



*Employers entrusted to deliver
Sustainability Growth Innovation*

Policy Kit

with regard to the Slovenian Presidency of the Council of the EU

1 July 2021 – 31 December 2021

SGI Europe represents employers and enterprises of services of general interest since 1961. Our members are organisations active in fields such as:

- Central & local administrations,
- Healthcare,
- Education,
- Housing,
- Waste management,
- Energy,
- Transport,
- Water,
- Environment,
- Communications.

Modern public services and services of general interest (SGIs) **support the fundamental goals of the EU, enabling business, cohesion, economic and social solidarity, and a better quality of life for citizens.**

This Policy Kit, prepared considering the priorities of the Slovenian presidency of the European Union, aims at presenting key SGI Europe positions on the main files to be discussed at EU level over the next 6 months.

General Affairs

COVID-19

- Services of general interest has been **at the heart of the management of the impacts of the COVID-19 crisis**. Whilst triggering one of the most violent social and economic crises ever, with social consequences further aggravated by its very nature, the COVID-19 has also clearly **shown how crucial the provision of SGIs**, such as healthcare, water, energy, waste management, telecommunications, education, housing and transport, **is to the well-being of citizens and the economic resilience of the EU**.
- Whilst most SGIs have been working properly throughout the crisis, they **have also been dealing with several constraints**, such as international supply chains disturbances and shortages such as, amongst others, adequate protective equipment for workers, or changes in the users' habits, translating into sharp increases in usage for some services (such as domestic electricity consumption or broadband) or unprecedented drop for others (such as public transports). **Those disruptions exercise strong pressure – both in nominal and real terms – on indispensable resources to keep those activities running.**
- **Measures aimed at protecting SGIs and economic structures are needed in order to avoid total collapse and**, in the near future, **enable full rehabilitation** and the consequent reestablishment of growth.

More: [SGI providers and employers facing the COVID-19: Contribution to Sharpening Emergency Measures](#)

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Conference on the Future of Europe

- SGI Europe is one of the three general cross-industry social partners at EU level, representing employers and providers of services of general interest. As such, **SGI Europe is an actor in the Conference on the Future of Europe process, both within the plenary and the Executive Board.**
- The expectations of SGI Europe about the Conference on the Future of Europe are high, as it can be a **foundational moment for a new Paradigm**, including a reform of the Economic and Monetary Union, proper and genuine consultations with partners of the EU and enabling the separation of productive investments from the fiscal and budgetary rules.
- Our key concern is to **bring the Conference on the Future of Europe to the most remote regions** we serve. Finally, we **cannot create false expectations**: the commitments which are taken will have to be delivered.

More: [SGI Europe at the first plenary of the Conference on the Future of Europe](#)

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Cohesion and the Long-Term Vision for Rural Areas

- SGI Europe welcomes the new approach set out by the European Commission in the Long-term vision for EU's Rural Areas, and the intention to address this issue in a holistic way for the first time at EU level. Throughout the EU, every citizen and enterprise needs access to fast internet and secure energy, water, waste, and waste-water management. To that aim, **strengthening local services of general interest must remain at the heart of the Long-Term Vision for Rural Areas.**
- In the wake of the pandemic, and in order to improve our resilience, it is now time to **adopt a new paradigm for Europe, based on high-quality SGIs.** This approach should be a common thread through the whole of EU policy making, especially with regard to the green and digital transition.
- A successful long-term strategy for rural areas must include the **integration of SGIs to guarantee the sustainable development of our rural areas.**
- With its members, **SGI Europe will continue to contribute to shaping stronger, more connected, prosperous and resilient rural areas.** Solutions should be designed for specific needs and assets with the involvement of regional and local authorities and local communities. Rural areas must deliver SGIs to become anchors for economic development and remain at the heart of the new Cohesion Policy.

