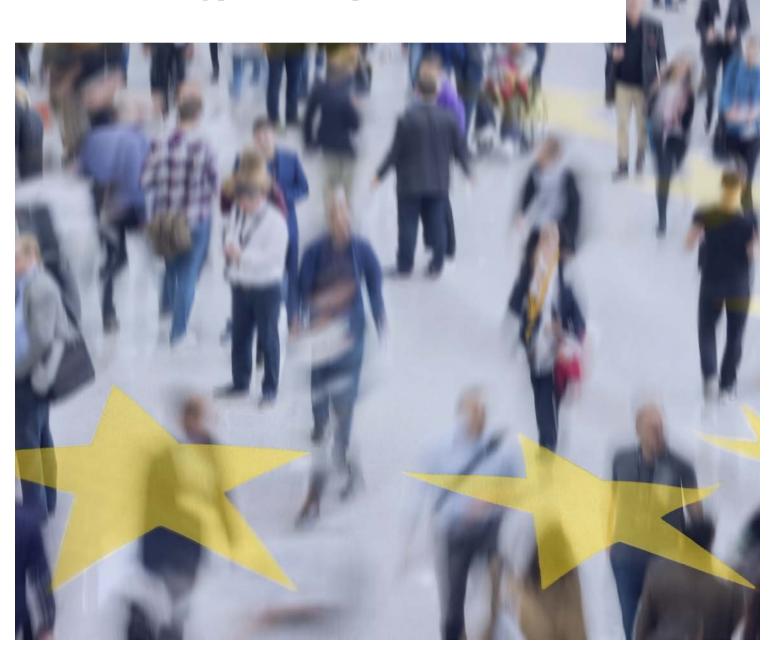


## Five years of the European Pillar of Social Rights

A historic turning point in Europe?



#### Dear Readers,

Five years ago, we dedicated the first edition of our magazine ed\* to the European Pillar of Social Rights (EPSR); an initiative launched by former European Commission President, Jean-Claude Juncker. The "Pillar", as it has since been shortened, was intended to help strengthen the social dimension in Europe.

By emphasising social aspects, the European Commission also wanted to react to the crisis of European integration at that time. This is because of the increasing euroscepticism of the citizens of the European Union (EU). By the end of 2015, only 37 per cent of people across the EU still had a positive image of the EU, while the percentage of those with a negative image had risen to 23 per cent.¹ Prior to 2015, no EU Member State had ever seriously considered leaving the Union either – the Brexit referendum was held in 2016. It was the time when the Member States positioned themselves obstinately against each other – and this in two core areas at the same time: In the euro rescue policy, the North stood against the South of Europe in terms of economic policy; in asylum policy, the West stood against the East in terms of social policy. At the same time, questions about the rule of law in the new Member States came to the fore. The consequences of the economic and financial crisis were still being felt in large parts of the EU, in the form of high unemployment rates, especially among young adults, and a lower standard of living than before the crisis. Europe needed a new vision. For itself and for the citizens.

This is the birth of the EPSR, which was proclaimed by the then 28 Member States on 17 November 2017. With its 20 principles, it was hailed as a guiding light for a strong social Europe. From the right to equal opportunities and access to the labour market, fair working conditions and social protection and inclusion, the "Pillar" was intended to initiate comprehensive reforms of the labour markets and social systems in the Member States. Sociopolitical challenges with which people in Europe are equally confronted should be analysed, evaluated and tackled on a European-wide basis. This has been worked on intensively in recent years within the framework of numerous initiatives.

The "Pillar" is now five years old. This fifth anniversary is an occasion to look at how successful the concept has been so far. What could be achieved, what not? It is also an appropriate time to look more closely at a possible further development of the EPSR.

We hope you find it an interesting read!

Jaa Wigger

Yours sincerely Ilka Wölfle

Director

<sup>&</sup>lt;sup>1</sup> European Commission (2015), Standard Eurobarometer 84 – Autumn 2015, Annex, Question QA9 https://www.politico.eu/wp-content/uploads/2016/07/eb84\_anx\_en-1.pdf, accessed on 16/11/2022.

