



The Future of the European Union – an Overview on Implementation of SDGs for Sustainable Social and Economic Development in EU

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1 Socio-economic development in the 2030 Agenda

The 2030 Agenda for Sustainable Development, adopted in 2015 by all UN Member States, is unprecedented in its ambition and universality. Throughout three dimensions of the Document – social, economic and environmental – five themes crosscut all of 17 sustainable development goals: people, planet, prosperity, peace, partnership.

The 17 Sustainable Development Goals and 169 targets aim to end poverty and hunger and to ensure dignity and equality for all people on Earth; to protect the planet from degradation; ensure that social and technological progress occurs in harmony with nature; peaceful and inclusive societies; and global partnership and solidarity on achieving SDGs.

17 Sustainable Development Goals:

Goal 1. End poverty in all its forms everywhere

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3. Ensure healthy lives and promote well-being for all at all ages

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5. Achieve gender equality and empower all women and girls

Goal 6. Ensure availability and sustainable management of water and sanitation for all

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12. Ensure sustainable consumption and production patterns

Goal 13. Take urgent action to combat climate change and its impacts

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

Socio-economic dimension of the Agenda is reflected in goals 1-12 and goal 16. Each goal sets targets and indicators for their achievement, dealing with issues from poverty, hunger, education, sustainable growth and innovation, to reducing inequality and building peaceful, inclusive societies.

2 Implementation of socio-economic dimension of the 2030 Agenda in EU

In line with the EU commitment to implementing the 2030 Agenda, in 2016 new sustainable development strategy "New steps on Europe's sustainable future" was adopted, with several key actions¹:

Including the SDGs into all EU policies and initiatives, with sustainable development as an essential guiding principle for all European Commission policies;

Providing regular reporting of the EU's progress as of 2017;

Developing partnerships and including EU governments, the European Parliament, other European institutions, international organizations, civil society organizations, citizens and other stakeholders into implementation of the 2030 Agenda;

¹ See European Commission, 2016

Launching a high-level multi-stakeholder platform, with the goal of exchanging best practices on implementation of the Agenda;

Introducing a longer term vision with a post 2020 perspective.

When it comes to implementing the socio-economic dimension of the Agenda, the EU has two overarching instruments: European Pillar of Social Rights and the EU 2020 Strategy.

2.1 The European Pillar of Social Rights

The European Pillar of Social Rights was signed by the European Parliament, the Council and the Commission on 17 November 2017, at the Social Summit for Fair Jobs and Growth in Gothenburg, Sweden. The signing of the Pillar, which was a symbol of recommitment to social Europe after economic crisis and austerity policy, was preceded by broad public discussion in 2016, which included citizens, members of civil society, representatives of Member States and EU institutions. The Pillar comprises of 20 principles in three chapters, dealing with equal opportunities, work conditions and social protection.

Chapter I: Equal opportunities and access to the labor market²: 1.Education, training and life-long learning - quality and inclusive education, training and life-long learning; 2.Gender equality – equal treatment and opportunities for women in the labor market, conditions of employment and career progression, including equal pay; 3.Equal opportunities – equal treatment and opportunities regarding employment, social protection, education and access to services available to the public, regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation; 4.Active support to employment - timely and tailor-made assistance to improve employment or self-employment prospects. Special emphasis is on young people and their right to continued education, apprenticeship, traineeship or a job offer of good standing within 4 months of becoming unemployed or leaving education.

Chapter II: Fair working conditions³: 1.Secure and adaptable employment - fair and equal treatment regarding working conditions, access to social protection and training, the necessary flexibility for employers to adapt swiftly to changes in the economic context, entrepreneurship and self-employment and occupational mobility; 2.Wages - fair wages that provide for a decent standard of living, adequate minimum wages and prevention of in-work poverty; 3.Information about employment conditions and protection in case of dismissals – rights and obligations stemming from employment contract, informed dismissal with reasonable

² See European Commission, 2017b, pp. 11-12

³ See European Commission, 2017b, pp. 14-17

period of notice and adequate compensation; 4.Social dialogue and involvement of workers - consulting social partners on economic, employment and social policies; 5.Work-life balance - suitable leave, flexible working arrangements and access to care services for parents and people with caring responsibilities, encouraging men and women to use parental leaves of absence in a balanced way; 6.Healthy, safe and well-adapted work environment and data protection - high level of protection of health and safety at work, working environment adapted to professional needs and which enables workers to prolong their participation in the labor market, protection of personal data in the employment context.