More: [SGI Europe comments on the Long-Term Vision for Rural Areas](#)

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Financial Affairs

Recovery and Resilience Facility

- The Slovenian Presidency comes at a crucial moment for the EU recovery. Amidst an improving economic outlook, but with significant uncertainties, **facilitating the approval of the national recovery and resilience plans (NRRPs) is one of the most important priorities** of the Slovenian Presidency.
- SGI Europe calls for the ECOFIN to swiftly adopt the implementing decisions for the countries positively assessed by the European Commission, allowing Member States to sign grant and loan agreements to mobilise up to 13% pre-financing payment.
- In lights of the lessons learned from the COVID-19 pandemic, SGI Europe highlights the need for the **strengthening of the EU resilience, recovery, and strategic autonomy.**
- Against this backdrop, SGI Europe believes the pandemic has highlighted that the **provision of SGIs is of paramount importance to the well-being of citizens and the overall economic resilience of the EU.**
- In the post-pandemic recovery, **ensuring access to high-quality SGIs to every person, family, and enterprise, particularly across deprived regions and communities, should prevent pre-existing inequalities from widening.**
- In combination with the negotiations within the Council on the NRRPs, SGI Europe also recommends **not to withdraw support prematurely, since this would impair the recovery and erode public confidence.**
- SGI Europe recommend **avoiding** untimely discussions on **deactivating the general escape clause of the Stability and Growth Pact (SGP) before 2023**, suggesting on the contrary to support a **sound and meaningful revision of the SGP to enable the EU to build back better** in the aftermath of the pandemic.
- To prevent a potentially uncoordinated and unsynchronised management of economic policies between the Recovery and Resilience Facility (RRF) and the European Semester, SGI Europe calls for a **thorough assessment of the overall economic governance which should consider both new criteria and parameters as well as a greater involvement of the social partners.**

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Sustainable Finance

- SGI Europe notes the Commission's determination to **continue the process with the EU Taxonomy**, aiming to finance the transition to a climate-neutral Europe by 2050. SGI Europe supports **setting the right framework to redirect capital flows towards sustainable economic activities**. A sustainable finance mechanism and the Taxonomy Regulation can enable the objectives of the EU Green Deal.
- This framework should be **guided by common principles that safeguard similar levels of ambition across various sectors, aims for a technology-neutral approach, and respects the role of public undertakings**.
- The EU Taxonomy also needs to fully take into account the current national and EU legislations. The key element should be to **simplify the process and make sustainable and resilient projects more attractive**.
- Regarding the 'Do No Significant Harm' (DNSH) assessment, the proportionality principle should prevail in accordance with risk management practices. SGI Europe finds it difficult to see how the proportionality principle may be applied in practice and asks to **reassess this criterion and provide concrete guidance on the implementation of the principle**.
- SGI Europe fears that enterprises and investors may lose interest if the information burden is too onerous and opt for traditional funding requiring less disclosure. The **design of the EU Taxonomy should not undermine investments in sustainable and resilient projects and slow down the harmonisation with other sustainable investment strategies**.
- Due to its high complexity and its timeline of implementation, a **gradual implementation of the Taxonomy would bring about a considerable increase in market successful implementation** and acceptance and thus reorient private funds more quickly into sustainable economic activities.

More: [Input to the EU classification system for Green Investments \(Taxonomy Regulation\)](#), [Policy Recommendation to Delegated Act on Disclosure Obligations in the Taxonomy Regulation on Article 8](#)

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Justice and Home Affairs

Migration

- On 7 September 2020, the European Commission and the European Social and Economic Partners (including SGI Europe) renewed their commitment to the **European Partnership for Integration**. In this framework, SGI Europe actively contributed to the [New Pact on Migration and Asylum](#), which further highlights the **importance of the renewed EU Partnership for Integration**. It reaffirms the importance of a **multilevel, cross-sectoral approach for early integration into the labour market**, benefiting both migrants and refugees and the economy and society at large.
- **Migrants and refugees make up a significant part of the EU's workforce**. Their essential contribution became clear during the COVID-19 crisis, with many **providing crucial health and social support**. Building a strategic approach on migration through cooperation and networks with third countries might significantly improve the employment opportunities for employers and migrants.
- The 'Talent Partnerships' within the New Pact on Migration and Asylum could progressively **change the mindset toward a successful implementation of the migration policies**. They should offer the chance to **directly connect employers with eligible third country nationals**. The EU could use more actively its resources for developing pre-departure infrastructure in third countries, including relations with the public employment services, universities, and training providers. Improving the recognition of professional qualifications and the validation of professional skills acquired in third countries remains essential.
- The **revision of the 'Long-term Residents' and 'Single Permit' Directives should improve mobility based on skills and qualifications**, whilst increasing the dynamism of the single market and helping tackling employment shortages or skills mismatches. Whilst making EU globally competitive for the high skilled workers is important, we need to attract all levels of skills in view of the new needs in many sectors.

