

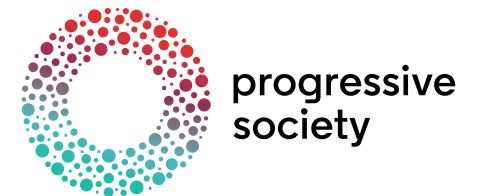
# Sustainable Equality

Report of the Independent Commission for Sustainable Equality | 2018-2019

Analysis of the **impact of the 110 policy recommendations issued** as part of the first ICSE report on EU policy



Group of the Progressive Alliance of **Socialists & Democrats** in the European Parliament



## Introduction

To conclude its first project cycle, the Independent Commission for Sustainable Equality (ICSE) published a first policy report in November 2018. The report issued 110 policy recommendations aimed at breaking ground on developing a progressive, transformative policy agenda responding to the economic, social and environmental challenges and emergencies that Europe, and humanity, are faced with today.

Building on this first report and in close cooperation with the wider political family of European Social Democracy, the S&D Group has been able to successfully integrate a large number of these proposals into the European Union policy agenda. This success was largely achieved by building the ICSE's policy recommendations into its negotiating position in the inter-institutional negotiations on future EU policy following the 2019 European elections.

This analysis provides an overview of the impact the work of the ICSE has had on the output of the European Commission. Of the ICSE's 110 policy recommendations, **60 have been incorporated into the European Commission's policy agenda, at least partially. This represents an adoption rate of around 55%**. Of the five substantive policy chapters in which the ICSE's recommendations were developed, only one chapter saw an adoption rate of less than 50%:

Chapter	Number of recommendations	Number incorporated in EU agenda
3. Power to the People	15	3
4. Re-Shaping Capitalism	43	26
5. Social Justice	33	18
6. Social-Ecological Progress	7	6
7. Enabling Change	12	7
<b>TOTAL</b>	<b>110</b>	<b>60</b>

The overview is based on an analysis of the European Commission's political priorities, formulated by the President of the European Commission to seek support for her confirmation by the European Parliament, as well as on the policy documents adopted and published by the Commission since taking office in December 2019. These documents can be understood as parts of a sequential process. Following a political commitment by the European Commission to issue proposals on a specific subject, for instance as part of the Commission President's political priorities, the specialised Commission services develop a detailed strategy for related policy by issuing an official European Commission Communication. Subsequently, the Commission services begin drafting the concrete policy measures, for instance in the form of legislative proposals.

Bearing this in mind, the following overview contains information regarding the stage the different policy processes are currently at. Given that the current European Commission took office in December 2019 and has since been heavily occupied with the development of unforeseen measures to tackle the COVID-19 pandemic, most of the files covered in this analysis remain at an early stage of the policy process for the time being.

When the Commission issues legislative proposals, the European Council, together with the European Parliament for most policy fields, works to amend and adopt the Commission's proposals. This process may lead to substantial modifications of the European Commission's initial proposals and may also lead to their rejection. Until the final adoption of a legislative act, this analysis is therefore aiming at a moving target. The Progressive Society team will therefore continue to update and amend this analysis at regular intervals.



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# Power to the people



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As part of chapter three of its first policy report, the ICSE issued 15 recommendations aimed at stimulating processes of democratic participation in public policy and governance, as well as in the economy. Since the publication of the report, the European Commission has announced policy proposals that incorporate two of these recommendations, at least partially.



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
1	<b>Citizens' Contract of "Sustainable Democracy For All"</b>	 – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	The Commission's Political Priorities envisage a 'Conference on the Future of Europe', a multi-year exercise of deliberations among institutional stakeholders and citizens on the future of supranational democracy	The Conference on the Future of Europe can be expected to touch on some of the elements of the ICSE's proposal for a citizens' contract
2	<b>Social Partners are more closely involved in the European Semester (and in a future Sustainable Development Cycle) by the Council and by the European Parliament (including plenary session before March European Council)</b>	 – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	Partly covered: COM(2020)55 final – Economic Governance Review	The Commission is considering the viewpoints of social partners as well as consulting them regularly throughout the economic governance process – particularly relevant in its envisaged reform of the EU economic governance framework with the European Semester at its core.
3	<b>Political Declaration by the European Council on the importance of strong tripartite and social dialogue in a well-functioning social market economy (cf. Art 3 and 152, TEU)</b>	 No related European Commission proposal		



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
4	Based on this political declaration, a European strategy to foster trade unionisation across Member States based on Principle 8 of the European Pillar of Social Rights, including policy recommendations on developing trade unionisation to be included in national reform programmes	 No related European Commission proposal		Although specific proposals to foster workforce unionisation in EU Member States are missing, the European Commission is preparing a comprehensive strategy for the implementation of the European Pillar of Social Rights and its provisions, due for publication in 2021 (see also policy recommendation 68 below).
5	Also based on this political declaration, national strategies should be developed to include measures to support collective bargaining with the active inclusion of social partners (including more sector-level collective agreements)	This ICSE proposal concerns national measures and is thus outside the European Commission's remit.		
6	Revision of the European Works Council Directive to strengthen information and consultation of employees and workers in transnational firms with 1,000 employees or more	 No related European Commission proposal	COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission has acknowledged the need for better workforce consultation in multinational companies but considers better enforcement of existing rules, including the European Works Council Directive, a necessary first step before assessing the need for updated legislation.





