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The European Pillar of Social Rights Before and After the Pandemic: How the Covid has impacted on its Achievements and Focus on the European Employment Policies

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1. Introduction

In addressing the pandemic, the EU's and Member States' political strategy marked a clear change in comparison with the austerity policies adopted during the first stage of the 2008 financial crisis, which led to a cut in social spending and in a downsizing of social protection for people. Some authors speak about a process of "socialisation" (see paragraph n. 2.1) that has progressively led European and Member States' policies to embody a more social perspective from 2015. This coincided with the European Commission

¹ ZEITLIN, VANHERCKE, Socializing the European Semester: EU Social and Economic Policy Co-ordination in Crisis and Beyond, in JEPP, 2018, vol. 25, n. 2, pp. 149-174. The process of socialization touches also the post-pandemic period: VESAN, CORTI, SABATO, The European Commission's entrepreneurship and the social dimension of the European Semester: from the European Pillar of Social Rights to the Covid-19 pandemic, in CEuPs, 2021, n. 19, pp. 277-295.

(henceforth "Commission") headed by Junker, that has emphasised since its inauguration the need to strengthen the social dimension of the European Union. This resulted in a document sketching out future directions for developing social rights within the EU, while reinforcing the existing EU social acquis: the European Pillar of Social Rights.

In November 2017, the European Pillar of Social Rights (henceforth "EPSR") was solemnly proclaimed by the European institutions, confirming the will in progressing on social rights. It consists of 20 principles contained in three interconnected chapters: equal opportunities and access to the labour market, fair working conditions, and social protection and inclusion. From a legal perspective, the EPSR is soft law; however, it can be used to generate hard law and interact with it.

Just over two years after the EPSR's proclamation, the World Health Organization declared the outbreak of a dramatic international public health emergency (30 January 2020) and a pandemic on 11 March 2020, with tremendous and complex social and economic impact at a global level, including but not limited to pandemic-related deaths, social distancing requirements, corresponding social exclusion for vulnerable persons, stagnation in education, etc². When Member States (henceforth "MSs") had scarcely emerged from the most dramatic moments of the pandemic, an international armed conflict broke out in Ukraine due to the Russian attack, with different repercussions on MSs³.

Within this complex context, it is worth asking what kind of progresses the EPSR has managed to achieve from its proclamation to the present day, particularly because the pandemic – and the effects of the ongoing war –

² For example: Blustein, Guarino, Work and Unemployment in the Time of COVID-19: The Existential Experience of Loss and Fear, in JHumPsych, 2020, vol. 60, Is. 5, pp. 702-709; Kong, Prinz, The impact of shutdown policies on unemployment during a pandemic, in Covid Economics 17, 13 May 2020, pp. 24-72, https://air.unimi.it/retrieve/dfa8b9a7-958f-748b-e053-3a05fe0a3a96/CovidEconomics17%281%29.pdf#page=29; Tamesberger, Bacher, COVID-19 Crisis: How to Avoid a "Lost Generation", in InterEcon, 2020, vol. 55, pp. 232–238; Sumner, Hoy, Ortiz-Juarez, Estimates of the Impact of COVID-19 on Global Poverty, in WIDER WP, 2020, n. 43; Eurofound, Living, working and COVID-19, COVID-19 series, Publications Office of the European Union, Luxembourg, 2020.

³ In addressing different situations of crisis, from the pandemic to the Ukraine's invasion, the EU shows to be "a *sui generis* multi-level, multi-faceted actor that can change shape in response to events", ANGHEL, JONES, *Is Europe really forged through crisis? Pandemic EU and the Russia* – *Ukraine war*, in *JEPP*, 2023, vol. 30, n. 4, pp. 766–786, DOI: 10.1080/13501763.2022.2140820.

have inevitably channelled the use of available national and European resources and the attention of the regulatory interventions to deal with the emergency situation. In these respects, and others, it is interesting to consider how present circumstances have influenced the implementation of the EPSR; that is, whether its development has changed substantially from the way it was initially conceived, or instead whether it has progressed or developed differently than expected.

In fact, the proclamation of the EPSR was accompanied by the political declaration of the European institutions to make the current acquis in the social field more effective and to strengthen it by setting new goals for the future⁴. This has triggered many initiatives (proposals for directives, directives, communications, etc.; see Commission summary) in less than a year and a half. The hypothesis put forward is that the pandemic has played a role in slowing down the implementation of the EPSR, having channelled the use of resources previously earmarked for the implementation of the EPSR to respond to the emergency, and, in a broader sense, to have channelled the intervention activities of the EU and the MSs.

Obviously, other elements may have had an impact, such as the difficulty of reaching consensus on many issues in an enlarged EU context. However, it seems necessary at least to take a snapshot of interventions during the preand post-COVID periods, and to suggest some of the particular elements that could have influenced the development of the social dimension in a different way.

In considering these issues, this article will attempt to analyse whether the results achieved so far have maintained consistency with the original design of the EPSR, or whether the emergency interventions to cope with these multiple crises have caused a slowdown or a departure from the initial impetus of its conceptualisation. Within this context, in the second part of this article, particular attention will be devoted to the employment policies implemented by the EU in the last few years.

This article also focuses on the aspect of employment policies instead of the entire content of the EPSR, for two key reasons. Firstly, employment policies aptly demonstrate the interplay between two dynamics that run through the EPSR – a protective and proactive dynamic. By employment

⁴ EC, Establishing a European Pillar of Social Rights, Commission Staff Working Document, SWD(2017) 201 final, Brussels, 26.4.2017.

policies, we mean both active policies intended to economically support the unemployed and inactive policies (also known as passive policies) which create the conditions for a return to the labour market through courses, guidance, or other initiatives. Secondly, employment policies are particularly significant during a crisis because they not only aim to preserve the income of those who have involuntarily lost their jobs, but also to encourage their return to the labour market through activation policies; these activation policies are often overshadowed in times of crisis when shortterm interventions take precedence. Focusing on employment policies during the COVID-19 pandemic helps to untangle these shifting policy priorities.

Following an explanation of the methodology adopted for assessing the EPSR's results, the first part of this article focuses on the implementation of the EPSR before the pandemic (section 2). Next, this article will assess the EPSR's achievements during the pandemic until today (section 3), as well as the Action Plan for implementing the EPSR and its followup thus far (section 4). The article concludes by offering remarks on whether the EPSR implementation has changed considerably in light of the COVID-19 pandemic, and discussing whether these changes have slowed or impeded its implementation in the post-pandemic period. Solutions for possible improvement will also be suggested.

1.1. Methodology

This section describes the methodological approach to assessing the outcomes of the EPSR. In the view of the previous Commission⁵, the initiatives (Recommendations, Communications, Directive, proposals of Directives, etc.) that initiated at the start of the Juncker presidency and which might be seen as consistent with the EPSR's principles should be considered as resultant impacts of the EPSR's implementation (regardless of whether these initiatives were developed previously or not). This way of reporting the EPSR's outcomes has raised doubts as to whether its results essentially consisted of a repackaging of previous initiatives (without actually offering material or novel contributions toward the strengthening of the social rights

⁵ EC, Social Priorities Under the Juncker Commission, November 2019, https://ec.europa.eu/commission/presscorner/detail/en/FS_19_6552.

within the EU), or whether they actually constituted added value brought forth by the implementation of the EPSR⁶. It is therefore important to establish with which particular criteria an assessment of the outcomes of the EPSR might be made, from its inception until present day.

In order to address this issue and evaluate the ways in which the EPSR has been put into practice, this contribution will focus on three conceptual areas that have produced actual effects7. These areas may be instructive for further developments. One important aspect is how the EPSR has influenced the European institutions' practice to make decisions and orient policy (the "process"). In other words, this aspect enables one to assess whether the implementation of the EPSR has been supported by a genuine commitment of the European institutions in a way that permeates their decision making on a more fundamental level. This is relevant because economic policy plays a greater role in the EU than employment policy, and is also due to broader legislative competences in the first field. Another important field of analysis touches on how the EPSR has impacted the management of EU resources (the "resources"). This is crucial in order to verify whether the European Institutions create the actual conditions for implementing the EPSR. An investment of European resources not only helps to support those MSs with fewer resources available to realise the EPSR, but also to convince more reluctant MSs by providing a convincing source of support. Finally, another area of concern is whether the political and legal framework (the "framework") offers adequate conditions to implement the EPSR: the existing EU legal acquis could reinforce - and be reinforced by - the implementation of the EPSR; whether the EU legal competence in the social sphere is enough8; or whether the policy responses to structural problems are stable or only una tantum⁹; etc. This is relevant in order to possibly support the implementation

⁶ GARBEN, The European Pillar of Social Rights: An Assessment of its Meaning and Significance, in CYELS, 2019, n. 21, pp. 101-127.

