COMMISSION OF THE EUROPEAN COMMUNITIES



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<u>COMMUNICATION FROM THE COMMISSION</u> <u>TO THE COUNCIL AND THE EUROPEAN PARLIAMENT</u>

THE EUROPEAN UNION'S FOLLOW-UP TO THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT

Summary

At the Copenhagen World Summit for Social Development in March 1995, Heads of State and Government adopted a declaration and a three-pronged action programme aimed at eradicating poverty, increasing productive employment along with a cut in unemployment, and fostering social integration.

The policies being implemented both at Member State and Community level already go a long way towards meeting the commitments made in Copenhagen. In line with the priorities singled out by the European Union before and during the Summit, the purpose of this communication is to outline a limited number of areas on which the EU could now focus its action. This in no way reduces the need for the EU to continue its efforts to table common positions on the range of issues arising from the Summit which are to be followed up by the United Nations.

The communication also puts forward the idea of expert meetings to gauge the extent to which the EU is fulfilling the undertakings it made in Copenhagen.

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Introduction

The Copenhagen World Summit on Social Development, the first of its kind, provided an opportunity for the international community to spell out the principles underpinning an integrated people-centred approach to development. Such an approach is founded on common values and highlights the close links that exist between certain development goals, prominent among which are upholding human rights and the equality of the sexes, reducing poverty and inequality, boosting employment, respecting workers' basic rights and integrating disadvantaged groups. In this way, the Summit dovetailed with a series of recent conferences on human development (Rio, Vienna, Cairo and Beijing).

In the run-up to the Summit, the Commission presented a communication (COM(94)669) setting out the European Union's priorities for Copenhagen. These priorities covered multilateral commitments (aimed at encouraging all countries to set explicit social development goals, improving social rights in keeping with the ILO Conventions, and reducing inequalities) and the incorporation of certain aspects in the Community's bilateral relations with countries benefiting from financial aid or trade preferences.

The purpose of this communication is to look at ways in which the European Union could act upon the commitments made in Copenhagen. While the Commission takes the view that the full range of commitments and action set out in the declaration and action programme should be put into practice (as indeed Member State and Community policies are already starting to do), it also feels that the Union in line with the priorities it pinpointed prior to and at the Summit could formulate proposals in five of the areas mentioned in the Summit texts. These are:

- the international institutional environment,
- the inclusion of basic social rights in bilateral agreements,
- the fight against poverty,
- the priority to be given to employment in economic and social policies,
- respect and protection for immigrants, and measures to combat xenophobia.

The choice of these five themes in no way reduces the need for the EU to continue its efforts to table common positions on the range of issues arising from the Summit to be followed up in the UN.

The Community also subscribes to the notion that civil society should play a part in social development and intends to take practical initiatives to achieve this.

Similarly, in a bid to promote the principles of the integrated approach advanced in Copenhagen and ensure that the Community subsequently does what it undertook to do, the Commission also proposes that expert meetings be held to examine the extent to which the undertakings made at the Summit are coming to fruition.

1. FIVE AREAS FOR ACTION

1.1 DEVELOPING SOCIAL ASPECTS IN THE INTERNATIONAL INSTITUTIONAL FRAMEWORK

While stressing that social development was primarily a domestic policy matter, the Summit highlighted the growing importance of the international institutional environment. With the emergence of a global economy, burgeoning trade and growing internationalisation, the loss of national autonomy over policies calls for greater cooperation world-wide.

The overhaul of the system of international institutions has also been a topic of G7 discussion: in Halifax and Lyon the main industrialised nations focused on the consequences of globalization and the increased interdependence both of national policies and of the various policies affecting sustainable development. At Lyon they also called for a new Partnership for Development covering, among others, the social aspects of development and involving both the developing countries themselves and bilateral and multilateral donors.

The decisions of the recent European Councils are evidence of the EU's move towards an integrated approach, making a necessary link between the fight against unemployment and the curbing of public deficits. Closer interaction between Council meetings on social affairs and those on economics and finance should open the way for a more consistent approach to such matters.

Internationally, there is a clear need to create conditions for growth, stability and new jobs which abide by multilaterally-agreed labour standards.