	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
7	<b>Revision of national laws defining information and consultation in case of collective redundancies, and on safeguarding of employee's rights in case of transfers of undertakings where these laws are too weak</b>	This ICSE proposal concerns national measures and is thus outside the European Commission's remit.		
8	<b>A new Framework Directive on workers' information and consultation, co-determination, anticipation and management of restructuring</b>	⊗ No related European Commission proposal		
9	<b>Open the possibility for bogus self-employed to unionise by inserting a clear definition of a worker in the Directive on transparent and predictable working conditions</b>	⊗ No related European Commission proposal		Although the previous Commission made a proposal for a related directive, it did not include a definition of the status of a 'worker'. Attempts by the S&D Group to insert such a definition as part of the legislative negotiations were blocked by the conservative and liberal groups in the European Parliament.

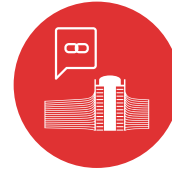


	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
10	<p><b>Provide for a legal framework to allow independent civil society to function without government interference across the whole of the EU</b></p>	<p>Yes – ICSE recommendation <u>partially</u> incorporated in legislative proposal delivered by the European Commission.</p>	<p>COM(2018) 324 final - Proposal for a regulation on the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States</p>	<p>The previous European Commission's legislative proposal envisaged a mechanism enabling the freezing of EU funds in case of deficiencies in the recipient Member State's rule of law or its protection of basic freedoms, such as civil society freedom and independence.</p> <p>The European Council conclusions of 21 July 2020 announce that the next EU Multiannual Financial Framework (2021-2028) will contain such a mechanism. However, Member States are ambiguous as to their support for such a provision, depending on its exact content and structure.</p>
11	<p><b>Strengthen and broaden the European Multi-Stakeholder Platform on the UNSDG to strengthen its role and the involvement of civil society organisations, as recommended by SDG Watch Europe</b></p>	<p>No related European Commission proposal</p>		



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
12	<b>Involve the Multi-Stakeholder Platform in the future Sustainable Development Cycle (and, in the meantime, in the European Semester process) with regard to the three institutions</b>	 No related European Commission proposal		
13	<b>Progressives to foster and support the development of national sustainable development alliances, such as ASviS in Italy</b>	This policy recommendation is not targeted at the European Commission.		
14	<b>Strengthen civic space at local and regional levels through a proper implementation of the European Code of Conduct on Partnership and the Partnership principle in Cohesion Policy</b>	 Unclear.		The Commission has re-iterated its commitment to both instruments and included them several legislative proposals since the publication of the ICSE policy recommendation. However, a comprehensive and systematic effort to ensure the proper implementation of the instruments across all levels of Cohesion policy-making does not seem to be underway.





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ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
<p><b>European Commission to submit a proposal on minimum standards for civil dialogue at European level (Further step)</b></p>	<p style="text-align: center;">⊗</p> <p>No related European Commission proposal</p>		



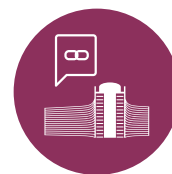
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# Reshaping Capitalism

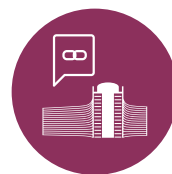
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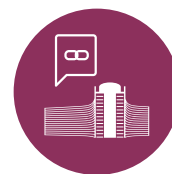
As part of chapter four of its first policy report, the ICSE issued 43 policy recommendations aimed at transforming the EU economy into an economic model that fosters sustainable wellbeing for all. The recommendations aimed to prevent instability and crises, and tackle the concentration of power in the hands of the few and various forms of exploitation affecting people and the environment. Since the publication of the report, the European Commission has announced policy proposals that incorporate 24 of these recommendations, at least partially. Another two ICSE recommendations are covered by legislative proposals issued by the previous European Commission on which negotiations are ongoing but currently blocked. The current Commission has stated its intention to work to unblock these negotiations. In total, the Commission is thus taking action on 26 of the 43 recommendations included in this chapter.






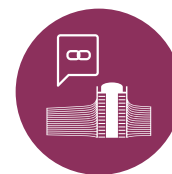
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
16	Promote diverse business models including co-operatives, employee ownership, multi-stakeholder ownership models, trusts or other forms to foster a more diversified economic business structure which incorporates social and environmental externalities better than today and provides for fairer distribution of income and wealth	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.		
17	Create European legal statutes for different social economy forms to ensure legal certainty and a level playing field with other business forms, and covering mutuals, associations and foundations		COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission will propose a Social Economy Action Plan containing related measures in 2021.
18	Set up financial guarantee schemes from local to national levels to facilitate access to finance for social economy actors, and support these actively through InvestEU and the EIB.			