# Strengthening the social dimension – a new attempt

With the EPSR, the European Commission has set itself a doctrine for a strong, social Europe. It should become fairer and more inclusive and, above all, offer opportunities for all citizens in Europe. At its proclamation on 17 November 2017 at a summit in Gothenburg, the EPSR was given many advance praises. Today - five years later – the question is whether one can speak of a new chapter in the history of social Europe. At least that is how the then President of the European Commission Jean-Claude Juncker explained it.2 Has the EPSR really become a guide for a more social and just Europe in recent years? Has it led to a strengthening of social protection at European level? These questions will be explored in this issue of ed\*.

The EPSR is not the first initiative to strengthen social policy aspects at European level. The central keyword in the considerations developed in the 1990s was the "modernisation of social protection". The European Commission already pointed out at that time that the social security systems of the Member States must adapt to the changing world of work, new family structures and demographic change. The European Commission made it clear that it is the responsibility and decision of the Member States how they design and finance their own special social security systems. However, in view of the challenges common to all Member States, she also stressed the value of a debate on the future of social security systems at European level.3

#### Lisbon Strategy 2020

In Lisbon, the Union set itself the goal of becoming the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion.

<sup>&</sup>lt;sup>2</sup> European Commission (2017): A European Pillar for a Social Triple-A, in Social Agenda 7/17, page 14 https:// ec.europa.eu/employment\_social/social\_agenda/ books/48/de/files/assets/common/downloads/ publication.pdf, accessed on 16/11/2022.

<sup>&</sup>lt;sup>3</sup> European Commission (1997): Modernising and Improving Social Protection in the European Union [COM(97) 102] https://eur-lex.europa. eu/legal-content/EN/TXT/PDF/?uri=CELEX: 51997DC0102 accessed on 16/11/2022 and European Commission (1999), Focused Strategy for Modernising Social Protection [COM(99) 347 final https://eur-lex.europa.eu/LexUriServ/LexUriServ. do?uri=COM:2001:0347:FIN:DE:PDF accessed on 16/11/2022.

Subsequently, at the Lisbon Summit in March 2000, the Member States agreed to modernise social security by improving the interaction of economic. labour market and social policies in the Member States. This was a paradigm shift. For the first time, economic and monetary policy was linked to social and labour market policy. For this purpose, the instrument of the open method of coordination was applied. It should help the European Commission and the Member States also to modernise their social policies on the basis of the exchange of best practices and the introduction of a learning process through which Member States could adopt successful measures in the different policy areas. Common guidelines and goals were agreed upon and the achievement of goals was subject to constant evaluation.4

However, a few years later it was clear to see that the successes of the process were largely manageable. Only a few Member States had made successful policy changes. Since 2010, the results have therefore only been published in an annual report of the Social Protection Committee and not, as originally, in a joint report of the Council and the European Commission. With the EU2020 strategy, a target was set in 2010 to reduce the number of people at risk of poverty or social exclusion

by 2020,<sup>5</sup> but from then on less importance was attached to the topic of social protection in general at European level.

Thus, EU policy focused again on economic and financial policy. Not least because of the Greek debt crisis. Europe was once again put to the test and the Economic and Monetary Union (EMU) was called into guestion. Polls again showed a decline in support for the EU. This was reason enough for the five presidents of the European institutions (European Commission, European Council, Eurogroup, European Central Bank and European Parliament) to come together and draw up proposals to strengthen the Economic and Monetary Union in the long term.