Employment has certainly moved up the international agenda in recent years, particularly in meetings of the G7 including the Detroit and Lille Conferences, and in the work programmes of international organisations such as the EC and the OECD. Still, cooperation between international institutions in the field of employment has so far netted only modest results. Some encouraging signs are initial contacts between the IMF and ILO and the creation of a task force on sustainable jobs and living conditions as part of the UN's Administrative Committee on Co-ordination (CAC).

Proposed guidelines

In view of the special role which the action programme accords the <u>ILO</u> in influencing the quantity and quality of employment, the Commission sees a vital need for <u>closer</u>

<u>cooperation</u> between this organisation and those bodies working in three other key areas, i.e. macroeconomic policies (IMF), development issues, particularly structural and sectoral policies (<u>World Bank</u>) and trade policies (WTO). This would build on the guidelines agreed in Halifax, and followed-up in Lyon, enabling the international community to make international policies dovetail better.

Chapter V of the action programme deals with the follow-up to the Summit. The thinking behind the programme highlights the need to give more weight to economic and social aspects when drawing up and implementing policies. In practical terms, one suggestion is to have joint high-level gatherings, possibly on the sidelines of World Bank and IMF Development Committee meetings, which would bring together the UN Secretary-General, the IMF, the Bank, the ILO, UN funds and programmes and other relevant bodies to examine how the declaration and action programme are being implemented.

The Commission believes the Union should support the holding of such meetings (mentioned in paragraph 95g) and recommend that the General Assembly call on the Secretary-General to start convening them from 1996 on a regular basis under the umbrella of the Administrative Co-ordination Committee.

The Commission should also back this idea in G7 discussion of international institutions, especially in the light of the objective of greater consistency set out in Lyon.

ECOSOC has a central role to play in ensuring that the main economic, social and other relevant conferences lead on from each other so as to avoid overlapping and encourage an integrated approach. A revitalised Social Development Committee should assist ECOSOC with a multiannual thematic work programme centred on the three main topics of the Summit.

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1.2 INCORPORATING RESPECT FOR BASIC SOCIAL RIGHTS AND PROMOTING SOCIAL AND HUMAN DEVELOPMENT IN BILATERAL AGREEMENTS

In its relations with other countries, the European Union has developed a policy for human rights and basic freedoms, covering a wide range of activities. In November 1995, the Commission published a communication entitled "The European Union and the external dimension of human rights policy: from Rome to Maastricht and beyond".

More specifically, agreements with non-member countries have since 1992 had to include a human rights clause as part and parcel of the whole accord. Not only does this cover civil and political rights but also the right to development as well as economic, cultural and social rights. The clause was fleshed out by the Commission in its communication of May 1995 on "the inclusion of respect for democratic principles and human rights in agreements between the Community and third countries".

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On the social front, the Community makes sure that due account is taken of such matters. In this regard the Development Council of November 1996 adopted a resolution on 'Human and Social Development and European Union Development policy'. In addition the White Paper, which should help guide the countries of Central and Eastern Europe in their preparations to join the single market, also covers social aspects and the Euro-Mediterranean partnership adopted by the Cannes European Council includes a major component on social and human issues.

In that part of the action programme dealing with improvements in the quality of work and employment all governments represented in Copenhagen undertook to promote respect for basic workers' rights and to implement the ILO Conventions (where they were signatory to them) or abide by their principles (where they were not).

In its bilateral relations and in granting aid and trade preferences, the Community should give priority to those countries taking concrete steps to comply with this undertaking.

Proposed initiative

(a) In relations with other countries, the European Union has developed a policy for human rights and basic freedoms covering a range of activities. In November 1995, the Commission adopted a Communication entitled "The European Union and the external dimension of human rights policy: from Rome to Maastricht and beyond".

More specifically, agreements with third countries have, since 1992 had to include a human rights clause as part and parcel of the whole accord. Not only does this cover civil and political rights but also the right to development as well as economic, social and cultural rights. The clause was fleshed out by the Commission in its Communication of May 1995 on "the inclusion of respect for democratic principles and human rights in agreements between the Community and third countries.

<u>Dialogue</u> between the Union and developing countries therefore naturally covers these matters.

(b) The Union ensures that the development of human resources, through education, vocational training and the improvement of living conditions of disadvantaged sections of the population, is an integral part of economic and social development. In the human rights context it recognises the need to protect workers fundamental rights on the basis set out in the relevant instruments of the International Labour Organisation, including those on the prohibition of forced and child labour, the freedom of association, the right to organise and to bargain collectively and the principle of non-discrimination.