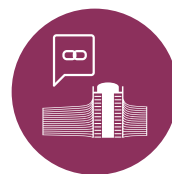
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
19	Develop policy initiatives and use existing EU instruments and programmes to encourage and help young people to engage with the social economy	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.		
20	Adapt national and European statistics to ensure good data is made available on the social economy to better inform, guide and monitor relevant policies		COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission will propose a Social Economy Action Plan containing related measures in 2021.
21	Establish a European Statute for Benefit Corporations, building on the recent Italian initiative (Società Benefit)			






	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
22	<b>Foster at national, regional and local levels the role of public or publicly regulated non-profit enterprises to build eco-social public services</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission will propose a Social Economy Action Plan containing related measures in 2021.
23	<b>A European “Responsible Business” label to allow people to identify whether a given company ensures social and environmental responsibility, and good corporate governance</b>	 Yes - <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)98 final – A new Circular Economy Action Plan	The Commission will issue a legislative proposal to define minimum standards for companies’ claims relating to their environmental performance in 2020. However, at this stage, it remains unclear as to whether this proposal will also cover non-environmental aspects.
24	<b>A European “Responsible Finance” label with the same aim due to the specificities of the financial sector</b>	 No related European Commission proposal		






	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
25	<b>A European Directive on minimum economic, social, and environmental responsibilities of companies, building on existing legal approaches in some Member States</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)380 final – EU Biodiversity Strategy for 2030	The Commission will issue a proposal for a sustainable corporate governance initiative for 2021 to define companies’ ‘duty of care’ relating to human rights and the environment across value chains. However, at this stage it remains unclear as to whether this proposal will also cover non-environmental aspects.
26	<b>Realising sustainable public procurement: Pro-active use and its monitoring of social and environmental criteria in public procurement by public entities</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)21 final – Sustainable Europe Investment Plan	The Commission is preparing guidelines for the effective use of ‘green criteria’ in public procurement. However, at this stage, it remains unclear as to whether this proposal will also cover non-environmental aspects.
27	<b>Make social and environmental criteria in public procurement compulsory</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)98 final – A new Circular Economy Action Plan	The Commission is preparing a proposal for minimum ‘green criteria’ in public procurement for 2021. However, at this stage, it remains unclear as to whether this proposal will also cover non-environmental aspects.

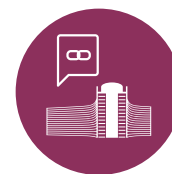





	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
28	A legally binding Corporate Responsibility Passport introducing a license to operate in the Single Market for corporations with more than 500 million euros of annual revenue (Further step)	 No related European Commission proposal		
29	Create a European agency specialised in financial and tax fraud crime	 Yes - <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)2800 final – Action Plan for a comprehensive Union policy on preventing money laundering and terrorist financing	The Commission is proposing the establishment of an EU-level supervisory body to ensure the effectiveness of EU anti-money-laundering and terrorist financing measures and regulations.
30	Set up a European tax body (Tax Policy Coherence and Coordination Centre) to strengthen cooperation and coordination of national tax authorities in fighting tax evasion and avoidance	 Yes - <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)312 final – Action Plan for Fair and Simple Taxation	On the initiative of the European Parliament, the European Commission is overseeing the establishment of an EU Tax Observatory to monitor and quantify trends relating to tax fraud and avoidance for an initial pilot phase of up to three years.

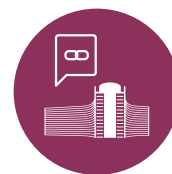





	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
31	Set up a European Financial Intelligence Unit to ensure effective networking and coordinated action between existing national units	 Potentially – the European Commission is committed to assessing the need for action that would incorporate the ICSE recommendation.	COM(2020)312 final – Action Plan for Fair and Simple Taxation	The Commission has announced its intention to assess, in 2022/23, the need for further action to enhance the effectiveness of cooperation among national authorities in the field of taxation and financial crime, and is committed to following up with related policy proposals if this is deemed necessary.
32	Set up a joint dedicated permanent task force by Eurofisc and the European Commission aimed at supervising the enforcement of adopted tax legislation	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)312 final – Action Plan for Fair and Simple Taxation	The Commission has announced its intention to table new proposals in 2022/23 to enhance the effectiveness of Eurofisc and its cooperation with other EU bodies and institutions.
33	Full public country-by-country reporting, including fully disaggregated accounting from all countries where a multinational cooperation operates	 No new European Commission proposal, but legislative procedure in progress.		A related legislative proposal was issued by the European Commission in 2016. However the legislative process has been blocked since 2017 due to lack of common ground between the European Parliament and Council. The current European Commission has not stated its intended involvement with the file.