⁷ Other analysis of the EPSR's outcomes pre- and post-pandemic have chosen to take into consideration other aspects, *e.g.* URQUIJO, *The Implementation of the European Pillar of Social Rights (EPSR) in the Post-Pandemic Era*, in *RJEA*, 2021, n. 21, pp. 85-84, which focuses, instead, on the economic situations and economic coordination.

⁸ As we will discuss on the basis of SCHARPF, *The asymmetry of European integration, or why the EU cannot be a "social market economy"*, in SER, 2010, n. 8, pp. 211-250.

⁹ As these authors try to investigate: BLOCK, KRITIKOS, PRIEM, STIEL, Emergency Aid for Self-Employed in the COVID-19 Pandemic: A Flash in the Pan?, in DP DIWBerlin, 2020, n. 1924.

of the EPSR with a more suitable legal framework than the one that is currently in place, especially if the framework does not adequately support the realisation of the rights described in the EPSR.

After sketching out the EPSR's outcomes along these conceptual lines both before and after the pandemic, this contribution will look at European employment policies as conceived by the Action Plan for implementing the EPSR. Although for the sake of completeness the analysis should cover the entire content of the EPSR, this article focuses on the aspect of employment policies for the reasons already explained in the introductory part of this article. In order to do this, the main proposals regarding active and passive policies will be considered in light of the framework described so far. This provides a particularly interesting perspective of policies that are able to capture the dual dynamics of social rights (i.e. that are both protective and proactive), and, at the same time, explore the impacts of the pandemic on a policy area that is particularly affected in times of crisis.

2. The pre-pandemic results of the EPSR

In November 2019, in the immediate period before the outbreak of the COVID-19 pandemic, the Commission published a report with the progress that has been achieved thus far in implementing the EPSR ¹⁰. The report highlighted several initiatives that had been promoted by the Commission: some of these efforts had resulted in directives, such as in the case of the Work-life Balance Directive¹¹ and the directive on Transparent and Predictable Working Conditions¹², while others were still under discussion¹³.

Further, although some directives do not necessarily refer to the com-

 $^{^{\}mbox{\tiny 10}}$ Https://ec.europa.eu/info/sites/default/files/social_priorities_juncker_commission_en.pdf.

 $^{^{\}rm II}$ Dir. 2019/1158 of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU.

 $^{^{\}rm 12}$ Dir. 2019/1152 of 20 June 2019 on transparent and predictable working conditions in the European Union.

¹³ The Pay Transparency directive's proposal: COM(2021) 93 final. However, on 15 December 2022 a political agreement reached between the European Parliament and the Council on the Directive on pay transparency measures: https://ec.europa.eu/commission/presscorner/detail/en/IP_22_7739, the Platform work directive's proposal: COM(2021) 762 final.

mon understanding of social rights, they were adopted with the aim of achieving coherence with the EPSR, and consequently could be considered as its outcomes. Indeed, the Electricity directive (Directive (EU) 2019/944) can be linked, according to Garben¹⁴, to the implementation of the EPSR – in particular, to principle 20 of the EPSR, "Access to essential services", according to which everyone has the right to access essential services of good quality. Additionally, in line with the idea of creating an EU where people and services can move freely without prejudice to social rights, the Posting of Workers Directive was revised¹⁵ in order to better facilitate the circulation of workers throughout EU while also ensuring workers' rights. The Commission also elaborated a proposal for a Council Recommendation (COM(2018) 132 final), in order to provide non-standard workers and the self-employed with social security schemes and to take measures allowing them to build up adequate social benefits.

2.1. The process to implement the EPSR

Between its introduction until the outbreak of the pandemic, the EPSR demonstrated a capacity to catalyse the attention of policy makers, to impact the guidelines addressed to MSs in planning economic, social and employment reforms, and to confer within its mechanisms a relevant role to social partners.

The implementation of the EPSR must be seen in light of the European Semester, which is the most relevant process for delivering EU policies, and which consists of interconnected actions or steps taken at the EU level¹⁶; this is a complex procedure focused on economic matters, but also contains employment guidelines which impact the social sphere. After the first period of its introduction – as a tool used to implement austerity policy for addressing the financial crisis started at the end of 2008 – the European Semester embarked on a process of "socialisation" meaning that it started to recognise a special attention to the social dimension.

¹⁴ GARBEN, cit.

¹⁵ Dir. 2018/957 of 28 June 2018 amending dir. 96/71/EC concerning the posting of workers in the framework of the provision of services.

 $^{^{16}}$ HACKER, BJÖRN, A European Social Semester? The European Pillar of Social Rights in practice, in ETUI-REHS WP, 2019.

¹⁷ ZEITLIN, VANHERCKE, cit., pp. 149–174.

Since 2017, the priorities of the EPSR have been integrated into the European Semester and within the new Employment Guidelines, including a set of new goals, such as the need to ensure adequate minimum wage levels and the need to tackle unemployment and inactivity, together with tailor-made assistance supporting job seekers, training and requalification schemes, and similar initiatives. Such goals are based in particular on the need to eliminate barriers to participation to society, including mechanisms supporting career progression, equality between men and women, fighting undeclared work, fostering the transition towards open-ended forms of employment, and preventing precarious working conditions. Such elements showed an awareness of the interventions needed to guarantee an adequate minimum level of decent living and working conditions, and were not limited to considering social measures not only as a functional component of a fair market (although they were indispensable to it), but as measures valuable in and of themselves, independent from their economic significance.

Further priorities of the EPSR were embraced both by the European Semester and the new Employment Guidelines¹⁸, such as guaranteeing access to essential services (including water, sanitation, energy, transport, financial services, digital communications, etc.), together with adequate social housing assistance and the right to affordable health care (including establishing access to long-term care of good quality). The European Semester did not just embed the EPSR's goals, but it also highlighted the need that MSs should ensure timely and meaningful involvement of social partners in the design and implementation of economic, employment and social reforms and policies¹⁹. This aspect was considered to be particularly important, since social partners should play a crucial role in implementing the EPSR, together with MS and European institutions. In this way, according to the Commission, the European Semester of policy coordination put "social considerations on par with economic ones in all its core activities"²⁰.

Also notable was the European Semester's adoption of social scoreboard indicators to measure the EPSR's achievements, which would have provided

¹⁸ COM(2017) 677 final.

¹⁹ SABATO ET AL., Implementing the European Pillar of Social Rights: What is Needed to Guarantee a Positive Social Impact, European Economic and Social Committee, Brussels, 2018.

²⁰ EC, Future of Europe, Factsheets on the Commission's 10 priorities o7 May 2019 #EU-Road2Sibiu, https://ec.europa.eu/info/sites/default/files/euco-sibiu-factsheets-commission-10-priorities_en_0.pdf, p. 21.

EU and the MSs' institutions and social partners with a valuable tool to measure the results of associated policies. However, the EPSR social scoreboard coexisted with previous indicators²¹ running the risk of creating confusion. Further, the adoption of the new indicators created some concerns in the European Trade Union Institute (ETUI): they were not discussed with social partners and other civil society representatives, denying their role in this matter; in this case, moreover, such indicators were considered insufficient because of the lack of monitoring activity for four EPSR's principles. Hence, they did not monitor principle 7 ("right to information about employment conditions and protection in case of dismissals"), principle 8 ("right to social dialogue and involvement of workers"), principle 10 ("right to healthy, safe and well adapted work environment and data protection") and principle 12 ("right to social protection and lack of agreement")²².

With respect to specific country recommendations, difficulties were encountered in translating those goals within the specific domestic context, in part due to their general descriptive character. According to some authors²³, such inefficiencies were also due to a lack of available resources at the domestic level because of the restrictions imposed by the European Semester, which limited the MSs' capacity to deliver the EPSR. Thus, a dissonance can be observed between the declarations of principle of the European Semester, which recognised the crucial role of the EPSR, and the actual measures it put in place, which place tight economic constraints on the realisation of the EPSR.

Nevertheless, the EPSR has provided some interesting outcomes, especially from the perspective of a key-bond to avoid the further weakening of social rights. In this sense, Garben²⁴ points out the crucial role the EPSR played in relation to the EU Better Regulation Agenda²⁵, which aims to sim-

²¹ SEBASTIANO, CORTI, *The Times They are A-changing'? The European Pillar of Social Rights from Debates to Reality Check*, in VANHERCKE, GHAILANI, SABATO (eds.), *Social Policy in the European Union: State of Play*, European Trade Union Institute (ETUI) and European Social Observatory (OSE), Brussels, 2018, pp. 51-70.

²² GALGÒCZI et al., The Social Scoreboard Revisited, Background Analysis, in ETUI, 2017, n. 3.

²³ Sebastiano, Corti, cit.

²⁴ GARBEN, cit.

