



ECO/ESG

Brussels, 11 September 2025

To the members of the
European Semester Group

The secretary-general of the European Economic and Social Committee is pleased to enclose the

MINUTES
of the 37th meeting
of the
European Semester Group,
held at the Committee building in Brussels
on
11 September 2025

The European Semester Group (ESG) held its 37th meeting at the Committee building in Brussels, from **9:30 to 13:00 on Thursday 11 September 2025**. It was a hybrid meeting, with some members connecting remotely via the Interactio videoconferencing system and others attending in person. The meeting was chaired by the ESG president, **Luca Jahier**.

1. Adoption of the draft agenda

The draft agenda was adopted.

2. Approval of the minutes of the 36th European Semester Group meeting held on 24 June 2025 (EESC-2025-02522-00-01-PV-REF)

The minutes were approved.

3. Introduction by the European Semester Group (ESG) President, **Mr Luca Jahier**.

- Mr Jahier opened the discussion by noting that this meeting marked his final session as ESG president and expressing his great satisfaction at having headed up the group. He reminded members that the ESG had been set up in 2017, at the same time as the group on Fundamental Rights and the Rule of Law and the temporary study group on Artificial Intelligence, the latter having been replaced in 2020 by the Observatory of the Digital Transition and the Single Market.
- This group had evolved considerably over the years. Initially, its development had been driven by the first ESG Group president, Mr Lobo Xavier. For example, missions and the consultation of organised civil society in Member States, with the support of national ESG delegations, had meant that 81 EESC members had been involved in the group's work every year.
- This meeting served as a valuable opportunity to reflect on the results achieved during the 2023-2025 term of office, while also preparing future planning and programming, ahead of Mr Lobo Xavier taking over the group's presidency for the next two-and-a-half-year term of office.

4. **End-of-mandate report of the European Semester Group** and a review of ESG work: statements by the outgoing president, **Luca Jahier**, and the future president of the group, **Gonçalo Lobo Xavier**, and exchange of views with ESG members.

Statement by the group's president, Mr Luca Jahier.

- As illustrated in the end-of-mandate report, and reflecting on the achievements of the last five years, particularly the last two-and-a-half, Mr Jahier remarked that the ESG could be considered a success – perhaps even the EESC's greatest success – for three main reasons:
 - **Consistency and continuity:** under all three presidencies from different groups, the ESG had demonstrated durability over time and a structural capacity to maintain and improve both the content and the structure of its work.
 - **Structured involvement:** the support and participation of 81 EESC members through national ESG delegations to the annual consultation exercise had made it possible to formalise a methodology. The active involvement of organised civil society representatives at national level, through country visits and the dissemination of

questionnaires, had also enabled them to develop an internal capacity to respond to key issues within the framework of the European Semester. This applied to both the Autumn Package and the country-specific recommendations (CSRs). It had also increased their capacity and knowledge to interact with their respective governments on these issues.

- **Impact:** despite being unable to obtain a meeting with the Chair of the European Parliament’s ECON Committee during this term of office, the ESG had exerted significant influence in its relations with the EP and the European Commission, particularly on key topics such as the Recovery and Resilience Facility (RRF) and the reform of the EU’s economic governance framework.
- Mr Jahier also identified three major challenges for the policies discussed in the European Semester:
 - **Delays in implementing the Recovery and Resilience Plans (RRPs):** the final phase of the national RRP’s remained a central topic during ESG national consultations, with persistent implementation delays in several Member States. The broad consultation exercise conducted every year had helped to identify problems and to propose solutions in the group’s opinions and information reports.
 - **Shifting priorities:** the initial objectives of the RRF had been jeopardised by unforeseen geopolitical developments, such as Russia’s aggression against Ukraine, which had redefined investment priorities across the EU.
 - **The future of the Multiannual Financial Framework (MFF):** one of the main challenges for the future would be to align the rationale behind the European Semester with that of the MFF, especially given the Commission’s intention to strengthen the links between Semester processes and MFF spending. Exactly how this integration would be achieved remained to be seen.

Intervention by the ESG vice-president, Mr Gonalo Lobo Xavier:

- Mr Lobo Xavier took the floor and thanked Mr Jahier for placing the ESG at the heart of the institution. Thanks to his experience and networks, Mr Jahier was leaving an important legacy for the EESC, which Mr Lobo Xavier pledged to put to good use in the service of the Committee.
- He recalled that Agenda 2020 had marked the beginning of the ESG concept. Many developments had taken place since then, and he stated: “Europe is in danger today”. For this reason, the next two-and-a-half years would be particularly challenging, both socially and economically.
- He stressed that the European Semester process would play a critical role in rallying the public behind the idea of a socio-economic Europe for all. Without such engagement, activities that threatened the EU’s competitiveness, and by extension, democracy, would prevail. And it would have a direct impact on the social policy and economic situation of Member States.
- While acknowledging that the European Semester could not solve all the current problems, Mr Lobo Xavier emphasised that, as representatives of organised civil society and of the public in general, EESC members had a responsibility to contribute meaningfully to the process and add value to the ongoing discussions.
- He also confirmed the three core elements of the ESG outlined by Mr Jahier. On methodology, he noted that the preparation of opinions/information reports and the annual consultation exercise would continue to be part of its work, as well as regular ESG meetings and the annual

ESG conference; however, due to budgetary constraints, the number of ESG meetings in the next term of office would probably have to be reduced.