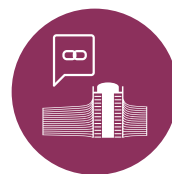






	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
34	<b>A common consolidated corporate European-wide tax base (CCCTB), also covering taxation of digital companies (preceded by an interim digital tax)</b>	 No new European Commission proposal, but legislative procedure in progress.	The Commission's Political Priorities announce action to unblock negotiations in the European Council	A related legislative proposal was issued by the European Commission in 2016. Currently, the legislative process is blocked due to lack of common ground in the European Council.
35	<b>A European legal definition for virtual permanent establishment for digital companies</b>	 No new European Commission proposal, but legislative procedure in progress.	The Commission's Political Priorities announce action to unblock negotiations in the European Council in case international negotiations through the G20 and the OECD do not yield results by the end of 2020	A related legislative proposal was issued by the European Commission in 2018. Currently, the legislative process is blocked due to lack of common ground in the European Council.
36	<b>A minimum effective corporate tax rate building on the future CCCTB</b>	 Yes – incorporation of ICSE recommendation in <b>forthcoming</b> European Commission proposal expected.	The Commission's Political Priorities announce related legislative action in case international negotiations through the G20 and the OECD do not yield results by the end of 2020	







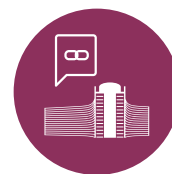
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
37	<b>A harmonised European definition and a ban of dodgy tax schemes that exist in different Member States</b>	 No related European Commission proposal		
38	<b>Clear rules on the transfer of a company's headquarter within the EU</b>	 Yes - <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)312 final – Action Plan for Fair and Simple Taxation	The Commission will publish a legislative proposal delivering clear rules for determining a company's tax residence in 2022/23.
39	<b>A Financial Transactions Tax</b>	 No new European Commission proposal announced, but enhanced cooperation between a number of Member States in progress based on a European Commission proposal published in 2013.		





	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
40	<b>Increased resources to national tax administrations</b>	This ICSE proposal concerns national measures and is thus outside the European Commission's remit.		
41	<b>An interim Digital Service Tax, until CCCTB rules are in place</b>	 Yes – incorporation of ICSE recommendation in forthcoming European Commission proposal expected, building on a previous legislative proposal issued in 2018.	The Commission's Political Priorities announce action to introduce a European digital services tax in case international negotiations through the G20 and the OECD do not yield results by the end of 2020	
42	<b>EU agreement needed in Council on the proposal for 'significant digital presence'</b>	 Yes – incorporation of ICSE recommendation in forthcoming European Commission proposal, building on a previous legislative proposal issued in 2018, expected.	The Commission's Political Priorities announce action to introduce a European digital services tax in case international negotiations through the G20 and the OECD do not yield results by the end of 2020	






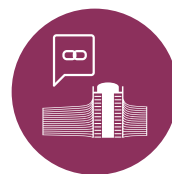
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
43	An informed public debate on how to tax new technologies (such as a robot tax)	 No related European Commission proposal		
44	The EU to include tax-dodging clauses in all of its trade agreements with third countries	 No related European Commission proposal		
45	No trade agreements should be signed by the EU with jurisdictions defined by the EU as a tax haven	 No related European Commission proposal		
46	The EU to promote the creation of a United Nations Tax Commission notably to coordinate efforts to fight tax havens	 No related European Commission proposal		







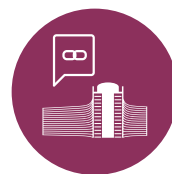
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
47	<b>The EU to promote the creation of a Global Financial Registry to establish ownership of financial assets (Further step)</b>	 No related European Commission proposal		
48	<b>Establish a clear and detailed EU classification system – or taxonomy – for sustainable activities. This will create a common language for all actors in the financial system</b>	 Partially completed – based on a legislative proposal issued by the previous European Commission in 2018, a first-generation sustainable investment taxonomy – mainly focussed on matters of environmental sustainability – was adopted in June 2020.  With the aim of broadening the scope of the first-generation taxonomy, the European Commission is committed to preparing further measures, which are likely to cover additional parts of the ICSE proposal.	COM(2020)21 final – Sustainable Europe Investment Plan	The Commission is working with stakeholders, including the European Investment Bank and national promotional banks as well as with InvestEU beneficiaries to improve the uptake of the taxonomy and to bring related products to the market.  The Commission will launch an updated sustainable finance strategy in Q3 2020.






	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
49	<b>A legal obligation of accountability towards society for private finance</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected, building on a previous legislative proposal issued in 2018.	COM(2020)21 final – Sustainable Europe Investment Plan	The Commission will table a renewed sustainable investment strategy in Q3 2020, also covering the non-financial reporting obligations of financial firms
50	<b>A better calibration of prudential incentives and disincentives to contribute to the transition towards sustainable development</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal, expected.	COM(2020)21 final – Sustainable Europe Investment Plan	The Commission will table a renewed sustainable investment strategy in Q3 2020, which is expected to include a review of the financial sector regulation and supervision with the aim of fostering sustainable forms of investment, including through non-financial reporting obligations.
51	<b>Include environmental, social and corporate governance risks and factors in the mandate of the European system of financial supervision</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal, building on a previous legislative proposal issued in 2018, expected.	COM(2019)640 final – The European Green Deal	The Commission will table a renewed sustainable investment strategy in Q3 2020, also covering the role of financial market supervisory bodies in improving the financial sector's contribution to sustainable development



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
52	A European public credit rating agency to track long-term sustainability risks	 No related European Commission proposal		
53	Address the development of artificial intelligence in financial transactions through a review of the MiFID II/MiFIR legislation applying to markets in financial instruments	 No related European Commission proposal		
54	Foster financial inclusion by developing or facilitating micro-credit, crowdfunding, and supply-chain financing, as well as social entrepreneurship funds at EU and national levels	 No related European Commission proposal		
55	Develop direct regulation and supervision of the shadow banking sector, including at the global level (Further steps)	 No related European Commission proposal		



