



Brussels, 18 June 2014

**Draft
BACKGROUND¹
EMPLOYMENT, SOCIAL POLICY, HEALTH
AND CONSUMER AFFAIRS COUNCIL
Luxembourg, 19-20 June 2014**

*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 any other business items the whole meeting will be public and may be followed by video streaming at <http://video.consilium.europa.eu/>.*

Employment and Social Policy

*The Council will be chaired by Mr **Ioannis VROUTSIS**, minister for Employment, Social Protection and Welfare of Greece.*

*The Council will hold a policy debate on the **European Semester** 2014 in the field of employment and social policy and approve the employment and social policy aspects of the country-specific recommendations.*

*It will discuss the **social dimension of the EU/EMU** on the basis of a Presidency steering note and reports drafted by the Social Protection Committee.*

Ministers will take note of progress reports on :

- a decision establishing a new **Platform** to improve **prevention and deterrence of undeclared work**,
- a regulation regarding the **EURES** (EUROpean Employment Services) network,
- a directive on **women on company boards**, and
- the **equal treatment** directive.

The Council is due to adopt conclusions on "Women and the economy: Economic independence from the perspective of part-time work and self-employment".

Over lunch ministers will discuss work-related stress and psychological risks, one of the key issues in the new Commission communication on health and safety at work.

The presidency will hold a press conference at the end of the meeting (+/- 17.30).

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

P R E S S

Health

Health and Consumer Affairs items will be addressed under the chairmanship of Makis VORIDIS, Minister for Health of Greece.

*On Friday morning, the Council will take note of a presidency progress report on two draft regulations concerning **medical devices and in vitro medical devices**, and provide guidance for future work on these files. Ministers will also adopt conclusions on*

- **Economic crisis and healthcare;**
- **Nutrition and physical activity.**

*After the Council meeting, a signing ceremony for the **joint procurement agreement for pandemic vaccines** and other medical countermeasures will take place (at +/- 12.30).*

The presidency will hold a press conference afterwards (+/- 13.30).

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<http://tvnewsroom.consilium.europa.eu>*

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Employment and Social Policy

European Semester 2014

Under this year's European Semester, the EPSCO Council will hold a policy debate approving its contributions to the European Council on the employment/social policy aspects of the country-specific recommendations (CSRs) and the results of the multilateral surveillance.

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

- *How can the reform agenda in the context of the European Semester best combine short- and long-term concerns? In which combination, sequence or priority can the reforms in various policy areas best contribute to a job-rich recovery, delivering on people's expectations?*
- *How can economic governance better integrate social and employment policies in order to better anticipate major problems and to tackle those collectively? What further steps need to be taken so that the scoreboard can play a real role in enhancing the coherence between economic and employment/ social policies?*
- *How can a successful roll-out of the Youth guarantee implementation plans best be ensured?*

The 2014 European Semester exercise has shown that member states have pursued substantive, ambitious and even politically sensitive reforms to address institutional rigidities, regain international competitiveness and increase the adaptability of labour markets. Even so, important challenges still remain: growing divergences between member states and increasing polarisation within societies, high unemployment, in particular of young people not in employment, education or training (NEET) and poverty rates leading to lack of progress on the Europe 2020 employment and social headline targets. In this context, the core objectives should remain tackling high unemployment, inequality and poverty, shifting to job-friendlier taxation, boosting private investment, making our economies more competitive and bringing down debt.

In the context of the policy debate, the Council will endorse an opinion of the Employment Committee (EMCO) on the national reform programmes (2014) and the implementation of the 2013 country-specific recommendations ([10338/14](#)).

It will endorse the key messages of an assessment of the 2014 package of Council recommendations on cross-cutting issues prepared by the Social Protection Committee (SPC) ([10814/14](#)). These key messages identify key social protection and inclusion issues in the 2014 package and include considerations on the European Semester governance.

The Council will also endorse the employment performance monitor and benchmarks ([10763/14](#)) as well as a joint EMCO-SPC opinion on the scoreboard of employment and social indicators ([10337/14](#) + [ADD 1](#)). The scoreboard is one of the main instruments for the strengthening of the social dimension of the EMU and the European Semester. The objective is to enhance the capacity to identify at an early stage major employment and social trends which can severely undermine employment and social cohesion in the euro area and the EU at large. This should be achieved through a full integration between the scoreboard and the existing social monitoring instruments.

It will also endorse a report on the implementation of the Youth guarantee ([10339/14](#)).

