, trade unions and civil society. The three EESC members who participate in the group's meetings are an essential link between EU policymaking and Europe's civil society.

Meanwhile, the annual circular economy stakeholder conference enables dialogue with stakeholders, pooling their knowledge and experience of the circular economy transition. Co-organised by the EESC and the Commission, this two-day conference is a major EU event for stakeholder engagement, attracting around 600 participants each year. In its first three years, the ECESP has hosted four well-attended joint annual conferences and its coordination group has delivered 50 initiatives. The platform's website has provided visibility, receiving close to 300 000 visits.

All told, the platform has brought together over 450 good practices, 44 strategies and more than 270 items of knowledge on the circular economy. It is also active on social media, with almost 4 000 followers on Twitter and over 1 000 on a LinkedIn feed, which was launched in May 2020.

### **Building international consensus**

In January 2020, the EESC EU-Japan Follow-up Committee organised a round-table discussion on the circular economy, hosted at the EU Delegation office in Tokyo. EESC members met with a wide range of Japanese environmental organisations to promote stakeholder exchanges to raise awareness of the topic and introduce the European Green Deal, highlighting the potential of the circular economy to create new activities and jobs, among other issues.

The EESC members shared European success stories while stressing the need to achieve a just transition to a green economy. They acknowledged the needs of those who are currently losing out. The value of such a debate was evident since sustainable consumption was not high on the agenda in Japan.

The exchange of views between EESC members and Japanese stakeholders was particularly lively on the urgency of a transition from a linear to a circular economy that was fair, urgent and flexible. Encouraging EU and Japanese companies to build partnerships was also discussed, as well as topics such as the use of palm oil for energy, biomass and forestry.







# Artificial Intelligence – serving society as a whole, guiding its ethical and sustainable use

Artificial intelligence (AI) has enormous potential to improve people's lives and contribute to economic growth by meeting challenges in areas such as health, climate change, industrial productivity and security. Nevertheless, its development and adoption present complex societal challenges in sectors including employment, privacy and ethics. The EESC has been closely monitoring developments in this area and was among the first EU institutions to present its views on the potential impact of AI on society.

The Committee introduced the principle that humans must always be in command of Al in a 2017 owninitiative opinion.

Al's parameters in terms of safety, security, ethics as well as the technology's linkages with existing laws and regulations must retain human control of Al at all times – machines must remain machines.

Al must serve society as a whole and the introduction of this disruptive technology must take into account the potential impacts on the economy, the environment and people's everyday lives.

The recommendations include proposals that the EU adopt a sustainable development framework to

guide the future development of AI. This framework would also cover the ethical and social aspects of the technology in relation to its sustainability. In addition, environmental issues such as climate change and the use of natural resources need to be addressed as AI becomes more prevalent in society. Moreover, economic sustainability requires that AI solutions are productive, profitable and competitive.

In June 2018, the EESC and the European Commission organised a stakeholder summit on AI, inviting business representatives, academia, workers' groups, citizens, policymakers and NGOs to discuss the next steps for an EU strategy on the issue. Delegates covered topics that could influence the strategy, such as legal matters, impact on society, and industrial competitiveness.

Current debates about AI centre around ways people

will interact with the technology and trust its applications. The Committee will participate in these debates while pressing the EU to implement a framework to guide future applications of AI in a sustainable way.

### | ECONOMIC GOVERNANCE |

# Dealing with cyclical and structural challenges

The COVID-19 crisis and subsequent economic downturn has focused minds on the need for an economic governance model based on solidarity that can deliver prosperity to all of Europe.



The EESC opinion on the European Commission's latest economic governance review includes ideas for the introduction of a 'golden rule' for public investment, along with a wider range of economic policy objectives. These could be delivered through a revised and rebalanced economic governance framework. At the same time, the EESC paid great attention to the cyclical outlook and the necessary economic policy mix for the euro area countries and the EU as a whole in the current pandemic context.

Both the Commission and the European Parliament welcomed the EESC's timely work on the cyclical and structural challenges facing the EU economy. Many of the EESC's conclusions appeared in the Commission's recommendations relating to the economic policy for the euro area in 2021 within the new cycle of the European Semester.