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
56	A Futures Technological Analysis capacity lodged inside the European Commission to properly understand, anticipate and prepare technological change	 No related European Commission proposal		
57	An EU Directive on platform work to regulate and protect new forms of work in the digital economy	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected	The Commission’s Political Priorities announce measures to improve the working conditions of atypical employees, especially in the digital economy	The forthcoming Digital Services Act (scheduled for publication in Q1 2021) is expected to propose related measures.
58	Prepare national social systems and European programmes to support and protect people during the technological transition, notably through social transition funds financed by a digital tax; this process is to become part and parcel of the European Semester	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected	COM(2020)55 final – Economic Governance Review	The Commission is committed to ensure that enabling national social systems and fiscal policy to accommodate the sustainable transformation will be a key concern in proposals aimed at the reform of the EU economic governance framework.





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# Social Justice

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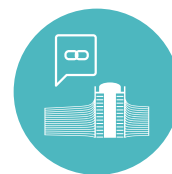
As part of chapter five of its first policy report, the ICSE issued 33 policy recommendations aimed at mitigating and reversing social inequalities through: poverty alleviation measures; labour market policies to improve the quality of employment and stimulate wage increases; action to fight gender-based discrimination; and instruments to fight territorial inequalities. Since the publication of the policy report, the European Commission has announced policy proposals that incorporate 18 of these recommendations, at least partially.







	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
59	An ambitious European anti-poverty plan to improve the situation of all people at risk of poverty or social exclusion, reduce the number of people at-risk-of-poverty or social exclusion by 25 million people for 2030, and by an additional 50 million for 2050	 Unclear – the European Commission acknowledges the relevance of the ICSE recommendation without, however, incorporating the related measures proposed by the ICSE into its work programme.	The Commission’s Political Priorities declare the fight against poverty one of the Commission’s key priorities, without making specific proposals for related action.	A new European Commission proposal for an anti-poverty strategy seems to be under preparation, but has not yet been formally announced.
60	Further develop approaches at EU and national levels aimed at a better understanding of poverty based on reference budgets	 No related European Commission proposal		
61	Insert the European anti-poverty plan as a strategic dimension in the European Semester	 No related European Commission proposal		
62	A European Child Guarantee to mitigate the damaging effects of poverty on children	 Yes – incorporation of ICSE recommendation in forthcoming European Commission proposal expected.	COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission has announced a legislative proposal for 2021 to establish a European Child Guarantee







	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
63	A European strategy for affordable, social and public housing for all (this includes 11 detailed proposals, see recommendation 3, section 5.1.)	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)21 final – Sustainable Europe Investment Plan	The Commission has stated its intention to use its fiscal policy supervision and surveillance competence to ensure that Member States have adequate investment capacity to improve access to climate-friendly and affordable housing.
64	A European Framework Directive on adequate minimum income	 No related European Commission proposal		
65	A European legal framework to guarantee every European citizen a social protection floor, in line with the ILO recommendation	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission has announced its intention to issue recommendations for Member States to ensure adequate social security coverage for all.
66	A social integration strategy for immigrants, comprising national plans, as part of the European Semester	 No new European Commission proposal to improve the effectiveness of a previous strategy published in 2016		






	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
67	Make poverty reduction goals binding after 2024, including national annual targets, if necessary (Further step)	 No European Commission proposal		
68	Comprehensive and complete implementation of rights and principles contained in the European Pillar of Social Rights by 2024	 Yes – incorporation of ICSE recommendation in forthcoming European Commission proposal expected.	COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission has announced a proposal for an EU Action Plan aimed at the full implementation of the European Pillar of Social Rights for 2021
69	A European Activity Right for all long-term unemployed, eventually to be joined up with the existing European Youth Guarantee	 No related European Commission proposal		
70	European Fair Wage Action Plan (EFWAP): integrate UNSDG goal 10 target on ensuring that the lower 40% wage group grows faster than the national average up to 2030 in the European Semester	 No related European Commission proposal		







	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
71	(EFWAP) European Semester country-specific recommendations to include recommendations on sectoral collective bargaining and support real wage increases in line with the UNSDG goal target	 No related European Commission proposal		
72	(EFWAP) Gradually put an end to in-work poverty by ensuring that minimum wages are not fixed below living wage levels, including through the establishment of national living wage indexes, and EU-wide definition of a living wage and the use of reference budgets as a benchmark	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)14 final – A Strong Social Europe for Just Transitions	The Commission has launched a consultation with social partners to invite their views in the preparation for a legislative proposal for an EU system of (national) minimum wages.
73	(EFWAP) European equal pay for equal work legislation to extend to all sectors of the economy	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	Forthcoming: COM(2020)152 final – EU Gender Equality Strategy 2020-25	Closing the gender pay gap is the declared objective of the new gender equality strategy, announcing a number of legislative and non-legislative proposals for the coming years.
74	(EFWAP) A European directive on pay transparency	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)152 final – EU Gender Equality Strategy 2020-25	The Commission has announced the publication of a legislative proposal by the end of 2020