With the "Five Presidents' Report" presented in June 2015, the strengthening of a social dimension and social protection has also assumed more priority on the EU agenda. In addition to clear economic structural reforms, the proposals also contained clear stimulus for a renewed stronger focus on employment and social policy aspects. This is also an economic necessity, according to the report of the five presidents. For EMU to be a success, the labour markets and social systems of all euro area Member States must function well and fairly.<sup>6</sup>

#### The Five Presidents' Report

The five presidents preface the report with the EU's promise of uniform living conditions and call for an acceleration of the convergence process in economic and financial policy as well as in labour market and social policy. In the opinion of the five Presidents, this is only possible with a greater deepening of the common European policy in these four fields of action and a greater legally binding character. They propose to establish a binding catalogue of convergence reference values and to agree on binding common standards. However, this must go hand in hand with the transfer of competences in the field of social protection, which have so far been solely national, to a common European level. Therefore, as a pragmatic first step, deepening should first be sought in the eurozone, i.e. for the group of EU Member States that have adopted the euro as their official currency. The existing closer economic and financial policy coordination there would have to be supplemented accordingly by an equally close labour market and social policy vote. The aim of the proposal is to make the Economic and Monetary Union a place of prosperity, competitiveness and social cohesion. According to the five Presidents, joining this would also be attractive for other EU Member States.

<sup>&</sup>lt;sup>4</sup> European Council (2000), Presidency Conclusions of the European Council of 23 and 24 March 2000, Lisbon, para. 7 and 37 et seqq. https://www.consilium.europa. eu/media/21038/lisbon-european-council-presidencyconclusions.pdf, accessed on 16/11/2022.

<sup>&</sup>lt;sup>5</sup> Presidency Conclusions of the European Council, 17 June 2010, Brussels, para. 3, Annex 1.

<sup>&</sup>lt;sup>6</sup> European Commission (2015), Completing Europe's Economic and Monetary Union, Brussels, page 10 https://ec.europa.eu/info/sites/default/files/5presidents-report\_en\_0.pdf, accessed on 16/11/2022.

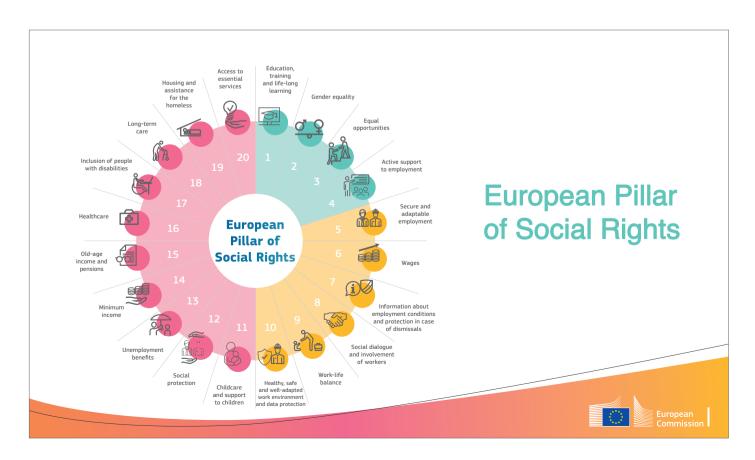
#### The birth of the EPSR

The discussion initiated by the five Presidents on a deepening of the common policy in the areas of labour and social affairs was put in concrete terms by the European Commission with the presentation of its ideas for an EPSR in spring 2016. In doing so, the proposal aimed at a first realisation in the Eurozone, analogous to the Five Presidents' Report.

During the discussion with the Member States, it became clear how much the economic and financial crisis has exposed the weaknesses of social protection in Europe. Europe had done much to rescue banking institutions and control government

spending policies, but little to provide social security for its citizens. However, many Member States were critical of the transfer of competences for social protection, and thus, also social insurance, to the European level as proposed in the Five Presidents' Report. The restriction to the eurozone was also not consensual. In the end, the European Commission abandoned this restriction. The EPSR is addressed to all Member States.

For the then European Commission President Juncker, the proclamation of the EPSR on 17 November 2017 was a decisive moment for Europe. He always saw the European Union also as a social project and not only as the result of a common internal



market. For him, it was about more than money, more than the euro. "It is about our values and the way we want to live".