In its <u>cooperation</u> with other countries, the Community may take up matters relating to employment and respect for basic social rights and try to find ways of working together on social aspects.

(c) the aim would be to

- promote analysis, the development of national policies and the formulation of goals for social progress in the fields of employment, health, education/training and combating poverty;
- foster dialogue between governments, the social partners and civil society on issues relating to employment, health and education;
- implement schemes and programmes which contribute to the goals of social development and ensure compliance with the ILO Conventions.

In order to do all this, the Community would have to seek closer cooperation or even mount joint cooperation programmes with specialised bodies such as UNDP, the ILO and European social partners.

In the Commission's view, a good way to strengthen the social dimension in the Community's development aid, particularly for the poorest countries, is by making good the undertaking mooted in the Summit's action programme whereby basic social programmes would, by joint agreement, receive one fifth of the Community's public development aid and one fifth of developing countries' own public spending.

1.3 INCORPORATING THE FIGHT AGAINST POVERTY IN DEVELOPMENT ACTION AND CONTINUING EFFORTS TO COMBAT MARGINALIZATION WITHIN THE COMMUNITY

1.3.1 The Copenhagen action programme contains recommendations for the implementation of national strategies which explicitly seek to reduce relative poverty, and eradicate absolute poverty and which include such goals in local, national and regional economic and social policies. The programme also calls for closer international co-operation, support for international institutions, and mobilisation of the public and private sectors alike to help achieve national poverty-reduction goals.

As part of the EU's development co-operation, the fight against poverty is one of the main areas in which the Member States and Community intend to step up co-ordination of policies and on-the-spot action. In December 1993, the Council adopted general joint guidelines stressing the inherently political dimension of a task which can only succeed with the sustained political will to ensure a more equitable distribution of the fruits of growth and fairer access to productive resources and social services. For this to happen, priority must be giving to narrowing inequalities between men and women. The approach chosen by the Council is an integrated, long-term one, covering all development mechanisms and emphasising policy dialogue between donors and the recipient countries' authorities, as well as grassroots involvement.

In order to boost its role in supporting domestic policies to alleviate poverty and inequality and fine-tune its priorities in managing development schemes, the Community could give more backing to the development of analysis and information instruments, incorporating them into the various areas of co-operation.

Proposed initiative

In the policy dialogue between the Community and developing countries, poverty would be routinely taken into account, using progress indicators and an assessment of national policy action for reducing poverty and inequality. Other indicators would be examined, such as the share of public spending on basic social services compared to other nonproductive expenditure or the barriers that prevent access for all, particularly women, to productive resources and activities.

Alongside this, the Community would improve its own system for analysing and evaluating its programmes so that their impact on poverty could be gauged more clearly.

The Community could also step up its development education activities to make citizens more aware of the problems of poverty in the world.

1.3.2 Efforts should also be made to ensure that the economic progress made by Community countries benefit everyone.

The picture painted at the Summit of the situation in industrialised economies shows that social marginalization is growing in the face of structural changes.

As indicated in its medium-term social action programme, the Commission will continue to monitor this issue carefully. 1996 has seen an EU-wide debate on social exclusion and a report on all Community action in this field.

The fight against exclusion has been a priority for the European Social Fund since 1989. Among its main goals have been measures to combat long-term unemployment and to facilitate the social integration of young people and those belonging more generally to vulnerable groups (drug addicts, immigrants, ex-prisoners, etc.).

As regards sex equality, the principle is included in all Community policies and activities.

Currently, ECU 5.6 billion is being earmarked for the fight against marginalization.

The Community "Employment" initiative allows a more flexible approach, taking into account all aspects of exclusion and dealing with them as a whole. ECU 730 million under the "Horizon" section of this initiative has gone on the fight against exclusion.

1.4 KEEPING EMPLOYMENT AS THE TOP PRIORITY FOR ECONOMIC AND SOCIAL POLICY

The Copenhagen declaration and action programme place job creation, reducing unemployment and promoting decently paid work at the centre of economic and social policies and strategies for sustainable development. Governments undertook to conduct active employment policies and give priority to national and international policies conducive to employment.

The action programme stresses the vital role of employment in reducing poverty and fostering social integration. Emphasis is placed on the cooperation required at all levels between the state, social partners and civil society, and on the need to invest in people. Investment in education and training is essential for economic growth and hence jobs, and instrumental in enabling men and women to adapt more easily to global change. Employment policies must also ensure equality between men and women and non-discrimination on racial/ethnic, religious or other grounds.

