

GLOSSARY

SOCIAL AND EMPLOYMENT POLICY

Contents

Introduction	3
Awareness Raising Projects (Social OMC).....	3
Common indicators (Social OMC).....	3
Common objectives (Social OMC).....	3
Employment.....	3
Employment Committee (EMCO)	4
European Employment Strategy	5
European Networks (Social OMC).....	5
European Round Table (Social Policy).....	5
European Social Fund.....	5
Equal Opportunities	6
Governance	6
Joint Report (Social OMC and Employment Strategy)	6
Lisbon Strategy.....	7
MISSOC (Social OMC).....	7
National Action Plans/ National Reports on Strategies (Social OMC)	7
Non-Governmental Expert Reports (Social OMC)	8
Open Method of Coordination	8
Peer Review (Social OMC).....	8
Social Inclusion.....	9
Social Situation Report.....	9
Social Policy.....	9
Social Policy Agenda.....	9
Social Protection Committee (SPC).....	9
Social Protection (Social OMC)	10
Structural Funds and Cohesion Policy.....	10
Studies (Social OMC).....	11
Transnational Exchange Programme (Social OMC)	11

Introduction

This Glossary has been produced for the benefit of Members of Eurodiaconia working with European policy issues, especially social policy. The glossary aims at giving knowledge about some terms used in EU Institutions but is not exclusive. The source of information from this glossary has been collected from the European Commission glossary, for more information see: [Europa - Glossary](#)

Awareness Raising Projects (Social OMC)

These projects are funded by the European Union with the aim of improving information and knowledge's among concerned stakeholders and the wider public about the EU Social Protection Social Inclusion Process within Members States, candidate countries and EFTA/EEA countries. This is to mobilize support for and participation of all relevant actors in the preparation and implementation of National Action Plans against poverty and social exclusion.

Common indicators (Social OMC)

Common indicators are needed to monitor progress in combating poverty and social exclusion in a comparable way. Given the different models of welfare state across the EU, they must be performance indicators, policy indicators remain at national level. Common indicators do not imply common policies. The Laeken European Council endorsed in December 2001 a set of 18 primary and secondary common indicators of social exclusion and poverty, covering key dimensions of social exclusion: financial poverty; employment; health; education that need to be considered as a consistent whole. The Social Protection Committee adopted a new set of overarching indicators in June 2006.

Common objectives (Social OMC)

In the context of the Open Method of Coordination applied to Social Protection and Social Inclusion, Member States have agreed on common objectives. Member States translate these common objectives into national policies through national action plans. They are free to choose how they appropriately achieve the common objectives.

Employment

Promoting a high level of employment has been one of the Community's objectives since the Treaty of Amsterdam came into force in May 1999 and added a Title VIII "Employment" to the Treaty establishing the European Community.

The Union's responsibilities with regard to employment are complementary to those of the Member States, the main aim being to create a European Employment Strategy (EES). The EES

is intended as the main instrument to provide direction and coordinate the employment policy priorities supported by the Member States at European level.

The new Title VIII "Employment" also requires an Employment Committee with advisory status to be established, to facilitate the Union's task of promoting the coordination of national employment and labour market policies.

The Lisbon European Council (March 2000) considered that the overall aim of these measures was to raise the overall employment rate in the European Union to 70% and the female employment rate to more than 60% by 2010. The Stockholm European Council (March 2001) added two intermediate targets and one additional target:

- the overall employment rate and the female employment rate to reach 67% and 57% respectively in 2005;
- the employment rate for older workers to reach 50% by 2010.

The Barcelona Council (March 2002) called for the reinforcement of the European Employment Strategy as an instrument of the Lisbon Strategy.

Financial support for employment policy is provided through various instruments:

- PROGRESS 2007-2013, the aim of which is to provide financial assistance for work towards the Union's employment and social affairs objectives;
- the priorities of the European Social Fund which are part of the EES objectives;
- the Mutual Learning Programme, launched at the beginning of 2005, as part of the incentive measures to promote employment. Its main objective is to enhance the transferability of the most effective policies within key areas of the EES.

At European level, the main structures in the field of employment are:

- the European Employment Observatory, an employment policy information system established in 1982 by the Commission in collaboration with the national authorities;
- the EURES network, which contributes to creating a European labour market accessible to all through the international, interregional and cross-border exchange of job vacancies and applications and the exchange of information on living conditions and gaining qualifications.

Employment Committee (EMCO)

As provided for by the Treaty of Amsterdam, and since a Council Decision of January 2000, the Employment Committee officially replaces the Employment and Labour Market Committee (ELMC) set up in 1996.