With the establishment of the EPSR, the European Commission, the European Council and the European Parliament have found a new modus operandi for deeper cooperation in the field of social protection. The EPSR should serve as a compass for a strong social Europe for all Member States. The aim is to improve working and living conditions across Europe, reduce social inequalities, thus contributing to a new process of economic recovery in the EU.

## The EU or the Member States – a tussle of who is in charge

The EPSR does not involve a direct transfer of national responsibilities to the EU level. However, the common principles are to be anchored in the processes of the EU, thus justifying major European initiatives and proposals for directives. These can also contain legally binding minimum standards, as is already the case today in the field of occupational health and safety, for example. However, the aim is not to standardise the different national social security systems. The European social model is not defined by systems that are standardised across the EU, but by common principles and objectives. Thus, the realisation of the EPSR is the joint responsibility of all stakeholders at both European and national level.

## Major achievements for social security

With the adoption of the EPSR, the need for new legislative and nonlegislative initiatives was also worded. At the Social Summit in Porto 2021, the EU agreed on an action plan for the further implementation of the EPSR until the end of the term of the current European Commission. It announces European initiatives to accelerate the implementation of the EPSR. In addition, the challenges in the areas of climate change, digitisation, globalisation and demographic development are to be specifically addressed. In continuation of the EU2020 strategy, three goals are underpinned with specific targets: employment, training and poverty reduction.

But how has the EPSR actually been reflected in initiatives at the European level in recent years? Could existing gaps in social security be closed? How have the different policy fields on health and care, pensions and occupational health and safety developed? Here it is worth taking a look at essential measures in the area of social security.

<sup>&</sup>lt;sup>7</sup> European Commission (2017), Statement of President Juncker on the Proclamation of the European Pillar of Social Rights https://ec.europa.eu/commission/ presscorner/detail/en/STATEMENT\_17\_4706, accessed on 16/11/2022.

## Fair working conditions in a changing world of work

The EU has already had extensive minimum regulations in the area of health and safety at work for years, thus having largely asserted its influence on national rules. By adopting comprehensive minimum regulations, it has created a good basis for protecting employees from as many risks as possible and enabling them to participate in working life for a long time.

The EPSR picks up here with its
Principle 10 ("Healthy, safe and welladapted work environment and data
protection") and brings the importance
of occupational health and safety back
into the political foreground at European level as well. In particular, the
changes brought about by ecological,
digital and demographic change, as
well as the transformation of the traditional working environment, pose new
challenges for the Member States and
make it necessary to adapt and review
the existing rules. In order to maintain

Nicolas Schmit, Commissioner for Jobs and Social Rights



"The European Pillar of Social Rights is a turning point for workers' rights and social protection in the EU. At the Social Summit in Porto in May 2021, EU leaders agreed to translate the Pillar into tangible actions for our citizens. With the 2030 social targets for employment, lifelong learning and poverty reduction, Member States have also set themselves specific targets to achieve just that."

## EPSR Action Plan in figures

- the employment rate of people aged 20 to 64 should rise to 78 per cent by 2030;
- by 2030, 60 per cent of all adults should participate in an advanced and/or continuing training programme each year;
- the number of people at risk of poverty or social exclusion is to be reduced by at least 15 million.

A new strategic framework sets further objectives for improving health and safety at work. employability throughout the life cycle up to the rising retirement age, healthy and safe working conditions as well as more flexible framework conditions are essential.

Of central importance is also to restore employability and earning capacity through effective and efficient rehabilitation. After all, it is precisely the social benefit providers who, in specific cases, also have to bear the financial consequences of the failure of efforts to maintain and restore working, earning and employability to a large extent.

Therefore, prevention and rehabilitation must become even more important in the future. The European Commission has taken up this idea with its Principle 10 and given impetus to various further initiatives at European level.

For example, it presented further goals for improving occupational safety and health in its new strategic framework for health and safety at work<sup>8</sup> published in 2021. In particular, new risks and opportunities, such as those arising from new forms of work, new technologies and digitisation, as well as the COVID-19 pandemic, have been included.

