



## **The recommendations of organised civil society for a solid reform of the European Semester**

2 February 2023, Bucharest, Romania

### Organisers of this round table

- European Commission's Representation in Bucharest
- The 3-member Romanian delegation of the ESG (Laurențiu Plosceanu (Gr. I), Petru Sorin Dandea (Gr. II) and Elena Calistru (Gr. III).
- [The European Economic and Social Committee \(EESC\)](#)

[The EESC's European Semester Group](#), in cooperation with the European Commission's Representation in Bucharest and the 3-member Romanian delegation of the ESG, organised a round table discussion on the need to reform the European Semester. The debate covered the Recovery and Resilience Facility, country reports, national reform programmes and country-specific recommendations in the context of the European economic governance framework. The results of the debate will be included in the EESC opinion on the [Recommendations for a solid reform of the European Semester \(ECO/600\)](#).

On the basis of the round table discussions and the responses to the questionnaire from national delegations, the EESC will draw up an own-initiative opinion on the development of the European Semester. The EESC will pass on these recommendations to the European institutions and national governments, and ensure that they are fully taken into account in the European Semester cycle.

This builds on the following consultations and resolutions published in previous years.

Resolution of February 2021 on the [Involvement of Organised Civil Society in the National Recovery and Resilience Plans – What works and what does not?](#);

Resolution of May 2022 on the [Involvement of Organised Civil Society in the National Recovery and Resilience Plans – How can we improve it?](#).

## **Organisation, representation and attendance**

The event was attended by 16 representatives of various civil society organisations (only one participant from Group II, six participants each representing Groups I and III, plus three "European Semester Officers" from the European Commission's Representation). The chair of the round table was Bogdan Simion, president of Romania's ESC.

The round table was divided into two parts: the first, introductory part covered a brief presentation of the objective of the meeting (Ms Calistru), a welcome speech by Ramona Chiriac, Head of the European Commission's Representation in Bucharest, a short introduction to the national Recovery and Resilience Plan (RRP) and the role of the ESC (Mr Simion), followed by an introduction to the questionnaire that would feed into the final outcome of the consultation and would serve as a basis for the discussion during the second part of the round table (Mr Plosceanu). The second part was dedicated to a discussion of the questionnaire.

## **Minutes of the round table**

- Ms Calistru opened the first part, explaining the rationale behind the questionnaire: gathering input and feedback for the opinion on the reform of the European Semester. She gave the floor to Mr Simion, president of Romania's ESC, who explained how the ESC had managed to grow into its role over the last two years, now being part of the RRP Interministerial Committee (RRP CIC) and the RRP Monitoring Committee (CM RRP). He acknowledged that the administration (especially at government level, but also among members of the CM RRP) was under huge pressure due to the lack of specialists to deal with the topic. Both the consultation and the monitoring process needed more proactive partners, as this could be done in very formal way, but should be done by active, vocal partners.
- Mr Plosceanu explained that progress had been made in social dialogue, as there had been a time when Group III had not been involved at all. He asked the participants to be as specific as possible with their feedback and opened the discussion, asking for general, overarching comments before going into the details of the questionnaire.
- A Group I representative explained that, in Romania, the Ministry of Foreign Affairs (MFA) was in charge of coordinating the RRP process, meaning that the relevant ministries sent their proposals to the MFA, which launched the next steps. Usually, this happened very late, with not enough time for the partners to read it and respond properly during the consultation. This mechanism should be changed. Consultation should take place beforehand, between the relevant ministry and the social partners. Before the European Semester had been linked to the RRP, the Semester had largely been ignored; it had been easier to make oneself heard via BusinessEurope than via the Semester. The Commission had realised lately that consultation with the social partners was important (Porto Social Summit: no consultation, but right now, the European Commission was preparing a communication on improving the consultation process). On the other hand, it was true that employers' organisations were not able to properly prepare for these dialogues either.
- Another Group I representative explained that the government was "selling" the RRP as its own success story. There were (formal) consultation mechanisms, but the outcomes did not have the substance they needed.
- A Group III representative explained that Romania was one of the few countries with dedicated RRP funds for civil society. This would enable measures to be monitored. To that end, a dedicated monitoring guide was expected to be published in April. It was crucial that small projects benefit

too. Training and vocational measures were at risk of being considered State aid (Competition Council); this would block all social economy partners from qualifying as project partners. He insisted that a distinction had to be made between "watchdog" organisations and social economy players with economic activity.