²⁵ Communication EC, Better Regulation for Better Results: An EU Agenda, COM (2015) 215 final, SDW (2015) 111 final; Communication EC, EU Regulatory Fitness, COM (2012) 746 final

plify EU legislation. Hence, the EPSR sought to avoid that the Better Regulation Agenda could be used for unintended purposes, such as "deregulation in the interests of business"²⁶, by compiling the various disagreements expressed by different stakeholders. In particular, on the basis of the EPSR's goals, several civil society groups expressed their concern against an orientation toward deregulation, stressing that simplification doesn't necessarily entail deregulation and that the social *acquis* must be guaranteed.

The EPSR also brought to fruition the work of the European Labour Authority (ELA)²⁷, which was formed in 2019 and will become fully operational by 2023. This agency is considered a key institution for implementing the EPSR, especially from a cross-border²⁸ perspective, in the sense that it aims to facilitate access to information on rights and obligations regarding labour mobility across the Union, as well as with regard to relevant services. Further, it is particularly relevant in terms of "processes" able to be developed at the EU-level because it should facilitate and enhance cooperation between MSs in the enforcement of relevant EU law across the Union, including facilitating concerted and joint inspections, which are extremely relevant in guaranteeing social rights effectiveness, as well as in tackling undeclared work.

In November 2019, the Commission assessed around 42 initiatives made at the EU level, the majority of which were still in progress at that time²⁹. Such initiatives focused on four main domains, which the Commission defined as the following: (1) "asserting shared values: establishing a European Pillar of Social Right", including for example the Presentation of the Social Scoreboard to monitor Member States' progress³⁰; (2) "Mainstreaming social priorities: acknowledging the social dimension in all policies": aiming at

²⁶ GARBEN, *cit.*, p. 17.

²⁷ Regulation of the European Parliament and of the Council establishing a European Labour Authority, amending Regulations (EC) No 883/2004, (EU) No 492/2011, and (EU) 2016/589 and repealing Decision (EU) 2016/344, Brussels, 24 May 2019.

²⁸ Within a cross-border perspective, however, the meaning of "fair mobility" has been differently interpreted by trade unions and employers organisations, together with an ambiguous position of the ELA at this regard: MICHEL, MICHON, *The European Labour Authority and the shaping of "fair mobility"*. The ambiguities of a regulatory agency in achieving the European labour market, in MICHEL, MICHON (eds.), *The EU's Government of Worker Mobility*, Routledge, 2022.

²⁹ Https://ec.europa.eu/info/sites/default/files/social_priorities_juncker_commission_en.pdf.

³⁰ Https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/maintenance.

making social priorities cutting all the EU policies, which concerned for example the Investment Plan for Europe, the European Fund for Strategic Investments³¹; (3) "Renewing and modernizing social legislation," aimed at adapting the 'social acquis' to the needs of today's world of work, including for example the on transparent and predictable working conditions in the EU³²; (4) "Fair and enforceable rules on labour mobility", to strengthen labour mobility by establishing clear and fair rules, including for example the posting of workers in the framework of the provision of services³³; (5)"Investing in Youth and Skills", with the aim of investing in human capital and in youth's future, for example by maximising the European Social Fund³⁴, with a focus on social inclusion, education and skills and employment; and (6) "Relaunching social dialogue", including for example the Quadripartite agreement to strengthen the European social dialogue in the EU's policy making process³⁵.

However, even if the pandemic would have broken out only a few months later, it was clear that the EPSR was a long way from being achieved in full. Therefore, although limited economic resources were initially devoted to the EPSR (and, as I discuss, have since been increased), in its first phase of adoption it may be said to have had a demonstrably positive impact on the EU Semesters and EU guidelines discourse, while also achieving the creation of important institutions such as the ELA.

2.2. The resources to implement the EPSR

Alongside regulatory schemes, both national level and EU-level resources are necessary for the implementation of the EPSR. In pre-pandemic times, a new version of the European Social Fund (ESF) was created. This new fund, the ESF Plus, was the result of a merging of existing funds: the ESF, the Youth Employment Initiative (YEI), the Fund for Aid to the Most Deprived (FEAD), the EU Programme for Employment and Social Innova-

³¹ Https://ec.europa.eu/commission/presscorner/detail/en/IP_14_2128.

³² Https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019L1152.

³³ Https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018L0957.

³⁴ Https://ec.europa.eu/european-social-fund-plus/en.

³⁵ Https://op.europa.eu/en/publication-detail/-/publication/2d1df4a6-66ae-11e7-b2f2-01aa7sed71a1.

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tion (EaSI) and the EU Health programme. The creation of ESF Plus aimed at providing a strong tool for the achievement of the EPSR's goals, with a budget of € 99.3 billion for the period 2021-2027.

A budget of 50 million Euro was also set to be devoted for the ELA's creation and development.

In a first phase of the EPSR's introduction, few economic resources seemed to be available for its effective implementation. However, after approximately one year from its proclamation, the situation started to change and the EU budget and funds began to be oriented for achieving the EPSR's goals.

2.3. The framework within which the EPSR is implemented

The EPSR defines the EU social goals for the future. In this sense, the EPSR can be considered as a tool capable of channelling both the efforts of MSs and European institutions, as well as trade unions and organisations representing civil society. The EPSR also contributed to the circulation of different kinds of narratives within labour and social law; that is, moving from a market-centred perspective to a human rights-centred view. This is exemplified by the Green Paper "Modernising labour law to meet the challenges of the 21st century", which viewed labour problems primarily from a labour market perspective. In contrast, the Pillar is presented as a declaration of rights that focuses on the individual as a whole, rather than just as a participant in the market. The EPSR not only highlights the social rights prioritised by the EU, but also represents a possible cultural development in the EU approach to addressing contemporary social issues. This article contributes to the understanding of the outcomes of the EPSR (i.e. directives, recommendations, etc.), and the extent to which broader societal issues influence these outcomes.

The Commission of Ursula von den Leyen, appointed from I December 2021, has not only kept the EPSR as a relevant aspect of its political discourse, but it has closely connected it – and apparently subordinated – to the sustainable development policy (discussed further in the next section)³⁶.

³⁶ Communication EC, The European Green Deal, COM(2019) 640 final.

3. The EPSR from the start of the pandemic till nowadays

On 11 March 2020, the World Health Organization declared the outbreak of a global pandemic. Several MSs found themselves inadequately prepared to respond to the COVID-19 emergency³⁷: while they adopted measures to contain and reduce the spread of the virus, the health and safety conditions for workers were problematic to guarantee from the outset. Employers implemented flexible mechanisms, including home office modalities, in order to reduce workers' exposure to the virus and to keep on working despite the slowed economic forecast. Nevertheless, numerous companies have not been able to survive the economic downturn and have had to shut down their operations or furlough workers due to suspended contracts and projects. Many companies drastically reduced employees' working time, and national systems granted unemployment benefits to those who were qualified to access them³⁸. However, not all workers could receive these protections, especially precarious workers and self-employed persons such as artists and entertainers; moreover, self-employed persons carrying out activities in more heavily affected economic areas were also disproportionately affected because of the double negative consequence of having no job and no possibilities to access unemployment benefits³⁹. The pandemic demonstrated the structural problems of the MSs' welfare systems, which needed to be adapted to the new world of work, change already envisaged by the EPSR (principle 12)40.

³⁷ CASQUILHO-MARTINS, BELCHIOR-ROCHA, Responses to COVID-19 Social and Economic Impacts: A Comparative Analysis in Southern European Countries, in SocSciJ, 2022, vol. 11, n. 36, https://doi.org/10.3390/socsci11020036; CANTILLON, SEELEIB-KAISER, VAN DER VEEN, The COVID-19 crisis and policy responses by continental European welfare states, in SocPolAdm, 2021, n. 55, pp. 326–338.

³⁸ In the EU, the number of hours worked decreased by 3.7% in the Euro Area and by 2.8% in the EU in the first quarter of 2020, compared to the previous quarter. The decrease of working hours has affected more women than men. Eurofound, *Living, working and COVID-19*, in *COVID-19 series*, Publications Office of the European Union, Luxembourg, 2020.

³⁹ This happened in several EU Member States: FANA et al., *The COVID Confinement Measures and EU Labour Markets*, Publications Office of the European Union, Luxembourg, 2020.

⁴⁰ Principle n. 12, European Pillar of Social Rights: "Social protection. Regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to adequate social protection".

3.1. The process of implementing the EPSR

The EU institutions took prompt action in developing a strategy to cope with the impacts of the pandemic⁴¹. First, the time designated for negotiations, which would normally have taken several months before arriving to a decision, drastically decreased. Additionally, the EU interventions consisted not only of mitigating the EU budget rules and making European structural and investment funds more flexible, but also in setting new tools and launching a European recovery plan⁴².

Some directives that were relevant to the EPSR were adopted following the pandemic (e.g. for minimum wage⁴³) and reached important stages (e.g. for pay transparency⁴⁴); however, other initiatives remain in the form of directive proposals (e.g. platform work⁴⁵) or recommendations proposals (e.g. minimum income⁴⁶).

