

ShaPE

RECOMMENDATIONS FOR THE FUTURE OF THE EU'S SOCIAL POLICIES AND SOCIAL DIALOGUE

Treaty Change Proposals
from the SHAPE Project

Executive Summary

This advocacy paper presents treaty change proposals developed by the SHAPE Project to strengthen the European Union’s social dimension. It highlights the need to renew the foundational architecture of the EU constitutionalising the EU ambitions for peace, social justice, and decent work. The proposals aim to refit the EU Treaties to address systemic inefficiencies, enhance social dialogue, and ensure upward convergence of living and working conditions across Member States.

Key Messages:

- The EU’s current institutional architecture is insufficient to address emerging social and economic challenges.
- A new constitutional chain—peace, social justice, and decent work—should guide EU policy-making.
- Treaty amendments are necessary to embed social rights and enhance the role of social partners.
- The Social Progress Protocol must be adopted to rebalance economic and social objectives.

DISCLAIMER

The ShaPE project examines the role social partners have played in treaty-making and law-making for social Europe. The project is led by Professor Claire Kilpatrick, co-Director of the Academy of European Law.

ShaPE deepens our understanding of the role played by trade unions, employer organisations and EU institutions in making and shaping Social Europe until now. This new knowledge will help us reflect on what roles they should play in meeting current large-scale challenges, most notably green, digital and demographic transitions as well as the objectives of EU 'open strategic autonomy' and resilience.

Social Europe's foundations will be explored through innovative archival and multidisciplinary analysis of EU Treaty-making and law-making, providing a meta-archive and public history digital exhibition to serve as a template and anchor for future research.

During the course of the project, ShaPE's researchers have produced academic analysis as well practice-oriented reports and proposals to update the EU Treaties to enable the social partners to meet future challenges.

ShaPE is funded by the European Union. Views and opinions expressed are however those of the authors only and do not necessarily reflect those of the European Union or the European Commission. Neither the European Union nor the granting authority can be held responsible for them.

This report was edited under the direct responsibility of Sindnova and Fondazione Di Vittorio, as leading organisations of Work Package 4 of the SHAPE project. *It does not represent the personal view or stand of any individual participant in the experts' group, nor the position of vision of any individual organisation taking part in the SHAPE Project.*

The Experts who supported Sindnova and Fondazione di Vittorio to elaborate and deliver this report are:

Fausta Guarriello, SINDNOVA and University of Pescara
Salvatore Leonardi, FONDAZIONE DI VITTORIO
Roberto Pedersini, University of Milan
Mariangela Zito, SINDNOVA
Claire Kilpatrick, European University Institute
Filip Dorssemont, Catholic University of Louvain (UCL)
Maarten Keune, University of Amsterdam, UVA
Philippe Pochet, expert
Dimitra Pallantza, UNIV-ARTOIS
Slavina Spasova, Observatoire social européen
Ricardo Rodriguez Contrera, European Association for Digital Transition
Philippe Laurette, Association Jean Monnet

Quintus von Roedern, European Movement International
Marc Steiert, European University Institute
Gianluca Pastorelli, Association Jean Monnet
Lieven Taille, Association Jean Monnet
Giuseppe Casale, Expert
Stefano Martinelli, expert

SHAPE Scientific committee and supervision:
Silvana Sciarra, former President Italian Constitutional Court
Sophie Robin-Olivier, University Sorbonne, Director IREDIES
Dagmara Skupien, University of Lodz
Samuel Engblom, Expert

Contents

Executive Summary	2
THE “HIGH ROAD” TO GET THE EU READY FOR THE FUTURE,	6
NEW FOUNDATIONS FOR THE EU: PEACE, SOCIAL JUSTICE AND DECENT WORK	7
PROPOSALS TO CHANGE THE TREATY ON THE EUROPEAN UNION	10
TEU Article 2: VALUES OF THE EU	10
TEU Article 3: MISSION	11
TEU Article 4 - 10: Economic governance of the EU.	13
PROPOSALS TO CHANGE THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION	15
TFEU, Article 119: UPWARD SOCIAL CONVERGENCE	15
TFEU Article 151: Social Fundamental Right	18
TFEU Article 152. CROSS-BORDER CONTRACTUAL ARRANGEMENTS	19
TFEU Article 153: COMPETENCES DRIVEN BY FUTURE OF WORK	20

THE “HIGH ROAD” TO GET THE EU READY FOR THE FUTURE,

The SHAPE Project outcomes **identify a supervening inefficiency of European decision-making processes that penalizes both the legislative lever, when it aims at raising the level of common minimum standards, and of the economic one, when it suffers from the lack of resources to activate the upward convergence of the living and working conditions of people in the EU.**

The ASPE Group, questioning the capacity of the current Treaties to legitimate, in full, the expanding scope of action of the European Union¹, reflects on the obsolescence of the social provisions of the TEU and TFEU. The group also reflects on the actual mandate of the European institutions confronted with emerging challenges concerning work and its regulation.