A core aspect of the new strategic framework is the Vision Zero approach – the vision of a world without work-related fatalities. Thus, the Vision Zero campaign, originally developed by the International Social Security Association (ISSA), with its golden rules for healthy work without accidents, is increasingly becoming a strategic tool, also in the European Union. The German Social Accident Insurance already anchored Vision Zero as a target in its prevention strategy in 2008.

In addition, specific legislative initiatives are also justified on the basis of Principle 10 of the EPSR. They aim to agree on common priorities in occupational safety and health. Here, for example, exposure to various hazardous substances used in existing and new sectors plays a major role.

The European Commission wants to prevent cancer, reproductive and respiratory diseases in the workplace. One example is the revision of the REACH Regulation announced in the EU Chemicals Strategy.

The European Commission has focused particularly on carcinogenic substances. In September 2022, after extensive scientific research, it proposed to reduce the current European limit value for the exposure of workers to asbestos in the workplace by a factor of 10. The topic is highly relevant for occupational safety and health in Germany and the entire EU, also in view of the upcoming wave of building

<sup>&</sup>lt;sup>8</sup> European Commission (2021), EU Strategic Framework for Health and Safety at Work 2021-2027 Occupational safety and health in a changing world of work https:// eur-lex.europa.eu/legal-content/EN/TXT/?uri=-CELEX%3A52021DC0323, accessed on 16/11/2022.

renovations. What limit value the EU actually settles on will be the result of extensive discussions between the European Council and the European Parliament.

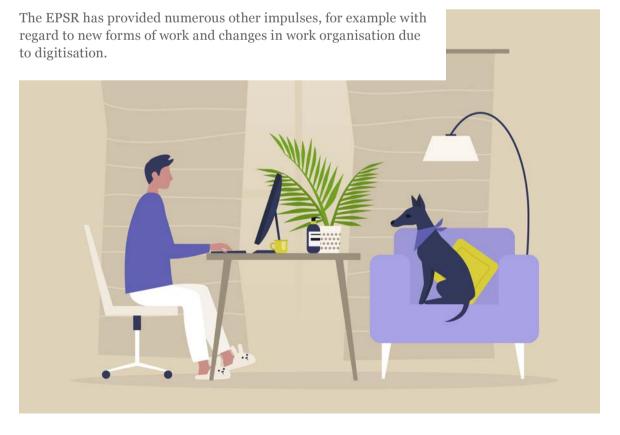
In addition, the EPSR has also provided numerous other impulses for tackling common challenges, for example with regard to new forms of work and technologies as well as changes in work organisation due to digitisation. The experience with the COVID-19 pandemic has certainly underlined once again the need for joint European action.

## Right to adequate social protection

The massive change in the world of work has not only had an impact on the occupational safety and health but also on social security in general. As labour markets develop and change, social protection systems also need to adapt.

The EPSR words in its Principle 12 that all employed persons, regardless of the type and duration of their employment relationship, but also self-employed, have the right to adequate social protection. Just one and a half years after its proclamation, the European Commission has brought this principle to life by proposing a legally non-binding recommendation

A milestone was the recommendation on access to social protection for workers and the self-employed.



on access to social protection for workers and self-employed. Following intense negotiations, the Council of the European Union agreed on 8 November 2019 on a Council Recommendation to encourage Member States to ensure adequate social protection for all employed persons. This is intended to close the gaps that exist in some Member States. For even today, many self-employed do not have sufficient protection as they are not or only insufficiently covered by the social security systems.

The EPSR has provided numerous other impulses, for example with regard to new forms of work and changes in work organisation due to digitisation.

Ocuncil of the European Union (2019), Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed 2019/C387/01 https://eur-lex.europa.eu/legal-content/DE/TXT/?uri=uriserv%3AOJ.C\_.2019.387.01.0001.01. DEU&toc=OJ%3AC%3A2019%3A387%3AFULL, accessed on 16/11/2022.