However, Vanhercke, Spasova and Fronteddu highlight that the "Re-

- ⁴¹ THOLONIAT, Next Generation EU: un plan de relance européen ambitieux, in Confrontations Europe, 2020, n. 129, pp. 16–17. Http://confrontations.org/wp-content/uploads/2020/09/Confrontations-Revue-129Impression_16-17-Tholoniat.pdf; GRASSO ET AL., The impact of the coronavirus crisis on European societies. What have we learnt and where do we go from here? Introduction to the COVID volume, in EurSoc, 2021, n. 23.
- ⁴² VANHERCKE, SPASOVA, FRONTEDDU, Conclusions. Facing the Economic and Social Consequences of the Pandemic: Domestic and EU Responses, in VANHERCKE, SPASOVA, FRONTEDDU (eds.), Social policy in the European Union: state of play, ETUI, 2020, p. 166: https://www.etui.org/sites/default/files/2021-01/10-Conclusions-Facing%20the%20economic%20and%20social%20consequences%20of.pdf See also: VANHERCKE et al., From the European Semester to the Recovery and Resilience Facility. Some social actors are (not) resurfacing, ETUI, Brussels, 2021, 48 p, https://www.etui.org/publications/european-semester-recovery-and-resilience-facility.
- ⁴³ The Council adopted the directive on adequate minimum wages on 4 October 2022: https://www.consilium.europa.eu/en/press/press-releases/2022/10/04/council-adopts-eu-law-on-adequate-minimum-wages/.
- ⁴⁴ However, on December 2022 a political agreement was reached between the European Parliament and the Council on the Directive on pay transparency measures: https://ec.europa.eu/commission/presscorner/detail/en/IP_22_7739. On 30 March 2023, the European Parliament approved the new EU Pay Transparency Directive: https://www.consilium.europa.eu/en/press/press-releases/2023/04/24/gender-pay-gap-council-adopts-new-rules-on-pay-transparency/.
- ⁴⁵ Proposal for the directive of the European parliament and of the council in improving working conditions in platform work, COM(2021) 762 final, Brussels, 9.12.2021.
- ⁴⁶ Proposal for a Council Recommendation On adequate minimum income ensuring active inclusion, COM(2022) 490 final, Brussels, 28.9.2022.

covery and Resilience Facility" (RRF) – a new European tool which entered into force in February 2021 to mitigate the economic and social impact of the Covid-19 pandemic and to implement the Next Generation EU recovery instrument – is impacting the European Semester and changing the way European policy has developed in the last decade. In general, "it would seem that with the creation of the RRF, much of the 'territory' gained by social affairs players over the past decade is now being contested"⁴⁷.

This is not only because the RRF is based on bilateral dialogue between the Commission and MSs (rather than on multilateral surveillance between MSs) – but also because it will be managed by the so-called Recovery Task Force (RECOVER), a new body introduced with this goal, together with the Directorate General for Economic and Financial Affairs (DG ECFIN). Instead, the Directorate General of Employment, Social Affairs, and Inclusion (DG EMPL), which in the past could achieve a prominent role in the European Semester process⁴⁸, has lost such a role within the RRF.

Further, although the EU Commission encourages MSs to favour dialogue with social partners, no specifications are made in the RRF as to how to clarify how these stakeholders should play a role in the implementation of recovery and resilience plans⁴⁹. In this regard, the ETUI highlighted the lack of a robust reference to the EPSR and to the social goals as a whole, both in the Recovery Plan and in the EU's Multiannual Financial Framework (MFF) for 2021–2027⁵⁰. Additionally, it was also noted that there was a lack of guarantees for the proper involvement of social partners in the "design and implementation of the investment priorities or in the monitoring of results"⁵¹.

It seems, therefore, that the demonstrated responsiveness of EU deci-

⁴⁷ VANHERCKE, SPASOVA, FRONTEDDU, cit., p. 168.

⁴⁸ Zeitlin, Vanhercke, cit.

⁴⁹ However, the Commission evaluates positively the efficacy of social dialogue and the social partners' impact in adapting to the crisis situation, not highlighting the need to clarify their role. Employment and Social Developments in Europe Towards a strong social Europe in the aftermath of the COVID-19 crisis. EC, *Reducing disparities and addressing distributional impacts*, DG Employment, 2021.

⁵⁰ ETUC, MFF and recovery plan: the ETUC demands reinforcement of social partners involvement, Press release, 5 August 2020, European Trade Union Confederation. https://www.etuc.org/en/pressrelease/mff-and-recovery-plan-etuc-demands-reinforcement-social-partnersinvolvement.

⁵¹ Vanhercke, Spasova, Fronteddu, cit., p. 165.

sion-making has silently relegated the role of the social dimension to the background over the last several years. Additionally, other important goals – not only those directly concerning social rights – have been placed at the top of the European political agenda, undermining the catalytic role which the EPSR played in its inception phase. In particular, measures directed at curbing climate change and managing the digital transition with the aim of achieving sustainable development are now playing a central role both in the RRF, and in the European Semester. These measures may provide conditional access to available resources which are devoted not only to implement the EPSR, but also for initiatives related to sustainability.

The RRF makes available €723.8 billion (in current prices) in loans (€385.8 billion) and grants (€338 billion) to MSs in order to both mitigate the economic and social impact of the coronavirus pandemic and to support the digital and green transition⁵². In order to access such resources, MSs will have to present Recovery and Resilience Plans, in the directions of orienting their policies towards specific sustainable development flagships. It is therefore a very impactful instrument because MSs can access RRF resources only insofar as their policies have a proven orientation to the flagship policies set at EU level. However, its range of actions seems to be broader than the achievement of the EPSR, because it is based on the concept of sustainable development. How these two domains (i.e. the social and the environmental) will interact (or not), and how these dimensions will be balanced by the EU institutions and by the MS in their respective national development plans, will only become evident over the next years.

Within such a context, on 4 March 2021 the Commission launched an Action Plan with the aim of implementing the EPSR in response to the new complexities generated by the pandemic. With the Action Plan, the Commission aimed to support MSs, social partners and other relevant stakeholders as key actors with the capacity to implement the EPSR and to achieve "a strong social Europe for just transitions and recovery" 53. With the Porto declaration on May 2021, the Council of the EU proclaimed their determination "to continue deepening the implementation of the EPSR at EU and national level," and referred to the Action Plan for "useful guidance

 $^{^{52}}$ Https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility_en.

⁵³ EC, The European Social Rights Action Plan, 2021, p. 5.

for the implementation of the EPSR, including in the areas of employment, skills, health, and social protection"54.

However, in spite of the Porto declaration, the Action Plan needs effective and direct access to economic resources in order to improve social rights and make progress in the implementation of the EPSR. In this sense, according to the ETUI, the coordination of the EU funds, the RRF and the EU Semester should be improved⁵⁵.

3.2. Resources for implementing the EPSR

The EU mobilized considerable economic resources to tackle the pandemic's effects. However, according to some scholars, the generally limited capacity of MSs to manage structural investment funds, together with the exceptional considerable amounts of EU resources devoted to public investments could raise doubts as to the effective management of the available funds³⁶. In a couple of years, we will be able to assess whether such funds have been effectively and entirely used; however, some data are already available concerning their allocation³⁷.

In terms of passive labour market policies, the temporary Support to mitigate Unemployment Risks in an Emergency (SURE) was one of the first interventions adopted to cope with the crisis. The measure was only one part of a broader package which immediately provided more than half a trillion euro to support workers, small businesses and MSs' economies, and through May 2021 provided nearly €90 billion in back-to-back loans to support short-time work schemes and similar measures within SURE⁵⁸. Additionally, the Cohesion Policy funding and the EU Solidarity Fund have

- ⁵⁴ CoEU, *The Porto Declaration*, 08/05/2021, p. 1: https://www.consilium.europa.eu/en/press/press-releases/2021/05/08/the-porto-declaration/pdf.
- ⁵⁵ ETUC Resolution adopted: European Pillar of Social Rights Action Plan, the Future of Social Protection, adopted on 23.06.2022: https://www.etuc.org/en/document/etuc-resolution-adopted-european-pillar-social-rights-action-plan-future-social-protection.
- 56 ALCIDI, GROS, FRANCESCO, Who Will Really Benefit From the Next Generation EU Funds?, CEPS, Brussels, 2020.
- ⁵⁷ Https://commission.europa.eu/strategy-and-policy/recovery-plan-europe_en#-the-beneficiaries and https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility_en.
- ⁵⁸ Https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-co-ordination/financial-assistance-eu/funding-mechanisms-and-facilities/sure_en.

been mobilized in the Coronavirus Response Investment Initiative to provide financial support to MSs for their immediate response to the Coronavirus crisis and its long-term impact⁵⁹. The Next Generation EU⁶⁰— the new recovery package — brought relevant modifications to the long-term EU budget. In total, € 1.85 trillion have been devoted to support the EU's economy. In total, the EU's recovery package amounts to € 2 364.3 billion⁶¹. Also, with its € 99.3 billion for the 2021–2027, the ESF Plus remains one of the main instruments for investing in people in the fields of employment, social, education and skills policies, including structural reforms in these areas.