- Another Group III representative called for a revision of government calls and the whole communication process in this regard, as the message did not reach partners on the ground. There was no single contact point (single website) for information in order to access certain calls.
- Mr Simion explained that the RRP consultations had been organised by domains of activity. The selection procedure for the CM RRP had been a big step forward; the government had done the right thing. The ongoing debate in the CM RRP needed qualified and well-prepared partners and should not be sterile; things had to be said very clearly. It was not always clear whether a ministry in a certain area of responsibility or the Ministry of European Investments and Projects (MIPE) was the contact point for a given measure. Ministries had a certain tendency to select only public administrations (central or local) as partners and to eliminate private partners.
- A Group III representative explained that some calls were extended because of the lack of interested partners, as civil society organisations (CSOs) could not enter as main partners and public administrations, while they might have the (human) resources to engage in calls, were not motivated to do so.
- Mr Simion pointed out that social services could not be allocated RRP funds as a result of Law 292, which was to be revised in the near future. There was a general tendency to limit CSOs' access to programmes, even though dialogues were held correctly at ministerial level.
- A Group II representative considered that consultations tended to be formal and said that the input could not be found afterwards in the adopted documents. Given the holistic approach of the RRP, even the CM RRP had difficulty monitoring implementation due to a lack of targets, objectives and deadlines. The government often used the RRP as a reason, or rather as an excuse, for certain restrictions or even legislative initiatives, without explanation, which led to certain tensions with trade unions and NGOs.
- A Group III representative explained that the CM RRP could not take decisions as it was more of a debate forum. The MIPE acted as an intermediary, but the dialogue should take place with the relevant ministries. He also mentioned that the social partners often lacked the necessary capacities (experts), so their voices could not be heard clearly enough. He believed that 2% of the European Social Fund Plus (ESF+) funds should have been available for capacity building in this regard.
- Mr Simion clarified that the CM RRP was exactly what it wanted to be and not what the MIPE wanted it to be, and explained that they needed to be more vocal, clear and demanding (it should not be an "amorphous mass").

#### **Question 1 – (CSOs: participation, consultation, good practice, obstacles)**

No real consultation with social partners; need to move from "symbolic" to genuine consultation. Ministries did not respect deadlines. Input given was ignored/could not be found afterwards in decisions. Good practice: useful consultation with the Energy Ministry regarding RePowerEU, but other domains without any real dialogue with the industry. An RRP should help a country and should not be a coercion mechanism. There should be a possibility to renegotiate certain obligations deriving from the NRRP, as they would cause difficulties for corporate governance, forest management and rail transport.

#### **Question 2 – (CSOs: consultation: right time, good practice, visibility of documentation)**

Dialogue was only formal; partners often had less than ten days to respond. Consultation should take place with relevant ministries, not with the MFA. There was no right time for consultation, it should be ongoing, during the input phase, but this should be reflected in the final documents. There was no established document flow between the administration and the consulted partners. The ESC could serve as an interface (website) centralising all the documents that were now provided, rather than each ministry doing things its own way – revamping the ESC website and publishing everything there would be useful. Document delays occurred at ministerial level, giving partners insufficient time to prepare for consultations. Not enough input from the regions; even the ESC lacked good communication mechanisms to convey messages from the grassroots level. CSOs needed better prepared people, who were trained to read and respond in the short time available. Obligations undertaken under the RRP should be clearly presented. Good practice: the Family Authority had a consultative body; any legal initiative was discussed beforehand with the CSOs. It was already standard practice for the Finance Ministry to send out its documents, with a CSO acting as a permanent observer.