This is especially true for people with low income earned from self-employment or atypical employment, such as seasonal work or mini-jobs. The same can apply to forms of gainful employment on the borderline between self-employed and workers. The situation in the Member States is very different. Germany, for example, is the only EU country where the self-employed have no compulsory pension insurance. In contrast, in Hungary and Romania, for example, temporary or casual workers are not entitled to sickness benefits and in Romania they are not entitled to unemployment benefits, benefits following an



occupational accident or disease and maternity benefits. However, there are also differences in the actual coverage. While in Germany, Finland and Austria more than 50 per cent of the unemployed receive unemployment benefits or unemployment assistance, this figure is only just over 20 per cent in Sweden and even less than 20 per cent in Hungary, Italy and Poland.10 Therefore, specific solutions to problems can only be developed by the Member States themselves for their own social security systems. However, the recommendation relies on a common European understanding in order to take necessary social policy measures.

With the EPSR, the European Commission has also justified its aim to improve the employment relations of platform workers and presented a package of measures on platform employment (Principle 5 "Secure and adaptable employment" and 12 "Social protection"). Platform employment is a relatively new form of cross-border work and often escapes national regulation. Therefore, a common framework should be created with Europe-wide regulations for access to social protection and the labour rights of platform workers. It also aims to create legal certainty for digital labour platforms and platform workers, as it is often very difficult to determine employment status.11 This should not

In the area of health (Principle 16 "Healthcare"), the EPSR anchors the right to timely, high-quality and affordable healthcare and curative treatment. Notwithstanding the primary responsibility of Member States for their health systems, the EU holds some reins here on its own. With its direct responsibility for medical devices and medicinal products, it can create a framework to meet the requirement formulated in the EPSR. It has succeeded in doing this, for example, with the Medical Device Regulations, which are designed to ensure that medical devices that come onto the market in Europe are soundly tested for quality and function properlv.

In the upcoming revision of Pharmaceutical Act, the European Commission has a responsibility to help ensure that medicines remain affordable and can be marketed throughout the EU by revising the legal requirements. It has instruments to do so, and Principle 16 obliges it to use them. For example, on an appropriate limitation of market exclusivity rights

only strengthen the rights of platform workers, but also benefit digital labour platforms. This is because the aim is to counteract legal fragmentation into a multitude of different national legal provisions and court rulings in order to increase the attractiveness for digital labour platforms and the innovative strength of the European Single Market as a whole. This dual objective reflects the framework of the EPSR. It is important that the Member States have sufficient room for manoeuvre in this respect. Deepening the European Union requires closer social and employment policy cooperation at European level.

The focus is on social protection and occupational safety of platform workers.

European Commission (2020), Monitoring framework on access to social protection for workers and the self-employed, page 36 and page 73 https://ec.europa. eu/social/main.jsp?catId=738&langId=en&pubId=835 8&furtherPubs=yes, accessed on 16/11/2022.

<sup>&</sup>quot; European Commission: (2021), Proposal for a Directive of the European Parliament and of the Council on Improving Working Conditions in Platform Work, C (2021)762 final https://eur-lex.europa.eu/legalcontent/DE/TXT/?uri=CELEX:52021PC0762, accessed on 16/11/2022.

The European Long-Term Care Strategy takes up Principle 18 of the EPSR to improve access and quality to care. for new pharmaceuticals to support generic and biosimilar competition. Or through improved transparency regulations that make the pricing of the pharmaceutical industry comprehensible and strengthen the negotiating position of the Member States and health insurance in benefit assessment and cost reimbursement.

It is also important that the European Commission and Member States have learned lessons from the pandemic. With its legislative package on the European Health Union and the establishment of the Emergency Preparedness and Response Agency (HERA), the first steps have been taken to better prepare for future health threats and to better protect the health of EU citizens.