The social dimension of the EU/EMU

The Council will take stock of the latest developments regarding the social dimension of the EU/EMU on the basis of a Presidency note ([10544/14](#)) and on four reports of the Social Protection Committee (SPC).

More particularly, ministers will have to address the following questions formulated by the Presidency:

- *What kind of policies are the most appropriate to better address the social challenges that member-states are facing due to the crisis? How can we ensure that the benefits of the recovery that is taking place will reach every European citizen?*
- *Given the fact that a mid-term review of Europe 2020 is imminent, what is the role of social policies in reaching the EU headline target? Would ministers agree that well-designed minimum income schemes, i.e., activating, enabling and adequate, improve the functioning of the labour market and the economy?*
- *With a view to the social dimension of the EMU how would ministers propose to look at minimum income schemes in EU member states within the SPC working programme?*

The Council will take note of following SPC reports:

- **Social dimension of the Europe 2020 strategy** ([10403/14](#)): The report recommends that in the remaining years to 2020, the fight against poverty, inequalities, social and labour market exclusion should remain a high priority for member states and the EU. The strategy needs to support member states in their efforts to strengthen social investment across policies. The focus should be on investing in human capital development, activating labour market participation, and improving the capacity of social protection systems to provide an effective protection against the risks people face across the life cycle.
- **Ex-ante coordination of major social policy reforms** ([10386/14](#)): The report focuses on the outcome of a feasibility test during which plans for major policy reforms by some volunteering member states (CY, EE, IT, SI and RO) in areas falling under the EPSCO remit were examined. This approach is coherent with the work carried out by the Economic Policy Committee (EPC) and responds to the European Council conclusions of 25 October 2013, which called for further enhancement of the coordination of the economic, employment and social policies and for strengthened cooperation between the Council configurations in order to ensure consistency of those policies.
- **Minimum income schemes in the euro area** ([10407/14](#)): The report indicates that almost all of euro area member states have in place provisions for granting means-tested minimum income benefits to eligible individuals and households. The remaining member states are taking preparatory measures for developing such schemes. The level of these benefits varies across the euro area and reflects country-specific economic and social conditions and political choices.
- **Adequate social protection for long-term care needs in an ageing society** ([10406/14+ADD1](#)): This report, which will be endorsed by the Council, examines what can be done to help member states reduce the risk of a gap emerging and ensure that adequate provisions for long-term care needs can be organised in a sustainable way even at the height of population ageing. Long-term care encompasses a range of services and support for people who are dependent on help with their daily living over a long period of time. This need is usually the result of disability caused by health problems and therefore may affect people of all ages. But the great majority of the recipients of long-term care are older people.

Increasingly long-term care in the EU will be facing three major, related and simultaneous challenges. The first is a huge increase in need. Over the next five decades the number of Europeans aged over 80 and at risk of needing long-term care is expected to increase threefold. The second is the threat to the supply of long-term carers from the decline in the number of people of working age, and from social changes which make it less likely in the future that families will provide the informal, home-based care on which the great majority of older people now rely. The third is the pressure that rapid growth in demand, and the expectations of the “baby boom” generation will place on care quality, enforcement of care standards and on public expenditure.

EU platform against undeclared work

The Council will take note of a progress report on a decision establishing a Platform to improve cooperation at EU level in order to prevent and deter undeclared work more effectively.

The Platform will aim to facilitate the exchange of best practices and information, provide a framework at EU level to develop expertise and analysis, and promote joint actions between the different national enforcement authorities of member states.

The proposal envisages the participation of all member states in the Platform, as this is crucial to address cross-border situations. Each member state would be invited to nominate one single point of contact.

The Platform should involve the social partners at EU level, both cross-industry and in those sectors more severely affected by undeclared work, and cooperate with relevant international organisations such as the International Labour Organisation and EU decentralised agencies, in particular Eurofund and the European agency for safety and health at work.

The Platform would work on the basis of two-year work programmes, setting out its detailed tasks covering all aspects related to undeclared work such as labour law, labour inspections, health and safety, social security, tax and migration. It would also regularly inform the European Parliament and the Council about its activities.

EURES (EUROpean Employment Services) network

The Council will take stock of progress on a regulation which establishes new rules improving EURES efficiency as well as the cooperation among member states ([10130/14](#)).

The aim of the proposal is to support fair mobility by enhancing access to labour mobility support services, thus assisting workers in overcoming barriers to mobility and increasing access to employment opportunities throughout the EU.

An important element of the proposal is the re-establishment of the EURES network, addressing the shortcomings identified to date in the current framework for cooperation based on regulation 492/2011, and aiming to adapt the EURES network to the current market needs by also supplying a solid and adequate legal basis.

