



ECO/ESG

Brussels, 26 September 2023

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 27th meeting
of the
European Semester Group,
held at the Committee building in Brussels
on
26 September 2023

The European Semester Group (ESG) held its 27th meeting at the Committee building in Brussels **on Tuesday 26 September 2023, from 14:30 to 18:00**. 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 26th European Semester Group meeting, held on 23 May 2023.
The minutes were approved.
3. **Introduction** by the president of the group, **Mr Jahier**.
 - welcomed the members and the representatives from national economic and social councils (NESC)s).
 - drew up some conclusions as a follow-up to the ESG Annual Conference held in the morning¹.
4. **Follow-up discussion after the Annual ESG conference**, with representatives of **national economic and social councils**.
 - Mr Jahier presented and introduced the questions forwarded to the NESC)s for the follow-up exchange to the Annual ESG conference:
 - *Do you have a specific reaction to this morning's debate, mainly in relation to the key issues being discussed at the national level in each Economic and Social Council?*
 - *What could be done to improve their involvement at the national level in issues relating to the European Semester, national recovery and resilience plans, and the general framework of the economic and fiscal governance?*
 - *The EESC plans to work shortly on an own-initiative opinion on reform and investment proposals and their implementation in the Member States (on the agenda later this afternoon), with consultations at the end of the last two months of this year and the beginning of the first month and a half next year, with a view to its adoption by the EESC plenary session in April 2024. How do the national economic and social councils see themselves being involved?*
 - **Mr Tasso**, deputy adviser to the Belgium's Central Economic Council, highlighted that:
 - the conference was interesting and tied in with the work of the Central Economic Council, which had raised two points in particular about the review of the framework for economic governance: (1) the political balance to be struck between flexibility and responsibility/liability; (2) and the problems around investments and how to treat investments in the context of the transitions;
 - on ownership and appropriation, it was pointed out what had been said about the Council Recommendation adopted at the beginning of June, which targeted social dialogue and enhancing it at the national level particularly when it came to socio-economic problems. A second recommendation, which had not been adopted yet, was also highlighted as being quite significant, as it envisaged strengthening social dialogue

¹ [minutes of the annual conference 2023 of the european semester group - eesc - 26 september 2023.pdf \(europa.eu\)](#)

- at EU level – an innovation for the EU decision-making model: stronger upstream consultation of social partners on the EU's political priorities;
- on the question of involving the Central Economic Council, a pending issue was brought up, concerning the challenge of how political authorities might fulfil the obligations undertaken in the framework of the first recommendation in the future. Indeed, from the experience of the Belgian government consultation with the Central Economic Council, Mr Tasso recalled how consultation had rather been *pro-forma*, at least when it came to the national reform plan. Things changed with the regulation on the RRP where consultations had been envisaged with social partners, which had allowed for a real exchange of views. There were also significant moments in the implementation process where there was involvement, at least to remain up to date on the work at the federal level – the regional level had not been included, despite its significance for the RRP;
 - the main problem identified was the timetable – the Central Economic Council must be involved at the right time, and once opinions had been issued, they must be taken up in the programme, and not just annexed at the end of the document;
 - the initiatives developed by the Central Economic Council with the European Commission were welcomed. A post-COVID scenario was outlined, which had left no room for dialogue as compared to the pre-COVID situation, instead allowing for the triggering of a dialogue together with the Autumn Package. With COVID, the timetable for publishing documents had changed, and there was no room for dialogue as before. All of this had been exacerbated by the suspension of the rules on budgetary governance, which further changed the rules.
 - at the present moment, dialogue with the Commission was viewed as very limited – no meetings, and no dialogues had been set up with the Central Economic Council.
 - According to **Mr Jahier**, the EESC could have an important role to play here in bridging the gap and triggering a more structured dialogue.
 - **Mr Edelényi** intervened on the two key words of the conference, "ownership" and "responsibility":
 - Ownership: organised civil society must be involved in all three phases: (1) to take part in the planning phase according to the partnership agreement of Regulation 240/2014², which had specified the roles of the actors. This had not been taken up in the RRF Regulation 241/2021³, the wording of which was much less specific; (2) to monitor and cooperate during the implementation/execution phase; (3) to not only evaluate *ex post*, but to also provide direct feedback from the field, beyond "mere" statistical figures. Because of these nuances, it was noted that it would be difficult to clearly define "ownership" of organised civil society in a regulation. The issue of subsidiarity was also highlighted as an obstacle to defining "ownership": different actors operated at different levels of authority. It was noted that the preparedness, awareness, and ability of actors to provide relevant contributions diminished as one moved down the subsidiarity chain.