To improve healthcare, the European Commission launched another major project in May 2022. The European Health Data Space (EHDS) is intended to provide patients with electronic access to their health data and to enable them to use this data across borders for the purpose of treatment. It is also about unlocking health data assets across the EU and using them for public good purposes, such as better research into diseases and development of therapies.<sup>12</sup>

The EPSR is also proving to be a driver for constructively addressing the challenges posed by Europe's ageing societies. The European Long-Term Care Strategy<sup>13</sup> published by the European Commission takes up Principle 18 of the EPSR ("Access to Long-Term Care") with the aim of helping to improve access and quality of care in Member States. The increasingly ageing society will significantly increase the need for care services in the coming decades. In its care strategy, the European Commission has therefore called on Member States to invest in the health and care sector workforce and to improve their working conditions and access to training.

Principle 9 "Work-life balance" of the EPSR is also reflected in the care strategy. The strategy envisages the need for action to achieve a better balance between care professions and families. In particular, the role of women, who predominantly work in the care sector and in informal care, is to be specifically strengthened. The planned revision of the so-called Barcelona targets is also intended to improve early childhood care, education and upbringing.

<sup>&</sup>lt;sup>12</sup> European Commission (2022), European Health Data Space (EHDS), https://health.ec.europa.eu/ehealthdigital-health-and-care/european-health-data-space\_ en, accessed on 16/11/2022.

<sup>&</sup>lt;sup>13</sup> European Commission (2022), European Care Strategy https://ec.europa.eu/social/main.jsp?langId=-en& catId=89&furtherNews=yes&newsId=10382#navIt em-relatedDocuments, accessed on 16/11/2022.

#### High-Level Expert Group entrusted with Herculean task

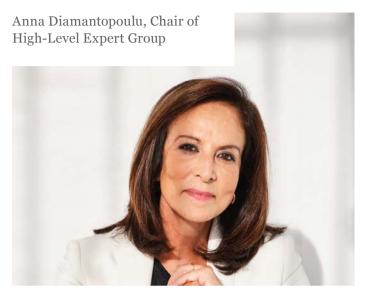
As part of the Action Plan on EPSR, the European Commission had announced the establishment of a High-Level Expert Group to examine the future of the welfare state. its financing and the links with the changing world of work. The task of the group was to develop a vision for strengthening European social protection and social systems. To this end, concrete recommendations are to be developed on how the social security systems can be made fit for the future. This also underlines the claim that the EPSR is constantly being further developed and always adapted to new socio-political challenges.

For a year now, high-level experts have been meeting regularly under the chairmanship of the former Greek Minister and EU Commissioner for Employment, Social Affairs and Equal Opportunities, Anna Diamantopoulou. They mainly discuss the four major megatrends, such as demographic change, transformations on the labour market, digitalisation and globalisation, as well as the emergence of new risks in social protection, climate change and the Green Deal. In addition, the interactions between social protection systems and other socially related policies, such as education, social inclusion, disability, healthcare and long-term care will be taken into account. The short-term challenges that arose as a result of the Russian invasion of Ukraine, such as high inflation and energy shortages will also be included in the analysis. The focus of the High-Level Expert Group is not on short-term effects but on medium to long-term effects. During this period, it is important to develop specific

recommendations for action for different phases of life.

As exuberant as the task description reads, this is important for anchoring social protection at the centre of common European policy. The establishment of the High-Level Expert Group links three of the EU's currently most important thematic areas, namely climate change, the digital decade and the EPSR. Climate change and measures to counteract it, as well as digital change, will have a massive impact on the tasks of social protection and social systems. What is needed here are common goals and strategies at the European level and suggestions on how social protection in Europe can be realistically designed in the future.

European social security systems have grown historically, take national preferences into account and are the results of diverse political, democratically legitimised decisions. The work of the High-Level Expert Group is therefore expected to produce strategies on how the current challenges can be met jointly at the European level. Here Chair Diamantopoulou is to be taken at her word: What is needed are reformed, efficient and future-oriented welfare states that can respond to modern needs. The EPSR can proactively contribute here as a strategic instrument if it is further developed with a view to overcoming the new challenges.