The Commission is also committed to following up on the economic governance review, once the immediate challenges of the crisis have been addressed, and has expressed an interest in organising a joint conference with the EESC on this issue. The Committee's activities will continue to feed into ongoing policy debates in this area.



# A new perspective on the European Semester

The EESC's European Semester Ad hoc Group (ESG) works to ensure civil society has input in a structured way into the European Semester and its growing role in the economic governance of Europe. This includes organising regular visits to Member States to gather policy views that can be fed into the process.



2018-19 European Semester country visits

#EESCplenary adopted opinion http://europa.eu/!qR84JV The dialogue between institutions & the entire #EUCivilSociety must be guaranteed at all stages of the #EUSemester process. #NGOs should also be consulted on these issues !



The European Semester provides a framework for the coordination of economic policies across the EU, allowing Member States to discuss their economic and budget plans, and monitor progress throughout the year. The EESC believes civil society should be actively engaged in the Semester process. The ESG ensures those voices are heard during the process.

The EESC opinions on the Annual Sustainable Growth Strategy welcomed the embrace of a more social, inclusive and sustainable economic model, particularly given the economic and social impacts of COVID-19.

A revision of the Stability and Growth Pact, flexibility in state aid rules and a rethink of tax policy are necessary to support the economic recovery, public investment, and a digital and green transformation. Well-resourced public health measures and social security systems are also vital ingredients to this mix.

The Commission's proposals for NextGenerationEU and the Annual Sustainable Growth Strategy provide an opportunity for the EU to shift towards an economic model that gives equal weight to its economic and social objectives. In line with the Annual Sustainable Growth Strategy, priority is given to a green transition, ensuring a sustainable recovery.

Since its launch, the ESG has organised round tables that provide local participants with the opportunity to discuss national issues in relation to the wider European context. The EESC's goal in these meetings is to contribute to the Semester exercise on behalf of civil society; to increase awareness of this process among civil society organisations; to improve knowledge of country-specific recommendations; and to provide scope to follow up on their implementation. Within the first ESG mandate, 14 meetings were held, with more planned for the coming term.



### **Positive response**

These local meetings have enabled the EESC to provide new perspectives on how the European Semester can better respond to people's needs. By meeting with civil society organisations in their own countries, the ESG ensures that a wide variety of stakeholders are consulted in time to make a difference in developing EU policies.

The visits have helped to bridge the gap in dialogue between national and EU counterpart. They have also proved to be an efficient means of raising awareness about such issues across Member States. Positive feedback from the participants revealed a desire by national civil society organisations to be informed on issues related to the European semester.

With the input from the EESC, the European Commission has recognised the value of this close consultation with civil society and is interested in participating in future country visits to gain more insights generated by these meetings.

For the EESC, the ESG meetings have provided added value by developing new contacts and resources. Given the positive response to the initiative and the interest expressed by participants, the EESC plans to continue this dialogue and to consult with a wider audience.





#### Margarida Marques MEP @mmargmargues

Today at @EU\_EESC we discuss the draft opinion on the Economic Governance Framework. It is important to start the discussion on the review. It is clearer than ever today that the current fiscal rules cannot be applied as they stand. But how far in the review can we go?



### Facing new challenges

The European Semester will play an increasingly important role as the EU economy recovers from the COVID-19 pandemic. It will help to steer the EU's economic recovery initiatives – the NextGenerationEU fund and the Recovery and Resilience Facility – while also serving as a means to monitor and evaluate national recovery plans.

In January 2021, consultations were held in every Member state on the involvement – or absence – of organised civil society in the elaboration of national recovery and resilience plans.

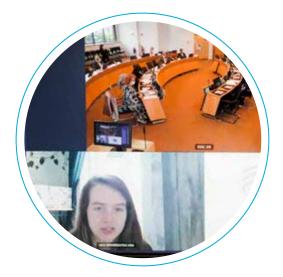
While co-legislators have recognised the formal right of organised civil society to be involved in the process, their inclusion has not been sufficiently achieved so far. The EESC adopted a resolution on this issue in February 2021 and will continue to monitor the situation.