Shortcomings across the institutional architecture of the UE seem to find evidence in the socio-economic outlook characterized by growing inequalities and a widespread disillusionment of citizens with the Union's ability to produce solidarity and social progress. Corollary of it is the shrinking space for social dialogue in EU law making, despite the role that treaties wanted to warrant to EU social partners instead, especially in Title X of the TFEU.

Bridging past, present and future, the SHAPE project advances proposals to refit, with innovative solutions, social dialogue in the current treaties to deliver for the EU Integration and the wellbeing of its citizens². However, **conclusions are also reached that revisiting the EU Treaties is the “high road” to prepare the European Union for the challenges of the future, to preserve social cohesion and to enhance social dialogue. The proposals advanced in this document go in this direction.**

Having analysed the impressive succession of systemic crises, with deep economic downturns, it found that the European Union is considered the centrepiece of the policy response aimed at protecting citizens against adverse effects of such crisis. This is moving the EU in new territories, not without a certain innovative force. **The limit of the current institutional setting is becoming manifest but neglected and often circumvented by national government. On the contrary, it raised the attention of members of the European Parliament.**

The attempt, in 2024, of the European Parliament to open a revision process of the EU treaties is languishing in the EU institutional rooms. The call arrived from citizens in the Conference on the future of Europe. The push coming from EU citizens crashed against the failure to act of national political leaders³, prone to harness their mutual mistrusts but resisting idea of

¹ See full SHAPE Report from Work Package 4 TITLE and LINK

² Ibidem

³ [Reference to the EP Report on Revision of the European treaties].

foregoing little (national) interests for the overall benefit of European citizens. It is that kind situation that, already in the past, put the European integration process on holds.

Everything goes in the direction of the need of a revision of EU institutional architecture.

From the past⁴, we also learn that the pressure of historical events may, at certain point, accelerate the EU integration process and in that moment new ideas for treaty change must be already tested and ready to gather democratic consensus. Such new ideas must surely include a new social dimension of the EU, and a revamped role for social partners to contribute to the success of the European integration process.

NEW FOUNDATIONS FOR THE EU: PEACE, SOCIAL JUSTICE AND DECENT WORK

The EU should be built around the constitutionalising on three foundational 3 dimensions: peace, social justice, dignity of work. This reflects a system of values that is wider acknowledged in the UN system, and translating into a contemporary set of global principles in the UN2030 Agenda and in most recent ILO Declarations (see also below).

Elevating this new constitutional chain peace-social justice-decent work would change the results of the current EU policy- and law-making. Confronted with a raising ideology that conceives the concept of social beyond the employment relationship, the ASPE group shed light on the fact that the profound transformations of the world of work are one aspect of the deep transformations that our societies are getting through. European citizens wear more “social clothes” and for this reason they expect to be *recipients* of rights also as consumers, users of public services, and users of the environment and natural resources.

The challenge today is to keep “labour” at the heart of the EU social policy because it is *in their jobs* that people continue to find the primary source of income and *at work* the fulfilment of their personalities. The ASPE group stresses that labour is supposed to remain central in our societies and remain prominent in the future of social policies. It confirms major trends that lead to the transformations of work (green+digital+demography), with some innovative elements identified in the socio-cultural transformations of our society.

The multiple driving forces of future of work suggest that the European Union will be called upon to legislate in new areas, with more efficient and effective legislative processes, respectful of horizontal subsidiarity. It implies a more solid anchorage to fundamental social rights, better if updated to factor in major changes in the world of work.

The ASPE Group stresses that the European Union will be called upon to legislate quickly before national systems move in diverging directions, namely to regulate just transition and new digitalised forms of work and occupational welfare schemes for an ageing population. It will have to do so with more efficient legislative processes starting with the use of qualified

⁴ This emerges also from the SHAPE project, Report Workpackage 2 [TITLE AND LINK] when investigating the making of the Maastricht Treaty -

majority voting and a wider use of regulations and decisions. It will have to enhance legislative techniques that include horizontal subsidiarity, among which the necessary provision for a European collective agreement stands out. It will have to rewrite the scope of the principles of proportionality and subsidiarity. A corollary of these indications is the consolidation of the fundamental rights in the European legal system.

In this evolutionary progress of the European labour system, the European social dialogue may find a new configuration on the basis of a new pact between social partners that has its heart the Maastricht's vision of labour market co-regulators which the autonomous regulatory capacity of the social partners on typically transnational matters may be added to. The constitutional chain peace-social justice-decent work seem to serve well this objective as well.

The Union's legal system must be conceived in a way that protects and promotes fundamental rights of work and workers in every corner of the Union. The ASPE Group believes that the EU legal system has consolidated a body of fundamental rights, the heart of which is the heritage of common constitutional provisions, the culmination of which is represented by the Charter of Nice of 2000, the horizon of which is accession to the European Convention on Human Rights.

