



Employment, Social Policy, Health and Consumer Affairs Council **Thursday 16 and Friday 17 June in Luxembourg**

The EPSCO Council will begin on **Thursday at 9.30** with employment and social policy issues and will continue on **Friday at 10.00** with health items. With the exception of the non-legislative and any other business items the whole meeting will be public and can be followed by video streaming at <http://video.consilium.europa.eu/en/webcasts>

Employment and Social Policy

The Council meeting will be chaired by Mr Lodewijk Asscher, Netherlands' vice Prime Minister and minister for Social Affairs and Employment.

*The Council will hold a policy debate on the employment and social policy aspects of the **2016 European Semester** exercise, adopting relevant documents and approving country specific recommendations.*

*It will take note of progress reports on the following directives: **posting of workers, accessibility** for goods and services, **carcinogens** or mutagens at work, **equal treatment**, as well as of the EU-level sectoral social partner agreement on the **ILO work in fishing Convention**.*

*On **posting of workers**, under the Dutch presidency useful work has been done in clarifying key concepts. This is spelled out in the progress report. At the Council, the Commission will update the member states on the state of play with respect to the yellow card procedure. The Commission is currently reviewing the proposal and looking at the arguments of the National Parliaments of 11 member states which have triggered the yellow card.*

*The Commission will present to the Council the new **skills package**.*

*The Council will seek to adopt conclusions on **gender equality** and on **LGBTI** equality.*

*It will adopt conclusions on **social dialogue** and on **combating poverty** and **social exclusion**.*

Over lunch ministers will have a discussion on the social protection of self-employed.

The presidency will hold a press conference at the end of the morning meeting (+/- 12.30).

¹ This note has been drawn up under the responsibility of the press office.

Health Affairs

Health and Consumer Affairs items will be addressed under the chairmanship of Edith Schippers, Minister of Health of the Netherlands.

The Council will be invited to adopt three sets of conclusions on

- **food products improvement**
- **a one health approach to combat antimicrobial resistance**
- **strengthening the balance in the pharmaceutical system**

*Under any other business the presidency will inform the Council about the agreement reached with the European Parliament on new EU rules for **medical devices and in vitro diagnostic medical devices**.*

A presidency press conference will be held after the end of the meeting (+/- 13.00).

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Press conferences and public events by video streaming: <http://video.consilium.europa.eu/en/webcasts>

Video coverage in broadcast quality (MPEG4) and photo gallery on: <http://tvnewsroom.consilium.europa.eu/permalink/82183>

Employment and Social Policy

European Semester 2016

The Council will hold a [policy debate](#) on the employment and social policy aspects of the 2016 European Semester exercise, adopting relevant documents.

The policy debate will be steered by the following presidency questions:

- Do you believe that the focus of the country specific recommendations, as regards the thematic they cover, is well balanced? Does the current economic, employment and social situation justify that skills, education and training is the area that deserves most attention?
- In conjunction with other initiatives, such as the recommendation on long-term unemployment, do ministers see scope to strengthen the Semester's response to the poverty challenge?
- Notwithstanding the increased relevance of the Semester as a tool for coordinating the economic governance cycle, particularly notable is the relative absence of public recognition of the social component of the Semester. How can the social and employment component of the Semester process be better transmitted to the wider public?

Labour market situation/ Unemployment

The labour market situation has improved and is expected to improve further. The rate of employment growth in 2015 was around 1,1% both in the euro area and in the EU, the highest rate since the crisis struck.

Unemployment is expected to fall in the euro area to 10,3% in 2016 and further to 9,9% in 2017, whilst in the EU as a whole, estimates point to 8,9% in 2016 and 8,5% in 2017.

The European Semester process shows that reforms are paying off. However, many challenges remain. The decrease in the unemployment rate is continuous but gradual, and it still remains above pre-crisis levels.

Youth unemployment is falling at a faster rate than overall unemployment, but it remains high (21,6% in the euro area, 19,4% in the EU), and it is unevenly distributed across member states. Around one fourth of the EU population is considered to be at risk of poverty or social exclusion.

Employment and social matters should therefore remain at the forefront of member states' policy efforts and a key pillar of a strengthened EMU. Labour markets should become more inclusive, striking the right balance between flexibility and security.

Social security systems, which have been put to the test, need to build up their resilience.

Social partners' involvement in the reform design and implementation process will contribute to their success.

Country specific recommendations (CSRs)

In the employment and social protection fields, the 2016 CSRs cover many areas: employment protection legislation and the framework for labour contracts; the tax burden on labour; unemployment benefits; active labour market policies; incentives to work, job creation, labour market participation; wages and wage-setting; childcare; health and long-term care; poverty reduction and social inclusion; education; skills and life-long learning.