The Employment Committee takes over the tasks hitherto carried out by the ELMC on promoting the coordination of national employment and labour market policies.

The Committee's main task is to assist the Council in its work on the European Employment Strategy and its instruments (Employment Guidelines, recommendations on the implementation of national employment policies, etc.).

The Committee also formulates opinions at the request of either the Council or the Commission or on its own initiative.

It is made up of two representatives of each Member State and two representatives of the Commission. It consults the social partners at European level in order to carry out its work successfully.

European Employment Strategy

In 1998, the Amsterdam treaty mentioned the promotion of employment as one of the main Community objectives. This objective was set out in a strategy consisting of the four thematic priorities (or 'pillars') of employability, entrepreneurship, adaptability and equal opportunities, and described in the Employment Guidelines. Every year, these Guidelines are translated into National Action Plans for Employment (NAPs) by Member States. These are analyzed by the Commission and the Council, and the results are presented in a Joint Employment Report. The findings of these Joint Employment Reports can reshape the Guidelines and country-specific Recommendations for Member States' employment policies.

European Networks (Social OMC)

One of the key objectives of the EU Social Protection Social Inclusion is to develop the capacity of key European level networks to support and further develop Community policy goals and strategies on social protection and inclusion. In this context, it provides that the Community contribute to the running costs of key European-level networks of organizations involved in the fight against poverty and social exclusion.

European Round Table (Social Policy)

The annual European Round Table on Poverty and Social Exclusion is one of the main events on social inclusion organized jointly by the Presidency of the Council of the European Union and the European Commission in the second semester of each year. It aims at promoting dialogue between all stakeholders in the context of the open method of coordination for social inclusion.

European Social Fund

The European Social Fund (ESF) is the main way in which the European Union funds its strategic employment policy aims. For over 50 years, it has invested in programmes to develop skills and employability. Programmes are planned by Member States together with the European Commission and implemented through wide projects involving both public and private organizations. These projects are selected and managed by Member States and European regions. They may include national, regional and local authorities, educational and training institutions, voluntary organizations and the social partners i.e. trade unions and works councils, industry and professional associations, and individual companies. The ESF also acts as

a catalyst for new approaches to projects which encourage partnerships at many different levels and the transfer of European know-how.

Equal Opportunities

The general principle of equal opportunities contains two key elements: one is the ban on discrimination on grounds of nationality, and the other is equality for men and women. It is intended to apply to all fields, particularly economic, social, cultural and family life.

The Treaty of Amsterdam added a new provision, reinforcing the principle of non-discrimination, which is closely linked to equal opportunities. Under this new provision, the Council has the power to take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Moreover, thanks to its programme to combat discrimination (2001-2006), the European Union has been encouraging and complementing the activities of the Member States to combat all forms of discrimination.

Adopted in December 2000, the Charter of Fundamental Rights of the European Union includes a chapter entitled "Equality" which sets out the principles of non-discrimination, equality between men and women, and cultural, religious and linguistic diversity. It also covers the rights of the child, the elderly and persons with disabilities.

Governance

The debate on European governance, launched by the Commission in its White Paper of July 2001, concerns all the rules, procedures and practices affecting how powers are exercised within the European Union. The aim is to adopt new forms of governance that bring the Union closer to European citizens, make it more effective, reinforce democracy in Europe and consolidate the legitimacy of the institutions. The Union must reform itself in order to fill the democratic deficit of its institutions. This governance should lie in the framing and implementation of better and more consistent policies associating civil society organisations and the European institutions. It also entails improving the quality of European legislation, making it clearer and more effective. Moreover, the European Union must contribute to the debate on world governance and play an important role in improving the operation of international institutions.

Joint Report (Social OMC and Employment Strategy)

The Joint Reports assess progress made in the implementation of the OMC, set key priorities and identify good practice and innovative approaches of common interest to the Member States on the basis of the National action plans submitted by the Member States. It is adopted by the Council on a Commission proposal. The Joint Reports also set key priorities and identify good practice and innovative approaches of common interest to the Member States.

Lisbon Strategy

During the meeting of the European Council in Lisbon (March 2000), the Heads of State or Government launched a "Lisbon Strategy" aimed at making the European Union (EU) the most competitive economy in the world and achieving full employment by 2010. This strategy, developed at subsequent meetings of the European Council, rests on three pillars:

- An economic pillar preparing the ground for the transition to a competitive, dynamic, knowledge-based economy.
- A social pillar designed to modernise the European social model by investing in human resources and combating social exclusion.
- An environmental pillar draws attention to the fact that economic growth must be decoupled from the use of natural resources.