At the same time, the anchorage of the EU legal order (including those of its member states) to social fundamental rights is dramatically shackled by global disorders and transforming nature of work. **Embodying the fundamental rules that humanity built along the decades in the UN family and multilateral global institutions, in its Treaties, is a way for the EU to hold such core principles in trust for future generations.** Actually, human rights and governance frameworks that have been built in the UN, and ILO in particular, are sign of intellectual progress of humanity and this legacy should not be wasted. This is a task that only the European countries, via their common institutions, can accomplish.

For this to happen, action is required. **As matter of fact, the Union's legal system is not able to provide a safe haven for the fundamental rights of work and workers in every corner of the Union.** In the rush for competitiveness, security, strategic autonomy and preparedness, we have overhauled the traditional taxonomy of fundamental values. It is no longer clear what workers' protections must be subtracted from the competition game in rapidly evolving markets and, on the other, there is no unanimous consensus on the values that the European institutions are called upon to translate into real protections for the benefits of their citizens. A reinforced catalogue of social fundamental rights is thus necessary.

The ETUC proposal for a Social Progress Protocol⁵ found a political consensus either in the Conference on the Future of Europe and in the EP proposals for a Treaty Revision in 2024⁶. It

⁵ [ETUC Resolution on an Updated Proposal for a Social Progress Protocol | ETUC](#)

⁶ [REPORT on proposals of the European Parliament for the amendment of the Treaties | A9-0337/2023 | European Parliament](#)

insists on the need to rebalance objectives of the EU Treaties also ensuring a wider and deeper application of EU recognised fundamental equally rights across EU and national systems.

We look with concern at the ability of "economic constitutions" to advance at the expense of "social constitutions". Even in recent judgments of the European Court of Human Rights, a certain disenchantment can be perceived in those who do not share the dominance of the logic of the market in the management of public affairs. What is compromised is not so much the Union's ability to carry out its mission (Article 3) but the Union's propensity to be guided by the need to impose common values (Article 2 TEU) in a game in which the interests of the market tend to prevail over the interests of citizens in their most socially relevant guise.

As matter of conclusion, some guidelines are identified to face a path that links the entire European legal system to fundamental rights and bring the protection of work and its dignity back to the centre of the political agenda to confirm the solemn principle that lasting peace is built on social justice. In a proactive attitude, the ASPE Group believes that

- a. The European social model, and with it the resilience of the European integration process, must be enhanced and competition between social and economic must be removed. **It therefore recommends reaffirming the dignity of work and full employment as fundamental values of the European Union**, for example by acting on Article 2 TEU.
- b. In the wake of fundamental and universal values, **combine peace with social justice as foundation of the three missions entrusted to the European Union**, namely the area of justice and freedom of movement, the internal market and the single currency.
- c. Broaden the scope of the European Union to formulate a body of **legislation for just transitions**.
- d. To make the fundamental principles of **digital labour regulation** a pillar of the European legal system.

PROPOSALS TO CHANGE THE TREATY ON THE EUROPEAN UNION

TEU Article 2: VALUES OF THE EU

In the current geopolitical turmoil, on the brink of a global conflict, humanity should firmly uphold the fundamental principles that unite people worldwide—those principles agreed upon within their international and multilateral institutions. According to these values, the human aspiration to consolidate peace is deeply rooted in the tireless pursuit of social justice. It can also be said that social justice is a direct expression of the right to peace. This principle applies equally to the European Union and its integration process.

If peace has been preserved over the decades through social justice, there is broad consensus that social justice is intrinsically linked to decent work, the contractual arrangements that govern it, and the dignity of those who work. This reflects the legacy of the UN family, and namely the ILO, which, in shaping fundamental laws, emphasizes the strong connection between peace, social justice, and the dignity of work. The association between peace and social justice cannot be reduced to a mere self-imposed abstention from warring behaviours. It is more than that—it is a positive right that compels democratic public authorities to conceive of peace as a space in which rights, freedoms, and justice can flourish, grounded in a logic of continuous improvement in people’s working and living conditions (this is social progress).

In the EU, this vision implies the development of a new legal order that places the dignity of work and equal treatment of all citizens at the heart of its mission. Translated into a renewed institutional architecture of the EU that fits for the future, it means elevating decent work (being in employment as a guarantee of dignity), sustainability (preserve the planet and its resources for future generations of workers), tolerance (towards all types of diversity), dialogue (in the open and inclusive exercise of public powers), cooperation (among all societal actors) and solidarity (trust in the fairness of the economic model) at the foundations of the 3 missions of the EU when establishing a space of freedom, security and justice, an internal market and the single currency, the Euro.

Article 2 TEU

The Union is founded on the values of respect for human dignity, freedom, democracy, equality, **social justice, sustainability**, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, **decent work**, solidarity and equality between women and men prevail. [SHAPE]

Member states accept the rule of law as fundamental value ensuring that every person who live and work in the EU is treated in the respect of the EU fundamental values and collaborate sincerely and effectively in the realisation of the aim of the Union as specified in Article 3. [SHAPE]

These amendments inspire a new taxonomy of the EU's fundamental values. The EU, in fulfilling its missions, has both the task and the duty to transform these values into concrete rights for all who live and work within the EU—making them an integral part of European citizenship, and thus enforceable within the Union and protected beyond its borders. From here, the relevance of rule of law extends beyond the mere defence of economic interests of the Union and is the precondition for the actual enjoyment of fundamental values including those which fundamental social rights stem from.

