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Press Release: The future of social protection and of the welfare state in the EU**Report of the High-Level Group**

On 7 February 2023 the [launch event of the report of the High-Level Group on the Future of the Welfare State took place](#). In its final report, the High-Level Group developed a vision on how to reinforce social protection systems and the welfare state considering ongoing and new challenges, in a medium to long-term (looking ahead to 2030).

The conclusions of the report underscore the importance of an inclusive and fair welfare state to minimise social risks and mitigate economic hardship, while supporting economic output and individual well-being. A modern welfare state should provide strong buffers against economic shocks and invest in 'stepping stones' that help people across critical life-course transitions. Recognising there are no one-size-fits-all solutions for the diverse European welfare states, the report puts forward a list of 21 recommendations to modernise and reinforce the welfare state.

AEIP welcomes the conclusions of the report and considers it as an important step towards reconciling the European growth agenda with social rights and to support the implementation of the European Pillar of Social Rights (EPSR). Nevertheless, AEIP wishes to make the following observations:

- Overall AEIP suggests that to consider how to adapt welfare states fit for the future, it is **fundamental to adopt a multi-dimensional, holistic approach to reflect on several interrelated issues such as family policies, migration and ecologically-sustainable demographic trends**. These are relevant aspects to deliver an inclusive policy response to Europe's demographic and ageing challenges.
- **Occupational pensions and earning-related pensions are key institutions for the provision of adequate pensions for all**. Old age poverty risks can be reduced by making sure that individuals from early on make clear decisions on their retirement and that they are covered by retirement institutions.
- **Occupational social protection can play an important role against low-income and poverty of the elderly**, by assisting them with the **much-needed healthcare and long-term care services** during their old age.
- In addition, and given the **considerable fiscal pressure** exerted on the traditional social model together with the particular difficulties faced by the state to maintain the current system, **complementary public institutions for collectively granting protection to vulnerable groups can be a sound response for coping with these challenges**.
- The Member States and social partners should promote the **collective insurance model by ensuring that occupational and earning-related pension schemes are available as well as appealing**. A relevant action could be the enhancement of coverage by **collective schemes and the introduction of quasi-mandatory** mechanisms (or nudge mechanisms such as automatic enrolment) to the schemes.
- AEIP supports the principle embedded in the EPSR, according to which every individual has the **right to timely access affordable, preventive and curative health care of good quality**. As **non-for-profit social protection providers, paritarian institutions are a key stakeholder for**

citizens who benefit of their coverage and services, in addition to those offered by their social security systems.

- **Proper regulatory framework in all Member States should be promoted to extend formal coverage** to workers in non-standard forms of employment and the self-employed.

In a broader perspective, social partners and paritarian institutions play an important role in transforming the future of the welfare state. Moreover, their collective nature and governance model maintain the deep trust of members and beneficiaries. In light of the trends highlighted by the report, AEIP supports the need for adequate social protection for all. Demographic, digital and climate changes are challenges that can be addressed through the strong connection of social partners with public institutions and societal stakeholders.

AEIP highlighted these points, together with the pivotal role that paritarian institutions can play in a democratically driven transformation of the EU welfare states, during the social dialogue on the High-Level Group on the future of social protection and of the welfare state in the EU organised by the European Commission in April 2022. To read the AEIP's contribution, please click [here](#).

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AEIP represents the European Paritarian Institutions of Social Protection in Brussels since 1997. The Association gathers 29 leading large and medium-sized social protection providers, which are managed on the basis of joint governance and equal representation by both employees and employers' organizations (the social partners) in 12 EU Member States.

AEIP represents its members' values and interests at the level of both European and international institutions. In particular, AEIP - through its working groups - deals with EU coordinated pension schemes and pension funds, healthcare, unemployment, provident and paid-holiday schemes.

Owing to the quality of its members and to the delegation of powers conferred to its Board, AEIP aims at becoming the leading body for the promotion of balanced paritarian social protection systems in Europe. AEIP promotes and develops programs and orientations aiming at the sustainability of paritarian social protection systems at local level taking into account the national specificities aiming at ensuring social cohesion in Europe.

Based thereon, AEIP prepares recommendations, proposes local programs and influences European decisions to safeguard and promote the interests of its members. AEIP thinks ahead and anticipate modern paritarian social protection systems that take into account changing economic and societal pattern. It furthermore seeks to find a new balance between and across generations.

For more information: www.aeip.net