



Quels sont les leviers pour renforcer la participation des partenaires sociaux dans le Semestre européen ?

19 janvier 2023 | 14h - 17h

Le Conseil économique et social du Grand-Duché de Luxembourg
13, rue Erasme, L-1468 Luxembourg



Organisers of this round table

- [Economic and Social Council \(ESC\) of the Grand Duchy of Luxembourg](#)
- [The European Economic and Social Committee \(EESC\)](#)

Participants

- Mr Tom DOMINIQUE, President of the ESC of the Grand Duchy of Luxembourg
- Mr Jean-Jacques ROMMES, Vice-President of the ESC of the Grand Duchy of Luxembourg
- Mr Steve HEILIGER, Vice-President of the ESC of the Grand Duchy of Luxembourg
- Mr Daniel BECKER, Secretary-General of the ESC of the Grand Duchy of Luxembourg
- Ms Sidonie PARIS, Member of the Luxembourg Chamber of Commerce, for Ms Christel CHATELAIN, EESC member
- Mr Nicolas SIMONS, economist at the Luxembourg Employers' Association (UEL)
- Mr Norbert GEISEN, EESC member
- Mr Marco WAGENER, EESC member
- Ms Josiane WILLEMS, EESC member
- Mr Romain WOLFF, EESC member
- Ms Baiba GRANDOVSKA, European Semester Officer for Luxembourg, European Commission, Brussels
- Ms Colombe GREGOIRE, Secretariat of the EESC European Semester Group

This round table was organised as part of consultations carried out by the EESC's [European Semester Group](#) (ESG) for the preparation of an own-initiative opinion on "The EESC's recommendations for a solid reform of the European Semester" ([ECO/600](#)). With this opinion, the ESG is continuing work begun in 2021: consulting national economic and social councils, social partners and civil society organisations from the EU's Member States on a key topic of the European Semester. This includes the Recovery and Resilience Facility, country reports, national reform programmes and country-specific recommendations, all in the framework of European economic governance. The aim of this consultation is to work out how to simplify the European Semester so that it is more participatory, through a greater sense of ownership at national level and closer involvement of organised civil society (social partners and civil society organisations). Consultation is carried out in two ways: 1) by means of a questionnaire sent out to the three members (who are from the employers', workers' and civil society organisations' groups) of the ESG national delegations, who then liaise with the national economic and social councils and relevant stakeholders; and 2) through seven country visits (organised in conjunction with national economic and social councils and relevant stakeholders). Adoption of this opinion is scheduled for April 2023.

This round table brought together the social partners of the Grand Duchy of Luxembourg, the members of the ESC Bureau of the Grand Duchy of Luxembourg, the members of the Luxembourg delegation of the European Economic and Social Committee and the European Semester Officer for Luxembourg to discuss the following points:

Consultation of the social partners in the context of the European Semester:

- **How effective and legitimate is the European Semester as a tool for economic, fiscal, employment and social policy coordination?**
- **Which pillars of the European Semester should be strengthened as a matter of priority?**

Introduction

EESC

A European Semester Group of 39 members was set up at the EESC in 2017, focusing in particular on European civil society proposals on sustainable growth and employment, thus ensuring a continuous EESC contribution to the annual cycle of the European Semester. This Semester Group has just launched a wide-ranging consultation exercise with organised civil society (social partners and civil society organisations) in the Member States as part of work on an [opinion on organised civil society recommendations for a solid reform of the European Semester](#). Adoption of this opinion is scheduled for April 2023.

The aim of this consultation is to work out how to simplify the European Semester and to promote a more participatory exercise with a greater sense of national ownership and closer involvement of organised civil society. Such consultations have been carried out once before, as part of a resolution adopted in May 2022 [on the involvement of organised civil society in implementing the national recovery and resilience plans](#) (RRPs).

Consultation takes the form of: 1) a questionnaire (deadline: 31 January 2023); and 2) a series of seven country visits ("round tables" – to Belgium, Spain, France, Italy, Luxembourg, Romania and Finland).

ESC

The ESC consulted the social partners in order to reply to the questionnaire and prepare for this round table.

The social partners around the table represented four organisations: the *Union des entreprises du Luxembourg* UEL (Luxembourg Employers' Association – employers' organisations apart from the agricultural sector, and the federation of self-employed intellectual workers) and three national trade union organisations: OGBL, LCGB and CGFP. These organisations are the government's counterpart in Luxembourg's social dialogue and play a role in the European Semester.

They held discussions ahead of this meeting and decided to work out unanimous answers to the questionnaire and in preparation for the meeting:

- **Implementation of the Recovery and Resilience Plan (RRP):**

In 2022, there was no in-depth discussion on the RRP, since this plan, which provides for the allocation of EUR 93.3 million¹, does not really require negotiations between the social partners, who support the idea, although the process surrounding the plan will cost more than it will generate. Moreover, national investment already includes a significantly bigger envelope of EUR 3.8 billion.

¹ On 17 January 2023, the Council adopted an amending implementing decision on Luxembourg's recovery and resilience plan. The update to Luxembourg's plan is technical in nature. Its purpose is to take into account the updated reduction in the maximum financial contribution (€ 82.7 million instead of € 93.3 million). The Council's positive assessment of the Luxembourg plan, as regards its relevance, effectiveness, efficiency and coherence, remains unchanged.