TEU Article 3: MISSION

This implies that article 3 should reflect a new institutional arrangement in which peace, social justice and decent work are the ultimate aim of a political community that comes together to create an area of freedom, justice and security, to empower a single market for competitive enterprises, to preserve the planet for future generations and to set their common destiny in a single currency. While each of the traditional missions of the EU implies a specific role for social policies, some societal boundaries (including environmental concerns) should be conceived as overarching, as they directly express the constitutional chain *peace-social justice-dignity of work*.

A new paradigm of the European integration process **would bring fresh energy to the EU action.** As the recent historical events demonstrate, the current market-centric integration model ends up being an obstacle to a full political integration of the EU. Actually, the EU showed to be strong on social progress but weak on social justice. Long term economic performance of the EU shows that people's well-being improved along the decades, but social justice goes beyond metrics and data. It is not just about measuring the economic status of individual citizens. It encompasses equality of opportunity, access to quality education, decent jobs, protection from life's adversities, and living in a sustainable environment. It concerns common goods—beyond the single market and the Euro—that give full meaning to EU institutions. Social justice gives direction as society evolves under the impact of technological advances or demographic shifts—not only from an economic resilience perspective, but primarily from the standpoint of civic growth and societal unity.

Elements of social justice appeared in the Constitutional Treaty drafted and later rejected in 2003. The new millennium has made it clear that no single Member State can face today's challenges alone. This was reaffirmed by Member States in the Versailles Declaration of 2022, when the Russian threat overlapped with the pandemic crisis. **The future of the EU is in the hands of those who will strike a new balance in the patterns of EU integration.** The continued attempt to rebalance the redistribution gaps of the single market is a monumental task, unless changing the foundational principles of the EU that makes social progress a component of social justice and not the trickling down effect of sustained economic performance that continuously stresses the limits of the planet and the resilience of our societies.

8. Pro-European voices may also propose that social progress is a corollary of social justice and dignity or work and article 3 is thus amended as follows:

PREAMBLE

- moved by sentiments of justice and humanity as well as by the desire to secure the permanent peace of the world,

TEU: Article 3

1. The Union's aim is to promote **lasting** peace, **based on social justice**, its values and the well-being of its peoples, **and with a view to attaining the objectives of social progress, human dignity, well-being and personal development of people in conditions of freedom and dignity, in life as at workplace, of economic security and equal opportunity.**

2. The Union shall offer its citizens an area of freedom, security and justice without internal frontiers, in which the free movement of persons is ensured in conjunction with appropriate measures with respect to external border controls, asylum, immigration and the prevention and combating of crime.

3. In the respect of its values, the Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance.

It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.

It shall promote economic, social and territorial cohesion, and solidarity among Member States.

It shall respect its rich cultural and linguistic diversity, and shall ensure that Europe's cultural heritage is safeguarded and enhanced.

4. The currency of the EU is the Euro. The Union shall establish an economic and monetary union whose currency is the euro, **for a competitive economy, full employment, quality public services, and the continued improvement of the living and working conditions of its people .**

*[Alternative text: 4. **The currency of the EU is the Euro.** The Union shall establish an economic and monetary union whose currency is the euro **securing to their populations the social rights enshrined in [mention here relevant Charters of fundamental rights] to improve their standard of living and their social well-being: [European Social Charter].***

5. In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens.

6. The Union shall pursue its objectives by appropriate means commensurate with the competences which are conferred upon it in the Treaties.

It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter. **It shall contribute to peace, promoting social, economic, environmental and security of its population, pursuing a holistic approach to the achievement of Sustainable Development Goals of the UN.**

TEU Article 4 - 10: Economic governance of the EU.

The legislative framework of economic governance does, in fact, encompass social objectives and recognizes the role of social partners but it does not establish a solid and permanent framework to pursue the intertwined objectives of social policy, cohesion policies and social dialogue. **Regulation (EU) 2024/1263** is a clear example. The **European Pillar of Social Rights (EPSR)** promotes the upward convergence of working and living conditions. The coordination of **Multiannual Financial Framework (MFF)** expenditure through the **European Semester** connects economic governance with territorial and social cohesion.

However, it is evident that the social dimension of the EU's economic governance remains secondary to fiscal stability and macroeconomic convergence. This imbalance has often led many practitioners to question whether it is truly possible to align the EU's monetary, economic, and social policy objectives⁷. **The EPSR is elevated to a Treaty relevant policy tool which is conceived as a “living” document that can evolve along the years but remains a landmark of the EU social space.**

The lack of trust between Member States—manifested, for example, in treaty provisions that prohibit fiscal transfers—has contributed to relegating social objectives to the background of the European Semester's priorities. This is one reason why **social partners** continue to struggle to find meaningful involvement in recent programs that support EU reform and investment policies, even when these programs clearly impact how we work, produce, and consume.