## The European Pillar of Social Rights

The European Pillar of Social Rights (EPSR) aims to achieve greater social convergence by combining economic development with enhanced social progress.





### How the EPSR can help

Much of the EESC's work in the social area is informed by the EPSR which is designed to help people in work to earn a living wage, and those out of work to access the skills and the jobs they need to prosper in an inclusive society. The EESC supports the European Commission's efforts to implement the 20 rights and principles set out by the EPSR, and has issued or is working on opinions on most of them.

In 2019, an increasing number of country-specific recommendations were made to Member States under the umbrella of the European Semester. These addressed employment, education and social issues. In an opinion on the implementation of the EPSR, the EESC called for legislation to establish an EU framework of common social standards which would also take account of national situations and social systems. The EESC will adopt an opinion on the EPSR Action Plan proposed in 2021 and continue its work on the many initiatives fleshing out the rights and principles set out in the EPSR.

### Access to affordable housing

Many Europeans face difficulties in finding decent, affordable housing. High rents can price young people and single parents, among others, out of the market. Renters may be unable to pay for other basic needs. Aware of these challenges, the EESC, like other EU institutions, has been working to promote dialogue on such barriers to affordable housing and other related issues, and propose solutions.

A new EPSR Action Plan, scheduled for publication in 2021, will address the issues on affordable housing. The Committee has been working on several recommendations to inform the plan. Increasing shortage of decent and affordable housing in many Member States led to an EESC proposal that the EU should have a dedicated action plan to address the problem, including measures to help authorities at all levels. Such a plan could boost the supply of social and affordable housing and help reduce homelessness.

To advance this debate, the EESC held a webinar in September 2020 on universal access to housing, with the participation of several MEPs and Nicolas Schmit, EU Commissioner for Jobs and Social Rights. Rapporteurs from the Committee and the European Parliament shared their findings and answered stakeholder questions.

# The Commission's renovation wave initiative

The EESC is also focusing on the Commission's new strategy to increase the renovation of public and private buildings: 'A renovation wave for Europe – greening our buildings, creating jobs, improving lives'. This affordable housing initiative aims to guarantee that local renovation projects can access technical expertise and EU funding.

### The right to earn a decent living

In an exploratory opinion on decent minimum wages across Europe, the EESC said that it remained is concerned that poverty in general and in-work poverty were still a significant problem in many EU Member States. At the same time, it stressed that high-quality employment continued to be the best route out of poverty. The opinion takes account of the input from civil society garnered via virtual meetings held in five Member States in 2020.

The EESC believes that fair minimum wages combined with active inclusion policies could help to reduce poverty among the working poor. This could also contribute to other EU goals, such as improving economic and social cohesion, and closing the gender pay gap.

However, the EESC does not underestimate the complexities of the issues involved. Therefore, EU initiatives on decent wages must be shaped on the basis of an accurate analysis of the situation in the Mem-

> ber States, and must fully respect the social partners' role and autonomy, as well as the different industrial relations models. Policymakers must also consider the economic problems caused by the COVID-19 pandemic.



# The skills agenda

The working world is changing at a rapid pace thanks in part to global and European policies to tackle climate change and promote digitalisation. Now, more than ever, Europe needs to invest in training to ensure workers have the skills to find suitable jobs in the emerging sectors. A skilled workforce is also vital if the EU economy is to remain competitive with the rest of the world. The EESC focuses on the need to invest in training, education and lifelong learning and by providing expert advice in these areas.



The EESC highlighted the development of the EU's Skills Agenda and the recommendation on Vocational Education and Training (VET) along with the importance of building key competences and skills in science, technology, engineering, the arts and mathematics. Emphasis must be put on improving people's social and citizenship competences and on guidance and counselling policies.

# The importance of green and digital skills

The new skills required for the economy's green transition must be reflected in the support offered by different providers, including those delivering vocational education, training and apprenticeships.