However, as already mentioned in the previous subsection (3.1.), according to the ETUI⁶², an effort to coordinate EU funds, the RRF and the EU Semester is necessary for guaranteeing effective results of the Action Plan. Indeed, to ensure the success of the Action Plan the ETUI Resolution "European Pillar of Social Rights Action Plan, the Future of Social Protection 2022" calls for "a more coordinated and consistent alignment among the different EU policies, legislative and financial frameworks – Cohesion funds, the RRF, the EU Semester – with the social objectives of the EPSR and interventions to meet them"⁶³.

Moreover, the ETUI believe that national resources should also be used to this end, and not only when this would prevent economic growth.

The RRF regulation states that the implementation of the European Pillar of Social Rights should be achieved through national reforms and investments as indicated by the Country Specific Recommendations of the European Semester⁶⁴. However, the RRF only provides guarantees in in-

- 59 Https://ec.europa.eu/regional_policy/en/newsroom/news/2020/03/16-03-2020-co-hesion-policy-and-eu-solidarity-fund-contribute-to-the-coronavirus-response-investment-initiative
- 60 Communication EC, Europe's moment: Repair and Prepare for the Next Generation, COM (2020) 456 final. €750 billion recovery effort are devoted in July 2020 to the Next Generation FII.
 - ⁶¹ Https://www.consilium.europa.eu/en/infographics/recovery-fund-eu-delivers/.
- ⁶² European Pillar of Social Rights Action Plan, the Future of Social Protection, ETUC Resolution adopted on 23.06.2022. Https://www.etuc.org/en/document/etuc-resolution-adopted-european-pillar-social-rights-action-plan-future-social-protection.
- 63 Https://www.etuc.org/en/document/etuc-resolution-adopted-european-pillar-social-rights-action-plan-future-social-protection.
- ⁶⁴ GROSSI, BRADY, RAYNER, PEDJASAAR, *The European Pillar of Social Rights: Five years on*, European Policy Center, Discussion Paper, 20 December 2022, p. 9.

stances where national recovery and resilience plans are effectively consistent with the EPSR's goals. No social conditionality clauses apply to the RRF, and there is no minimum investment for achieving social goals. Instead, Member States have to devote specific percentages of resources for other policies (37% of their expenditure in the climate and 20% of their expenditure in the digital transitions)⁶⁵.

3.3. The framework within which the EPSR is implemented

In looking at how the implementation of EPSR has developed in the period from the pandemic until today, there are a few issues of note addressed in this section. The first concerns the way the EU and the MSs supported the self-employed and precarious workers throughout the pandemic with temporary interventions. A further aspect regards the context of contradictions and tensions in setting and assigning EU funds. Last but not least, a crucial issue that can no longer be postponed and which seems to be decisive in determining the fate of the EPSR: the legal competences of the European Union in the social field.

During the pandemic, several MSs adopted social protection measures and benefits for the first time to combat unemployment for autonomous, freelance or self-employed workers. From a human rights perspective, this situation could have been ideal for introducing stronger protections against unemployment in a structural manner at the EU level⁶⁶; as Next Generation EU highlighted, "the crisis is a test for our social protection systems and necessary investments need to fill the gaps in coverage that have become apparent in the crisis, for instance for those self-employed"⁶⁷. Such a scenario would have been consistent with principle 12 of the EPSR, according to which "regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to adequate social protection". However, a possible stabilisation of the meas-

⁶⁵ GROSSI, BRADY, RAYNER, PEDJASAAR, cit., p. 9.

⁶⁶ At the same time, it must be acknowledged that this may not have been ideal for Member States from an economic perspective, especially given the recent challenges that MS faced in recovering from the 2008 financial crisis.

⁶⁷ Communication EC, Europe's moment: Repair and Prepare for the Next Generation, COM (2020)456 final. €750 billion recovery effort are devoted in July 2020 to the Next Generation EU, p. 11.

ures taken to combat unemployment for autonomous, freelance or self-employed workers is certainly an aspect to be carefully assessed from the point of view of economic sustainability in each Member State. Thus, in order to face the pandemic, MSs and the EU preferred to adopt *ad hoc* measures, which intervened in different sectors to address economic and social difficulties, including reserving and allocating resources devoted to protecting the economy and supporting the unemployed⁶⁸.

Therefore, while the EU and MSs' political strategies to tackle the pandemic's effects marked a change in comparison with the austerity policies adopted during the first stage of the 2008 financial crisis, it is nevertheless questionable whether *una tantum* measures could be sufficient to ensure that MSs might be "resilient" in the long term⁶⁹. Being resilient is indeed a EU political goal, also linked to the concept of sustainability, where "resilience is the ability not only to withstand and cope with challenges but also to undergo transitions in a sustainable, fair, and democratic manner"⁷⁰. Being more resilient would need for intervention to support precarious workers and the self-employed in case of lack of work. This would also imply to support weakener MSs in difficulties.

However, in assigning the available resources to address the crisis, the recovery plan "Next Generation EU" ended up supporting countries such as France and Germany⁷¹ instead of the low-income countries, since criteria focused on the country's size and the relative reduction in GDP⁷². The first tranche of the "Next Generation EU" (70% of grants) was exclusively based

⁶⁸ SEEMANN et al., Protecting livelihoods in the COVID-19 crisis: A comparative analysis of European labour market and social policies, in GlobSocP, 2012, vol. 1, n. 19; DEVETZI, STERGIOU (eds.), Social security in times of corona a legal comparison of selected European countries, Sakkoulas Publications, 2021; Eurofound, COVID-19: Policy responses across Europe, Publications Office of the European Union, Luxembourg, 2020.

⁶⁹ VANDENBROUCKE et al., The European Commission's SURE Initiative and Euro Area Unemployment Re-Insurance, VoxEU: Research-based Policy Analysis and Commentary from Leading Economists, CEPR, 2020.

⁷⁰ Communication EC, 2020 Strategic Foresight Report, Strategic Foresight - Charting the Course Towards a More Resilient Europe, Brussels, 9.9.2020 COM(2020) 493 final.

⁷¹ DARVAS, *Having the Cake, but Slicing it Differently: How is the Grand EU Recovery Fund Allocated?*, Blogpost, 23 July 2020. https://www.bruegel.org/2020/07/having-the-cake-howeu-recovery-fund/.

⁷² ARMINGEON, DE LA PORTE, HEINS, SACCHI, Voices from the past: economic and political vulnerabilities in the making of next generation EU, in CEuPs, 2022, n. 20, p. 146.

on pre-crisis economic conditions; however, the second tranche (30% of grants) focused on GDP, in addition to population size and GDP per capita. While the GDP criterion used for the "Next Generation EU" does not respond to an insurance criterion because these resources benefit all the Member States⁷³ – not only the Member States which are most contributing to the EU budget – a greater effort towards solidarity could also have been made for the second tranche towards those countries most affected by the pandemic⁷⁴.

4. The EPSR Action Plan and the European Employment Policies

The Commission adopted the EPSR Action Plan on 4 March 2021, with the aim of turning the EPSR's principle into actions. Within this framework, we focus in this section on recent European employment policy initiatives to implement the EPSR in the post-pandemic period, and on the outcomes these initiatives are currently producing.

In particular, we look at the goals set by the Action Plan, on the Commission's commitments to meet those goals, and on the corresponding follow up. With the Action Plan, the Commission encouraged MSs to take several national policies and actions, with the aim of guaranteeing effective employment policies for all, supporting involvement of social partners to ensure the information and consultation of workers during restructuring processes, encouraging entrepreneurship, and enhancing a strategic collaboration with industry, social partners and researchers; these initiatives were aimed at contributing to the Commission's work on industrial ecosystems.

The Action Plan sets three priority challenges, translated into three targets to be achieved by 2030. Setting such targets also means to provide an updated (post pandemic) tool to measure the results of the EPSR and implies the need to revise the Social Scoreboard. These challenges are discussed further in the sections below.

⁷³ FUEST, *The NGEU Economic Recovery Fund*, in *CESifo Forum*, 2021, n. 1, p. 6, https://www.cesifo.org/DocDL/CESifo-Forum-2021-1-fuest-NGEU-january.pdf.

⁷⁴ DARVAS, cit.

4.1. The first target: improving the number of people in employment

The first target focuses on improving the number of people in employment: in particular, it sets that at least 78% of the population aged 20 to 64 should be employed by 2030. This target should be achieved through policies aimed both at reducing the gender employment gap and supporting the participation of young people in the labour market, with a specific aim to decrease the rate of young people aged 15-29 who are neither employed nor undergoing education or training (NEETs) from 12.6% (2019) to 9%. Furthermore, other under-represented groups — e.g. older people, low-skilled people, persons with disabilities, those living in rural and remote areas, LGB-TIQ people, Roma people and other ethnic or racial minorities particularly at risk of exclusion or discrimination as well as those with a migrant background — should be enabled to participate in the labour market. Broadly, active employment policies aim to encourage people to re-enter the labour market, and therefore play a relevant role in the Action Plan for ensuring equality.