In the light of this experience, the following amendments do not aim at reforming the architecture of the fiscal multilateral surveillance of the EU (which would be surely necessary)

⁷ [e.g., Rethinking the EU, Buti, Clement]

but focuses on the reinforcement of the social dialogue and the EPSR in the overall cycle of coordination of fiscal, economic and social policies of the EU.

Article 4 bis of the TEU, is needed to introduce such principle in the TEU reflecting a need that already emerged during the works of the European Convention.

Article 4 bis

1. The Union shall adopt measures to ensure coordination of the economic policies of the Member States, in particular by adopting broad guidelines for these policies. The Member States shall coordinate their economic policies within the Union.

2. Specific provisions shall apply to those Member States which have adopted the euro.

3. The Union shall adopt measures to ensure coordination of the employment policies of the Member States, in particular by adopting guidelines for these policies aimed at achieving an upward convergence of working and living conditions of people.

4. The Union shall adopt initiatives to ensure coordination of Member States' social and environmental policies with the aim to eliminate poverty and ensure equal opportunities to the development of personality and professional abilities of young people.

The principle of involving social partners in shaping EU social policies through its governance mechanisms reflects a broader commitment to participatory democracy. This concern was highlighted both during the work of the European Convention and by the European Parliament in 2024. The latter proposed an amendment to Article 10 of the Treaty on European Union (TEU), while the European Convention had previously proposed the inclusion of a new Article 11, which aligns well with the new central focus of the EU as outlined in the proposed amendment to Article 3 TEU.

TEU, Article 10

1. The functioning of the Union shall be founded on representative democracy.

2. Citizens are directly represented at Union level in the European Parliament. Member States are represented in the European Council by their Heads of State or Government and in the Council by their governments, themselves democratically accountable either to their national Parliaments, or to their citizens

3. Every citizen shall have the right to participate in the democratic life of the Union.

3a. Decisions shall be taken as openly and as closely to the citizen as possible [European Parliament]

4. Political parties at European level contribute to forming European political awareness and to expressing the will of citizens of the Union.

4a. Social partners shall be consulted in the preparation of any initiatives in the areas of social, employment and economic policy.

TEU, Article 11 [from the text of the EU Constitution]

1. The institutions shall, by appropriate means, give citizens and representative associations the opportunity to make known and publicly exchange their views in all areas of Union action.
2. The institutions shall maintain an open, transparent and regular dialogue with representative associations and civil society.
3. The European Commission shall carry out broad consultations with parties concerned in order to ensure that the Union's actions are coherent and transparent.

4. The European Union recognises and promotes the role of the social partners at Union level, taking into account the diversity of national systems; it shall facilitate dialogue between the social partners, respecting their autonomy.

PROPOSALS TO CHANGE THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION

The amendments proposed above must be reflected in the Treaty on the Functioning of the European Union.

TFEU, Article 119: UPWARD SOCIAL CONVERGENCE

In order to give real operational scope to social policies and social dialogue, economic governance must adopt full employment as a convergence criterion applicable across economic, fiscal, and monetary policies. Common objectives should support the implementation of the European Pillar of Social Rights (EPSR) within a Social Convergence Framework, in which instruments like the Employment Guidelines and the Social Scoreboard are given new momentum. These changes would gain broader significance if MFF (Multiannual Financial Framework) expenditure were more extensively subject to country-specific recommendations derived from the European Semester [Reference will be made to EC proposal on the 16th July].

The main changes should therefore apply to the fundamental rules of **economic governance**, rather than solely to **Title IX on Employment**. However, both domains must work in synergy. Greater consistency is needed between employment and economic policies to ensure they mutually reinforce each other.

TFEU, Article 119 TFEU

For the purposes set out in Article 3 of the Treaty on European Union, the activities of the Member States and the Union shall include, as provided in the Treaties, the adoption of an economic policy which is based on the close coordination of Member States' economic policies, on the internal market and on the definition of common objectives, and conducted in

accordance with the principle of an open market economy with free competition **that aims to achieve full employment and social progress.**

Full employment is only one element of a rebalanced economic governance. The EU should be given a clear mandate to develop policies that co-regulate or guide decisions on workers' protections in the context of technological change and labour transitions. Expanding the scope of EU action in these areas is essential, provided that this broader competence is fully framed within:

- i) a new, reinforced capacity for social partners to participate;
- ii) a stronger anchoring of EU legal frameworks in fundamental labour rights; and
- iii) the full recognition of social objectives as integral to EU economic governance.

Article 145 TFEU

Member States and the Union shall, in accordance with this Title, work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce, **able to take pace with technological developments,** and **inclusive labour markets responsive to economic change, economic and labour transitions with** a view to achieving the objectives defined in **Article 3** of the Treaty on European Union.