Chapter III: Social protection and inclusion⁴: 1.Childcare and support to children - affordable early childhood education and good quality care, protection of children from poverty, specific measures to enhances equal opportunity for underprivileged children; 2.Social protection - adequate social protection for workers and self-employed; 3.Unemployment benefits - adequate activation support from public employment services to (re)integrate in the labour market and adequate unemployment benefits of reasonable duration; 4.Minimum income - adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services; 5.Old age income and pensions - a pension commensurate to contributions of workers and self-employed, ensuring an adequate income for living in dignity; 6.Health care - timely access to affordable, preventive and curative health care of good quality; 7.Inclusion of people with disabilities - income support that ensures living in dignity, services that enable them to participate in the labor market and in society, and a work environment adapted to their needs; 8.Long-term care - long-term care services of good quality, in particular home-care and community-based services; 9.Housing and assistance for the homeless - Access to social housing or housing assistance of good quality shall be provided for those in need; appropriate assistance to vulnerable people and protection against forced eviction; adequate shelter and services to the homeless; 10.Access to essential services - access to essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications.

Implementation of the European Pillar of Social Rights is a joint responsibility of the EU and the Member States, but also of civil society organizations and social partners. The progress on implementing the Pillar is monitored through European Semester, with three new elements added for this purpose, as outlined in Commission's Communication on monitoring the implementation of the European Pillar of Social Rights: mainstreaming the priorities of the Pillar in the European Semester while selecting themes for detailed reporting on an annual basis; providing technical assistance, promoting benchmarking and exchanging good practic-

⁴ See European Commission, 2017b, pp. 19-22

es; assessing and monitoring performances with the help of the new Social Scoreboard, designed to help monitor performance of Member States in the field of social policy, covered by the Pillar.⁵

2.2 Europe 2020

The Strategy for sustainable growth, adopted in 2010 by the European Council, is another major EU instrument for enhancing socio-economic development. The Strategy defined three priorities - smart growth, through the development of an economy based on knowledge, research and innovation; sustainable growth, through the promotion of resource-efficient, green and competitive markets; inclusive growth, through policies aimed at fostering job creation and poverty reduction.⁶ Within these three priorities it has set goals to be achieved by 2020 in six major areas: employment, research and development, climate change and energy, education and poverty and exclusion.⁷

In the area of employment, Europe 2020 Strategy set the goal of 75% of EU citizens to be employed by 2020. For research and development, the Strategy set a very ambitious goal of 3% of the EU's GDP to be invested in R&D. Climate and energy section called for greenhouse gas emissions 20% lower than 1990 levels, 20% of energy coming from renewables and 20% increase in energy efficiency. In the field of education, the Strategy aimed for the rates of early school leavers to be below 10% and at least 40% of people aged 30–34 having completed higher education. And finally, by 2020 the Strategy planned to take action to have at least 20 million people fewer in, or at risk of, poverty and social exclusion.⁸

Areas and goals on which Europe 2020 focuses are reinforced in seven flagship initiatives of European Commission: "Innovation Union"; "Youth on the move"; "A Digital Agenda for Europe"; "Resource efficient Europe"; "An industrial policy for the globalisation era"; "An Agenda for new skills and jobs"; "European Platform against Poverty".⁹ The Strategy is implemented in cooperation between EU and Member States, which set national targets and annual reform plans on the Strategy goals, reported on in the process known as European Semester.

Eurostat publishes regular comprehensive progress reports on the targets. The 2018 edition "Smarter, greener, more inclusive" concluded that since the adoption of the Europe 2020 Strategy substantial progress has been achieved in the area of climate change and energy by reduction of greenhouse gas emissions and increase

⁵ See European Commission, 2018, pp. 11-12

⁶ See Kramer, Brauweiler, 2002

⁷ See European Commission, 2010

⁸ See European Commission, 2010

⁹ (European Commission, 2010)

in renewable energy use. In the area of socio-economic dimension of the Strategy, the employment target (75% employed) is still reachable, however, poverty alleviation and research and development investment goals look far less promising.¹⁰

3 The future of socio-economic development in EU

At the Rome Summit on 1 March 2017 the Commission presented a White Paper on the EU's future, with five potential scenarios: 1. Carrying On — the EU-27 focuses on delivering its positive reform agenda.; 2. Nothing but the Single Market — the EU-27 is gradually re-centered on the single market; 3. Those Who Want More, Do More — the EU-27 allows willing Member States to do more together in specific areas; 4. Doing Less, More Efficiently — the EU-27 focuses on delivering more and faster in selected policy areas, while doing less elsewhere; 5. Doing Much More Together — Member States decide to do much more together across all policy areas.¹¹

The White Paper has been accompanied by several reflection papers on issues vital for the future of the EU: the social dimension, harnessing globalization, the deepening of the economic and monetary union, the future of European defense policy and the future of EU finances. In January 2019 the paper on sustainable Europe by 2030 was published, focusing on how to use Agenda 2030 and Sustainable Development Goals to promote sustainable development in the EU.