	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
75	Address income inequality in the European Semester by establishing an income inequality benchmark indicator based on the three best performing European countries' average Gini coefficient (around 0.25), and foster more progressive national income tax systems where relevant	 Yes - partially completed.	COM(2020)152 final – EU Gender Equality Strategy 2020-25	Since the 2019-20 cycle, the European Semester includes related indicators and makes support available for related reforms in Member States through the structural reforms support mechanism.
76	A good work-life balance for working parents to achieve an 'equal earner-equal carer' model	 Yes - completed	COM(2020)152 final – EU Gender Equality Strategy 2020-25	The Commission will continue to monitor the implementation of the Work-Life-Balance Directive adopted in 2019.
77	Legislation to end the gender pay gap	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)152 final – EU Gender Equality Strategy 2020-25	The Commission has announced the publication of a legislative proposal by the end of 2020.

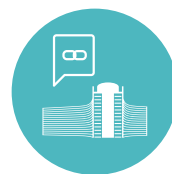





	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
78	<b>Ratification and implementation of the Istanbul Convention in all Member States to eradicate violence against women</b>	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	COM(2020)152 final – EU Gender Equality Strategy 2020-25	The European Commission will work to achieve the adoption and full implementation of the Istanbul Convention by all Member States and has announced its intention to table its own legislative proposals to achieve the same objectives if some Member States remain opposed to the Istanbul Convention.
79	<b>Ensure that public and private organisations and companies dispose of effective policies against sexual and psychological harassment</b>	 No related European Commission proposal		
80	<b>Guarantee sexual and reproductive health and rights</b>	 No related European Commission proposal		
81	<b>Incorporate a gender perspective in national tax and social security policies</b>	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	Forthcoming: COM(2020)152 final – EU Gender Equality Strategy 2020-25	The European Commission has announced the preparation of guidelines directed at Member States to ensure the gender perspective is adequately taken into account in national tax and social security systems.






	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
82	<b>A Directive on women's involvement in company boards (40%)</b>	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected, based on a previous legislative proposal issued in 2012	COM(2020)152 final – EU Gender Equality Strategy 2020-25	The European Commission will work to unblock negotiations in the European Council on a related proposal tabled in 2012.
83	<b>Make gender mainstreaming and gender budgeting systematic in public policy at EU and national levels</b>	 Yes – completed (as regards EU level policy).	COM(2020)152 final – EU Gender Equality Strategy 2020-25	The European Commission has set up a task force and created a dedicated Commissioner's portfolio to ensure the mainstreaming of gender-related issues across all EU policies
84	<b>Integrate national social mobility action plans in the European Semester</b>	 No related European Commission proposal		
85	<b>Upgrade national education systems to highest standards and ensure sufficient social investment</b>	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposal expected.	The Commission's political priorities announce the creation of a European education area to improve cross-border access to quality education	The Commission will table a related non-legislative proposal in Q3 2020, which is likely to touch on some aspects of the ICSE proposal.

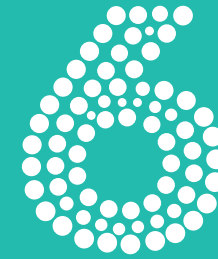




	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
86	Cohesion policy to remain accessible to all EU regions, and financial allocation for 2021-2027 to be maintained at an adequate level, if not increased	 No – European Commission proposal at level below ICSE recommendation		The European Commission has proposed a level of funding for cohesion policy that implied cuts compared to the previous funding period. Actual funding levels will, however, be determined in negotiations between the European Council and Parliament, which are ongoing at the time of writing.
87	Foster multi-level governance in cohesion policy to achieve participatory and bottom-up approaches	 Yes – ICSE recommendation <u>partially</u> incorporated in legislative proposal delivered by the European Commission	COM(2018)375 - Proposal for a regulation laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund	The European Regional Development Fund will be based on territorial and local development strategies, which will be developed and adopted as the responsibility of the relevant authorities or bodies. The proposal is based on the partnership principle and a multi-level governance approach, and a commitment to simpler and more flexible rules to access and manage cohesion funds. However, the exclusion of the Social Fund from cohesion policy is a matter of concern.
88	Differentiated development approaches to be deployed according to each region's specific context	 Yes – <u>partially</u> completed, further incorporation of additional elements of ICSE recommendation expected as part of <u>forthcoming</u> European Commission proposals	COM(2020)14 final – A Strong Social Europe for Just Transitions	On 29 June, the Just Transition Platform (JTP) for carbon-intensive regions was launched to help Member States draw up their territorial Just Transition Plans and access funding from the Just Transition Mechanism.