At this point we have created a situation in which the economic governance can operate for *full employment*, giving greater attention to two regulatory challenges concerning *innovation and labour transitions*, seeking greater support from *social partners* in their capacity of policy makers and (not only legislative proposals but also) transmit policy decisions from the EU to national levels.

Article 148 TFEU is the appropriate provision where such advancements can be systemically and conclusively designed. Changes proposed below have the only task to make article 120, 122 and 126 TFEU consistent with the new constitutional centrepiece set in article 3. The Social Convergence Framework is not entirely new—it is already referenced, albeit partially legitimized, in Regulation 2024/1263 and has been integrated into the 2025 European Semester cycle. However, ambiguity persists regarding its nature, as it sits halfway between a monitoring/analytical tool and a policy-driving mechanism. It is crucial that the Social Convergence Framework is granted the same legal footing in the TFEU as other coordinated policies within the European Semester.

The main innovation lies in the provision that allows social partners in the relevant Member States to jointly submit proposals addressing social challenges identified within the Social Convergence Framework. This would significantly enhance the promotional value of social dialogue and substantially strengthen the democratic legitimacy of the European Semester process. Once again, this prerogative must be firmly tied to the social objectives of upward convergence in working and living conditions and must recognize the European Pillar of Social Rights (and its Action Plans) as the overarching social programme of the EU.

The EPSR is elevated to a Treaty relevant policy tool which is conceived as a “living” document that can evolve along the years but remains a landmark of the EU social space.

Article 148 TFEU

1. The European Council shall each year consider the employment situation in the Union and adopt conclusions thereon, on the basis of an annual report by the Commission **containing information from the reports referred to in paragraph 3.**

2. On the basis of the conclusions of the European Council, **the European Parliament and** the Council, on a proposal from the Commission and after consulting the Economic and Social Committee, the Committee of the Regions and the Employment Committee referred to in Article 150, shall each year draw up guidelines which the Member States shall take into account in their employment policies. These guidelines shall complement the broad guidelines adopted pursuant to Article 121(2) **[and aim to ensure the implementation of the European Pillar of Social Rights proclaimed by the European Parliament, the Council and the Commission in 2017 at the Gothenburg Summit.**

3. Each Member State shall provide the Commission with an annual report on the principal measures taken to implement its employment policy in the light of the guidelines for employment as referred to in paragraph 2.

4. The European Parliament and the Council, on the basis of the reports referred to in paragraph 3, shall each year carry out an examination of the implementation of the employment policies of the Member States in the light of the guidelines for employment. **The European Parliament and** the Council, on a recommendation from the Commission, may, if they consider it appropriate in the light of that examination, make recommendations to Member States as result of **a process aiming to upward social convergence of which in article 121.**

5. On the basis of the results of that examination, the Commission shall make an annual report to the European Parliament and to the European Council on the employment situation in the Union and on the implementation of the guidelines for employment.

6 NEW: A social convergence framework is set up to monitor development of member states in such policy areas pointed out in the broad economic guidelines and the employment guidelines of which in par. 2. In occasion of the annual report of which in par. 3, [Joint Employment Report], the European Commission and the employment committee, after prior-consultation with the European social partners, monitor the consistency of member states performances on the basis of the objectives in par. 2 as well as according to the common objectives of full employment, upward convergence of working and living conditions, and fight against poverty.

7. NEW : On the basis of the analyses of which in the previous paragraph, the Council, on proposal of the Commission and Employment Committee, having consulted the national representative social partners, may address recommendations to member states in the framework of the prerogatives of which in article 121.4. If they wish so, representative national social partners may decide to submit to the European Commission and the Employment Committee, in due time, common proposals, under the

form of joint letter, to address challenges identified in the process of the social convergence framework. The Commission and the Employment Committee shall transmit the proposals of the representative social partners to the Council in the framework of the proposals for recommendations submitted to the Council.

TFEU Article 151: Social Fundamental Right

A strengthening of the EU's capacity to promote and enforce fundamental rights is linked to the expansion of its scope of action and the increased use of qualified majority voting. It is also driven by recent episodes of democratic backsliding in some Member States and by concerns raised by certain constitutional courts, which have begun to question the hierarchy between European and national legal sources.

This proposal is specifically limited to reinforcing the anchoring of the EU legal order in support of social policies and the role of social dialogue, as a contribution to embedding the new constitutional nexus between peace, social justice, and decent work. It does not aim to fulfil the broader need to fully ground the EU legal system in fundamental rights.

As history teaches, the EU social model is subject to continuous political stress and economic shocks. For that reason, during the Conference on the Future of Europe, the proposal from the trade union movement for a **Social Progress Protocol** was adopted in the COFOE conclusions and taken up by the European Parliament in its Resolution asking the activation of article 48 for the revision of EU Treaties. **The objective is to maintain a policy tool that guarantee the new balance stroke by the implementation in the EU treaty of the constitutional pattern that puts peace, social justice and social progress at the core of the EU mission.**

The European Declaration on Digital Rights and Principles for the Digital Decade is hereby used as placeholder for a full-fledged catalogue of fundamental principles concerning digital and technological advancement at workplace and in the employment relationship. The European Parliament, the Council and the Commission solemnly proclaimed the Declaration on Digital Rights and Principles for the Digital Decade in 2023 but its labour-related contents could be surely enriched if submitted to close consultation with social partners.