On 17 January 2014, the Commission adopted the above proposal and the Council working party examined it on several meetings.

During the examination of the proposal in the Council working party, the delegations considered this proposal useful in its aim to facilitate mobility, thus contributing to tackling the issue of unemployment in Europe by better matching supply and demand in the labour market.

Women on company boards

The Council will take note of a progress report on a directive improving the gender balance on company boards ([9864/1/14 REV 1](#)).

During the Hellenic Presidency, the Council working party discussions have revealed a broad consensus in favour of the objective of the proposal; nevertheless opinions continue to differ sharply regarding the best way of achieving it.

While all delegations are in principle in favour of improving gender balance on company boards, a number of delegations continue to prefer national measures (or non-binding measures at the EU level) whereas others support EU-wide legislation. During the Hellenic Presidency, the working party has mainly concentrated its work on technical aspects. Further work and political reflection will be required before a compromise can be reached.

The Commission's proposal would seek to increase the proportion of the under-represented sex to 40% of non-executive board members by 2020. This is not a hard quota but a binding objective that would be achieved by applying certain rules in the selection procedure.

Equal treatment

The Council will take note of a progress report ([10038/1/14 REV 1](#)) on the equal treatment directive in terms of religion or belief, disability, age or sexual orientation. The directive prohibits discrimination in the following areas: social protection, including social security and healthcare; social advantages; education; and access to goods and services, including housing.

The proposed directive, which requires unanimity, has been on the Council's agenda since 2008. The Hellenic Presidency has advanced the work on certain issues, including the concept of discrimination and the scope.

Nevertheless, certain delegations still have general reservations, questioning the need for the proposal, which they believe infringes upon national competences and conflicts with the principles of subsidiarity and proportionality. Other delegations have concerns relating, in particular, to the lack of legal certainty, the division of competences, and the practical, financial and legal impact of the proposal.

"Women and the economy: Economic Independence from the perspective of part-time work and self-employment"

The Council is due to adopt conclusions on "Women and the economy: Economic Independence from the perspective of part-time work and self-employment" ([9711/14](#)).

The conclusions are based on a report prepared by the European institute for gender equality and focus on the vital issue of equal economic independence.

They include a set of three new indicators. These indicators will improve our understanding of the labour market experience of women and men by showing the rates of full-time equivalent work, part-time work and self-employment for women and men. The indicators also give an insight into the extent to which part-time work is a voluntary preference.

Employment is the bedrock of economic independence. Yet not all workers have full-time jobs. Part-time work has the potential to enhance women's economic independence. Working part time can also facilitate work-life balance. On the other hand, it can also create unfair differences in pay, working conditions and career advancement.

Any other business

- **Completed dossiers under the Hellenic Presidency**
The Presidency will inform the Council about different legislative dossiers.
- **International Labour Organisation conference 2014**
The Presidency and the Commission will inform the Council about the ILO conference of 2014.
- **Roma summit**
The Commission will inform the Council on the third European Roma summit which took place in Brussels on 4 April.
- **Ratification and implementation of the UN Convention on the rights of people with disabilities**
The Commission will inform the Council about the ratification and implementation of the UN Convention on the rights of people with disabilities.
- **Work programme of the incoming Presidency**
The Italian delegation will inform ministers on its work programme in the field of employment and social policy.

MEDICAL DEVICES

The Council will take note of a presidency progress report on two draft regulations on medical devices and on in vitro diagnostic medical devices ([10855/14](#)). Ministers are also called to provide guidance for the future work on these files by holding a policy debate on the following questions:

- *Does chapter IV of the proposals as amended by the presidency constitute a good basis for the further discussion on the provisions regarding designation and monitoring of notified bodies?*
- *Are specific provisions on post-market surveillance under the responsibility of economic operators a necessary element to secure an adequate level of protection of patients?*
- *Bearing in mind the aims of the proposed regulations, and in view of the resources required, is it desirable to allocate further tasks to the medical devices coordination group in addition to those foreseen in the Commission proposal?*

The revision of the EU laws on medical devices is aimed at ensuring the highest level of protection for European patients, consumers and healthcare professionals, and to ensure that safe, effective and innovative medical devices can be placed on the market and made available to users in a timely manner. The new regulations should thus benefit both patients and European competitiveness.

Medical devices cover a huge spectrum of products, ranging from sticking plasters, corrective glasses or dental filling material to bone screws, heart valves and breast implants, and also including all X-ray or scanner machines. Likewise, there is a wide range of in vitro diagnostic medical devices which include, for instance, blood tests and other products which provide information on physiological or pathological states.