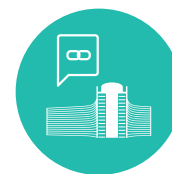
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
89	<b>Proper implementation of the European Code of Conduct on Partnership for cohesion policy</b>	 Yes – ICSE recommendation incorporated in legislative proposal issued by the European Commission	COM(2018)375 - Proposal for a regulation laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund	The Commission’s legislative proposal reiterates the adherence to the partnership principle among its legally binding provisions.
90	<b>Capture the territorial impact of EU programmes</b>	 No related European Commission proposal		
91	<b>Common Wealth - develop a common and collective base of non-monetary wealth accessible to all, possibly in the form of a Common Wealth Charter that would grant a set of sustainable well-being rights to all citizens (Further step)</b>	 No related European Commission proposal		





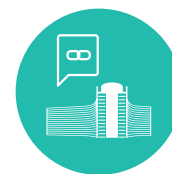
# Social-Ecological Progress





As part of chapter six of its first policy report, the ICSE issued seven policy recommendations, aimed at combining climate change adaptation and mitigation action with measures to safeguard social cohesion and social progress. Since the publication of the first policy report, the European Commission has announced policy proposals that incorporate six of these recommendations, at least partially.






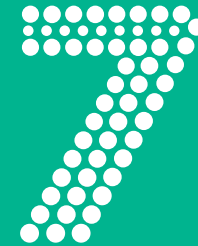
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
92	<b>Insert just transition as a major component of Europe's future climate and energy policy</b>	 Yes – ICSE recommendation incorporated in legislative proposal issued by the European Commission.	COM(2020)21 final – Sustainable Europe Investment Plan	<p>The European Commission has proposed the creation of a Just Transition Mechanism aimed at mobilising €100 billion in additional investments over ten years to accommodate social concerns in the sustainable transformation of Europe, as part of the European Green Deal.</p> <p>Following the Council compromise on the forthcoming MFF and the COVID-19 recovery package, the Just Transition Mechanism has been allocated €17.5 billion in equity for 2021-27.</p>
93	<b>Define sustainable industrial policies for all sectors affected by the transition within a just transition approach</b>	 Yes – ICSE recommendation incorporated in European Commission proposals	COM(2020)102 final – A New Industrial Strategy for Europe  COM(2020)103 – An SME Strategy for a Sustainable and Digital Europe	<p>The European Commission has announced the establishment of a Just Transition Platform accessible to regional authorities and industry stakeholders to support the definition of specific sustainability and just transition strategies.</p> <p>The Commission has announced plans to make sustainability advice available to companies and stakeholders as part of the Enterprise Europe Network.</p>



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
94	<b>A future Common Agricultural Policy to achieve a just transition towards sustainable farming and dynamic rural territories</b>	 Yes – incorporation of ICSE recommendation in forthcoming European Commission proposal expected.	COM(2020)381 final – A Farm to Fork Strategy AND biodiversity strategy	The Commission has announced a number of legislative and non-legislative proposals to achieve a sustainable transformation of agriculture, eg through reducing the use of pesticides, fertilisers, and greenhouse-gas emissions. To accommodate social concerns, the Just Transition Mechanism will make funding available to support the transition.
95	<b>Ensure that national and European just transition strategies are actively supported by the EU budget</b>	 Yes – ICSE recommendation is incorporated in European Commission proposals.	COM(2020)21 final – Sustainable Europe Investment Plan  COM(2020)456 final – Europe’s Moment: Repair and Prepare for the Next Generation	With its proposal for a Just Transition Mechanism, the Commission intends to make funding available to support just transition measures at all levels of governance.  The Commission’s proposal for a €750 billion post-COVID-19 investment fund includes a Recovery and Resilience Facility (€560 billion) which includes making funding (grants and loans) available to Member States implementing reforms as part of the European Semester, which is now partly focused on sustainability.



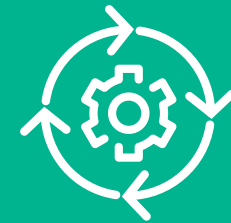
	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
96	<b>Build tomorrow's social-ecological national welfare states through a participatory process involving national and EU institutions, social partners and civil society</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.	COM(2020)55 final – Economic Governance Review	The Commission has announced its intention to support sustainable development-related reforms in Member States' social protection and welfare systems through targeted measures as part of the forthcoming revision of the system of EU economic governance.
97	<b>Develop knowledge and information allowing to properly measure and then mitigate environmental inequality</b>	 No related European Commission proposal		
98	<b>Ensure that EU and national institutions and governance processes properly integrate social-ecological dimensions</b>	 Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.	COM(2020)21 final – Sustainable Europe Investment Plan  COM(2020)55 final – Economic Governance Review	With its Sustainable Europe Investment Plan – and also with the announcement of forthcoming reforms of the system of EU economic governance – the Commission acknowledges that the sustainable transformation of Europe must be conducted in a way that accommodates the social concerns of the affected populations. However, there is no specific focus on the reduction of inequalities between people and territories.



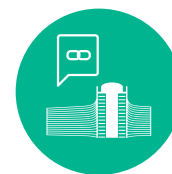
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# Enabling Change

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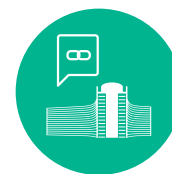





As part of chapter seven of its first policy report, the ICSE issued 12 policy recommendations, aimed at embarking on a path of institutional reform and innovation in the EU system of governance to enable change towards a new model of sustainable wellbeing for all. Since the publication of the first policy report, the European Commission has announced policy proposals that incorporate seven of these recommendations, at least partially.