Article 151

The Union and the Member States, having in mind fundamental social rights such as those set out in the revised European Social Charter signed at **Strasbourg on 3 May 1996, in the 1989 Community Charter of the Fundamental Social Rights of Workers, the European Declaration on Digital Rights and Principles for the Digital Decade, and in particular its Chapter II, and in the Charter of Fundamental Rights of the European Union,** shall have as their objectives the promotion of employment, improved living and working conditions, support workers during labour transitions, and ensures high level of protections to workers hit by technological advancements, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting

high employment and the combating of exclusion with a view to lasting high employment and the combating of exclusion. [EP + SHAPE]

To this end the Union and the Member States shall implement measures which take account of the diverse forms of national practices, in particular in the field of contractual relations, and the need to maintain the competitiveness of the Union economy **and it does not create harm to the implementation of the European Pillar of Social Rights, the programmes implementing it and to the process of upward convergence of working and living conditions of Europeans.**

They believe that such a development will ensue not only from the functioning of the internal market, which will favour the harmonisation of social systems, but also from the procedures provided for in the Treaties and from the approximation of provisions laid down by law, regulation or administrative action.

Specific provisions relating to the definition and implementation of social progress and the relation between fundamental social rights and other Union policies shall be defined in a protocol on Social Progress in the European Union annexed to the Treaties.

TFEU Article 152. CROSS-BORDER CONTRACTUAL ARRANGEMENTS

In the light of the integration of the single market, and the capacity of businesses and workers to get organised and maximise their economic return of their cross-border operations, labour negotiations must match that scale. A structured EU framework would empower workers' representation at the right level.

The EU legal system seems to accompany such economic trend adapting company law, with a cross-border industry policy and deepened single market. The real capacity of social partners to engage in cross-border contractual arrangement seem to be may scale up the regulation of matters that are at the core of present and future EU policies such as employment transitions and reskilling, health and safety, gender equality and inclusion, work-life balance, company-wide commitments to sustainability,

A promotional framework would help ensure these eventual cross-border agreements are not just symbolic but operational and enforceable, supporting fair outcomes for worker. However, the definition of a set of rules that promote cross border collective agreements can only be produced by social partners in the search of an equilibrium between the need to offer collective bargaining coverage to all European workers and to protect most advanced systems from possible lowering of acquired rights and opportunities.

Lessons from the past are key. It is not in the remit of the EU institutions to constrain social partners into heteronomous legal frameworks. What is in the EU legitimate interest is to support social partners with the exploration of features of a new regime of industrial relations that may result in cross-border contractual arrangements that have direct effects on workers and enterprises, in matters that strictly concern the social partners, and that are applicable only when manifestly improving standards set in lower collective bargaining levels.

Article 152

The Union recognises and promotes the role of the social partners at its level, taking into account the diversity of national systems. It shall facilitate dialogue between the social partners, respecting their autonomy.

NEW: The Union promotes cross-border contractual arrangements between European Social partners. It encourages European social partners to establish frameworks in which their relationships may result into contractual arrangements that supports the objectives of which in article 151.1 and are uniformly applied on the EU territory, proved that it does not create harm to levels of protection that national systems and/or practices grant to workers and it does not harm the smooth development of national practices of collective bargaining and industrial relations.

The Tripartite Social Summit for Growth and Employment shall contribute to social dialogue.

TFEU Article 153: COMPETENCES DRIVEN BY FUTURE OF WORK.

The following items will likely be in the pipeline of the EU legislative work (following intentions of EU institutions and social partners). They represent areas where a raising of minimum common standards is urgent or desirable. The following list is drafted referring to what appears in the European Commission programme 2024-2029, in the mandate letter of the European Commissioners, in the legislative train of the EU, in the prominent demands of the European Trade Union movement and other stakeholders.

For what the raising of minimum standards are concerned: Right to disconnect, telework, and remote working, working nomads; a Just Transition Directive; a quality traineeship directive; employment regime of platform workers; right to receive vocational training; financing and solidarity in work-life balance policies; men and women equality and *gender* equality; cross-border legislative frameworks for corporate governance and implications on collective bargaining and workers participation; women participation in the labour market (as matter of justice at large and not employment policy).

To balance the stability and growth pact: insurance schemes for childcare, adequate pensions, and family support, right to receive training and Life-Long learning opportunities; avoiding career interruptions for women with small children; promoting dual earner families; gender-equal parental leave; smoothing transitions from study to first job;

With reference to the deepening of the single market: Labour related aspects of Artificial Intelligence; Labour related issues of data protection and privacy; EU-level Pension funds; Social protection and portability of rights; Labour market services, such as academies, matching services; Derogations to social and environmental provisions in presence of economic objectives of higher interest (OSA regulations) and social conditionalities; wage formation in sectors in which cross-border employment relationships are dominant or systemic;

Corporate governance, due diligence and other patterns related to sustainable finance; role of information, consultation and participation in planning, issuing and use of proceedings of sustainable finance securities.