The Action Plan also devotes particular attention to youth employment policies, establishing that young people should be supported in finding stable job of high quality. Considerable resources have been dedicated to this goal, especially through the ESF Plus. In its New Industrial Strategy for Europe⁷⁵, the Commission invites MSs to devote at least EUR 22 billion to youth employment policies. The Youth Guarantee – introduced for the first time in 2013 to provide chances for training or working to young people⁷⁶ – is still presented as a relevant tool⁷⁷, having been reinforced in the last years (for example, its target group was extended to all young people under the age of 30). Further EU initiatives, although not envisaged by the Action Plan, have been adopted in the last years to boost youth employment, such as the EU Youth Strategy (2019–2027)⁷⁸, which highlighted the need for a European

⁷⁵ COM (2020) 102 final of 10 March 2020. See also: ALCIDI, BAIOCCO, CORTI, A Social Dimension for a New Industrial Strategy for Europe, in InterEcon, 2021, n. 3.

⁷⁶ Council Recommendation of 22 April 2013 on establishing a Youth Guarantee.

⁷⁷ Council Recommendation of 30 October 2020 on reinforcing the Youth Guarantee and replacing the Council Recommendation of 22 April 2013.

⁷⁸ Resolution of the Council of the European Union and the Representatives of the Governments of the Member States meeting within the Council on a framework for European cooperation in the youth field:The European Union Youth Strategy 2019–2027.

Youth Work Agenda, specifically addressing the problems introduced by the pandemic (gaps in education, inability to find work). Thus, the Council and the Representatives of the Governments adopted a Resolution on the Framework for establishing a European Youth Work Agenda 2020⁷⁹, encouraging further synergies within national and EU institutions.

Activation policies are presented by the Action Plan as necessary to create the conditions for the green and digital transition, and therefore represent a bridge between the EPSR and the Agenda for Sustainable Development. With the Action Plan, the Commission presents a Recommendation for Effective Active Support to Employment ("EASE")⁸⁰, setting the main guidelines to combine policy measures with available funding for job creation and job-to-job transitions in the digital and green sectors. Further, in the EASE Recommendation, the MSs are encouraged to foster a relationship between training initiatives and the labour market, which in turn should be guaranteed by the coordination and collaboration between different stakeholders.

From this perspective, the Action Plan highlights the activation policies' role in guaranteeing quality job creation, which in turn is necessary for sustainable development: specifically, the Action Plan mentions for the need for policies aimed at skill building, improvement of employment services and transition incentives.

The Action Plan emphasises apprenticeships and entrepreneurship as an example of measures that can support activation policies towards "new" policy solutions⁸¹. However, these measures have been common in activation policies for decades, with success depending more on the particularities of the labour market system (understood as interactions of the relevant stakeholders) than on the presence of the measure itself. According some authors, the EPSR "merely constitutes the latest stage in the development of the European Employment Strategy", although it has "...potential to be the platform for a proper Social Union"⁸². From a perspective of employment

⁷⁹ European Youth Work Agenda 2020, OJ C 415, 1.12.2020, pp. 1-8: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A42020Y1201%2801%29.

⁸⁰ EC Recommendation of 4.3.2021 on an effective active support to employment following the COVID-19 crisis (EASE), C(2021) 1372 final.

⁸¹ EC, *The European Pillar of Social Rights Action Plan*, 2021, p. 16: https://ec.europa.eu/social/main.jsp?catId=1607&langId=en.

⁸² ROGOWSKI, The European Employment Strategy, the European Social Pillar and their Impact

policies, several contents of the European Employment coordination – now part of the European semester – are still embedded in the EPSR (e.g. the importance of education, training and life-long learning; the need to support people to find a job both with social protection and training entitlements, employment services cooperation, etc). However, the EPSR is not only about employment policies and embedded a holistic rights-centre approach.

Two tools of the Action Plan seem to be particularly interesting, namely: the re-employment plans designed to support workers at risk of unemployment; and the prioritisation of investment in job skills, adopting a long-term perspective, necessary to ensure sustainable development. Regarding the activation of unemployed persons, the Action Plan highlights the importance of cooperating with employment services — which can be modernized through funds available from the EU — and of supporting dialogue between social partners in order to foster policies for economic transition and workplace innovation.

Further, the Action Plan points out the need to reinforce both companies and entrepreneurs as a way of encouraging employment and workers. As a part of the strategy to achieve such a goal, the Action Plan mentions the New Industrial Strategy and the Circular Economy Action Plan, both launched by the Commission in 2020⁸³ to support the twin transition to a green and digital economy, may also have the capacity to create new jobs and economic improvement. In this regard, the Commission committed itself to revise the Industrial Strategy, which was updated in May 2021⁸⁴. However, although the revised version of the Strategy affirms

on Labour Law Reform in the European Union, in IJCL, 2019, vol. 35, n. 3, pp. 1-2. See also: VAN-HERCKE, From the Lisbon strategy to the European Pillar of Social Rights: the many lives of the Social Open Method of Coordination, in VANHERCKE, GHAILANI, SPASOVA, POCHET (eds.), Social policy in the European Union 1999-2019: the long and winding road, Brussels, European Trade Union Institute (ETUI) and European Social Observatory (OSE), 2020.

⁸³ EC Communication, A New Industrial Strategy for Europe, COM(2020) 102 final, 10 March 2020: https://ec.europa.eu/info/sites/info/files/communication-eu-industrial-strategy-march-2020_en.pdf.

EC Communication, A new Circular Economy Action Plan For a Cleaner and More Competitive Europe, COM(2020) 98 final, 11 March 2020: https://eur-lex.europa.eu/legal-content/EN/-ALL/?uri=COM:2020:98:FIN.

⁸⁴ EC Communication, *Updating the 2020 New Industrial Strategy: Building a Stronger Single Market for Europe's Recovery*, COM(2021) 350 final, 5.5.2021: https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52021DC0350.

that "the EPSR has continued to be the EU and its Member States' compass in cushioning the social impacts", no further attention is devoted to the EPSR in this document.

4.2. The second target: increasing opportunities for training

The second target of the Action Plan is that by 2030, at least 60% of all adults should participate in training every year. As with the first goal, it is crucial that activation policies (including also training) be used in combination with passive labour market policies. In order to reach this second target, the Commission committed itself to adopt a very wide range of different recommendations and action plans. Within this picture, the Action Plan highlights that workers' employability needs to be improved, innovation boosted, social fairness ensured, and the digital skills gap closed, with particular attention to issues and barriers faced by disadvantaged groups and young people: training is a key element to achieve the just mentioned goals.

Training is particularly relevant in the context of activation policies: at this regard, the Action Plan, in referring to the training target, highlights that "skills are essential to equip people for the new green and digital jobs and help shield workers from unemployment"⁸⁵. At this regard, the Action Plan refers to the European Skills Agenda, according to which "Access to upand reskilling opportunities is vital for the tens of millions of workers propelled into short-time work or unemployment"⁸⁶. However, adequate resources should be made available as well. In this regard, the Action Plan highlights the possibility to access the ESF Plus, which was reinforced with a EUR 88 billion budget⁸⁷, the Erasmus+⁸⁸ and the European Regional Development Fund. Furthermore, the Recovery and Resilience Facility (see par. 4.4) can also support investment and reform in education and training policies.

⁸⁵ EC, *The European Pillar of Social Rights Action Plan*, 2021, p. 9: https://ec.europa.eu/social/main.jsp?catId=1607&langId=en.

⁸⁶ EC Communication, "European Skills Agenda for sustainable competitiveness, social fairness and resilience", COM(2020) 274 final, Brussels, 1.7.2020, p. 2: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0274.

⁸⁷ EC, The European Social Rights Action Plan, 2021, p. 23.

⁸⁸ Https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2317.

The Action Plan sets the additional goal of guaranteeing basic digital skills to at least 80% of those aged 16-74. Investing in skills is viewed by the Action Plan as a way to enable the digital transformation and ensure equality by providing opportunities for employment in a wider range of sectors. This strategy requires the implementation of adequate education and training systems, which are key for lifelong learning, employability and participation in society, and can reduce early school leaving and increase participation in upper secondary education. The Action Plan refers to the Digital Education Action Plan 2021-2027⁸⁹ as a way to develop a high-performing digital education ecosystem in the EU, ensuring access to digital skills which are especially needed. Adequate education and training systems are particularly important for guaranteeing the green transition: specifically, the Action Plan announces the Commission's intention to integrate biodiversity and ecosystems into education and training programs. In this sense, in January 2022, a Council Recommendation on learning for environmental sustainability was proposed by the Commission90.