Unlike medicinal products medical devices and in vitro diagnostic medical devices are not subject to any pre-market authorisation but to a conformity assessment which, depending on the risk potential of the product, involves an independent third party, the notified body. Notified bodies are designated and monitored by the member states and act under the control of the national authorities.

The Commission proposals ([14493/12](#) + [14499/12](#)) contain the following key elements:

- The **scope** of the current EU rules on medical devices is **extended**, for instance to implants for aesthetic purposes, and, as far as **in vitro diagnostic medical devices** are concerned, for example to tests providing information about the predisposition to a disease (e.g. **genetic tests**).
- Economic operators must be able to identify who supplied them and to whom they have supplied medical devices; manufacturers must fit their products with a unique device identification to **ensure traceability**.
- Manufacturers and importers of both categories of products must register themselves and the devices they place on the EU market in a **central European database**.
- **Patients** who are implanted with a device must be **given essential information** on the implanted product, including any necessary warnings or precautions to be taken, for example on whether or not it is compatible with certain diagnostic devices or with scanners.
- An EU portal is created where **manufacturers must report serious incidents** and corrective actions they have taken to reduce the risk of recurrence.
- Notified bodies get the right and duty to carry out **unannounced factory inspections** and to conduct physical or laboratory tests on medical devices and *in vitro* devices.

Economic crisis and healthcare

The Council will adopt conclusions on economic crisis and healthcare.

The draft conclusions ([10463/14](#)) outline the impact that the economic crisis had on the healthcare systems in the EU and suggest ways to make it more resilient. They note with concern that public health expenditures has decreased in many member states since 2009, and that although most member states have universal coverage, in practice many people have problems in accessing healthcare services when they need them. Recalling the discussions at the informal meeting of ministers for health in Athens on 28-29 April, which stressed the importance of health reforms to overcome the crisis, the draft conclusions identify a number of areas where action is needed. These include considering innovative ways of integration between primary and hospital care, and promoting the implementation of information and communications technology and eHealth solutions.

Nutrition and physical activity

The Council will adopt conclusions on nutrition and physical activity.

The draft conclusions ([10122/14](#)) take stock of the current situation where more than half of the adult population in the EU is overweight or obese according to the body mass index of the WHO. They note that up to 7% of EU health budgets are spent each year directly on diseases linked to obesity and deplore the low consumption of fruit and vegetables and the high intake of saturated fats, trans fatty acids, salt and sugar as well as the shift towards sedentary lifestyles. The draft conclusions also set out a number of measures to be undertaken in order to promote healthy diet and physical activity, in order to reduce the burden of chronic and non-communicable diseases such as hypertension, heart disease, diabetes, stroke and osteoporosis. They call, for instance, on the member states and the Commission to support the implementation of national food and nutrition action plans, and to promote action to reduce the exposure of children to advertising, marketing and promotion of foods high in saturated fats, trans fatty acids, added sugars or salt. The draft conclusions build on the outcomes of the Athens high level conference on "Nutrition and Physical Activity from Childhood to Old Age: challenges and opportunities" held on 25-26 February 2014.

Any other business

- ***Joint plan for immediate actions for medical devices***
The Commission will inform the Council on the implementation of the joint plan for immediate actions under the existing medical devices legislation and further steps.
- ***Joint procurement agreement for medical countermeasures***
The Commission will inform the Council on the joint procurement agreement for medical countermeasures ([10924/14](#)).
- ***Plain packaging of tobacco products***
The Irish delegation will inform the Council that with its public health bill 2014, Ireland is the first EU country to introduce standardised packaging of tobacco products ([10876/14](#)).
- ***Prices of innovative medicines***
The French delegation will draw the Council's attention to the high price of medicines for hepatitis C which are unsustainable for the member states' health budgets ([10854/14](#)).
- ***Work programme of the incoming presidency***
The Italian 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.

Signing ceremony of the joint procurement agreement

In the margins of the Council, ministers of a number of EU member states will sign a joint procurement agreement to procure medical countermeasures.

Following the pandemic vaccines shortage in 2009 in the wake of the H1N1 swine flu, the Council and the European Parliament agreed on a legal basis for a joint procurement procedure of medical countermeasures, provided for by decision 1082/2013 on serious cross-border health threats. The joint procurement agreement will enter into force once one third of the signatory states have ratified it (or have notified the Commission that they can approve it without a ratification procedure). Member states that have signed the agreement are not obliged to participate in the procurement of medical countermeasures.