"The social and economic ramifications of COVID19 and Russia's war as well as disruptive megatrends such as digitization and climate crisis, reiterate the importance of a reformed, efficient, and forward-looking welfare state, able to respond to modern needs. The European Pillar of Social Right has been a bold strategic tool and proactive political action, hugely con-tributing to this goal. Its gradual yet committed implementation is based on consensus reached among member states and commitment should be even firmer in the years to come. The High-Level Group on the future of welfare state in the EU has a mandate to respond with concrete proposals to one of Europe's biggest challenges: to reinforce and reform the Union's greatest historical achievement: the welfare state, so as to make it adapt to the 21st century and its challenges."

### Social security schemes position themselves

Together with 40 social insurance institutions from Europe, the German Social Insurance provided impulses to the High-Level Expert Group in a statement of the European Social Insurance Platform (ESIP). In this context, ESIP emphasises that social insurances protect against many life risks and that this must remain guaranteed even under new challenges. However, ESIP also reminds us that social insurance cannot compensate for all social distortions and inequalities, neither today nor in the future.

ESIP members play a key role in putting the principles into practice for EU citizens, including cross-border situations. However, social security systems also face major long-term challenges that influence each other. Changes in the labour market, the ageing of the population and climate change are putting pressure on society and social security systems. In order to find solutions to these and other future challenges, social policy at the European level and also the EPSR must constantly evolve.

#### Outlook: Ineffectual attempt or strengthening of the social dimension?

The plethora of policy activities that have unfolded over the past five years clearly shows that the EPSR has proven to be a capable engine for new initiatives in the field of social protection. The clear reference of all of these initiatives to the individual principles of the EPSR creates a coherent overall picture of a European social protection strategy that does not require the standardisation of social security systems. This is right, because the socioeconomic starting position, the self-image and the historical character as well as the political preferences in the individual Member States are very different and must be taken into account.14

The EPSR strengthens the social component of Europe over economic policy and fiscal priorities. It also differs positively from the approach of the Five Presidents' Report in that it initiates a fundamental convergence of the efficient social security systems in Europe.

Thus, in contrast to past efforts to strengthen the social dimension of the EU, the EPSR has very much contributed to a turnaround in the EU. Certainly, the pandemic and the current economic crisis have accelerated some processes. Nevertheless, the efforts in the current 9th legislative period to bring about improvements in the social sphere for the EU citizens are unmistakable.

Dr. Rolf Schmachtenberg, State Secretary

of the German Federal Ministry of Labour

"The European Pillar of Social Rights has been driving the development of social Europe since its proclamation in 2017. The EPSR, with its twenty concise and precisely laid down principles, stands for a Europe in which social rights go hand in hand with economic freedoms. In fulfilment of the Pillar, numerous concrete labour market and social policy projects have been adopted since 2017. For example, the directive on adequate minimum wages in all EU Member States which was recently adopted with a broad majority in the European Parliament and the European Council is a social policy milestone. At their summit in Porto, the heads of state and government renewed their commitment to the EPSR in 2021 and adopted concrete social policy goals to be reached by the EU and its Member States by 2030. The Federal Government is also implementing the 2030 targets on poverty reduction, training and employment participation at the national level."

and Social Affairs

<sup>&</sup>lt;sup>14</sup> German Social Insurance European Representation: (2017), Towards a more social Europe? ed\* 01/2017 https://dsv-europa.de/en/themenletter/ed-nr.-01-2017. html, accessed on 16/11/2022.

The path taken with the EPSR is the right one. Europe must also define itself by the performance and sustainability of the social security systems of its Member States. Common objectives and principles and their consistent implementation must be the pillars of the European social model. This means that the EPSR also guides the further development of the German Social Insurance.

The EPSR is closely related to the European strategies for the future such as the Green Deal or the Digital Decade and interacts with them. The High-Level Expert Group is expected to provide important impulses on how social security can be made future-proof at the European level. The EPSR will redefine its new role here. We can look forward to the next five years.

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