The Commission encouraged MSs to foster initiatives to promote additional training by cooperating with stakeholders, developing comprehensive policies capable of ensuring access to quality education and by implementing the Recommendation on vocational education and training (VET) for sustainable competitiveness, social fairness and resilience⁹¹. This aspect is further developed by the Recommendation EASE, which notes that social partners' participation should be put at the core of developing the economic system and be linked to actual education and training needs. Hence, action on behalf of the MS and collaboration among different labour market stakeholders – including social partners – seem to be crucial to reaching the second target.

To improve rates of job skills acquisition, the Commission committed itself to three priorities.

⁸⁹ Digital Education Action Plan 2021–2027: https://education.ec.europa.eu/focus-top-ics/digital-education/action-plan.

⁹⁰ EC, Proposal for a Council Recommendation on learning for environmental sustainability, 14.1.2022, COM(2022) 11 final, 2022/0004(NLE): https://eur-lex.europa.eu/legal-content/-EN/TXT/?uri=CELEX%3A52022DC0011&qid=1647944342099.

⁹¹ Council Recommendation of 24 November 2020 on vocational education and training (VET) for sustainable competitiveness, social fairness and resilience 2020/C 417/01:https://eurlex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020H1202%2801%29.

First, it proposed a Transformation Agenda for Higher Education⁹². After the Action Plan's adoption, the Commission took action on multiple fronts⁹³, proposing a European strategy for universities and a Council Recommendation on building bridges for effective European higher education cooperation⁹⁴, together with further initiatives in the same direction⁹⁵. Second, an initiative was proposed to introduce Individual Learning Accounts, with a recommendation adopted at the Council Meeting on 16 June 2022⁹⁶. Third, the Commission proposed a European approach to micro-credentials for fostering lifelong learning and employability, issuing a recommendation which was adopted on 16 June 2022 by the Council of the European Union⁹⁷. Finally, it proposed a Skills and Talent package, launching the Talent Partnerships in June 2021.

With the Action Plan, the Commission also committed itself to review Council Recommendation on the Quality Framework for Traineeships, which concerns working conditions for the trainees, in 2022. This aspect seems particularly important to ensure that trainings are qualitatively good, *i.e.* labour market orientated and carried out according to adequate conditions in terms of adequate knowledge.

In the EPSR Action Plan, the Commission also announced its goal to adopt an Action Plan on Social Economy. Consequently, a document was presented on 9 December 202198, expressly anchored to the EPSR Action Plan's goals and programs.

The most important instrument to support target 2 is the ESF Plus. The ESF, before the merging with further funds, was already used to cope with the coronavirus pandemic and its economic fallout with a number of initiatives, including initiatives to favour access to employment for jobseekers and

- 92 EC Communication on achieving the European Education Area by 2025, COM/2020/625 final: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020-DC0625.
 - 93 Https://eurydice.eacea.ec.europa.eu/publications.
 - 94 Https://ec.europa.eu/commission/presscorner/detail/en/ip_22_365.
- $^{95}\,\mbox{Https://education.ec.europa.eu/education-levels/higher-education/about-higher-education.}$
- 96 Https://www.consilium.europa.eu/en/press/press-releases/2022/06/16/council-recommendation-on-individual-learning-accounts-to-boost-training-of-working-age-adults/.
 - 97 Https://education.ec.europa.eu/education-levels/higher-education/micro-credentials.
- 98 Https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=10117&furtherNews=yes#navItem-1.

inactive people (activation and training)⁹⁹. Then, as already mentioned, the ESF Plus was reinforced and can be accessed for supporting task 2, together with the Erasmus+, the European Regional Development Fund and the Recovery and Resilience Facility, as suggested by the Action Plan.

4.3. The third target: reducing the number of people at risk of poverty or social exclusion

The third target focuses on reducing the number of people at risk of poverty or social exclusion: such a reduction should reach at least a minimum of 15 million by 2030, at least 5 million of which should be children. To achieve this target and implement the EPSR, the Action Plan suggests fostering social inclusion and combating poverty, breaking the intergenerational cycles of disadvantage, guaranteeing minimum income schemes, access to affordable housing and to essential services of sufficient quality, promoting health and ensuring care, and making social protection fit for the new world. In doing this, the Action Plan seems to sign a change in respect to the previous policies: it includes, indeed, housing and services next to the typical social rights (e.g. right to work, right to training, right to unemployment benefits), and it deserves a particular attention to elderly and persons with disabilities. Further, the importance to minimum income schemes is equal to that one for other social rights.

Within the goal of making social protection fit for the new world, it is crucial to adapt social protections to a social context that has been considerably transformed over the last decades. In this regard, successful implementation of the EPSR needs an intervention on behalf of non-standard workers and the self-employed, consistent to the 2019 Council Recommendation on access to social protection ¹⁰⁰. In order to address the challenge of adapting social protection systems to the changed world of work, the Commission launched a High-Level Group working on the future of social protection and of the welfare state in the EU¹⁰¹, as announced in the Action Plan. The

⁹⁹ European Social Fund synthesis report 2020: https://ec.europa.eu/european-social-fund-plus/en/publications/european-social-fund-synthesis-report-2020.

¹⁰⁰ Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed 2019/C 387/01.

 $^{^{\}mbox{\tiny 101}}$ Https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=10101&furtherNews=yes.

Group will present recommendations on how to make social protection and welfare systems fit for the future by the end of 2022.

The Commission also launched, in cooperation with the Italian social security institution *Istituto Nazionale della Previdenza Sociale* (INPS), a pilot project to explore the feasibility of introducing a European Social Security Pass to improve the portability of social security rights across borders by 2023¹⁰².

4.4. The EPSR from now on

With the Action Plan, the Commission invited the European Council to adopt the targets discussed above, with the aim of achieving them by 2030, and called MSs to define their own national ones to prove their commitment to achieving the Action Plan's objectives.

In June 2022¹⁰³, MSs' proposals on their own national targets were presented at the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO); these resulted in targets which were overall considerably higher than those set by the Action Plan for the employment, fight against poverty and social exclusion. However, they resulted in lower targets concerning the improvement of adults share in training participation, revealing the most problematic area for Member States. Now, the achievements of the three targets will be measured in occasion of the 2023 European Semester, creating new opportunities for the EPSR within this crucial process of decision making at EU level.

In order to reach the Action Plan's targets, and more in general, the EPSR's goals, resources can be activated within both the already available funds and new resources created on the occasion of the pandemic. In this sense, the Action Plan should be viewed in connection with the Multi-Annual Financial Framework (MFF) 2021-2027¹⁰⁴, NextGenera-

¹⁰² Https://ec.europa.eu/social/main.jsp?catId=1545&langId=en.

 $^{^{103}}$ Https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=10299&furtherNews=yes#navItem-1.

¹⁰⁴ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027: "The economic impact of the COVID-19 crisis requires the Union to provide a long-term financial framework paving the way to a fair and inclusive transition to a green and digital future, supporting the Union's longer-term strategic autonomy and making it resilient to shocks in the future." https://eur-

tionEU¹⁰⁵, and the Recovery and Resilience Facility (RRF), among other frameworks. The MFF 2021-2027 provides resources which MSs are able to activate for the purpose of implementing the EPSR. However, the EPSR is not even mentioned in this document, which only discusses the need to guarantee a fair and inclusive transition to a green and digital future.

NextGenerationEU also provides economic resources and crucial tools for achieving the EPSR's goals, supporting people to remain in their jobs and to create new ones, by using different EU funds. These include the Just Transition Fund (to which the NextGenerationEU stated an additional € 32.5 billion) to alleviate the socio-economic impacts of the transition, to support re-skilling, to help SMEs create new economic opportunities, and to invest in the clean energy transition (for example, the SURE initiative which, in the short term, can mitigate unemployment risks in an emergency). Additionally, NextGenerationEU has announced that in the future, it will be provided with 100 billion EUR to help workers keep their income and ensure businesses can stay afloat and retain staff.

NextGenerationEU clearly refers to the need to guarantee fair and inclusive recovery by referring to EU values and fundamental rights, which can be achieved by using the EPSR as a guide for the transition. In addition, the EPSR may help to address inequality by fostering solidarity between people, generations, regions and countries, and by guaranteeing decent living conditions for all workers; achieving these aims can be possible only through the cooperation with social partners, civil society and other stakeholders.

The 2021-2027 Cohesion policy funds also play a crucial role for implementing the EPSR.

From this perspective, the Action Plan envisages the use of such resources to guide future regional and national policies, through both the country-specific recommendations and the national recovery and resilience plans. In this regard, the Action Plan creates a strong anchor, (although of a political rather than legal nature), between EU resources and targets it sets within the areas of employment, skills, and social protection.

lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.LI.2020.433.01.0011.01.-ENG&toc=OJ%3AL%3A2020%3A433I%3ATOC.