- **SGI Europe closely works with a large variety of actors at the local and national level**, promoting a multi-stakeholder approach, to provide affordable and accessible public services such as education, healthcare and housing, whose crucial role in promoting migrants' social inclusion is emphasized in the New Action Plan on Integration and Inclusion 2021-2027. SGI Europe is committed to continuing to work with governments and other stakeholders to **develop policies to support refugees and migrants' integration**.

More: [European Partnership for Integration offering opportunities for refugees to integrate into the Labour Market](#) and [Renewal of the European Partnership for Integration](#)

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Resilience and adaptation to climate change

- SGI Europe **fully supports the ambition of the EU Green Deal of making Europe the first climate-neutral continent by 2050**. Together with its members, SGI Europe is committed to developing a balanced and sustainable strategy relying on the economic, social and environmental development. **It will be essential to take these three dimensions into account for the Green Deal to reach its objectives for 2050.**
- **The first environmental damages are already there and measures for an adaptation strategy are needed:** SGI Europe calls for further actions in other areas of climate protection, such as enhancing biodiversity, limiting local air pollution, ensuring quality water supply and land use, and including them in the process to reduce our emissions and environmental impacts.
- Maintaining communication systems, ensuring the production and distribution of energy and water, maintaining buildings and transport networks is increasingly difficult and costly. **The resilience of infrastructure is an important issue and SGIs are at the forefront to build and protect them.**
- With their long-standing experience and the proximity to citizens and communities, SGIs have a central role to play in facing the climate challenge. However, one point remains to be clarified: these challenges correspond to massive investments linked to the satisfaction of needs. **Europe has the means to make this Green Deal a success on one condition: to choose a rational, low-cost path, far from ideologies.** It will also be a sine qua non condition for acceptance by European citizens.

More: [Opinion on the EU Green Deal](#)

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Environment

Fit for 55

- SGIs are committed to **supporting the EU transition to a carbon-neutral model**. This transition must **balance the social, environmental, and economic dimensions**. The EU runs on SGIs, including local public services enterprises and semi-public SMEs, which are vital elements of our socio-economic model.
- Employers and providers of SGIs need the right framework to **ensure the transition is just for workers and citizens**. The transitional pathways must offer workers quality jobs and provide financing incentives for citizens to renovate their homes and buy carbon-free. To that aim, we **welcome the proposed Social Climate Fund with a special emphasis on alleviating social impacts** on the most vulnerable groups by proposing new investment solutions to those affected by carbon pricing policies.
- **Coherence and a level playing field for all technologies need to be ensured**, with legal certainty, clarity, and consistency at the heart of the climate-neutrality path for 2050.
- SGI Europe notes the **proposed extension of the ETS** to transport and buildings, which **should support setting an efficient carbon-pricing and send an economic signal to market actors to allow decarbonisation**. The extended ETS should provide a fair carbon price in the sectors covered and create a level-playing field for all technologies to incentivise investments that foster decarbonisation.

More: [SGI Europe Comments on the Fit for 55 Package](#) (Press release), [Input to the Revision on the EU Emission Trading System \(ETS\)](#)

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Circular Economy

- The primary focus of **the EU approach to circular economy should be put on waste prevention** and on supporting Member States who risk failing recycling and waste prevention obligations. To enhance a proper waste prevention, producers need to implement sustainability principles in product design.
- **Supply and demand for secondary raw materials are essential for the development of circular economy** and should be strengthened. To this aim, both legislative and economic measures must be applied to support the development of a solid market for the secondary raw materials. An effective system of development for end of waste criteria at EU-level should be considered, along with new requirements for recycled content for proper product categories.
- **More support for recycling methods in building infrastructures and adequate binding targets are needed**, such as fostering large-scale European experimentation in low-carbon construction and refurbishment systems that comply with the principles of recycling.
- **Waste-to-energy must be part of a sustainable circular economy** to implement the landfill ban, to sink hazardous substances, as a renewable energy resource, and to recover secondary raw materials.
- **The enforcement of the waste hierarchy in every Member State must be prioritised** in order to reach the greenhouse gas emission reduction targets. For the waste sector, the aim must be to end landfilling of untreated municipal waste already by 2030.