² [EUR-Lex - 32014R0240 - EN - EUR-Lex \(europa.eu\)](#)

³ [EUR-Lex - 32021R0241 - EN - EUR-Lex \(europa.eu\)](#)

- Responsibility: all actors assumed their responsibility. When drawing up more specific rules for organised civil society to participate, attention must be drawn to the key issues of preparedness, targeted communication and expectations.
 - **Ms Calistru** underlined the important role that performance-based budgeting will continue to have for future programmes, after the finalisation of the Resilience and Recovery Facility (RRF), and suggested that an EESC position on this might be of interest. Moreover, she stressed that we should explore the role that national Independent Fiscal Institutions (IFIs) might play in setting standards to strengthen organised civil society involvement – the example of Romania, where the IFI was independent and close to organised civil society, was highlighted.
 - **Mr Jahier** responded by saying that when the opinion on the reform of the legislative package was being drawn up, an IFI official from Spain had shared how national IFIs had resisted having more power in this respect because they showed quite strong divergencies in both model and staffing. They had hence proven not to be comparable enough to be taken into consideration for this.
 - **Mr Doz Orrit** said that:
 - it had been suggested that a delegation from the Committee of the Regions (CoR) be sent to assess how the RRF was being implemented in Southern Austria, Helsinki and Catalonia. These regions had a common interest in the subject, as well as in the reform of tax rules;
 - the participation from representatives of organised civil society from EU regions was underlined as essential, as they had a common interest to defend when it came to taxation, budgetary rules and their application and implementation. With regard to the extension of NGEU and the national RRFs, there was broad agreement with the CoR on this point;
 - a common position and actions must be identified by the European institutions before the European Parliament elections, which would highlight the points of convergence: participation as the key to executing and implementing the plan.
5. Presentation of the **updated work programme of the European Semester Group**, after consideration of the proposals put forward by members of the group.
- **Mr Jahier** pointed out that:
 - there was a desire to ensure greater integration of the ESG's work with that of other sections and permanent bodies of the EESC (the SDO Observatory and the sections ECO, SOC, and TEN for example);
 - greater emphasis should be placed on the aspects of reform and investment, given both the difficulty of the reform agenda and the essential role that increased public investment would play in reforming the EU economic governance framework;
 - establishing stronger links with representatives of regional and local authorities, for example by proposing to hold visits outside national capitals. Regional leaders should be more interested in taking part in the ESG country visits. The CoR had already shown openness to collaboration on this front.
 - **Ms Del Rio** underlined that:
 - the SOC section had planned a conference on 8 November on the social dimension of national recovery and resilience plans, and the ESG president was going to participate as a speaker;

- the different sections and permanent bodies should work together to address cross-cutting topics, for instance on the implications of the reform for the country-specific recommendations, which concerned both the ESG and the SOC in particular;
 - two further areas of collaboration were suggested: (1) an analysis of the complementarity of funds, from EU programmes and from national funds; (2) in the context of replacing the social imbalance procedure with the social convergence framework, studying social imbalances in relation to economic imbalances in the European Semester cycle.
6. **Presentation and discussion** of the **next ESG/ECO own-initiative opinion** with a broad consultation of organised civil society on the topic of "**Reform and investment proposals and their implementation in the Member States** – what is the opinion of organised civil society? (2023-2024 European Semester cycle)".
- **Mr Jahier** explained that:
 - this own-initiative opinion focussed on investment, reform, and implementation – especially on how EU countries received and responded to country-specific recommendations;
 - this consultation was based on the same methodology as the one previously used: the three-member national delegations (representing the three groups) would jointly answer the questionnaire by consulting stakeholders in their countries, and the national delegations of the 8 countries identified would organise round table discussions with the secretariat between December 2023 and mid-March 2024 to meet the stakeholders on site and draw up a report. The reports and responses would be included in the annex to the opinion and summarised in recommendations in the opinion.
 - based also on an overview of past country visits – Lithuania, Netherlands, (Poland and Romania tbc), Greece, Cyprus, Slovakia, Slovenia, France, and Portugal (and Ireland tbc) had been identified as potential candidates for the 8 round-tables;

The floor was opened to remarks, before the secretariat's presentation on the methodology.

