



*Employers entrusted to deliver
Sustainability Growth Innovation*

Position Paper

New Action Plan for the European Pillar of Social rights

Adopted on 9 September 2025

Executive Summary

- As the European Commission prepares a new Action Plan for the implementation of the European Pillar of Social Rights, SGI Europe underlines the need for coherence, simplification, and delivery. Representing employers delivering essential public services across Europe, we call for an approach that enables reform while respecting national realities and operational constraints.
- The first priority must be to fully implement and evaluate the 2021 Action Plan before introducing new measures. It should focus on coordination and alignment across existing strategies rather than creating overlaps or duplication.
- The next Action Plan must not add to the complexity of the EU's social agenda, but act as a compass to align existing strategies, including the Quality Jobs Roadmap, the Anti-Poverty Strategy, the Competitiveness Compass, the Preparedness Strategy, the Union of Skills, the simplification agenda and the Gender Equality Strategy. Synergies and clarity must take precedence over fragmentation and reporting burden.
- Implementation should be prioritised over new initiatives. Better Regulation tools, including impact assessments and implementation dialogues, should be fully used to support service providers, avoid unintended consequences, and ensure proportionality. Experiences with recent directives such as the Pay Transparency and Platform Work Directives highlight the need for more contextualised support and clarity.
- Simplification should mean proportionate and tailored implementation of EU rules for SGIs, ensuring obligations are adapted to their economic and organisational specificities.
- Services of General Interest (SGIs) are central to making the Pillar a reality for citizens. The Action Plan should support territorial cohesion by investing in housing, care, and mobility, with a clear focus on service quality and workforce resilience. The Porto targets should remain a key reference.
- Social dialogue must be strengthened through concrete support, better follow-up, and alignment with the Social Dialogue Pact. SGI Europe calls for a shift from consultation to timely and effective involvement of social partners, backed by adequate funding and recognition.

Introduction

As the European Commission prepares the next Action Plan to implement the European Pillar of Social Rights, SGI Europe welcomes the opportunity to contribute to this process. The challenges ahead, from demographic change and territorial inequalities to persistent skills shortages and the twin green and digital transitions, require a holistic approach, where the social ambitions are balanced with economic and operational realities.

Since its launch in 2017, the Pillar has served as a common compass for social progress in Europe. Yet its effective delivery now requires more than reaffirming principles: it demands a strategic use of existing tools, stronger coordination across overlapping initiatives, and a reinforced role for those who turn objectives into reality, notably service providers and social partners.

As the voice of public and private employers delivering Services of General Interest across Europe, SGI Europe calls for an Action Plan that is pragmatic, coherent, and territorially anchored. The objective should not be to expand the EU's legislative footprint, but to ensure that existing commitments are implemented in a way that reflects national realities, invests in skills, and delivers tangible improvements for citizens and communities.

This position paper outlines SGI Europe's key priorities to make the next Action Plan a meaningful lever for change: ensuring strategic alignment across EU initiatives, strengthening implementation through simplification and subsidiarity, addressing territorial divides through high-quality services, and reinforcing the role of social partners in shaping and delivering the Pillar.

Aligning Strategies and Avoiding Duplication

The next Action Plan must serve as a compass. Rather than creating an additional standalone initiative, it should steer coherence and synergies across the EU's social, economic, and environmental agenda.

A growing number of EU strategies already shape the European Commission's agenda: the Quality Jobs Roadmap, the Anti-Poverty Strategy, the Competitiveness Compass, the Preparedness Strategy, the Union of Skills, and the Gender Equality Strategy, among others. These instruments must not evolve in silos. Without coordination, their cumulative impact risks creating confusion, inefficiencies, and reporting overload, particularly for SGI providers operating across multiple policy domains.

To be effective, the new Action Plan must clarify how it interfaces with these existing frameworks. It should promote policy and investment alignment, ensure common implementation timelines, and provide a clear governance architecture that includes the early and structured involvement of social partners. From the perspective of SGI employers, this is essential to avoid conflicting obligations, unpredictable reforms, and fragmented support measures.

SGI Europe therefore calls for:

- A coordinated implementation framework, articulating how the Action Plan reinforces and aligns with the Quality Jobs Roadmap, Anti-Poverty Strategy, Competitiveness Compass, Union of Skills, Gender Equality Strategy, the simplification agenda and Preparedness initiatives;
- A strategic investment logic, anchored in the European Semester and the next Multiannual Financial Framework, to support integrated action across housing, care, mobility, and green infrastructure;
- A focus on delivering the existing Porto targets, rather than introducing new universal benchmarks that overlook national and sectoral realities.