The reflection paper on the social dimension of Europe tackles the issue of how to preserve the principles of social Europe at the backdrop of the current challenges, namely those brought about by demographic changes, technological progress and globalization. Following the logic of the White Paper on the Future of EU, the paper sets out three possible scenarios: limiting the social dimension to free movement; those who want to do more do more in the social field; the EU-27 deepens the social dimension together.¹²

- Limiting the social dimension to free movement

Under this option, the Union would keep the rules within the single market, such as rules on social security rights, on posting of workers, on cross-border health care and the recognition of diplomas. On the other hand, there would no longer be EU minimum standards on many social rights.¹³

¹⁰ See Eurostat, 2018b, p. 8

¹¹ See European Commission, 2017a

¹² See European Commission, 2017b, p. 25

¹³ See European Commission, 2017b, p. 26

- Those who want to do more in the social field do more

This scenario entails closer cooperation by a group of Member States, namely the Eurozone member states, which could adopt legal acts that bind only the countries that take part. These common standards could apply to labour markets, competitiveness, the business environment and public administration, or tax policy. The euro area would be better supported and its citizens better protected and national employment and social policies would be more aligned. This enhanced cooperation could be also done by some other groups of countries.¹⁴

- The EU27 deepen the social dimension of Europe together

In this scenario Member States would give much more authority to the EU in the field of social policy. Legislation would not only set minimum standards but, in selected areas, could fully harmonize citizens' rights across the EU, with the aim of focusing on convergence in social outcomes.¹⁵

The Reflection paper on the deepening of the Economic and Monetary Union focuses on steps forward towards completing the economic and monetary union by 2025. The first phase, till the end of 2019, would entail completing Banking Union and Capital Markets Union. A number of new instruments, such as better economic and social convergence standards, could be introduced. The second phase, from 2020-2025, would complete the EMU architecture.¹⁶

Reflection Paper 'Towards Sustainable Europe by 2030' set out three possible scenarios for the implementation of the 2030 Agenda: an overarching EU strategy on SDGs guiding actions of EU and Member States; continued mainstreaming of SDGs in all relevant EU policies by the commission, but not enforcing member states' actions; enhanced focus on external action, while consolidating current sustainability ambitions at the EU level.¹⁷

All of the above mentioned papers consider different scenarios for sustainable development in certain policy fields, following the logic outlined by the White Paper on the Future of Europe. Therefore, for the future of any EU policy to be evaluated, especially policies at the core of the EU project – social model and economic cooperation – one should have in mind that their success predominantly depends on the future institutional framework of the EU.

¹⁴ See European Commission, 2017b, p. 28

¹⁵ See European Commission, 2017b, p. 30

¹⁶ See European Commission, 2017c, p. 29

¹⁷ See European Commission, 2019, pp. 34-39

4 Conclusion

At its meeting on 20 June 2019 European Council adopted a new strategic agenda for the next five years, as an overarching guiding paper for the policies and programmes that will be put forward by other EU institutions during the 2019 – 2024 term. The new agenda set four general priorities – protection of citizens and freedoms, strong economy, green and fair and social Europe and promoting European interests and values globally.¹⁸ Within priorities addressing economy and social dimension, the European Council agenda gives a very prominent role to the implementation of the Pillar of Social Rights, as well as to the project of completing the EMU, with key principles being sustainability and inclusivity.

It is, therefore, to be expected that the new Commission, upon final evaluation of the Europe 2020 Strategy, will put forward a new strategy of sustainable growth with emphasis on the Pillar of Social Rights and EMU. And, while the EMU project is pretty straightforward in its scope and implementation (which is not to say easy), the implementation of the Pillar is more questionable and more complicated matter. To begin with, the Pillar is a set of principles, proclamation on desired course of action, signed jointly by Commission, Council and the European Parliament. In order for it to have an actual effect for the lives of EU citizens, relevant policies on the EU level and the level of Member States have to be adopted and implemented. There are some steps in that direction at the EU level, such as the recent Directive on work-life balance for parents and carers, which gives Member States three years to align their legislation to its provisions.

However, it is futile to expect a substantial progress without political will and policy initiative by Member States. Furthermore, in order for the EU to be able to build sustainable, shock resilient and inclusive economy, with strong social safety net for its citizens, there needs to be more policy convergence between Member States. And that again brings us to the issue of the future EU architecture. Which scenario outlined in Juncker's White Paper will prevail? The answer to those questions is inevitably the answer to the question on the future of Europe's social model and economic development. Taking all of the elements into the account, including the results of the last European Election, it is sound to expect that maintaining the institutional *status quo* will be the choice of preference. In such circumstances, the implementation of the 17 goals of the 2030 Agenda could prove as a valuable tool for socio-economic development in EU within the following decade.

All EU Member States have pledged to implement the Goals and voluntarily report on it every year at the High Level Political Forum on Sustainable Devel-

¹⁸ See European Commission, 2019, p. 2

opment. There is a clear and unequivocal commitment to the implementation of the SDGs on the side of the EU institutions. That convergence of will could serve as a strong motivator to forward sustainable development in EU, without having to risk political stability of the Union by transferring more power to the EU level, or failing to achieve progress due to the lack of motivation by Member States.

This opportunity is, finally, recognized by the Commission's Reflection Paper "Towards a Sustainable Europe by 2030". It remains to be seen how much will the EU institutions rely on that idea in the next five and ten years.

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