Of course, this cannot be a complete list of topics on which the EU will likely be called to legislate upon. It shows that the future of work calls for a capacity to legislate to maintain a balance between social, technological and social advancements.

Article 153

1. With a view to achieving the objectives of Article 151, the Union shall support and complement the activities of the Member States in the following fields:

(a) improvement in particular of the working environment to protect workers' health and safety;

(b) working conditions, **including formation of minimum pay levels, except wage level setting and in respect of autonomy and freedom of social partners to set wage levels through collective bargaining.**

(ba) **just transition and anticipation of change and adaptation of working conditions to technological development**

(bb) without prejudice to articles 165 and 166 TFEU, strengthening training and education programmes of employees;

(c) social security and social protection of workers;

(d) protection of workers where their employment contract is terminated;

(e) the information, consultation **and participation** of workers;

(f) representation and collective defence of the interests of workers and employers, including co-determination, subject to paragraph 5;

(g) conditions of employment for third-country nationals legally residing in Union territory;

(h) the integration of persons excluded from the labour market, without prejudice to Article 166;

(i) the promotion of gender equality with regard to labour market opportunities and treatment at work;

(i bis) work life balance and welfare at work

(j) the combating of **poverty and** social exclusion, **and the supporting of social housing;**

(l) the modernisation of social protection systems without prejudice to point (c)

2. To this end, the European Parliament and the Council:

(a) may adopt measures designed to encourage cooperation between Member States through initiatives aimed at improving knowledge, developing exchanges of information and best practices, promoting innovative approaches and evaluating experiences, excluding any harmonisation of the laws and regulations of the Member States;

(b) may adopt, in the fields referred to in paragraph 1(a) **to (k)**, by means of directives, minimum requirements for gradual implementation, having regard to the conditions and technical rules obtaining in each of the Member States. Such directives shall avoid imposing administrative, financial and legal constraints in a way which would hold back the creation and development of small and medium-sized undertakings.

The European Parliament and the Council shall act in accordance with the ordinary legislative procedure after consulting the Economic and Social Committee and the Committee of the Regions.

~~In the fields referred to in paragraph 1(c), (d), (f) and (g), the Council shall act unanimously, in accordance with a special legislative procedure, after consulting the European Parliament and the said Committees. [European Parliament]~~

~~The Council, acting unanimously on a proposal from the Commission, after consulting the European Parliament, may decide to render the ordinary legislative procedure applicable to paragraph 1(d), (f) and (g). [European Parliament]~~

3. A Member State may entrust management and labour, at their joint request, with the implementation of directives adopted pursuant to paragraph 2, or, where appropriate, with the implementation of a Council decision adopted in accordance with Article 155.

In this case, it shall ensure that, no later than the date on which a directive or a decision must be transposed or implemented, management and labour have introduced the necessary measures by agreement, the Member State concerned being required to take any necessary measure, **including, at request of most representative social partners at national level, extending the effects of the measures established by agreement**, enabling it at any time to be in a position to guarantee the results imposed by that directive or that decision. [SHAPE]

TFEU Article 154 : safeguard clauses

Such challenges to be properly addressed at EU level, a change of pace is needed in the EU legislative capacity. Such new capacity pass through the redefinition of subjects of competence of the EU and an extensive use of qualified majority voting, proved that the EU has a reinforced anchorage to labour fundamental rights and in presence of a non-regression clause as strong as the new legislative capacity of the EU that impedes that EU legislation may threaten most advanced systems.

Article 154

...

4. The provisions adopted pursuant to this Article:

- shall not affect the right of Member States to define the fundamental principles of their social security systems and must not significantly affect the financial equilibrium thereof,
- shall not prevent any Member State from maintaining or introducing more stringent protective measures compatible with the Treaties.

- shall not constitute valid grounds for lowering the level of protection already accorded to workers in the Member States, [European Parliament]

5. The provisions of this Article may apply to right of association and the right to strike ~~or lock-outs~~ for the only purpose of promoting the EU fundamental rights of which in article 151 TFUE and promoting EU values in Article 2 of the TUE, in respect of core ILO Conventions 87 and 98. [SHAPE]

Changes in article 155 are just a consequence of those made in previous articles

Article 155

1. Should management and labour so desire, the dialogue between them at Union level may lead to contractual relations, including **transnational** agreements. [SHAPE]

2. Agreements concluded at Union level shall be implemented either in accordance with the procedures and practices specific to management and labour and the Member States or, in matters covered by Article 153, at the joint request of the signatory parties, by a Council decision on a proposal from the Commission, **after consulting the European Economic and Social Committee and after obtaining the consent of the European Parliament.**

~~The Council shall act unanimously where the agreement in question contains one or more provisions relating to one of the areas for which unanimity is required pursuant to Article 153(2). [SHAPE]~~