More: [Opinion on the Circular Economy Action Plan](#)

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Telecommunications, Transport & Energy

Artificial Intelligence Act Law

- SGI Europe **welcomes the European Commission proposal for an Artificial Intelligence Act Law aiming at regulating high risk AI systems and ensuring the human centric approach**. Whilst Artificial Intelligence can immensely contribute to the development of services of general interest in different sectors such as health, transport, and tourism, it is at the same time important to **reach high level of trust and responsible AI**, which should focus on common interest and people.
- **To avoid divergences in the internal market, it is much appreciated that the AI systems are regulated at the EU level.**
- SGI Europe calls for a **precise definition of Artificial Intelligence as well as also of high-risk AI systems.**

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RED, EED and EPBD

- SGI Europe believes that **energy efficiency alone will not be sufficient to meet the targets set in the EU Green Deal**: energy efficiency will play a major role in decarbonising the economy only if the European Commission adopts a climate-centric approach leading to a higher reduction of fossil fuel consumption.
- The Energy Efficiency First principle (EE1 principle) can a useful guideline across many sectors., while being subordinated to the decarbonisation and reduction of climate impacts. It however can also be costly without prioritising the most important actions for climate. **The RED, EED and EPBD revisions should all focus on a “climate-efficiency centric approach”,** with the need to reduce at the same time emissions and energy consumption, with more ambitious targets on carbon than on energy efficiency.

- SGI Europe calls for avoiding unnecessary “double legislation” with the EU energy and climate legislation. In evaluation for future policies, the reviews should be made systematically with the two-eyed approach of cost-effectiveness and carbon efficiency across all EU policies in all sectors. **A coherent policy between the EED, the RED, the EPBD and the ETS will enable a switch towards low-carbon energies and open a natural and economically efficient way** for the deployment of renewables.
- Given the ambition **to achieve a net zero target for the EU by 2050, both renewable and low carbon gases will be necessary.** As the goal should remain the decarbonisation, a GHG indicator calculated along the value chain is the best indicator, promoting all types of renewable and low-carbon energies. Waste heat, energy from waste and residual materials are climate-friendly and GHG-neutral, therefore equated with renewables. Member States should also be free to opt for the best options in this regard.

More: [Input to the Renewable Energy Directive II \(REDII\)](#), [Input to the Energy Efficiency Directive \(EED\)](#) and [Input to the Revision on the Energy Performance in Buildings Directive](#)

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Ten-E and a strategic approach to gas

- SGI Europe calls for an **all-inclusive approach, in which all sectors work closely together to reach climate neutrality.** It is key to develop a **sustainable approach to gas and a low-carbon and renewable electricity market** to reach this goal. Further electrification of the system, especially for individual mobility (cars) and heating and cooling, is important, but will not be enough to meet the emission reduction targets. Moreover, electricity will not be sufficient either for heating and cooling, particularly in urban areas where district heating and cooling systems play an important role.
- SGI Europe supports that the **decarbonisation process in the energy sector must be cost-efficient for all sustainable technology types.** Sector integration and sector coupling must play a greater role in European policies: stronger connections must be made between the electricity sector, and other sectors such as heating, transport, industry, and gas.
- Innovative technologies such as **Power-to-Gas (P2G) will link sectors together**, with better use of decarbonised and renewable hydrogen to play a role. In this respect, the gas distribution infrastructure (DSOs) will likely gain bigger responsibilities, especially in reaching the goals in a cost-efficient way.

More: [SGI Europe Position on the Revision of the EU Gas Market Rules](#)

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Transport

- The revision of the Urban Mobility Package from 2013 is important, providing a **chance to update such a vital piece of EU legislation to meet the new ambitious climate targets of the EU Green Deal.**
- SGI Europe believes that the measures are not sufficient to give cities and urban areas the necessary support they require in their decarbonisation. SGI Europe especially highlights the central role that public transportation plays on the path to a more sustainable and carbon neutral EU mobility strategy. **SGI Europe calls for a stronger support to urban public transport in the Urban Mobility Package.**
- **Urban public transport (including urban rail) is the best decarbonisation and electrification strategy** for cities. The expansion and active support to public transport is pivotal to reach the climate targets. Almost all the targets mentioned as important in the roadmap (emissions reduction, improvement of air quality, reduction of congestion,...) will only be achieved if public transport is not expanded. Money is scarce and public transport operators have suffered severely from the pandemic, calling for adequate support to develop a more sustainable urban transport policies.

