



The role of the EESC in the EU's civil, social and economic dialogue

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Bilbao, 20 February 2006

SPEECH

by

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Seul le texte prononcé fait foi
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Ladies and Gentlemen,

I am pleased and honoured to be here today. The purpose of my speech today is to offer you some explanations and food for thought regarding the institution of which I am President, the European Economic and Social Committee, and what it represents.

Before going any further, I should like to define several concepts:

The Nice Treaty, which came into force in February 2003, states that the European Economic and Social Committee (EESC) "shall consist of representatives of the various economic and social components of organised civil society, and in particular representatives of producers, farmers, carriers, workers, dealers, craftsmen, professional occupations, consumers and the general interest." Apart from the reference to the "general interest", the really new development in relation to the 1957 Treaty of Rome is the reference to "organised civil society", which the EESC now represents within the Community's institutional system.

But what is actually covered by the term "organised civil society"?

The term was originally used to distinguish "organised civil society" from civil society as a whole.

Civil society is the part of society whose political, cultural, educational, social and other forms of action help to organise and structure the life of the community. What characterises it is the way in which this engagement is expressed, the broad spectrum of players involved and the diverse interests they represent.

The term organised civil society refers to the part of civil society that expresses itself through organisations. It is the very existence of these organisations which structures society.

In other words, organised civil society is composed of non-state organisations that use their knowledge and skills and the avenues open to them to influence the management of public affairs.

More specifically, organised civil society comprises:

- what are sometimes termed the «labour market actors», or in other words, the social partners;
- organisations representing socio-economic players, which are not social partners in the restricted sense;
- NGOs (non-governmental organisations), which unite people around common causes, including nature conservation and human rights organisations, consumers' associations, charities and educational and training organisations;

- Grassroots organisations, such as youth movements, family associations and all organisations through which citizens participate in local and municipal life;
- Denominational organisations.

What about the European level?

In the context of European integration, civil society organisations have also been set up at Community level and modelled on the national level, where there are wide variations in their make-up and representativeness.

The partners in the social dialogue, in other words, the employers and trade unions, have laid the foundations of a form of political culture that now needs to spill over into other domains outside the social dialogue and, ultimately, to lead to the establishment of a genuine *civil dialogue* at European level.

I should like to pause a moment here to focus on the fundamental difference between the European social dialogue and the civil dialogue at European level.

The *European social dialogue* is enshrined in the treaties and therefore has an institutional basis. Moreover, it is clearly defined in terms of participants, objectives and procedures and the social partners have quasi-legislative powers.

The social dialogue does not come within the remit of the European Economic and Social Committee. However, it does have particular resonance for us, since two thirds of our members represent employers' organisations and trade unions and are therefore directly or indirectly involved in the social dialogue at national or European level.

Although the civil dialogue is destined to become civil society's forum for communication at Community level, it would be inaccurate to see it as a replacement or competitor for the social dialogue. Rather, civil dialogue should be seen as a necessary complement to the social dialogue.

Furthermore, it is intricately bound up with the concept of participatory democracy.

Over the past ten to fifteen years, the European institutions have become increasingly interested in dialogue with civil society, particularly organised civil society at European level. They have recognised that good policies cannot be made without listening to those affected by EU decisions and without their participation and agreement.

Accordingly, the principle of participatory democracy has been enshrined in Article I-47 of the *Treaty establishing a Constitution for Europe*. In spite of the uncertainties surrounding the ratification of the Constitutional Treaty, the EU institutions must follow this logic and introduce authentic participatory democracy.

However, if this participatory democracy is to comply with the requirements of good European governance, the instruments that will enable Europe's citizens to debate, be consulted and have a real influence over the EU's development and policies will have to be put in place within the framework of a genuine structured civil dialogue with organised civil society.

This being the case, it is worth reiterating and underlining that, by virtue of its membership and the role and mandate entrusted to it by the Treaties, the European Economic and Social Committee (EESC) has been fully involved in European participatory democracy from the outset, and is its oldest component. It is now ready to take on the role entrusted to it in the development of participatory democracy.