### **Question 3 – (effectiveness, legitimacy of the European Semester as a tool for economic and fiscal policy coordination)**

- There was not enough time for consultation and feedback (e.g. from organised civil society).
- There were no real penalties for deviations.
- There was a low take-up rate for the recommendations made under the Semester.
- High levels of interactivity in the process between the Commission and Romania.
- No common model for drafting the main documents; no common code of conduct.
- It was difficult to assess the various aspects of question 3, as CSOs did not have enough expertise to give consistent feedback on the points mentioned.
- The process cycle was clearly defined and worked well.

### **Question 4: Country-Specific Recommendations (CSRs)**

- Unnecessary "silo approach": climate issues were horizontal issues that should be addressed as such.
- Watchdog NGOs and social economy players were absent. Vulnerable groups benefited almost exclusively from the social economy. CSO contributions were completely ignored.
- The recommendations were not a reflection of the social reality; they included objectives that would be difficult for Romania to meet. They should be better adapted in order to be better understood.
- There was a general perception that CSRs were negative, resulting in delays and objectives that were not achieved.
- There was an ongoing process at the European Commission to adapt the penalty mechanisms if CSRs were ignored/not followed up.
- Regarding the economic and financial recommendations, the national administration had the capacity needed, but there was a clear lack of political will.
- Respondents were not convinced that the CSRs took into account Romania's special situation as a neighbouring country to Ukraine.

### **Question 5: Economic impact and European Semester priorities after the COVID-19 crisis and war in Ukraine**

- Ensuring sound and sustainable public finances, including for CSOs, as they benefited from funds only via sponsoring or direct financing via EU or other funds.

- Improving the consultation and involvement of organised civil society by regulating it through an EU legal act – in light of the difficulties encountered by NGOs and their leaders in Poland and Hungary.
- Relaunching the economy was the main priority in order to recover from the shocks mentioned in the question.
- Civil society involvement would generate the necessary acceptance for the measures to be adopted.

#### **Question 6: Architecture of European economic governance**

- Transparency, accountability.
- The system of penalties had to be improved. The subsidisation of autocratic tendencies via European money should end. Priority had to be given not only to economic policy measures, but also – and with equal weight – to the rule of law.

#### **Question 7: Role of the European Structural and Investment Funds (ESIF) in supporting implementation of the CSRs and structural reforms**

- All boxes from question 7 should be ticked.
- Some of the recommendations could be achieved (sometimes even without structural funds); for others, there was no political will.
- The partnership principle and policy dialogue should be improved.
- An analysis should be carried out regarding the structural funds accessed by Romania. Other countries had a widespread dialogue on the general direction of their economy and managed afterwards to access the necessary funds for achieving these objectives. Romania had no strategy for accessing the funds – quality vs quantity. Examples of useless infrastructure investments (Spain, Ireland) – this should be avoided.
- Funds should address needs, not the administration.
- Romania still had a problem in spending the funds in the right way and benefiting from return on investment.

#### **List of participants**

##### **Members of CES**

- Radu BURNETE, Confederația Patronală Concordia
- Mariana ȘÎRBU, Help Autism
- Monica DONESCU, Help Autism

##### **PNRR monitoring committee**

- Daniel URÎTU, Asociația "Patronatul Tinerilor Intreprinzatori din Romania" (PTIR)
- Iolanda MIHALACHE, Asociația partNET - Parteneriat pentru Dezvoltare Durabilă

##### **PNRR - the wave of renovation**

- Claudiu BUTACU, Asociația Solar Decatlon București - proiectul EFdeN

##### **PNRR - good governance**

- Viorica COJOCARU, (UGIR)
- Costel OLTEANU, BUSINESSROMANI
- Mircea MURESANU, Federației Sindicatelor din Administrație București

## EESC

- Hugo Lahni HEINZ
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