More: [SGI Europe position on the Urban Mobility Package](#)

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Competitiveness

DMA and DSA

Digital Market Act

- The **DMA is an important starting point to ensure fair competition** in the digital world and increase consumer choice. The setup of a **swift and flexible intervention mechanism is essential to tackle structural competition concerns** raised by large digital platforms acting as gatekeepers which are not fully addressed under the current competition law framework. An ambitious DMA has the potential to **lead the way in defining better market dynamics in the field of core platform services**.
- Providers of SGIs serve the public good, protect fundamental rights and take Europe forward in serving and acting in the general interest whilst being key players in the digital environment. **Global online players benefit significantly from the public infrastructures operated and provided by SGI providers across Europe, as well as from the content they provide**. The behaviour of these global online players and the regulatory framework on digital players have a significant impact on the activities of SGI providers.
- To ensure that the DMA reaches its objectives, SGI Europe calls for:
 - **Build fairer and better Digital Markets** for every EU citizen
 - Better inclusion of Member States for **more transparency**
 - Clear **definition of gatekeepers**
 - Improve the **Access to Data**
 - **Prohibit gatekeepers' self-preferencing practices**
 - **Prevent gatekeepers from bundling and tying services**

More: [Position Paper on the Digital Markets Act \(DMA\)](#).

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Digital Services Act

- By obliging the different types and sizes of platforms/intermediaries, the proposed DSA aims at **increasing and clarifying a common set of responsibilities** to keep users safe from illegal goods, content, or services, and to protect their fundamental rights online. Additionally, the DSA should also provide **more transparency and greater regulatory oversight** over these online platforms.
- SGI Europe believes that **Europe can set and lead the global standard for a more competitive, non-discriminatory, responsible, and fairer online environment** with the DSA. The EU has a unique opportunity to show digital leadership, highlighting the positive aspects of a modern digital single market that makes societies more inclusive, benefits European citizens and companies of all sizes and establishes a level playing field.
- SGI Europe has also addressed in its final recommendations some challenges that might hamper the development of a functional and fair and competitive digital market, calling to:
 - Provide further and **clear definitions on obligation criteria** for online Platforms
 - Provide a clear **definition for Very Large Online Platforms (VLOPs)**
 - **Exclude the local public enterprises from the obligations that the online platforms have to comply with**, and consider them, according to their size and capabilities as SMEs
 - Secure the **application of sector-specific law** and **Member States' ability to regulate cultural issues**
 - **Protect editorial media content** and services from interference by online platforms
 - Enhance the **transparency of platforms' recommender systems**
 - Ensure that **what is illegal offline should be illegal online**, with clear instructions for individuals and entities to improve security on illegal activities and clear definition on safety that is in line with human rights law.

More: [Position Paper on the Digital Services Act \(DSA\)](#).

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Industrial Strategies and the SME definition

- The current definition of small and medium-sized enterprises (SME) under EU law is based on the Commission Recommendation 2003/361/EC, which has subsequently been embedded in EU binding law by being included in the Commission Regulation (EU) No 651/2014.
- Under this legal framework, **SMEs that are mainly or entirely owned by public authorities do not fall under the EU definition of an SME**. This non recognition has negative consequences on their access to financing opportunities, by limiting the scope of funding and financial programmes available to them and their right to benefit from administrative simplification measures, leading to distorted conditions of competition for public SMEs.
- SGI Europe considers that **private and public enterprises equally small in their size are not accorded equal treatment**. This definition **contradicts the principles of the TFEU by creating discrimination between enterprises based on the ownership criteria**.
- This situation particularly affects Local Public Services Enterprises (LPSEs), by restricting their ability to fulfil their mission of general interest as providers. **Given their strategic role in the EU territories, these public enterprises need to be supported, particularly in the context of the recovery.**

More: [Opinion “Rethinking the SME Definition”](#)

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Employment and Social Affairs

European Pillar of Social Rights

- The **European Pillar of Social Rights (EPSR)** is an **important political commitment and a reference to guide policy choices**. The full respect of the limits imposed to EU action and the **principles of subsidiarity and proportionality is imperative**.
- Seen the different models of labour market and delivery of SGIs in the EU, the responsibility of the implementation of the EPSR at national, regional, and local levels must be kept in mind. SGI Europe recalls that there is **no one-size-fits-all solution to achieve a fair, sustainable and inclusive society**.
- Instead of engaging in new legislations, the EPSR should now be about **fostering national ownership of the principles via the European Semester and guidance for the use of EU funds**. SGI Europe wants to materialise the vision of a Social Europe relying on social dialogue and essential services, long-term care, healthcare, and housing.
- **The Pillar identified the importance of SGIs in the framework of Protocol 26** – i.e., quality, safety, affordability, equal treatment, universal access, and user's rights. Those considerations should become a reality in the implementation.
- The COVID-19 pandemic also had a tremendous **impact on the provision of health and social care services in Europe**. This adds to the **already existing challenges of the healthcare system such as years of underinvestment, recruitment and retention and demographic ageing**.