I should now like to turn to the way the Committee operates and, firstly, the question of how organised civil society is represented.

By setting up the Economic and Social Committee, the Rome Treaties gave sectoral interest groups access to the European decision-making process and made the Committee the representative of civil society organisations at Community level.

The Committee is currently made up of 317 members appointed by the Council of Ministers following their nomination by the governments of the Member States and generally following their nomination by representative national civil society organisations.

Its members are split into three groups: traditionally the "Employers" group and the "Employees" group (Groups I and II, respectively), comprise representatives of employers' organisations and trade unions, whilst Group III "Various Interests" comprises representatives of other sectors of economic, social and civic life.

The Committee's membership is not static. It changes with each four-yearly renewal so as to reflect changes in organised civil society in each of the Member States as accurately as possible. Over the years, representatives of consumer bodies, associations promoting the rights of disabled people and combating exclusion, family associations, environmental protection bodies and NGOs working in the cultural and civic fields have joined the Committee and contributed to the wealth of experience and increasingly broad spectrum of organised civil society represented in the Committee since its establishment.

Under the terms of the Treaty, EESC members are not bound to follow their organisations' instructions and are therefore independent. However, in their work for the Committee they do bring to bear the expertise for which they were appointed. For example, the process of drawing up Committee Opinions, which involves three stages – the study group, section and finally plenary assembly – reflects the principle of consensus, which is a keyword for good governance within organised civil society.

The EESC, and civil society as a whole also makes a substantial contribution to defining European values and objectives. The Committee is anchored in an environment where shared values are not just debated, but lived. In the final analysis, this "lived culture" can serve as a relay for creating a European consciousness and identity.

I believe that cultural identity must inevitably be included in the concept of European identity; this identity by no means conflicts with Europe's cultural diversity, but on the contrary draws certain key characteristics from it. An individual's ethnic, national, religious or cultural affiliation is irrelevant to being a European; but his or her attitude to a given allegiance is not irrelevant. Thus European identity is also, and perhaps even mainly, a political culture of attitudes towards individual allegiances.

Nevertheless, although the EESC is indisputably representative, it is nonetheless aware that it still only partially reflects the diversity and development of what is covered by the term "organised civil society".

This is why, over the past few years in particular, the EESC has introduced initiatives and undertaken reforms to ensure that it represents as broad as possible a spectrum of organised civil society.

In pursuit of this goal, the Committee organises meetings on horizontal themes, such as hearings on the Lisbon Strategy, sustainable development or, most recently, the Stakeholders' Forum aimed at bringing Europe closer to its citizens. In principle, these events are also open to representatives of any civil society organisation which has spontaneously expressed a desire to take part.

Another watershed in cooperation was reached in 2004, with the establishment of a **Liaison Group** between the EESC and representatives of the key sectors of European organised civil society. In addition to the ten EESC representatives (including myself, the three Group presidents and the six Section presidents) it now has fourteen members from the main organisations and networks active at European level.

The Liaison Group's mission is twofold: firstly to ensure that the Committee has a coordinated approach to European civil society organisations and networks and secondly, to follow-up the initiatives that are determined jointly by the two sides.

Let me now turn to the Committee's various functions:

As I have already mentioned, according to the Treaty of Nice, the European Economic and Social Committee is the representative of European civil society within the EU's institutional system. It serves as a consultative body to advise the Commission, the Council and the Parliament. It has a right to be consulted by the Commission and the Council in the areas provided for by the Treaty and may be consulted by both institutions and, following the Amsterdam Treaty, by the Parliament, whenever they consider it appropriate to do so. It may also issue own-initiative opinions with a view to launching a debate on an issue that its members' feel particularly strongly about.

The European Economic and Social Committee takes part in policy making, in that it wishes to be consulted in advance of proposals. For example, the instrument of exploratory opinions was introduced in the Cooperation Protocol that was concluded between the Committee and the Commission in 2001 and has recently been renewed and strengthened. The Commission, Parliament or Council may provide for and call on the Committee to draw up exploratory opinions in areas with particular importance for organised civil society where it feels that the Committee has the appropriate powers and expertise.