This year, nearly half of the CSRs have an employment or social component, containing a total of 114 concrete recommendations touching upon the employment and social field. Compared to 2015, more emphasis was put on the areas of skills, education and training, and active labour market policies. Pensions, extending working lives and employability of older workers went down, reflecting progress made by member states.

Youth employment received less attention, although this does not match levels of youth unemployment, which remain high. Given the worsened economic situation, consequence of the crisis, a strong focus on poverty reduction remains essential, both within and outside the Semester process.

In the context of the policy debate, the Council will endorse [opinions](#) of the Employment Committee (EMCO) and the Social Protection Committee (SPC) on the examination of the 2016 national reform programmes and the 2015 CSRs implementation.

Posting of workers

The Council will take note of a [progress report](#) on posting of [workers directive](#) and of Commission information on the state of play for the yellow card procedure.

On 8 March 2016, the Commission submitted a proposal amending the 96/71/EC directive. The new directive aims at ensuring a level playing field for service providers and at the same time protecting the posted worker.

According to the Commission, the twenty-year old directive does not no longer reflect properly the developments since 1996 and the current situation on the labour markets, such as a considerably increased wage differentiation in sending and host countries.

On 10 May 2016, the eight week period for the consultation of national parliaments ended. By this date, national parliaments of 11 member states had sent reasoned opinions accounting for 22 votes. Thus, the threshold of one third of the votes required to trigger the so called yellow card procedure has been reached. In consequence, the proposal must be reviewed by the Commission which may decide to maintain, amend or withdraw it.

The work in the Council working party

The Social Questions working party discussed the proposal in several meetings. A group of delegations raised concerns that the new proposal would undermine internal market and decrease drastically the competitiveness of companies posting workers. This group preferred to suspend any work at technical level.

The majority of delegations however supported the Presidency's approach to continue the work in order to finish ongoing business and to further clarify issues at technical level, such as the relationship between the proposal and the Rome I regulation, while fully respecting the national parliaments reasoned opinions and the Commission's reflection period.

The Commission proposal

The proposed directive *inter alia*

- does not set time limits to the posting as such, but the rules change once the posting goes beyond 24 months, after the expiry of which the working conditions and law of the host member state are applicable;
- states that where collective agreements, law or administrative provisions provide for, the posted worker should be granted a remuneration with all its components in accordance with applicable law or collective agreements, and not only a minimum rates of pay like in the basic directive;
- clarifies the employment and working conditions for temporary agency workers.

Accessibility for goods and services

The Council will take note of a [progress report](#) on the [proposal for a European accessibility Act](#), submitted by the Commission at the end of 2015.

The report reflects the discussions in the relevant working party of the Council which clarified a large number of issues and had a thorough examination of the impact assessment. Particular attention was paid to the legal base, the scope of the proposal and to which products, services and sectors should be covered.

This proposal has a scope covering for instance products and services accessible to persons with disabilities and functional limitations; electronic devices, websites, audio-visual media services, different transport services (f.e ticketing machines and travel information) and banking services (f.e websites, mobile device-based banking).

The aim of the proposal is to enable the implementation of the UN Convention on the rights of persons with disabilities. The Convention contains, *inter alia*, the obligation to increase the accessibility of goods and services. Most EU member states have already ratified the UN Convention and now need to undertake action to implement it. If that implementation was done by each member state separately, it would lead to divergent legislations. This would fragment the internal market and lead to additional costs.

The proposed Act includes uniform accessibility criteria for selected goods and services for which the Commission deems the risk of divergence to be highest. These criteria are also meant to provide guidance for the implementation of other Union acts that include the obligation or possibility to improve accessibility, but which offer no detail on what accessibility should mean.

Carcinogens or mutagens at work

The Council will take note of a [progress report](#) on a revised directive protecting workers from the risks related to exposure to [carcinogens or mutagens at work](#).

This directive seeks to introduce stricter limit exposure values for a number of cancer-causing chemical agents as compared to those of the 2004 directive.

The proposed revision concerns in particular annex I and III of directive 2004/37/EC. In annex I, a provision is added on exposure to respirable crystalline silica dust generated by a work process.

With regard to annex III, while the current directive includes three carcinogenic agents (hardwood dust, benzene, and vinyl chloride monomer) and their limit values for occupational exposure, the proposal revises the limit value for two of these substances and includes new limit values for eleven substances.

In evaluating the latest scientific data, the Commission has been assisted by the Scientific Committee on occupational exposure limits.

A number of member states already have occupational limit values for substances included in the proposal. However, not all member states have set limit values and the existing values vary between them. The progress report does show broad political will to take forward the Commission's proposal.

Equal treatment directive

The Council will take note of a progress report on a directive implementing the [principle of equal treatment](#) between persons, irrespective of religion or belief, disability, age or sexual orientation.