The EU has made the battle for employment one of its central tasks. The chosen strategy, consistent with macro economic policies aimed at monetary stability and the reduction of excessive public deficits identifies five key areas vital for job creation:

- better job prospects through investment in vocational training;
- harnessing growth for greater job creation;
- lower indirect labour costs to help create jobs;
- more effective labour market policies;
- measures to help those worst affected by unemployment.

The Essen European Council asked the Member States to incorporate these recommendations into multiannual policy programmes tailored to the particular economic and social situations prevailing in each country. In December 1995, the Madrid European Council reaffirmed that job creation was the main social, economic and political goal of the EU and its Member States. For the first time, a joint report by the Council (Ecofin and Labour and Social Affairs ministers) and the Commission concurred on how best to ensure that economic recovery was accompanied by a clearer improvement in the job situation.

In June 1996 President Santer proposed a confidence pact for employment in order to mobilise all those concerned, make full use of the European multiplier effect, and give a medium- and long term dimension to efforts to combat unemployment. This policy, which

sets out a comprehensive framework, was welcomed by the Florence European Council, which stressed the need to give new impetus to the job creation strategy.

The joint report and the confidence pact proposal were followed-up at the Dublin European Council with a Declaration on Employment, which outlines a concrete set of desirable measures to (1) improve labour market efficiency and investment in human resources, (2) provide support for the most vulnerable groups in society, (3) render tax and benefit systems more employment friendly, (4) modernise markets for goods and services, (5) enhance competitiveness, and (6) promote local development.

Proposed guideline

The decisive steps taken by the European Union in close collaboration with the social partners could, as part of an analysis of best practice, be usefully passed on and compared with other initiatives in a wider international framework. Given the special employment role accorded by the action programme to the ILO, the Commission proposes to hold regular meetings with the organisation. Discussion on employment should also continue within the OECD and G7.

1.5 RESPECT AND PROTECTION FOR IMMIGRANTS AND THE FIGHT AGAINST RACISM AND XENOPHOBIA

The Copenhagen declaration commits governments to affording migrant workers protection as laid down in national and international laws and agreements, to combating acts of racism and xenophobia, and to fostering social tolerance. Respect for human rights, fundamental freedoms of all, cultural and religious diversity, social justice and equal opportunities are vital for more humane, tolerant and just societies.

Planned initiatives

- In its medium-term social action programme, the Commission plans in the near future to present a recommendation encouraging Member States to ratify the 1990 UN Convention on improving the lot of migrant workers and their families.
- The same programme also makes provision for a recommendation calling on Member States to make it easier for residents of non-member countries permanently and legally domiciled in another Member State to find employment in instances where the relevant post cannot be filled by EU nationals or by national of other countries legally resident in that Member State. As things stand, nationals of non-member countries legally and permanently residing in one Member State are not entitled to go and work in another.
- In December 1995, the Commission adopted a communication on racism, xenophobia and antisemitism in a bid to co-ordinate its own activities in these

areas and as a way of mapping out avenues for future action. The communication was accompanied by a proposal to the Council to have 1997 designated as the "European Year Against Racism".

2. TAKING A CUE FROM THE SUMMIT TO EXPAND AND STIMULATE DEBATE

2.1 FOSTERING THE INVOLVEMENT OF CIVIL SOCIETY

The declaration and action programme enshrine the idea of a society for all, in which each individual has rights and responsibilities and an active part to play. Governments are urged to encourage the involvement of everyone in society.

Planned initiatives

The Commission has decided to hold a <u>European forum</u> every eighteen months to discuss social policy. The forum will bring together as many relevant bodies as possible. While fully acknowledging the role played by the social partners, the Commission believes that NGOs and other representative organisations should be consulted on a whole range of social issues. The first forum was held in March 1996.

2.2 A PLAN FOR EXPERT MEETINGS TO MONITOR IMPLEMENTATION OF THE COPENHAGEN ACTION PROGRAMME

Expert meetings are due to be held in 1997 and 1999 to examine how the main issues raised at Copenhagen have been handled and how both the internal and external aspects of EU policies have progressed. This is with a view to the special session of the General Assembly planned for 2000, when implementation of the action programme will be examined.