- **Good practice and areas for improvement regarding the consultation of the social partners in Luxembourg in the context of the European Semester:**

We have not always been satisfied in the past with the dialogue with the social partners in the context of this plan. There has been a lot of back-and-forth between ourselves and the government, during which we have expressed our dissatisfaction with the European Semester procedure. We expressed our views, but then received no response from the government. More specifically, we tried to propose a joint document on this subject, but again the answers were not satisfactory. In 2022, we proposed to the government a procedure definitively defining the process relating to consultation on the European Semester, based on three meetings, i.e. establishing a standard timetable. This proposal was received positively by the government. The timetable selected is as follows, applying from 2023 onwards: in February, an initial meeting to take stock of implementation of the National Reform Plan (NRP) and the Stability and Growth Programme (SGP) in 2022, and an initial analysis of the 2023 report on Luxembourg; in April, the government's presentation of the 2023 NRP and SGP; and in June, a third meeting to discuss the recommendations addressed to Luxembourg (joint conclusions of the social partners). Through dialogue on the European Semester, we wish to obtain concrete answers to our demands. We are talking here about procedures and not about content. We need answers to our requests and comments, be they positive or negative. The European Semester dialogue would take place over three meetings over a six-month period. However, there is also in-depth social dialogue in Luxembourg and the government must consult us where necessary, for example in crisis situations, by means of tripartite meetings. In 2022, two tripartite meetings were held in March and September to find solutions to problems relating to inflation and rising energy prices. The European Semester is ONE of the contexts in which this social dialogue takes place. However, it is not the only one. If the procedure, as we have proposed to the government, works, then it will constitute an efficient approach. In 2022, we did indeed have the impression that the government was taking the social dialogue procedure relating to the European Semester seriously.

- **The ideal timetable for such consultation:**

The government has broadly accepted the proposed timetable and has made serious efforts under the authority of Finance Minister Yuriko Backes and Minister of the Economy Franz Fayot, who have provided detailed answers to the issues raised. This is public and has raised the profile of these exchanges between the social partners and the government. Our dissatisfaction with the government's lack of response is not always due to bad will on its part, but to the fact that consultation was previously difficult (in particular because of the pandemic in 2020 and 2021). Dialogue is currently on the right track. There have been tripartite meetings in relation to the impact of the war in Ukraine and the disruptions in energy supply. The current procedure can work well. The social partners would like to await implementation of this new procedure in 2023 and then assess how satisfactory it is in the coming years.

- **Positive aspects of the European Semester:**

It is an established, regular cycle and access to documents is open to the public. It is important that there is consistency in and clear monitoring of this procedure. Moreover, exchanges are public. In particular, in the past we have held public meetings with the government in the context of the European Semester, to which the press has been invited. Documents are public. As a consequence, anyone who wants to understand social dialogue in the context of the European Semester can access these documents, meetings and exchanges.

- **Negative aspects of the European Semester:**

The administrative burden and the lack of a common or binding template for the drafting of key documents by Member States. There is not enough standardisation. We do not know what the practices are regarding the European Semester – or how organised civil society is consulted – in other Member States. Of course, it would be difficult for us all to adapt to common customs/the use of a common template for drafting documents. Such a thing is always tricky to implement. However, it would certainly make it easier to take organised civil society's recommendations into account in all the Member States, as well as clarifying and consolidating this. In addition, social dialogue on the European Semester constitutes a significant administrative burden every year. It is a lot of work for many people to draft the relevant documents and actually carry out the social dialogue.

- **Country-specific recommendations:**

The social partners are not all equally satisfied with the Commission's country-specific recommendations. They do not all have the same view as regards their substance. However, one common criticism is that these recommendations do not take sufficient account of certain specific features of the country. The recommendations contain criticisms that do not take into account the particular situation of the country (as regards housing, public finances, etc.). Nevertheless, the social partners welcome the recommendations focused on management of the pandemic in Luxembourg, given the satisfaction expressed as regards the government's management thereof.

- **The pillars of the European Semester to be strengthened as a matter of priority:**

We have not been able to reach agreement among the social partners as to which pillars should be strengthened as a matter of priority. We have jointly opted for the pillar relating to boosting investment: we believe that the State could invest more than it already does. There is disagreement between the social partners as regards the other pillars to be strengthened as a matter of priority. The workers' representatives want the pillar relating to social support in crises to be consolidated. The crisis support procedure is overly focused on budgetary problems and macroeconomic imbalances. However, the social impact of strict budgetary policies should be taken into greater account – macro-social imbalances create risks of poverty, precariousness, unemployment, etc. For their part, employers' representatives wish to strengthen the pillar ensuring sound and sustainable government finances as a priority, in view of the deterioration in the social security surplus, which is likely to continue in the future. In their view, more attention should be paid to the public finances, and current expenditure should give way more often to investment expenditure.

- **The vital element to be strengthened in order to improve European economic governance:**

Transparency: the more that the exchanges are seen, read about and known about, the better it is, allowing for more democratic debate. While it is important to increase our involvement and that of the European Parliament and national parliaments, it is not possible to involve every party in everything. In Luxembourg, the social partners represent (part of) organised civil society effectively; our organisations have established mandates and also represent foreigners living and working in Luxembourg. This is not true of the Chamber of Deputies – the Luxembourg Parliament. The social partners therefore have a broader mandate and representativeness, and thus have different points of view to defend, in particular by seeking compromise. This is not the case for the parliament. As the parliament is the last body to issue its views on budgetary matters, it is not wise to involve it earlier in the European Semester process. Representativeness through the social partners in the European Semester is fair and effective for Luxembourg.

- **One improvement to make in the role of the European Structural and Investment Funds in supporting implementation of the country-specific recommendations and structural reforms in the Member States:**

In our opinion, one point to be improved relates to the incorporation of a programme or roadmap to address the country-specific recommendations and the structural challenges in the ESIF management process in order to improve the link between the Funds and the Semester. What Luxembourg receives from these funds is marginal; we are a net contributor.