More: [Response to Public Consultation on the Action Plan for the EU Pillar of Social Rights, SGI Europe position paper Amendments to the Minimum Wage proposal](#).

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A lifelong approach to ageing

- SGI Europe believes that **healthy and active ageing can be promoted through strengthening holistic prevention policies and programmes aimed at a horizontal lifecycle approach**. These programmes should focus on primary, secondary, and tertiary prevention (primary referring to preventing disease or injury before it even occurs; secondary, as reducing the impact of a disease or injury that has already happened; tertiary, as softening the effects of an ongoing illness or injury that has lasting effects).

- Regarding healthy and active ageing policies at the workplace, it is necessary to **rethink the security of work from a purely physical approach, focusing on the workforce's mental health**. Collective bargaining agreements can also play a role in reinforcing the prevention of occupational safety and health at work and working conditions. If implemented properly, the upcoming EU Strategic Framework on Occupational Health 2021-2027 will support the Member States and social partners with guidance.
- SGI Europe is convinced that the **most significant obstacles to life-long learning across the life cycle is the preconception of what is considered as learning**. Continuing professional development (CPD) and lifelong learning (LLL) is often considered as purely formal training. However, one must consider **learning and development as a continuous part of one's professional career**: when looking at in which the setting in which workers gain the most knowledge, it becomes clear that most CPD takes place in the work setting, in the form of everyday learning (70%). Approximately 20% of learning comes from a worker's colleagues, and only around 10% is related to formal learning programmes.
- From a financial perspective, it needs to be ensured that **elements of formal training can take place through earmarked budgets provided by employers**: In the public sector, national governments need to agree on an earmarked budget for the employers, whilst in the private sector, this could be included in collective bargaining agreements.

More: [Response to public consultation on the Green paper on ageing](#)

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Minimum Wages

- SGI Europe believes that **EU actions** to address the challenges of fair minimum wages **should not seek to harmonise the level of minimum wages across the EU, nor to establish a uniform mechanism** to set minimum wages or the level of pay **which falls within the contractual freedom of the social partners and the remit of Member States' authorities**.
- Any EU action must first recognise that **no Member States are identical with respect to labour market institutions that influence how minimum wages are determined, implemented, adjusted, and monitored**.
- The scope of the initiative should be directed at **reducing the number of workers paid at minimum wage level, increasing take-home pay and opportunities to move into higher-paying jobs** by addressing, amongst others, the design of tax-benefit systems supporting the income of low-wage workers, education or upskilling policies and active labour market policies (ALMPs) to support labour market transitions.
- SGI Europe believes that an EU minimum wage action might not address the needs and specificities of each Member State. Depending on the design of the initiative, SGI Europe is concerned that a **minimum wage proposal at EU level could erode the autonomy of national or local labour market institutions**.

More: [Response to the open consultation on the Minimum Wage Directive Proposal](#)

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Pay Transparency

- SGI Europe acknowledges the importance of the principle of equal pay and the role that pay transparency plays in its implementation. However, **in order to tackle the gender pay gap, one must look further than wage setting**. SGI Europe supports a dual approach that takes a **broad and holistic perspective through specific actions alongside gender mainstreaming**. The interconnection between working conditions and living conditions (work-life balance, opportunities for full/part-time work, parental leave, sharing of unpaid domestic work, intersection of various axes of discrimination, impact of occupational segregation,...) needs to be taken into account when addressing the gender pay gap.
- The **extensive and far-reaching obligations for employers** in the European Commission proposal for a directive on pay transparency **are likely to create a considerable administrative and financial burden**.

The detailed and complex nature of the proposal and legal uncertainties make it **difficult for employers to anticipate the impact** on their activities and to know how and when they have fulfilled their obligations.