The success of the Action Plan depends on its ability to foster synergies, not complexity. In the current geopolitical and economic context, the Action Plan must also support Europe's resilience, security and competitiveness. This requires reviewing and simplifying existing legislation, particularly by reducing unnecessary reporting burdens, rather than launching new labour law initiatives. For SGI providers, what is needed now is not more ambition on paper, but coherence across EU instruments.

Simplification, Proportionality, and Subsidiarity

Delivering on the promise of the European Pillar of Social Rights requires not only ambition, but implementation that works on the ground. For SGI Europe and its members, simplification is a condition for maintaining quality services and protecting workforce stability across Europe.

Before considering new initiatives, the EU should prioritise coherent application of existing legislation and frameworks. In this context, we welcome the Commission's Implementation Dialogues as a valuable tool to identify barriers, support mutual learning, and ensure proportionality across Member States and sectors.

To avoid unintended consequences, new policy proposals should undergo carefully designed ex ante and ex post impact assessments, with dedicated attention to service providers, local authorities, and employers operating in labour-intensive or highly regulated sectors. This means evaluating not only legal feasibility, but also operational capacity and workforce implications, especially in the context of Services of General Interest. All measures must remain compatible with national labour market models and collective agreements. Subsidiarity and proportionality must be applied rigorously to avoid encroachments on national systems and to respect employer responsibilities.

This need is underscored by experiences with recent directives, such as the Pay Transparency Directive and the Platform Work Directive, where the transposition phase has raised significant challenges:

- Unclear definitions and obligations, particularly regarding algorithmic management and the classification of employment status;
- Misalignment between EU requirements and national institutional frameworks, especially in Member States with collective bargaining systems;
- High administrative complexity for SGI employers, who must comply with transparency, consultation, and data obligations not tailored to their operational context.

These cases underline the risks of binding targets and overly detailed regulation that cannot be adapted to different sectors and Member States, resulting in disproportionate burdens and legal uncertainty. To bridge this gap, SGI Europe urges the Commission to invest more systematically in implementation toolkits, and sector-specific guidance, co-created with social partners and national actors.

The EU has a vital role to play in setting shared objectives and ensuring consistency. However, delivery must account for the diversity of national systems and service realities. This is especially true in fields like care, housing, and transport, where SGIs operate in complex, multilevel governance environments and must align with local needs and institutional capacities. In the end, overly complex legislation and disproportionate administrative burdens risk diverting scarce resources away from service provision, limiting the benefits citizens receive.

Supporting the Freedom to Stay: An Action Plan for High-Quality Services of General Interest

To ensure social cohesion and democratic stability across the Union, the next Action Plan for the European Pillar of Social Rights must urgently address growing territorial disparities in access to essential services. High-quality, accessible Services of General Interest (SGIs) are not just a social objective, they are a precondition for making the *freedom to stay*, as outlined in the Letta Report, a real choice for citizens in all regions.

Recent evidence from the Eurofound's 2023 report on *Living and working in Europe* confirms this urgency. It confirms the persistent challenges in accessing healthcare and long-term care services, especially in rural and remote areas, and for lower-income and older populations. At the same time, almost half of the population in the EU say that housing costs are a financial burden, and dissatisfaction with housing affordability has increased in most Member States. Labour shortages are also worsening: Essential services such as healthcare, education and long-term care continue to face serious staffing gaps which directly affects service availability and quality.

These challenges are not abstract as they translate into concrete barriers that service providers and users face every day. Based on the EU-funded **A.C.C.E.S. project** (Accessible Climate-Conscious Essential Services), coordinated by SGI Europe and based on case studies and extensive stakeholder input, the following priorities should guide future action:

- **Improve coordination across all levels of government**

Even when funding is available, a lack of alignment between local, regional and national authorities leads to fragmented service delivery and missed synergies. A.C.C.E.S. showed that strategic multi-level governance mechanisms are essential to ensure that investments reach underserved territories and respond to real community needs.
- **Invest in the SGI workforce**