- Looking ahead to the next term of office and his upcoming presidency of the ESG, Mr Lobo Xavier emphasised shared responsibility among members and the need for more country visits, high-quality reporting and effective networking. He acknowledged current and future challenges, and stressed that the coming period would be crucial for Europe's economic and social future.

Follow-up discussion:

The ESG president opened the floor for a follow-up discussion, and for questions and comments on the work of the ESG at the end of the current term of office and during the next one. **Ms Cinzia Del Rio, Mr Andris Gobiņš, Mr András Edelényi, Mr Marco Wagener, Mr Krister Andersson, Mr Wautier Robyns, Mr Jack O'Connor, Ms Justyna Kalina Ochędzan, Mr Krzysztof Ostrowski and Mr Athanasios Ioannidis** made the following comments:

- Missions played a fundamental role in the ESG's work. These consultations facilitated collaboration with social partners and civil society. They also helped to compensate for the limited participation of the latter in national governments' design of the national Recovery and Resilience Plans. The consultations resulted in the publication of valuable reports, providing an overview of developments in the implementation of CSRs in Member States.
- Country visits offered networking opportunities for EESC members with organised civil society at the national level, as well as the chance to gather opinions on the ground. These missions greatly enriched the group's work and helped it to reconcile the different interests of local stakeholders. They were useful for coordinating and putting together the group's contributions.
- The ESG played a pioneering role at EU level in extending civil society participation to national contexts. For example, in Latvia, these country visits were described as valuable opportunities not only to gather information but also to establish contacts with Members of the European Parliament, ministry officials and other stakeholders. This was seen as a way of strengthening their impact within the Semester process.
- Country visits had helped to bring organised civil society together and raise awareness of the EU's economic governance framework, which had a real impact in Member States. They were also a lever for raising awareness of exchanges, coordination and work at European level on social policy and the European Pillar of Social Rights (EPSR), as well as the necessary reforms.
- Country visits were identified as one of the core strengths of the ESG's activities, with particular mention of the consultations organised in Poland. The latest meetings held there had attracted broad participation and fostered meaningful discussion. The incoming president was encouraged to maintain this approach, even when taking financial constraints into account, given the added value that these missions brought to the group's work.
- Satisfaction was expressed with the growing importance attached to the social dimension in the European Semester. It was stressed that the balance between economic and social priorities remained critical. Concerns were raised about the future implications of economic governance rules, the MFF and increased defence expenditure for social budgets. The Social Convergence Framework was considered an essential tool that had to be preserved. The participation of

EESC section presidents in ESG activities was also highlighted as necessary to ensure consistency between the work of the sections and broader EU policy orientations.

- Emphasis should continue to be placed on reinforcing the social dimension of the Semester (EPSR) in order to guarantee public and private investment and to maintain social spending. This should be done despite the increase in defence spending.
- The adoption of innovative working methods within the ESG, particularly the use of national ESG delegations, was welcomed. This method was cited as an example of good practice, worthy of replication in other EESC groups and sections in order to increase the effectiveness of field consultation, despite resource constraints.
- A question was raised regarding the name of the group, which was still labelled as “ad hoc”. This should be changed, given the importance of the group’s work.
- Although the request to include organised civil society in the preparation of plans (RRPs and Medium-Term Fiscal-Structural Plans (MTFPs)) had been respected in principle, it was crucial that the Commission exert greater pressure on Member States to involve stakeholders more effectively and meaningfully. Concerns were voiced about the Commission’s new approach to limiting indicators, warning against the risk of neglecting important social aspects and “soft skills” if only easily measurable results were prioritised.
- The work carried out by the ESG had raised the profile and improved the visibility and the impact of the EESC, particularly after the pandemic period. The ESG’s consultations had increased organised civil society’s acceptance of the coordination of social, environmental, budgetary, fiscal and other policy dimensions.
- One recommendation was to assess whether the advice given by the EESC could be taken into account by organised civil society and the European institutions. The EESC represented organised civil society, but it was governments that were held accountable in the EU.
- The ESG’s contribution to engaging organised civil society in the European Semester dialogue, as well as its contribution to clarifying the technical nature of the Semester to representatives of organised civil society, was recognised as a major achievement. This was one of the most successful initiatives in the EESC, together with field dialogue with stakeholders. This initiative was significant as it established a solid common path with national economic and social councils, stakeholders and other EU institutions.
- Despite possible changes for financial reasons, it was crucial that the ESG meet to discuss the key phases of the European Semester: the autumn package, the spring package and CSRs.
- As a basis for its future work, the ESG should also draw on recent EESC reports which had explored public and private financing instruments that would advance the EU’s objectives.
- It was emphasised that greater efforts were needed to close gaps in productivity and innovation, and it was argued that completing the Capital Markets Union and boosting access to venture capital would be essential to support democratic and economic resilience. In parallel, the importance of collective bargaining and worker participation in trade unions was underlined.
- The growing importance of the European Semester was noted, particularly in relation to the inclusion of the CSRs in national regional and partnership plans (in the framework of the MFF). Therefore, the ESG’s work would take on greater significance at national and regional levels. Reference was also made to cohesion policy and to the importance of increasing the share of social spending beyond the current 14%, possibly to 20%, if not more.