- SGI Europe is concerned that these **unclearities and the detailed requirements will affect national labour market models and the capacity and autonomy of social partners** to maintain, negotiate, conclude, and enforce collective agreements in accordance with their tradition. Collective agreements with gender neutral wage setting criteria are easily accessible in many Member States and monitored by the social partners negotiating, revising, and updating them.
- SGI Europe considers that the European Commission proposal does not sufficiently **respect the principles of proportionality and subsidiarity**. The final text should include **sufficient flexibility and respect the traditions of Member States and the autonomy of social partners**.
- The equal pay agenda should be promoted so that men and women are paid equally for the same work. There must be an **ongoing focus on whether the employee's gender influences the level of pay**, as a distortion in pay on the grounds of gender does not benefit either employees or enterprises.

More: [SGI Europe Opinion on Pay Transparency \(to be published\)](#)

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Education and Culture

Skills and Education

- Whilst the EU needs to address the fallout of the COVID-19 and prepare for the twin transition, SGI Europe welcomes the **Skills Agenda for Europe proposals which keep the long-term perspective in mind**. The proposed Skills Agenda should now be fully implemented and properly **connected to the other initiatives such as the EU Green Deal, the digital industrial strategy, and the European Pillar of Social Rights**.
- With its focus on "Strengthening skills intelligence", the European Commission rightly provided pathways to **address skills mismatch and shortages**. The existing articulations between labour market and education and training programmes are currently insufficient. Developing a **common understanding of future skills needs should help to address the shortages experienced in essential utilities**.
- Social partners have a central role to play in developing education and training. **Social partners should have the possibility to be more actively involved in the design and implementation of VET curricula**. Social partners are the **best-placed to assess what skills are needed**. Better cooperation could help individuals in their career planning, facilitate mobility and contribute to develop an overall educational strategy.
- SGI Europe reiterates that a **one-size-fits all approach is not appropriate to promote individual learning accounts (ILAs)**. The Commission needs to fully take into account the tripartite opinion of the Advisory Committee on Vocational Training (ACVT). **ILAs are only one possible tool and should not replace existing employers or government funded and/or social partners driven provisions to training** as well as others forms and modalities of training financing.

More: [Comments on the Update of the Skills Agenda for Europe \(joint with EFEE\)](#)

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SGI Europe ongoing projects

Green Skills in VET (2021-2023)

- SGI Europe and the European Federation of Education Employers (EFEE) are jointly carrying out the **European project “Green Skills in VET”, aiming at supporting EU public services and SGIs, as well as vocational education and training (VET) providers to build a skilled workforce for materialising the green transition.** The focus will be put on 3 key public services and SGIs to be affected by the development of the resource efficient and green economy: water, transport, and energy.
- This project aims to create **lasting relationship between providers of education and training and of public services and SGIs.** Such articulations will be **indispensable for an efficient transition to climate neutrality**, which will be at the very core of EU action for the coming decades. The key angle for this project will therefore be to **focus on education and training and the subsequent skills delivery to the labour market.**
- In 2 years of activity, the project will target six Member States: the Netherlands, Portugal, Belgium, France, Germany, and Spain. SGI Europe and EFEE will work with project partners from their membership to **identify the current and future demands for green skills and jobs, improving VET providers’ capacity to deliver green-oriented training and design common solutions to adapt skills delivery in the context of a framework of collaboration between education and SGI providers.** SGI Europe will organise sectoral workshops to create a platform of dialogue and learning which will stimulate the exchange of best practices and seek to overcome the barriers that challenge the implementation of green-oriented training programs.

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Involving SGIs in the European Semester (2021-2023)

- Public services’ employers and SGI providers are essential actors of the European economy. They contribute to the competitiveness of the European economy and to social cohesion by **connecting territories and providing key services to citizens and enterprises.** The **EU economic governance and the process of the European Semester have become a framework within which SGI Europe members can make active contributions to the content of the AGS, Country reports and CSRs.**
- SGI Europe and the three project partners, SALAR, UDES and UNISOC, intend to **design tools and methods of consultation to increase the quality of the input from the SGI employers and providers to the European Semester.** For this to happen, the financial resources provided by the European Commission will be used to create a structured involvement of SGI providers at the milestones of the Semester – Annual Sustainable Growth Strategy, Country Reports and Country Specific Recommendations – whilst further enhancing SGI Europe coordination capacities.
- SGI Europe will produce a methodology that will aim at **making its members’ input more timely, structured and relevant to the different milestones of the Semester.** Furthermore, after appointing National Semester Contact Points in its national sections, SGI Europe will organise a series of trainings for improving the knowledge and reinforcing the participation of its Contact Points in the Semester process.

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