A list of targets has been drawn up with a view to attaining the goals set in 2000. Given that the policies in question fall almost exclusively within the sphere of competence of the Member States, an open method of coordination (OMC) entailing the development of national action plans has been introduced.

The mid-term review held in 2005, for which a report was prepared under the guidance of Wim Kok, former Prime Minister of the Netherlands, showed that the indicators used in the OMC had caused the objectives to become muddled and that the results achieved had been unconvincing.

For this reason, the Council has approved a new partnership aimed at focusing efforts on the achievement of stronger, lasting growth and the creation of more and better jobs. As far as implementation is concerned, the coordination process has been simplified. The integrated guidelines for growth and employment will henceforth be presented jointly with the guidelines for macroeconomic and microeconomic policies, over a three-year period. They serve as a basis both for the Community Lisbon Programme and for the National Reform Programmes. This simplification in programming makes it possible to monitor implementation more closely by using one single progress report.

MISSOC (Social OMC)

The Mutual Information System on Social Protection (MISSOC) was established in 1990 to promote a continuous exchange of information on social protection among the EU Member States. MISSOC has become the central information source on social protection legislation in all Member States of the European Union and countries of the European Economic Area. MISSOC produces regularly updated comparative tables covering all areas of social protection and MISSOC Info Bulletins on specific topics and on the main changes in the social protection systems.

National Action Plans/ National Reports on Strategies (Social OMC)

The National Action Plans or National Reports on Strategies (since 2005) reflect the Member States' existing strategy against poverty and exclusion and present how governments intend to

reach the common objectives previously set. National Action Plans/ National Reports on Strategies are submitted to the Commission every other year.

Non-Governmental Expert Reports (Social OMC)

The network of independent social inclusion experts assists the European Commission by providing independent information on national policies and analyzing the actual implementation of National Action Plans. They report on their respective countries' National Action Plans/ National Reports on Strategies twice a year.

Open Method of Coordination

The open method of coordination (OMC), created as part of employment policy and the Luxembourg process, has been defined as an instrument of the Lisbon strategy (2000).

The OMC provides a new framework for cooperation between the Member States, whose national policies can thus be directed towards certain common objectives. Under this intergovernmental method, the Member States are evaluated by one another (peer pressure), with the Commission's role being limited to surveillance. The European Parliament and the Court of Justice play virtually no part in the OMC process.

The open method of coordination takes place in areas which fall within the competence of the Member States, such as employment, social protection, social inclusion, education, youth and training.

It is based principally on:

- jointly identifying and defining objectives to be achieved (adopted by the Council);
- jointly established measuring instruments (statistics, indicators, guidelines);
- benchmarking, i.e. comparison of the Member States' performance and exchange of best practices (monitored by the Commission).

Depending on the areas concerned, the OMC involves so-called "soft law" measures which are binding on the Member States in varying degrees but which never take the form of directives, regulations or decisions. Thus, in the context of the Lisbon strategy, the OMC requires the Member States to draw up national reform plans and to forward them to the Commission. However, youth policy does not entail the setting of targets, and it is up to the Member States to decide on objectives without the need for any European-level coordination of national action plans.

Peer Review (Social OMC)

The Peer Review is a mutual learning process involving the scrutiny of specific policies on the basis of proposals volunteered by Member States. A "host country" presents a policy or institutional arrangement (good practice) or a policy reform to a selected group of decision-makers and experts from other countries ("peer countries") and to stakeholders'

representatives and European Commission officials. Peer Reviews are a key instrument of the OMC.

Social Inclusion

The fight against unacceptable levels of social exclusion has been fully established as a social policy objective, and Member States now coordinate their efforts through an annual process akin to the Employment Strategy. Building a more 'inclusive' European Union is seen as essential in achieving the Union's long term strategic goal of sustained economic growth, more and better jobs and greater social cohesion.

Social Situation Report

The Social Situation Report — published annually since 2000 — aims at informing the public debate on social policy by providing key data and prospective analysis. It is divided in two parts, a first part devoted to a special topic which is explored in depth and a second part consisting of statistical portraits covering the full range of social policy issues and a data appendix.

Social Policy

The Treaty of Amsterdam incorporated the Agreement on social policy signed by eleven Member States into the Treaty establishing the European Community, thus bringing a complicated situation to an end. Between 1993 and 1999, there were two distinct legal bases for social policy: the EC Treaty itself and a separate agreement that the United Kingdom had not signed. Now, all the measures are brought together in Title XI of the EC Treaty.

The social policy objectives defined in the EC Treaty and included in the text of the European Constitution were inspired by the 1961 European Social Charter and the 1989 Community Charter of the Fundamental Social Rights of Workers: promoting employment, improving working conditions, proper social protection, social dialogue, workforce training to achieve a high and sustainable level of employment and combating exclusion.