For example, at its most recent plenary session last week, which was also attended by European Commissioner Joaquín Almunia, the EESC adopted two exploratory opinions requested by the Commission, one on the *Creation of a common consolidated corporate tax base in the EU* and the other on *Energy efficiency*.

The Committee has been strengthened in this process by the European Commission, which undertook to cooperate with it, within the framework of the new Cooperation Protocol, signed on 7 November 2005, to which I have just referred.

This protocol sets out the objective of cooperation between the two institutions, namely to help to strengthen the democratic legitimacy of the EU in the accomplishment of the Committee's three fundamental tasks:

- advising the Commission, Council and European Parliament, thus contributing to Community policymaking and decision-taking;
- enabling civil society organisations in the Union to make a greater commitment to, and have a greater involvement in, the European venture, at both national and European levels, and helping to bring Europe closer to its citizens;
- accompanying the Union's external action by organising and developing dialogue with civil society organisations in countries or regions outside the Community and promoting there the creation of consultative structures.

What about the Committee's relations with the EU Member States?

The EESC maintains permanent links with all the national and regional Economic and Social Councils with a view to strengthening the structured dialogue between the players in organised civil society and promoting citizen participation in European integration.

There are currently 20 such Economic and Social Councils in the EU Member States and the figure will rise to 22 on the accession of Bulgaria and Romania.

Of the Member States, Spain and France have developed the densest networks of Regional ESCs.

There are numerous opportunities for dialogue and joint work between our institutions.

First and foremost, the EESC and the ESCs in the Member States cooperate by organising joint conferences around a common theme in the context of the EU presidencies.

In addition, the EESC and ESC presidents and secretaries-general meet every year to define a common position on a subject of general interest and issue a declaration on the issue which is brought to the attention of national governments.

Structured cooperation between the EESC and the ESCs in the Member States has now entered a qualitatively new phase, thanks to the impetus provided by the European Council of 22 and 23 March 2005, which encouraged the EESC to "set up with national economic and social councils in the EU Member States and other partner organisations an interactive network of civil society initiatives for promoting the implementation of the Lisbon Strategy".

Together, it was decided to draw up a report synthesising the opinions of organised civil society representatives on the current situation of the Lisbon strategy and the thrust of national reform programmes.

This report, drawn up by the EESC and the national ESCs, will be put before the March 2006 European Council. A major conference will be organised in Budapest on 9 and 10 March to present the document.

I should now like to focus on a more specific point, namely the EESC's work on the social economy.

A significant proportion of the Committee's membership is drawn from social economy enterprises, whether from cooperatives, mutual societies, associations or foundations. It is worth noting that the recent arrival of Members from the New Member States has confirmed this pattern, since these countries also appointed representatives from the social economy, particularly from the associative and cooperative sectors.

The European Economic and Social Committee has set up a «Social Economy» category within the institution to bring representatives of cooperatives, associations and mutual societies together more effectively. The category has a membership of 24, all from Group III, i.e. the Group which represents various interests, or all the parties not appointed in the name of employers or employees. There is, of course, a certain irony in this division, since the social economy is actually one of Europe's major employers!

The European Economic and Social Committee has regularly demonstrated its sensitivity to social economy enterprises in its choice of own-initiative opinions, which have included:

- ◆ "The social economy and the single market" 2000
- ◆ "Economic diversification in the accession countries – role of SMEs and social economy enterprises", 2004
- ◆ "The Ability of SMEs and social economy enterprises to adapt to changes imposed by economic growth", 2004.

The "social economy" category has also initiated a number of actions aimed at promoting social economy enterprises, both within and outside the Committee.

For example, in October 2003 a working seminar was organised on the theme "Social dialogue, civil dialogue and social economy".

In addition to these initiatives focusing directly the social economy, Members' involvement in the Committee's other work means that the specificities of social economy enterprises are taken into account in all opinions under consideration and that the institutions are alerted to the possible impact of proposals.