- Finally, appreciation was expressed for Mr Jahier's leadership and for his role in embedding the ESG as one of the Committee's most dynamic initiatives.
5. Presentation and discussion on the current **state of play and the future of the Recovery and Resilience Facility**: implementation progress, improvements for its remaining lifetime and alternative options regarding the use of unspent funds, by **Stefan Ciubotaru**, SG REFORM, European Commission.
- The presentation focused on the **state of play of the Recovery and Resilience Facility (RRF)** and the next steps towards finalising the facility by the end of 2026.
 - The RRF had successfully supported the recovery of the EU's economy after the COVID-19 crisis, not only by preserving public investment but also by **boosting GDP and employment**; in particular, average real GDP had reached 3.9% across the Union.
 - Despite some smaller envelopes for individual countries, the overall **impact at European level had been significant**.
 - Practical examples of how the RRF continued to make a real difference on the ground, included:
 - 33.4 million MWh/year saved in primary energy consumption;
 - 16.2 million additional dwellings with access to very-high-capacity internet networks;
 - 29 million participants in RRF-supported education and training programmes;
 - 1.6 billion users benefitting from new and upgraded public digital services.
 - The investments and reforms financed under the RRF had not been linked to just one policy area but had **supported broad economic transition**, beyond green, social and digital tagging requirements, including institutional frameworks, business requirements, R&D and regulatory simplification.
 - The day of the presentation marked 100 days since the 4 June Communication on *NextGenerationEU - The road to 2026*; it was also one month away from the 2025 annual RRF report.
 - **Over 55% of RRF funds had been disbursed to Member States:**
 - The around EUR 362 billion disbursed so far had reflected concrete achievements on the ground.
 - 2 586 milestones and targets out of the 6 985 in Member States' plans (37%) had been successfully implemented.
 - Approximately 60% of grant envelopes and 49% of loans had been disbursed and a total disbursement of 61% was expected by the end of 2025.
 - The performance-based design of the RRF meant that **some investments were back-loaded**, and the final assessment would take place at the end of the Facility's implementation period in 2026.
 - **Spillover effects** of the RRF were highlighted:
 - One example was that Germany was benefiting indirectly, particularly in manufacturing, despite having a smaller envelope.
 - Such spillovers enhanced resilience, indirect economic development and economic links across Member States.
 - **2026 implementation focus:** with less than one year remaining, effective implementation was increasingly urgent.
 - All milestones and targets had to be realised by 31 August 2026, the last payment request submitted by 30 September 2026, and the last payment made by the Commission by 31 December 2026.

- Implementation mattered for growth in Member States: some Member States lagged behind in implementation and needed to pick up the pace.
- **European Commission support for Member States** for successful closure of the RRF and for making RRP fit for 2026:
 - RRPs should only include measures achievable by 31 August 2026; otherwise, plans should be revised to exploit alternative options for measures that could not be completed in time.
 - Efforts should be continued to **simplify the administrative burden** relating to implementation of the RRF.
 - Member States should move financial allocations to investments that had worked better, while maintaining the same requirements for a social, digital and green plan.
 - Member States should remove unclear language and reduce red tape while maintaining the aims of reforms tied to the European Semester.
- **Post-2026 considerations:**
 - Borrowing funds under NextGenerationEU was based on expected funding needs. The total amount of net borrowing under NextGenerationEU would match the disbursements to be made to Member States under the RRF. Unused allocations would not result in unnecessary debt.
 - Member States could absorb as much as possible by the end of 2026 by:
 - scaling up exiting measures;
 - cutting down oversubscribed plans or downscaling the loan envelope;
 - transferring funds to other investment mechanisms, such as the InvestEU Member State compartment;
 - splitting RFF projects for continuation with national or other EU funds;
 - supporting the creation of financial instruments to incentivise private investment;
 - supporting equity injections in national promotional banks and institutions (NPBIs);
 - supporting national contributions to the future European Defence Industry Programme (EDIP); and
 - supporting national contributions to EU programmes for satellite communications.
- The Commission's **main objective** remained to accelerate implementation, maximise absorption and ensure that as many investments and reforms as possible were delivered by the end of 2026.