A comprehensive EU-level strategy should be developed to improve education and training on green skills and competences. This strategy could also guide efforts on upskilling and reskilling workers both within and outside of their workplaces.

In line with these recommendations, Finland, which held the EU Presidency from July to December 2019, asked the EESC to examine how the EU could strengthen its position in the global competition for future skills and education in relation to the growing importance of digitalisation and artificial intelligence.

The Committee stresses that access to continuous and lifelong learning must be a right for everyone, enabling individuals to cope with new technologies. Adequate training is also needed to ease transitions to these new technologies within the workplace. Cooperation between education institutions and social partners – through networks covering large companies and SMEs – is crucial to enhance the impact of such training.

### Lifelong learning

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At the request of the Croatian EU Presidency (January to June 2020), the EESC examined issues related to the shortage of skilled labour and made proposals on sustainable funding for lifelong learning and the development of the needed skills.

Good-quality and inclusive lifelong learning should be guaranteed as a right for all European citizens – in the workplace and outside of it. Agreement must be reached on a single framework for inclusive key competences that moves beyond school education and addresses the broader issue of life skills.

In November 2020, the EESC and the European Centre for the Development of Vocational Training (Cedefop) held the Third Policy Learning Forum (PLF) on upskilling pathways. The Forum took a close look at experiences of designing and implementing upskilling pathways in Finland, Ireland and the Netherlands.

The discussions highlighted the importance of the coordinated involvement and efforts of all stakeholders, and the need for a comprehensive response to low skill levels in Europe across different policy areas.

The pivotal role of social partners in reaching the most vulnerable parts of the population requiring upskilling was singled out, as was the continuous commitment of governments to ensure accessibility to adult learning, especially for low-skilled people.





## Supporting the democratic rights of disabled people

Around 800 000 EU citizens in 16 countries are being denied their legal right to vote due to a disability or a mental health condition. The Committee outlined the limitations and barriers faced by disabled voters, whilst listing 200 existing solutions that could address the problem.





The EESC report in March 2019 was published two months before the 2019 European Parliamentary elections and received extensive coverage in the media. The Committee's findings were later confirmed through observations made by the media and civil society organisations.

In 2020, the EESC followed up its report with an owninitiative opinion, which made recommendations to stop the discrimination against voters with disabilities. The opinion recommended measures to remove legal and technological barriers that discourage millions of people from taking up their rights to vote.

The EESC warns that if legal changes are not made, the number of citizens unable to exercise their voting rights will only increase as the share of people with disabilities grows among Europe's ageing population.

Existing practices that discriminate against EU citizens with disabilities could be quickly removed by amending the 1976 Electoral Act. The principle of universal suffrage should include a statement saying that no EU citizen may be deprived of his or her right to vote in European elections because of a disability or health condition.

The EESC's proposals included additional measures that Member States should introduce to achieve voting rights for everyone. If these rules and additional measures are implemented, the 2024 EU elections would be truly universal and accessible to everyone.

## Fundamental rights and the rule of law

The Treaty of the EU and its Charter of Fundamental Rights and the rule of law sets common standards on human dignity, freedom, equality and solidarity. The Committee's ad-hoc group on Fundamental Rights and the Rule of Law (FRRL), which acts as a forum for civil society groups, aims to ensure the EU makes further progress on these values.

The FRRL completed its first full year of work in 2019. This work included five country visits to assess civil society positions on basic rights in Austria, France, Hungary, Poland and Romania. Interim and full reports were published outlining its findings.

The group also held its first conference to share its assessment of the state of fundamental rights, democracy and rule of law in the Member States. In 2020, it added a socio-economic perspective to its analysis of rights and democracy.

Members also helped to prepare five opinions on the following subjects:

- resilient democracy through a strong and diverse civil society
- strengthening the rule of law within the EU, the state of play and possible next steps
- populism and fundamental rights suburban and rural areas
- · rule of law and the impact on economic growth
- principles for public services that contribute directly to the stability of the free democratic basic order in EU countries.