The Dutch presidency has sought to clarify the interplay between this directive and the European accessibility Act. The latter contains detailed accessibility rules for certain products and services, which will benefit persons with disabilities. The equal treatment directive is a broader and more general instrument.

Nevertheless, member states expressed doubts regarding subsidiarity, legal certainty and the division of competences of the Equal treatment directive.

Since the adoption of the directive requires Council unanimity, work will continue.

Skills package

The Commission is due to present to the Council the new skills package adopted on 7 June.

The skills agenda is a new initiative and it follows the previous numerous initiatives of the Commission in this area, such as the "New skills for new jobs" from 2008 and the 2012 Commission communication on "Rethinking education".

The skills package contains a cross-cutting set of proposals covering areas such as skills development, the mutual recognition of qualifications, support for both vocational education and training and higher education, as well as ways of exploiting the full potential of the digital economy, as part of a European skills strategy aimed at promoting 'lifelong investment in people'.

Equality

The Council will be called on to adopt following conclusions on equality:

[Response to the Commission's strategic engagement for gender equality](#)

The Commission's strategy for equality between women and men 2010 - 2015 expired at the end of 2015. The Council and the European Parliament have invited the Commission to adopt a new strategy, and stressed that it should have the same status as the previous one, meaning it should be officially adopted as a communication.

At the EPSCO Council on 7 December 2015, ministers held an exchange of views on the Commission's strategic engagement. Many ministers lamented the fact that no formal strategy had been adopted, as this implicitly downgraded the status of gender equality policy within the EU.

Nevertheless, as regards the substance of the Commission's strategic engagement, member states generally supported the five priorities identified in the document: equal economic independence for women and men; equal pay for work of equal value; equality in decision-making; dignity, integrity and ending gender-based violence; and promoting gender equality beyond the EU.

[Response to the Commission's list of actions to advance LGBTI equality](#)

In December 2015, the Commission published a list of specific targeted actions to combat LGBTI discrimination in the EU in 2016-19. The actions have been defined in consultation with the EP, civil society and member states, and in the light of research carried out by the EU fundamental rights agency, information from relevant international bodies, and the Commission's own data.

Despite the evidence of widespread discrimination and harassment experienced by LGBTI persons, only limited action has been taken so far at EU level to address the problem.

Workplace discrimination on the grounds of sexual orientation is already prohibited by Council directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation.

Social dialogue

The Council will adopt conclusions on [social dialogue](#).

The new start for social dialogue was launched in March 2015. This was followed up by one-year long rounds of discussions organised by the Commission services and which involved the European social partners and a selection of national and sectoral social partners as well as several member states.

In reply to this initiative, European level social partners have drafted a joint declaration. In reply to this, Council conclusions have been discussed, based on the main points of a social partners' declaration. It is the Presidency's ambition to participate in a quadripartite follow-up, referring to the Council conclusions. Social partners, Commission and the Presidency will hopefully share their commitment to strengthening the social dialogue in a statement later this month.

Combating poverty/social exclusion

The Council is due to adopt conclusions on an integrated [approach for combating poverty and social exclusion](#).

ILO work in fishing Convention

The Council will take note of a [progress report](#) on a directive giving legal force to the EU-level sectoral social partner agreement concerning the implementation of the ILO work in fishing Convention of 2007.

The Social Partner agreement aims at promoting the ratification of this ILO Convention. It is about the launching of the process of codifying and clarifying the EU legislative framework concerning the working conditions in the fisheries sector by merging existing provisions with new provisions from the ILO Convention.

The main ambition is to create a level playing field for EU workers and employers once the Convention enters into force, giving fishermen decent working and living conditions on-board of fishing vessels.

Any other business

- a) International dimension of employment and social policies
The Commission will inform the Council about the international dimension of employment and social policies.
- b) Follow-up to the Commission on the status of women
The Commission will inform the Council about the work of the UN Commission on the status of women, with particular references to the fight against violence against women.
- c) Migration compact
The Italian delegation will inform the Council about the migration compact.
- d) Work programme of the incoming Presidency
The Slovak delegation will inform the Council about its work programme

Health Affairs

Food products improvement

The Council will adopt conclusions on food product improvement.

The [draft conclusions](#) set out the member states' aim of working together to make the healthy choice easier. This could be achieved by reducing the levels of salt, saturated fats and added sugars as well as by improving the availability of smaller portion sizes. Care would be taken to preserve the quality and safety of the products.

Currently, the food that we eat is one of the reasons for a too high and still rising prevalence of overweight and obesity among European citizens, in particular children. It also leads to a rising number of people suffering from non-communicable diseases.

Since food is traded intensively across borders, the Council approached this topic both from a public health and an internal market perspective.

For food products to improve, the draft conclusions advise to use an intersectoral approach involving the various dimensions (health, economy, research and agriculture) and to work in public private cooperation.