The ESG president, **Mr Jahier** asked a question and then opened the floor for questions and comments. **Mr Philip Von Brockdorff**, **Mr Jack O'Connor** and **Mr Petru Sorin Dandea** took the floor.

- The deadline for the Member States to present amendments to the plans was the end of August. *How many amendments had the Commission received, and how consistent were they?*
- The RRF appeared to have a positive impact on economies across the European Union. Focusing on productivity, beyond estimating the impact on GDP, *would the Commission conduct an assessment of how productivity was also positively affected by the RRF?*
- The RRF had proven to be a very successful instrument so far. Particularly interesting in the presentation was the point on the spillover effect of the instrument and its additional contributions to the various EU economies. *Would it be possible to circulate the link to the*

discussion paper on the “Economic Impacts of the Recovery and Resilience Facility: New Insights at Sectoral Level and the Case of Germany”¹?

- Regarding the MFF and what was next after 2026, as well as the 1+1 rule, and given that major reforms in Member States required additional time to be completed, the question about “what was next” had two parts: Firstly, *what would happen with the current RRF? Was the Commission committed to discussing the 1+1 rule with the co-legislators?* Secondly, if the RRF proved to be a very successful instrument, *would the Commission seek to establish a permanent financial instrument similar to the RRF in the next MFF?*

Mr Ciubotaru responded as follows:

- There were no strict deadlines for amendments, and plans would be amended according to Member States’ needs. Regarding the number of amendments received and their processing, three amendments had been submitted over the summer. The Commission was expecting to process 27 simplifications for each Member State to ensure that at least the administrative burden would be reduced.
- On measuring the impact on productivity, this would indeed be assessed following the closure of the facility; however, the Commission was already measuring productivity through the output indicators under the regulation. The best way to monitor was through the RRF scoreboard, which was publicly accessible and was the Commission’s digital tool centralising all disbursements, as well as their impact across Member States.
- The discussion paper regarding spillovers was linked to econometric research carried out by DG ECFIN this year; the link would be shared with the ESG.
- Regarding the 1+1 rule, this was legally impossible for the Commission to undertake. On the extension of the RRF’s duration, the deadlines were set in the Regulation, and any extension would require amending both the *EU Resilience Instrument Regulation* and the *Own Resources Decisions*, which needed unanimous Council approval. Nonetheless, some flexibility, performance-based elements, and lessons learned were expected to be incorporated into the next MFF. The RRF had been designed as a one-off financial response to the Covid-19 crisis.

6. Confirmation of the date of the next meeting (the 38th): **9 December 2025** (14:30 – 17:30).

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¹ [Economic Impacts of the Recovery and Resilience Facility: New Insights at Sectoral Level and the Case of Germany](#).

ANNEX

ATTENDANCE LIST

List of members				
Mr/Ms	Present	Remotely	Absent	Apologies
ANDERSSON, Krister	X			
ANTONIOU, Michalis			X	
ATS, Kerli		X		
BOLLON, Pierre			X	
CABRA DE LUNA, Miguel Ángel			X	
CALISTRU, Elena-Alexandra			X	
DANDEA, Petru Sorin	X			
DEBAY, Pascal	X			
DEL RIO, Cinzia	X			
DOZ ORRIT, Javier			X	
EDELÉNYI, András	X			
GOBIŇŠ, Andris	X			
IOANNIDIS, Athanasios	X			
JAHIER, Luca	X			
KINDBERG, Mette				X
KIUKAS, Vertti	X			
LIBAERT, Thierry			X	
LOBO XAVIER, Gonçalo	X			
MITOV, Veselin replacing MANOLOV, Dimitar	X			
MARTINOVIĆ DŽAMONJA, Dragica	X			
MORKIS, Gintaras	X			
OCHĘDZAN, Justyna Kalina	X			
O'CONNOR, Jack	X			
OSTROWSKI, Krzysztof		X		
PALMIERI, Stefano	X			
PLAT, Jacob		X		
POČIVAVŠEK, Jakob Krištof		X		
REALE, Maurizio			X	
ROBYNS, Wautier	X			
SALAFRANCA SANCHEZ-NEYRA, José Ignacio			X	
SCHLÜTER, Bernd		X		
SCHMIDT, Peter	X			
SIPKO, Juraj		X		
SVENTEK, David	X			
VARDAKASTANIS, Ioannis	X			
VON BROCKDORFF, Philip	X			
VORBACH, Judith				X
WAGENER, Marco	X			
ZARIŇA, Katrīna	X			