These opinions call for a rule-of-law monitoring mechanism and the close involvement of organised civil society, including through the EESC, which should contribute to policymaking for fundamental rights and the rule of law.

The EESC also suggests the creation of a forum on fundamental rights and rule-of-law and the adoption of a communication strategy to foster a rule-oflaw culture. Other proposals include improving the approach to measuring economic impacts when the rule of law breaks down and the development of common European principles to support the role of public services in the defence of democracy.

# Tackling the pandemic without losing basic rights

The ad hoc group has also highlighted the need to protect fundamental rights and democracy as Europe battles the COVID-19 pandemic, an unprecedented challenge which must be tackled without jeopardising our democracies and fundamental rights.



### | ANTICIPATING AND MANAGING INDUSTRIAL CHANGE |

### **Energising the European Battery Alliance**

Battery power is the future for a cleaner, greener Europe. The steady growth in electric vehicles sales and the increasing demand for batteries are perhaps the most visible examples of how European industries are working to decarbonise their products and services. However, Europe currently depends on third countries like China and Brazil for the supply of many raw materials needed for manufacturing batteries. In response, the EU has launched the European Battery Alliance in 2017. The initiative aims to develop an innovative, competitive and sustainable battery value chain in Europe.

The EESC is on the front line promoting the development of sustainable batteries in the EU and has supported the initiative since its launch and the EU's Strategic Action Plan for Batteries.

However, some of the factors that could hamper implementation of the plan, such as the overdependence on third countries for raw materials, a lack of alternative fuels, and the limited infrastructure for processing and disposing used batteries need to be addressed. In commenting on the plan's first progress report, the EESC said that stronger actions are needed to limit the risk of European car factories moving out of the EU.

Greater efforts must be made to boost technological expertise in the EU and to secure supplies of raw materials both domestically and from third countries. Batteries must be recycled safely and cleanly, while more should be done to develop materials that can be recycled from old batteries. So-called 'urban mining' – recovering elements from used products and waste – could also be applied as part of the industrial value chain.

### Urgent need for action

In February 2020, the EESC held a debate on batteries and critical raw materials with important stakeholders, including the Commission, the European Investment Bank and ECOS, the international network of environmental NGOs. The meeting focused on the urgent need to secure permanent access to raw materials to support the battery industry supplying electric vehicle manufacturers.

The EU's new Circular Economy Action Plan and an industrial strategy, which were launched in March 2020, confirmed the intention to propose a new regulatory framework for batteries. The need for new legislation was also foreseen in the Strategic Action Plan for Batteries and the European Green Deal.

In December 2020, the Commission adopted a new proposed regulation on batteries and waste batteries, which an EESC study group is currently examining.

# Securing a sustainable supply of raw materials for EU industry

The EESC has increased its focus on issues relating to the extraction and supply of raw materials and their impact on the competitiveness of European industry. Building on the expertise garnered over the past years – including opinions about coal and lignite – the scope has been expanded to look at raw materials more generally as key enablers of several ongoing industrial and societal changes.

In early 2020, the EESC's opinion on digital mining in Europe and on new solutions for the sustainable production of raw materials noted that mining companies which have embraced digital technologies have seen improvements in safety, sustainability, productivity and profit margins.

The digitalisation of the EU's raw materials sector provides an opportunity to improve the resilience of industrial supply chains, environmental performance and transparency when addressing communities that can be adversely affected by mining activities.

However, the combination of greater connectivity, machine learning and autonomous operations raises ethical, social and regulatory questions that must be properly considered by policymakers.

The European Commission has asked for the advice on two important areas. One opinion will deal with critical raw materials resilience and on the newly established list of critical raw materials.

In parallel, the EESC will examine sustainability requirements for manufacturing batteries in the EU. The work will include analysis of the factors that could

influence Europe's ability to become autonomous in battery production. The advice on both requests will cover the supply of raw materials crucial for the competitiveness of European industry, especially as the continent continues to green its economy. The work in this area can be decisive in contributing to the EU's open strategic autonomy on raw materials.