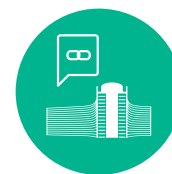


	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
99	<b>Change EU fiscal rules to protect national public investment expenditure vital for the sustainable transformation from budgetary consolidation</b>	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.	COM(2020)55 final – Economic Governance Review	The Commission has announced its intention to protect investment capacity at all levels of government to ensure public investments can contribute to the sustainable transformation of Europe.
100	<b>Overhaul the existing budgetary rules and procedures within a new broad Sustainable Development Pact, combining budgetary, social and environmental benchmarks and binding targets</b>	 No related European Commission proposal		
101	<b>Adequate policy coordination to address excessive current account surpluses</b>	 No related European Commission proposal		
102	<b>A fiscal capacity: an Unemployment Re-Insurance Scheme and an Investment Protection Scheme to strengthen the Eurozone in terms of economic and social cohesion, and to develop its capacity to address asymmetric shocks</b>	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.	The European Commission’s Political Priorities commit the Commission to tabling proposals for a permanent EU re-insurance of national unemployment insurances	As part of its COVID-19 response, the European Commission has delivered a proposal for a temporary re-insurance mechanism supporting national systems in financing short-time work schemes. This is expected to be transferred into a permanent mechanism in the future.

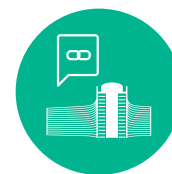




	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
103	Revise the mandate of the European Central Bank, as defined in the Treaty and in its statutes, to broaden it to the full employment objective and to supporting through its monetary policy the transition towards sustainable development	 No related European Commission proposal		
104	Address excessive wealth inequality through a European Net Wealth Tax	 No related European Commission proposal		
105	Reform national tax systems to turn them into powerful levers for sustainability by taxing 'bads' instead of 'goods'	 Yes – incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.	COM(2019)640 final – The European Green Deal	The Commission has announced proposals aimed at the coordinated adjustment of national tax systems to support the sustainable transformation, eg through reforms in energy taxation, to be published in 2021.



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
106	<p><b>European public financial institutions and instruments to lead on the financing of the sustainable transition, notably by developing green bonds and social bonds</b></p>	<p>Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.</p>	<p>COM(2020)21 final – Sustainable Europe Investment Plan</p>	<p>The Commission has announced plans to transform the European Investment Bank into a European Climate Bank that is projected to direct 50% of its overall investment support into climate action by 2025. Moreover, the EIB, together with beneficiaries of the InvestEU programme, are expected to work on the development of sustainable investment products. However, related actions are solely focused on the environmental dimension of sustainable development.</p>
107	<p><b>Mainstreaming sustainable development in the next Multi-Annual Financial Framework</b></p>	<p>Yes – ICSE recommendation incorporated in European Commission proposal.</p>	<p>COM(2020)21 final – Sustainable Europe Investment Plan</p>	<p>The Commission has announced its intention to ensure that at least 25% of spending under the forthcoming EU Multiannual Financial Framework contributes to climate action. Following the Council compromise on the MFF and the COVID-19 recovery package of 21 July 2020, the climate action target for both has been raised to 30%.</p>



	ICSE policy recommendation	Incorporation in EU policy agenda	Link to European Commission agenda/work programme	Summary of related European Commission action
108	<p>Replace the existing European Semester by a Multi-annual Sustainable Development Cycle (resting on a new Sustainable Development Pact, see policy action n° 100), and adapt institutional structures in the European Commission, European Parliament and Council accordingly</p>	<p>Yes – <u>partial</u> incorporation of ICSE recommendation in <u>forthcoming</u> European Commission proposals expected.</p>	<p>COM(2019)640 final – The European Green Deal</p>	<p>The Commission has announced that the European Semester will address social and ecological concerns relating to the sustainable transformation of Europe and help to identify related policy challenges, eg on the poverty impact of carbon pricing or bio-diversity-linked indicators. However, key parts of the ICSE recommendation, especially as regards social and other non-environmental aspects, appear to be missing from the policy agenda the Commission envisages.</p>
109	<p>Develop a Sustainability Scoreboard composed of non-binding objectives expressed as indicators to inform the policy-making, coordination and surveillance process</p>	<p>Yes – ICSE recommendation incorporated in European Commission proposal.</p>	<p>COM(2019) 650 final – Annual Sustainable Growth Strategy</p>	<p>Since the 2019-20 cycle, the European Semester has integrated the United Nations Sustainable Development Goals as indicators.</p>
110	<p>Set up a European Sustainable Well-Being Board to monitor and evaluate recommendations and policies (complementary to the European Fiscal Board)</p>	<p>No related European Commission proposal</p>		

**‘The policy recommendations provided in this report aim at a radical transformation of our societies. One which fundamentally questions our decades-long reliance on economic growth as an end in itself, dissociates wealth from well-being, forcefully challenges the prevailing distribution of income, wealth and economic power, and calls for sustainable transformation as a powerful and innovative driver of social progress’.**

from the report of the Independent Commission for Sustainable Equality



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