Essential service providers, especially in rural and peripheral areas, face growing challenges in recruiting and retaining staff. A.C.C.E.S. highlighted barriers such as limited access to training, poor alignment between education curricula and job needs, and difficulty offering stable employment. Strengthening skills strategies and improving the attractiveness of SGI careers is critical to stabilising service quality. A key priority is to reduce skills mismatches, which undermine service delivery and limit workforce adaptability in the context of the green, digital and demographic transitions. Anticipating future needs and investing in continuous training systems are essential to ensure employability and support resilient service provision across territories. The Action Plan should make skills for social, ecological and territorial transitions a clear investment priority, with adapted competence frameworks and training support for sectors under pressure such as care, social inclusion and mobility.
- **Establish common metrics to track affordability and access**

The absence of shared indicators (particularly in housing, care, energy and mobility) makes it difficult to assess access gaps and compare progress across Member States. A.C.C.E.S. underlined the need for a toolbox of affordability and accessibility metrics to guide reforms and foster EU-level learning.
- **Promote social dialogue at the regional and local level**

The Action Plan should promote territorial approaches, encouraging coordination between employers, local authorities and social partners so that reforms and investments reach local communities.

- **Demographic change must also be treated as a priority**

The Action Plan should explicitly address demographic transition, supporting Member States and SGIs to adapt services to ageing populations, anticipate labour shortages, and ensure sustainable provision of care and social support.

These priorities should guide the Action Plan's support to Member States, not new EU legislation. The EU's role should be to enable investment, provide guidance, and promote mutual learning, while respecting national responsibility for service organisation .

These findings clearly support the creation of a **dedicated Action Plan for SGIs** under the Pillar. This would help ensure that Chapter 3 on social protection and inclusion is not addressed in isolation, but forms part of a coherent territorial strategy, aligned with national investment and reform efforts.

Looking ahead, the Commission's recent proposal for the 2028–2034 Multiannual Financial Framework provides a timely opportunity to better structure investment in SGIs. While the proposal is still to be negotiated, SGI Europe welcomes its emphasis on national and regional plans combining reform and investment. If well designed, the proposed 14% indicative allocation for social objectives could help reduce territorial inequalities and improve service quality.

The reformed EU economic governance framework and European Semester should also be used more strategically to implement the *freedom to stay*. National reform and investment plans must be linked to social priorities and territorial needs. Drawing inspiration from the Recovery and Resilience Facility (RRF) can help, but only if local and regional actors are fully involved. A top-down or overly centralised approach risks overlooking the diversity of needs across territories. The Semester's country-specific recommendations and medium-term plans must reflect both the Pillar's social goals and the reality on the ground.

SGI Europe calls on the Commission to integrate these priorities into the Action Plan for the Pillar and ensure their reflection in future Semester guidance and funding implementation.

Reinforcing the Role of Social Partners in Implementation

Strengthening social dialogue remains a central principle of the European Pillar of Social Rights. But beyond reaffirming this principle, the next Action Plan must provide **concrete tools and governance structures** to make it work in practice.

For SGI Europe, the ambition should be twofold: **build capacity where it is missing**, and **enable delivery where social partners are already engaged**.

The Plan should therefore focus on four key levers:

- **Integrated follow-up mechanisms** to monitor how social partners are involved in implementing the Pillar at national and sectoral level, notably through the European Semester, social scoreboard, and national reform plans;
- **Targeted financial support** under the European Social Fund+ and the next MFF to strengthen the capacity of employers' and workers' organisations, especially in Member States or sectors with weaker structures,

- **Linkage with the Social Dialogue Pact and the Val Duchesse follow-up**, ensuring that the Action Plan contributes to a shared agenda for a strong and resilient social dialogue in Europe;
- **Mainstreaming social partner involvement** in key transitions, including the green and digital transitions, skills policies, and service delivery reforms, where their role is essential to shaping feasible and fair solutions. The Action Plan should strengthen the shift from consultation to co-construction with social partners, including by using EU funding instruments (ESF+, Semester) to support pilot projects and capacity building. Experiences with interprofessional training funds illustrate how joint structures can deliver practical outcomes in training and upskilling, supporting both service quality and workforce resilience.

Where social dialogue works, it should be leveraged. Where it is fragile, it should be supported and not bypassed.

Conclusion

To be effective, the next Action Plan must prioritise delivery over duplication. It should align existing EU strategies, not add new layers. It must support implementation through simplification, impact assessment, and attention to national realities.

Success will depend on targeted investment in essential services, real territorial cohesion, and stronger involvement of social partners throughout. Services of General Interest are not peripheral to the Pillar; they are central to making its promises real for citizens.

SGI Europe calls for an Action Plan that delivers coherence, enables reform, and builds trust, not just between institutions but with the people and providers on the ground.