For example, solutions for innovative and sustainable raw materials production can encourage the next digital generation of workers to enter the raw materials sector and help shift EU citizens' perception of domestic mining. At the same time, the reuse of raw materials recovered from waste can contribute to securing Europe's supply a part of a circular economy.

This package of initiatives is helping the EESC to make its voice heard by other EU institutions, most notably the European Commission's directoratesgeneral overseeing the EU's internal market, trade and external relations.

The Committee has also engaged with civil society stakeholders through hearings, events and round tables, such as the December 2020 conference on 'Blockchain technologies for the mining industry'.





### Support for coal regions going through transition

As Europe decarbonises and moves to cleaner fuels, demand for energy from fossil fuels will decline. This shift presents traditional coal-mining regions and communities with many challenges. It impacts their economic future and employment prospects. The EESC work on this issue over the years includes providing opinions and engaging with civil society partners to develop solutions so these regions can continue to prosper as change occurs.

In 2016, the EESC's proposal on 'Indigenous coal in the EU's Energy Transition' stressed the need for European, national and regional authorities to come together to create a framework that can boost the public and private investments needed to support mining regions through the energy transition.

Following this opinion, the European Commission launched in December 2017 the Platform for Coal Regions in Transition. The EESC focused on followup consultations with civil society by arranging a series of round tables in EU regions that had recently or were about to halt coal production in Czech Republic, Germany, Greece, Poland, Romania, Slovakia, Spain and the United Kingdom. More than 400 stakeholders, as well as European, national and local authorities also joined the discussions, that took place between 2018 and 2020.

The key lessons learnt included an understanding that each mining region has its own history and potential. These particular situations demand tailor-made restructuring and transition plans.

All stakeholders must be involved in the planning and execution phase of the transition. Institutions at all levels must take responsibility for developing these plans, with a clear actor leading the process. In addition, while support funding is needed, it is equally important to target investment towards projects that embrace priorities such as education, training and mobility.



# PUTTING SOLIDARITY AT THE HEART OF THE EUROPEAN POLITICAL AGENDA

### Facing Europe's migration challenges

The EESC plays an important role in shaping Europe's strategy for immigration and the integration of migrants. Much of its advice in this area covered subjects ranging from the global compact for migration to the protection of unaccompanied migrant minors heading for Europe. In recent years, the Committee has kept migration issues at the centre of public attention through a number of high-profile events.

The EESC and European Commission jointly organise the European Migration Forum, which has become a well-established platform for dialogue between civil society and EU institutions. Policymakers and civil society representatives use the platform to consult on contemporary migration issues and related matters, such as asylum rights and integration of non-EU nationals.

Another annual EESC event, the 'Social Innovation for Refugee Inclusion', is co-organised with the Migration Policy Institute and the USA and Canadian Missions to the EU. This collaboration explores how innovative policymaking can promote community inclusion, give migrants economic opportunities and foster a sense of home.

#### **Exploring civil society roles**

The EESC also runs a thematic study group on immigration and integration. In 2019 and 2020, the group carried out a project exploring civil society organisations' role in ensuring better integration of migrants and refugees.

Visits to Bulgaria, Germany, Greece, Malta and Sweden provided insights into problems and best practices, which can be fed into recommendations for change. Although the situation in these countries varies enormously, it emerged that civil society organisations play an important part in migrant and refugee integration.

They carry out valuable work assisting or even replacing government interventions by providing guidance and support in integration processes. However, their involvement in the design of integration policies and integration activities does not always reflect the importance of their role, and securing funding remains very problematic for them.



### A future for all Europe and all Europeans The Territorial Agenda 2030

To reside in a poorer region means life chances are adversely affected in terms of economic prospects, employment opportunities and access to quality public services. More and better targeted joint actions are needed across geographical areas and governance structures to ensure a brighter future for everyone in Europe – no matter where they live.

In December 2020, the EU adopted the Territorial Agenda 2030 which provides a joint framework for closing inequality gaps between European territories. The EESC played a key role in shaping the new agenda.