The draft conclusions call upon member states to have a national plan for food product improvement in place by the end of 2017 to make the healthy choice easier for consumers by 2020. Together with the Commission the member states should report at least every two years on the progress achieved.

As was recently done for sugar, the Commission is invited to assess the existing benchmarks for the reduction of salt and saturated fats and support the development of possible new benchmarks.

Antimicrobial resistance

The Council is invited to adopt conclusions on "the next steps under a one health approach to combat antimicrobial resistance".

In the [draft conclusions](#) to be submitted to ministers the Council expresses its concern that an estimated 700 000 deaths may be caused in the world each year by antimicrobial resistance. The Council is also preoccupied by the perspective of cumulative economic losses reaching about \$2.9 billion by 2050.

The draft conclusions call upon member states to have in place before mid-2017 national action plans against antimicrobial resistance. These plans should include measurable goals to reduce infections in humans and animals, as well as the use of antimicrobials in the human and veterinary sector. They should also contain measures to reduce the risk of antimicrobial resistance and strengthen the prudent use of antimicrobials in veterinary and human medicine. In veterinary medicine this should involve actions to avoid the routine preventive use of antimicrobials. With regard to human medicine actions should be taken to improve prescribing practices.

The draft conclusions invite the member states and the Commission to develop a new EU action plan on antimicrobial resistance based on a one health approach covering all relevant areas: veterinary and human medicine, environment and other sectors. This action plan should endeavour to take further steps to prevent infections and to ensure prudent use of antimicrobials in human and veterinary medicine. It should set a next step in the development of new antibiotics and commit to cooperation outside the EU. The Commission and the member states are also invited to strive for ambitious legislative measures to address the public health risk of antimicrobial resistance in the area of their competence.

Pharmaceutical system

The Council is invited to adopt conclusions on "strengthening the balance in the pharmaceutical systems in the European Union and its Member States".

In the [draft conclusions](#) submitted to ministers the Council notes with concern an increasing number of market failures in the pharmaceutical sector. This includes cases where patients' access to essential medicines is endangered by very high price levels, where off-patent products are withdrawn and where new products are not introduced to national markets.

For the sustainability of health systems, and also to ensure a healthy and competitive pharmaceutical industry in Europe, the Council conclusions call for action to address these concerns.

The draft conclusions invite the member states to consider voluntary cooperation to contribute to higher affordability and proper access to medicinal products. Such cooperation could include the exploration of strategies on voluntary joint price negotiations in coalitions of member states or so called 'joint horizon scanning' for the future introduction of new medicinal products that can have a high financial impact on member states' health systems.

The member states and the Commission are invited to further examine the possibilities of early access to new innovative medicines that address real unmet needs by clarifying conditions and focus under which this is made possible. They should also ensure a better link between marketing authorisation, health technology assessment and reimbursement of these products to allow patients a more timely access to the right products at affordable prices.

The Commission is invited to conduct an in-depth analysis of the current EU legislation on pharmaceuticals, the related incentives and their impact on availability, accessibility and innovation. This should also include an assessment of the impact that these incentives have on the pricing strategy of the industry.

Any other business

- **Medical devices**

The presidency will inform ministers about the agreement reached with the European Parliament on new [EU rules for medical devices and on in vitro diagnostic medical devices \(9490/16 + 9365/3/16 REV 3 + 9364/3/16 REV 3\)](#); the presidency will also inform about the next procedural steps that need to be taken with a view to the adoption of the two draft regulations

- **Milk for young children and food for sports people**

The Commission will present its [report on young child formulae](#); the Commission will also present its report on food intended for sports people

- **Standardisation of healthcare services**

The Polish delegation will share its views on the [European Committee for Standardisation 2016 work programme](#)

- **Election of the WHO Director-General**

The French delegation will provide ministers with information on the election of the next WHO Director-General

- **State of health in the EU**

The Commission will brief ministers on the ["State of Health in the EU" package](#) that it intends to deliver in 2016-2017

- **Endocrine disruptors**
The Commission will present the criteria that it intends to use for identifying [endocrine disruptors](#).
 - **European fund for strategic investment**
The Commission will inform ministers on how best use the [European fund for strategic investment for innovative financing in healthcare](#)
 - **Response to Zika**
The Commission will inform the Council about the support that it has already provided to member states in response to the Zika virus outbreak and the [support that it intends to provide](#)
 - **Health systems performance assessment**
The Commission will inform ministers on the work of the expert group on [health systems performance assessment](#)
 - **Conferences**
The Netherlands presidency will inform the Council on the outcomes of the conferences in the field of health that it organised during its mandate
 - **Work programme of the incoming presidency**
The Slovak delegation will inform ministers on its work programme in the field of health and consumer affairs as the incoming Presidency of the Council of the EU
-