¹⁰⁵ EC Communication "Europe's moment: Repair and Prepare for the Next Generation". COM/2020/456 final: https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=159073-2521013&uri=COM%3A2020%3A456%3AFIN.

The Action Plan for implementing the EPSR is setting crucial targets, potentially able to bring about relevant results in the next years. The Commission has already started to intervene in this field through a consistent number of recommendations. The targets and the guidelines suggested to achieve them are relevant within a European employment policy perspective. Two particular concepts highlighted by the Action Plan and Recommendation EASE concern the need for job market activation initiatives that are more tailor-made to stakeholder needs, and for a stronger connection with effective possibilities to find a job. Quality of jobs is also a relevant element under the idea of "more and better jobs," a flagship concept of the Lisbon Agenda, introduced more than 20 years ago.

A key element that will hopefully become more developed in the next months is the enhancement of coordination between social partners and public administrations in the MSs for the purposes of planning development projects and supporting job creation. Here the ELA, together with the public employment services coordination at all levels and social dialogue, could provide main "places" to organize such coordination. In this way, sustainable development could be addressed in such a way as to create a virtuous integration with the EPSR.

5. Conclusions and proposals for improvement

So far, the EPSR has been implemented in two distinct phases, characterized by considerably different contexts (pre- and post-pandemic). This article aims to show whether the original design of the EPSR has been maintained in the post-pandemic period, or whether the emergency interventions to cope with the pandemic have caused a slowdown or a departure from the initial conceptualisation of the EPSR.

In order to carry out this assessment, three main aspects have been taken into account: (1) the impact of the EPSR on the decision-making process of the European institutions; (2) the resources made available for the implementation of the EPSR; and (3) the regulatory framework, with an eye towards its suitability in ensuring the implementation of the EPSR.

With respect to the process of the implementation of the EPSR, despite the difficulties encountered during the pandemic, the EPSR has demonstrated a continued presence in EU policy and regulatory discourse. However, its role has become diluted, presumably because of the pandemic's impact.

The social partners' weakened role within the EU Semester should also be highlighted, since presumably they should contribute in the EPSR's implementation. Additionally, the catalysing role of the EPSR as a tool able to converge the action of different agencies has been weakened in recent years, making its role less meaningful.

Further, the EU policy has gradually been reframed in the context of the Sustainable Development Agenda, posing questions as to whether the EPSR will play an ancillary role with respect to the green and digital transition, or whether the EPSR will play a more central role in mutually reinforcing these respective goals.

With regard to the resources reserved for the implementation of the EPSR, considerable amounts were made available before and after the pandemic. However, the management of the pandemic absorbed many of the resources made available to cope with the emergency lockdown measures. In addition, resources to implement the EPSR have largely become conditional on the fulfilment of other policy objectives — namely, sustainability policies and those related to the digital transition — as can be seen from the Action Plan. This added conditionality for resources available for implementing the EPSR can in some cases result in a conflict of priorities.

Concerning the regulatory framework, progress has been made in the context of both hard and soft law (e.g. adoption of new directives and several proposals).

Despite this, a pending issue remains unresolved both before and after the pandemic: the so-called constitutional asymmetry at the EU level, which implies a greater scope for action in the economic sphere in comparison to the social one.

In terms of legal competences, the EU is better able to address economic matters, while having a limited role in addressing social issues. Scharpf defines such an imbalance of legal competences as "constitutional asymmetry"¹⁰⁶, or rather a structural problem to intervene effectively within the

¹⁰⁶ SCHARPF, The asymmetry of European integration, cit., p. 211–250; SCHARPF, The European Social Model: Coping with the Challenges of Diversity, in MPIfG WP, 2002, n. 8.

social sphere. Scharpf 107 and Weiss 108 suggest providing a solution to deal with this dated issue by changing the Treaties and enlarging the EU legislative competence within the social area. Similarly, Parker and Pye109 adopt a complementary perspective, arguing for the introduction of an assessment of the implications of economic policy for social rights into the structures through which EU and Eurozone governance currently takes place, i.e., the European Semester. They believe such an intermediate step would also create the consensus necessary to intervene through amendments to both Treaties to recognize more room for the social dimension. Sabato with Vanhercke and Guio, provide a clear and convincing picture of the possibility of adopting a "Social Imbalances Procedure" for the EU as a way of addressing the asymmetry between EU economic and social policies. "In envisioning parity between the social and the economic and providing a social pillar to the EU"III, Aranguiz supports instead an extensive and effective use of Art. 9 TFEU. According to this article, the so-called social clause, Union's policies "shall take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health" (Art. 9 TFEU).

The constitutional asymmetry of European competences in the economic and social fields increasingly presents challenges for intervening appropriately in the social sphere and for effectively guaranteeing social rights within the sphere of action of the market. Therefore, such imbalance has been an obstacle for the implementation of the pillar since its inception, both before the pandemic, and in the post-pandemic.

Such imbalance between EU competences within the economic and

 $^{^{107}}$ SCHARPF, After the Crash: A Perspective on Multilevel European Democracy, in MPIfG DP, 2014, vol. 14, n. 21.

¹⁰⁸ Weiss, *The Need for More Comprehensive EU Social Minimum Standards*, in Singer, Bazzani, *European Employment Policies: Current Challenges*, Berliner Juristische Universitätsschriften: Zivilrecht, Band, 2018, 76.

¹⁰⁹ PARKER, PYE, Mobilising Social Rights in EU Economic Governance: A Pragmatic Challenge to Neoliberal Europe, in CEuPs, 07/07/2017: https://link.springer.com/content/pdf/10.1057%-2Fs41295-017-0102-1.pdf.

¹¹⁰ SABATO, VANHERCKE, GUIO, A "Social Imbalances Procedure" for the EU: Towards Operationalisation, in ETUI-REHS WP, n. 2022/09, Brussels, ETUI.

¹¹¹ ARANGUIZ, Social mainstreaming through the European pillar of social rights: Shielding the social from "the economic" in EU policymaking, in EJSS, 2018, vol. 4, n. 20, pp. 341-363.

social spheres could be dealt with through amendments to both Treaties in order to enhance the EU competence in the realm of social policy. Such a change would allow for the kinds of prompt action required in light of the continuously changing world of work and to address social needs that cannot be postponed; for example, in the case of adapting social security systems for guaranteeing adequate protection to self-employed and precarious workers.

Progress on these fronts is potentially achievable in a short timeframe, since a number of existing proposals of Directives can already be adopted to implement the EPSR (e.g. proposal on improving working conditions in platform work, minimum income, etc.).

These could be adopted without any change of the Treaties, but with a political will which is not (yet) clear enough in the individual MSs. This lack of clarity was evident in the Porto declaration on May 2021, when the Council of the EU highlighted its determination to implement the EPSR at the EU and at the national level, "with due regard for respective competences and the principles of subsidiarity and proportionality"¹¹². However, no mention was made about the problem of the limitation of EU competences in the social field, and both "legislative and non-legislative work" from the EU and MSs are mentioned as equally valuable¹¹³.

A prompt intervention of a decisive action would be therefore recommendable. Likewise, MSs may already follow existing EU recommendations, and can access considerable resources to implement actions coherent with the EPSR's view. However, difficulties in managing EU funds can be a barrier to their full use and might require lighter, although monitored, procedures for their accessibility.

In conclusion, the observation of the three elements taken at hand – process, resources and legal context – shows a multifaceted picture in which the implementation of the EPSR is affected by the pandemic, but which nevertheless endures and continues to progress. However, the risk is that the EPSR will lose momentum without decisive action on several fronts. These include an extension of the EU's legal competences in the area of social policy, a prioritisation and independence of the EPSR over other policies, enhancing access to resources for the implementation of the EPSR, a more prominent role for the social partners within the European Semester, and

¹¹² CoEU, cit., p. 1.

¹¹³ CoEU, cit., p. 1.

last but not least, the adoption of directives which are currently only proposed.

Failure to intervene by adjusting the implementation of the EPSR in light of the circumstances presented by the COVID-19 pandemic could create future issues for EU Member States in the event of future crises, and could prevent the adequate realization of a social market economy within the internal market.

Abstract

This article examines the results achieved by the European Pillar of Social Rights ("EPSR") thus far, with particular attention devoted to its impacts on employment policies. More specifically, this article is aimed at understanding the pre-COVID successes of the EPSR (as well as outcomes from the onset of the COVID-19 pandemic until present) by addressing whether European interventions over the course of the pandemic have maintained consistency with the design of the EPSR, or whether emergent circumstances have led to a departure from its initial intent. The ability of the EPSR to capture the attention of different stakeholders demonstrated in the pre-pandemic phase of its implementation seems to have been diluted in the subsequent phases for different reasons, including a strengthening of the political discourse on sustainable development. Overall, however, more resources have been made available for post-pandemic social interventions to support the green and digital transition.

Keywords

European Pillar of Social Rights, Action Plan, European Employment Policies, Pillar Targets, COVID-19 Pandemic.