Already in 2019, the Committee organised a thematic debate: '10<sup>th</sup> anniversary of the Lisbon Treaty – the dimension of territorial cohesion'. Speakers noted growing inequalities between people linked to where they lived and stressed the need for a new framework to address the problem. More and more municipalities and local communities are experimenting with different approaches to sustainability, mobility, construction, production and consumption. The wider application of these initiatives will require a broader participation of society, including businesses, NGOs and citizens.



#### Building a fairer, greener Europe

The German EU Presidency (July to December 2020) then asked the EESC to gauge the views of civil society in a specific opinion. In response, the Committee noted that the Territorial Agenda 2030 could help build a balanced Europe, where no place or person would be left behind and with better links between urban and rural areas. The integration of life and work across national borders was also considered a priority, along with a healthy environment and decent living conditions.

Territorial cohesion should also contribute to the circular economy and promote sustainable digital and physical connectivity. The EESC opinion clarifies the essential role civil society can play in mobilising Europe towards a fairer and greener future.

The EESC helped to deliver the 2030 Territorial Agenda, with the December 2020 Council Conclusions on territorial development referring to the important contribution it had made with its opinion. Now the focus shifts to implementation.

The Council Conclusions recognise civil society's important role in advancing the objectives of the Territorial Agenda and has invited the EESC to contribute to its implementation by encouraging their members to provide input and support.

#### | INTERNATIONAL COOPERATION |

### Work with the Western Balkans

The EESC strongly supports the enlargement of the EU to embrace its Western Balkans partners – provided they fulfil all criteria for membership. Conditions for accession can only be met with the active participation of the region's civil society organisations.

The Committee's important role in fostering social and civil dialogue in the Western Balkans includes establishing an effective network with the region's civil society organisations through a variety of bodies and frameworks, including the Western Balkans Follow-up Committee, Civil Society Joint Consultative Committees with Serbia and Montenegro, as well as Western Balkans Civil Society Forums.



In addition, a number of conferences, exploratory missions and hearings have helped to strengthen relationships. This well-established structure allows the EESC to act as a platform for Western Balkan CSOs, helping them to find their voice within their own governments and EU institutions.

The EESC has been able to assess the role and influence of civil society throughout the region. For example, it has expressed concerns about the lack of space for civil society in a number of Western Balkan countries and the negative effect this could have on the accession process.

The EESC has alerted other EU institutions to this situation and suggested a tougher and more coherent approach to the region's governments. More concrete actions must be taken to protect and expand the role of civil society actors.

The EESC has recently published opinions on the Western Balkans covering topics such as energy, economic and social cohesion, the role of women, and the use of pre-accession funding.

One recent opinion assessed the contribution of civil society to the EU's Green Agenda and sustainable development in the Western Balkans. EU financial support for the Western Balkans should prioritise initiatives in areas such as energy, communications, innovation, transport and environmental protection.

#### **Progress in our Relations with North** Macedonia and Albania

In 2019, the EESC responded to the Council's lack of a decision to open accession negotiations with North Macedonia and Albania by publishing a resolution expressing disappointment with the situation. The lack of action could have compromised the EU's commitment to support and work even more closely with civil society in the Western Balkans.

However, the situation changed again in March 2020 when the Council decided to open accession negotiations with the two countries. In response, the EESC is establishing Civil Society Joint Consultative Committees (JCCs) with North Macedonia and Albania, similar to those it already operates in Serbia and Montenegro.

Throughout the accession process, the JCCs will monitor Stabilisation and Association Agreements while promoting dialogue between the EU, local social partners and other civil society organisations.



**EESC External Relations** @EESC REX

> The inclusion and empowerment of vulnerable groups should be included in the EU accession process for the #WesternBalkans #EESC\_WB #EUTaiex



## Free but fair international trade deals

Open, fair and rules-based trade can help drive economic growth and create jobs. Trade can also help the EU and its partners across the world achieve the UN's Sustainable Development Goals (SDGs). The EESC is working to promote a sustainable trade agenda with other EU institutions, focusing on issues such as the environment and labour rights. It is also shaping the way in which civil society organisations participate in trade relations and negotiations.