The category also endeavours to establish links with the corresponding "social economy" categories in the national economic and social committees, when they exist.

Similarly, the Committee welcomes the fact that the European Parliament's Social Economy Intergroup has been reconstituted and plans to cooperate closely with it.

Social economy enterprises are also represented on the liaison group I mentioned earlier, through three European organisations: AIM (the International Association of Mutual Benefit Societies), the CCACE (Co-ordinating Committee of European Co-operative Associations) and the CEDAG (European Council for Non-Profit Organisations).

In addition, the Committee has issued an opinion on the proposed Statute for a European Cooperative Society and on those for mutual benefit societies, associations and foundations.

Unlike the Statutes for a European Limited Company and for a European Cooperative Society, the proposed Statute for a European Association and Statute for a Mutual Benefit Society never went beyond the draft stage. The European Commission recently decided to withdraw them as draft legislation. This did not please the Committee, or the European Parliament. For its part, the Committee has decided to lobby the European Commission to persuade it to go back on its decision.

For, at a time when globalisation of the economy is resulting in huge changes in Europe's social fabric, social economy organisations are more useful than ever. They have a considerable role to play in safeguarding jobs, cover geographical areas that are not attractive to business and provide essential services to local communities. Moreover, they can cushion not only the economic but also the cultural shocks of economic transformation and technological progress.

Furthermore, the EESC takes the view that industrial policy in an enlarged Europe must take account much more effectively of the needs and challenges of social economy enterprises in the accession countries. It draws attention to their needs, such as management education and training, innovation, quality, design, funding and cooperation instruments such as clusters, second- and third-degree structures, networks etc., which will be more and more necessary to meet the challenges of EU enlargement and internationalisation.

I am convinced that the principles of the social economy represent, in all respects, the interests of Europe's citizens. I therefore hope that the representatives of organised civil society will put the social economy at the forefront of the joint efforts they are making in connection with implementation of the Lisbon strategy. For, the social economy is a key element in our European economic and social model, which is at the heart of the Lisbon process. I firmly believe that European cooperatives will indeed make a valuable contribution that will help us to meet the common challenge of 'reconnecting' citizens with the Europe that unites them.

By way of conclusion, let me reiterate a few points:

- By giving citizens the chance to engage individually and collectively in managing public affairs via a specific contribution from organised civil society, participatory democracy enhances representative democracy, thus strengthening the democratic legitimacy of the European Union. In so doing, it also complies with the requirements of better European 'governance'.
- In this context, the EESC is convinced that every significant step towards greater cooperation with organisations and networks across the whole spectrum of civil society makes civil society itself stronger and its message clearer in relation to the Member States, the EU institutions and public opinion. The Committee also has something to gain in terms of further added value and a higher profile in carrying out its role and functions.
- Civil dialogue can only be genuinely effective if it is incorporated in an institutional framework and has a specific tribune. In view of the mandate given to the EESC by the treaties and the place it occupies in the institutional architecture, the Committee is called upon to play this role within the EU's new constitutional order. Its aptitude for the task has been honed by its experience of reaching consensus between civil society representatives with different motivations and interests.
- Lastly, it is important for cooperatives to hold their own, show how dynamic they can be and how they can contribute to the task of European integration.

I should like to end with a historical reference. In the city of Bruges, not far from the EU institutions' headquarters in Brussels, there is still a Square known as "**Bizkajerplein**" (which would be translated as the "Square of the Biscay People") where the Biscay Consulate stood from 1348.

This Consulate fulfilled a panoply of functions, including representation, business office, warehouse and a place to meet, drink and eat – perhaps even the famous Basque cuisine. So, here we have a 14th Century example of organised civil society illustrating that Basque merchants and sailors have been contributing to the European market for seven centuries.

In a word, civil society organisations are indispensable, both as communicators and as builders of European identity. As its' President, I guarantee that the European Economic and Social Committee is committed to accompanying you and supporting you in this task.

Thank you for your attention.