Social Policy Agenda

Its purpose is to help the European social model modernize to accommodate the massive changes in European economy and society. The Social Policy Agenda contributes to the Union's overall aim of strengthening economic performance, creating more and better jobs and making the most of the opportunities offered by the knowledge-based society.

Social Protection Committee (SPC)

The Social Protection Committee (SPC) was established in 2000 in order to serve as a vehicle for cooperative exchange between the European Commission and the Member States of the EU about modernizing and improving social protection systems. Under the mandate given to it by

the Council, the Committee should work on the policy challenges related to the following objectives: "to make work pay and provide secure income, to make pensions safe and pension systems sustainable, to promote social inclusion and to ensure high quality and sustainable health care". The Committee consists of two representatives appointed by each Member State and two representatives of the Commission.

Social Protection (Social OMC)

The Commission uses the Open Method of coordination used for employment to compare Member States' social systems (social protection, pensions, healthcare etc.) to try to identify how Europe can deal with demographic and population changes. By using the MISSOC (social protection in the Member States) service, you will find details of the full range of social protection systems in the Member States, from financing, to healthcare, sickness benefits and pensions, as well as a regular bulletin on specific social protection issues.

Structural Funds and Cohesion Policy

The Structural Funds and the Cohesion Fund are the financial instruments of European Union (EU) regional policy, which is intended to narrow the development disparities among regions and Member States. The Funds participate fully, therefore, in pursuing the goal of economic, social and territorial cohesion.

For the period 2007-2013, the budget allocated to regional policy amounts to around € 348 billion, comprising € 278 billion for the Structural Funds and € 70 billion for the Cohesion Fund. This represents 35% of the Community budget and is the second largest budget item.

There are two Structural Funds:

- the European Regional Development Fund (ERDF) is currently the largest. Since 1975 it has provided support for the creation of infrastructure and productive job-creating investment, mainly for businesses;
- the European Social Fund (ESF), set up in 1958, contributes to the integration into working life of the unemployed and disadvantaged sections of the population, mainly by funding training measures.

In order to speed up economic, social and territorial convergence, the European Union set up a Cohesion Fund in 1994. It is intended for countries whose per capita GDP is below 90% of the Community average. The purpose of the Cohesion Fund is to grant financing to environment and transport infrastructure projects. However, aid under the Cohesion Fund is subject to certain conditions. If the public deficit of a beneficiary Member State exceeds 3% of national GDP (EMU convergence criteria), no new project will be approved until the deficit has been brought under control.

These Funds will be used to finance regional policy between 2007 and 2013 in the framework of the three new objectives, namely:

- the "convergence" objective to accelerate the convergence of the least developed EU Member States and regions by improving growth and employment conditions. This objective is financed by the ERDF, the ESF and the Cohesion Fund. It represents 81.5% of the total resources allocated. The co-financing ceilings for public expenditure amount to 75% for the ERDF and the ESF and 85% for the Cohesion Fund;
- the "regional competitiveness and employment" objective to anticipate economic and social change, promote innovation, entrepreneurship, environmental protection and the development of labour markets which include regions not covered by the Convergence objective. It is financed by the ERDF and the ESF and accounts for 16% of the total allocated resources. Measures under this objective can receive co-financing of up to 50% of public expenditure;
- the "European territorial cooperation" objective to strengthen cooperation at cross-border, transnational and interregional levels in the fields of urban, rural and coastal development, and foster the development of economic relations and networking between small and medium-sized enterprises (SMEs). This objective is financed by the ERDF and represents 2.5% of the total allocated resources. Measures under the Territorial Cooperation objective can receive co-financing of up to 75% of public expenditure.

Structural Fund and Cohesion Fund support for the three objectives always involves co-financing. The rates of co-financing may be reduced in accordance with the "polluter pays" principle or where a project generates income. All projects must of course comply with EU legislation, particularly with regard to competition, the environment and public procurement.

Studies (Social OMC)

Studies commissioned within the Social Protection Social Inclusion Process are primarily policy oriented research. They are intended to provide analysis of the characteristics, processes, causes and trends in social exclusion through the development of innovative approaches, or in drawing together pre-existing research on a particular subject.

Transnational Exchange Programme (Social OMC)

The objective of the Transnational Exchange Programme is to promote and financially support the organization of exchanges and promote mutual learning between member states, EFTA and EEA countries. The purpose of promoting transnational exchanges as part of the Social Protection Social Inclusion Process is to support the implementation of the Open Method of Coordination on Poverty and Social Exclusion and in particular the development and implementation of the National Action Plans.