The EESC has called for a specific clause to promote SDGs in all future requirements for trade and sustainable development agreements.

The World Trade Organization should lay down rules to ensure countries implement and respect SDGs.

The EESC works closely with the European Parliament in its remit to secure greater monitoring and enforcement of trade deals, especially on issues that relate to environmental and labour standards.

MEPs have echoed EESC's calls made to the Commission to reinforce sustainable development provisions by introducing more binding mechanisms and sanctions. The early review of the EU action plan on trade and sustainable development, expected in 2021, was seen as a positive step. The Committee will continue to closely monitor and feed into the plan.

To build on this influence, the Committee actively contributes to the work of Domestic Advisory Groups, which are independent civil society bodies established under recent free trade agreements. The EESC guarantees the smooth running of their daily operations (around 60 meetings in 2019 and 2020) and provides policy support to their Presidencies and members.

Domestic Advisory Groups meet regularly to monitor and assess how the EU and its trade partners deliver on their commitments in areas such as labour rights, the environment and sustainable development.



Together, the EESC and the Domestic Advisory Groups call out authorities when they do not comply with trade and sustainable development commitments, demanding that they take swift action to remedy problems. Both the Committee and the Domestic Advisory Groups have also offered advice on how to improve the implementation of free trade agreements.

The EESC helps to set up new Domestic Advisory Groups, such as those recently created for Vietnam, Singapore and the United Kingdom.

## Helping partner countries' civil society organisations

Beyond the EU, the EESC supports civil society organisations in trade partner countries, helping them to voice their opinions and concerns. This engagement has helped to empower organisations that are often ignored by their own governments.

Through annual meetings, the Committee also brings together EU and partner country Domestic Advisory Groups to exchange information, opinions and best practices. These joint meetings are now a permanent fixture and bring indisputable added value to civil society organisations as they respond to complex issues on trade and sustainable development. Engagement with external partner organisations has led to concrete results: for example, the EU is taking action against trade partners like South Korea over workers' rights. The EESC has also made an important contribution to relations between the EU and the Southern African Development Community that led to non-state actors being recognised by Economic Partnership Agreements. This positive change now serves as a model for including civil society in Economic Partnership Agreements with African countries.

If the impact of the civil society monitoring mechanisms under the new generation trade agreements is widely recognised and valued, EU institutions must continue to devote all appropriate resources to the Domestic Advisory Groups.

#### Bernd Lange @berndlange

Thank you for the great cooperation also on this issue @EU\_EESC! And the regular exchange of views on all the other trade issues @EP\_Trade #EESCPlenary #fairtrade #supplychains

**European Economic and Social Committee** @EU\_EESC

#EESCPlenary calls for EU Action plan on human rights, #DecentWork & sustainability in global #SupplyChains!

EU legislation on due diligence is key, building on social dialogue & policy initiatives.

Read our proposal http://europa.eu/!Qj73dp Follow @EESC\_REX for more



### **Brexit: Keeping links with UK civil society**

With an EU-UK trade agreement now signed, the EESC is keen to maintain its strong links with UK civil society. This relationship, which is based on decades-old friendships, will be important as the new partnership develops and problems are resolved.

When the United Kingdom decided to leave the EU, the EESC got to work. As well as forming a Brexit follow-up group to monitor negotiations, a series of extraordinary meetings were held in the UK and Ireland to assess issues and gauge the views of civil society.

The Committee also commissioned several studies at the request of the Diversity Europe Group to further analyse the reasons for Brexit, and ways for civil society to address related issues, such as populism and EU scepticism. The study topics included: 'Societies outside Metropolises: the role of civil society organisations in facing populism'; 'Finding a new consensus on European civil society values and their evaluation; and 'Youngsters and the EU: Perceptions, Knowledge and Expectations'. The partnership agreement will be the cornerstone on which future relations between the EU and UK will be built. It will bring certainty for companies that need to plan their investments, for workers as they decide where to work, and for citizens as they make choices about where they want to live.

In its future work, the EESC will continue to address the consequences of Brexit, along with issues related to populism and EU scepticism.



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