- **Ms Ochędzan** put forward Poland as a potential venue for a round-table given the existence of a Polish national European Semester advisory group, as well as the perspective that a country outside of the Eurozone could contribute to the round-tables in the context of the European Semester cycle.
- **Mr Morkis** summed up the threefold goals of the own-initiative opinion and agreed that the opinion would represent a suitable tool to achieve them: (1) to assess the effectiveness and possibility to better target country-specific recommendations; (2) to implement country-specific recommendations and see their progression in the Member States; (3) to propose setting up a robust system of monitoring the process by involving organised civil society.
- **Mr Jahier** respond by saying that indeed we should use the terms "the level of compliance with country-specific recommendations of the country's annual fiscal plan" instead of "implementation", seeing as country-specific recommendations were not binding. Moreover, the focus should be more on system/governance framework change, which had showed not to work, rather than on the specific feature of country-specific recommendations.
- **Mr Andersen**, from the ESG secretariat:

- explained that there would be three country-visits by the end of 2023 and five by mid-March 2024;
- replied to the question "*Where would you like the event to be held*" by explaining that if none of the organisations involved offered to host the event, it would also be advisable to contact the national economic and social council or the European Commission's Representation;
- replied to the question "*Preparation of the programme: which discussion points would you like to highlight (based on the questionnaire)?*" by explaining that they would send a template of the programme;
- replied to the question "*Who should we invite?*" by explaining that it was up to national delegations to decide who and how to invite. The secretariat had prepared a model invitation letter. He asked the members to let the secretariat know whether they wanted the secretariat to send out the invitations, or whether they preferred to do it themselves.

7. Any other business.

8. Confirmation of the date of the next meeting: **29 November 2023 p.m.**

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APPENDIX

ATTENDANCE LIST

| List of members | | | | |
|--|---------|----------|--------|-----------|
| Mr/Ms | Present | Remotely | Absent | Apologies |
| ANDERSSON, Krister | X | X | | |
| ANTONIOU, Michalis | X | X | | |
| ATS, Kerli | | | X | |
| BIEGON, Dominika (Rule 85.3 from SCHMIDT, Peter) | X | X | | |
| BOLLON, Pierre | | | X | |
| CABRA DE LUNA, Miguel Ángel | | | | X |
| CALISTRU, Elena-Alexandra | X | | | |
| DANDEA, Petru Sorin | X | | | |
| DEL RIO, Cinzia | X | | | |
| DOZ ORRIT, Ja vier | X | | | |
| EDELÉNYI, András | | | X | |
| GOBIŇŠ, Andris | | | | X |
| IOANNIDIS, Athanasios | | | X | |
| JAHIER, Luca | X | | | |
| KINDBERG, Mette | X | X | | |

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|--|---|---|---|---|
| KIUKAS, Vertti | | | | X |
| LIBAERT, Thierry | | | X | |
| LOBO XAVIER, Gonçalo | X | X | | |
| MANOLOV, Dimitar | | | X | |
| MARTINOVIĆ DŽAMONJA, Dragica | X | | | |
| MEYNENT, Denis | | | X | |
| MORKIS, Gintaras | X | | | |
| O'CONNOR, Jack | X | | | |
| OCHEDZAN, Justyna Kalina | X | | | |
| OSTROWSKI, Krzysztof | X | | | |
| PALMIERI, Stefano | | | X | |
| PLAT, Jacob | | | | X |
| POČIVAVŠEK, Jakob Krištof | X | X | | |
| REALE, Maurizio | X | | | |
| ROBYNS DE SCHNEIDAUER, Wautier | X | | | |
| SALAFRANCA SANCHEZ-NEYRA, José Ignacio | X | X | | |
| SCHLÜTER, Bernd | | | X | |
| SCHMIDT, Peter | | | | X |
| SIPKO, Jura j | | | X | |
| SVENTEK, David | | | X | |
| VARDAKASTANIS, Ioannis | X | | | |
| VON BROCKDORFF, Philip | | | X | |
| VORBACH, Judith | X | | | |
| WAGENER, Marco | | | | X |
| ZARINA, Ka trina | X | | | |