

THE GREAT SHIFT

From a broken world to sustainable well-being



progressive
society

Report by the Independent
Commission for Sustainable Equality

— SHORT VERSION



Group of the Progressive Alliance of
Socialists & Democrats
in the European Parliament

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About Progressive Society

Progressive Society is an initiative by the Parliamentary Group of the Progressive Alliance of Socialists & Democrats in the European Parliament (S&D Group) under the joint leadership of S&D Group President Iratxe Garcia Pérez and Vice-President Eric Andrieu.

It was launched in January 2018 and its mission is to enrich the S&D Group's political work across a wide range of European and global policies in a framework of sustainable development.

The initiative produced a first policy report in November 2018 in view of the subsequent European elections and the 2019-2024 parliamentary term. This report was developed with a first Independent Commission for Sustainable Equality, co-chaired by Poul Nyrup Rasmussen and Louka Katseli. It helped to shape the 2019 electoral programme of the Party of European Socialists and many of its policy recommendations then found their way into the work programme of the new European Commission.

The S&D Group is the only parliamentary group in the European Parliament to apply a coherent sustainable development strategy to the policies it pursues. In order to support this approach with vision and ideas, and to connect its political action with other stakeholders, particularly in the trade unions and among non-governmental organisations, Progressive Society will continue to deepen and to broaden our understanding of sustainability challenges, and of how progressive policies must change to drive the on-going transformation towards our ultimate goal - a society of sustainable well-being for everyone.

Foreword

Imagine a society that puts people's well-being first, where policies and politics are driven by a sustainable and inclusive model. Imagine a society where economic growth is not the only measure of success. The progressive society we believe in is not a utopia. It is both possible and essential to guarantee a sustainable way of life. However, our ambitions require a Great Shift. More and more people share our collective aspirations. More people are aware that capitalism has become an unfair and inhumane economic paradigm. More people understand that the fixation with economic growth is taking our planet to its limits, creating bigger gaps between the rich and the poor and undermining our social models. Our aspirations are now widely accepted at the highest political level in Europe. EU heads of state and government reached the conclusion at a recent Social Summit in Porto that growth means nothing if it does not make people's lives better.

People and their problems need to be at the heart of public policies. Instead of addressing systemic failures in the current model, citizens have been made to believe that GDP-led policies and fiscal consolidation were the only options on the table. This is how austerity came to dominate the EU as a fatalistic truth over the past decade. Austerity is a failed political choice, and the pandemic has exposed the underinvestment in key public services, especially on health and research, in the cruellest way. The time has come to look beyond GDP. We need to stop the human suffering and environmental destruction that we find behind today's macroeconomic models and move away from an excessive focus on economic gains.

We are living in extraordinary times and future generations will judge us on our efforts to emerge from this pandemic stronger and to help those that need it the most. Despite a sluggish initial response, the crisis has turned into a wake-up call. EU leaders are showing they have learned the lessons from the past. COVID-19 has affected our lives in major and unprecedented ways, socially, economically and culturally. The pandemic has exacerbated existing inequalities in almost all sectors of society. The post-pandemic future cannot be based on a "business as usual" approach, but rather requires a radical rethinking of our society and economy. Sustainable well-being, including ecological, health and social progress and gender equality, must be at the heart of how we shape the future.

Citizens expect politicians to provide new and concrete answers. People demand a new European social contract. To respond to people's expectations, we have decided to revive the work of Progressive Society and provide a comprehensive and horizontal outlook on all our policies as a guide for our political action. This is not a mere philosophical or intellectual exercise. Through this work, the S&D Group is looking to deliver real change. We have done it before and we will do it again. In the Progressive Society's last report, more than half of the 110 recommendations were incorporated into the current Commission Work Programme, including the European Green Deal, the Action Plan to implement the European Pillar of Social Rights and the reform of the European Semester based on the UN Sustainable Development Goals. We have left a clear footprint in the European agenda with historic achievements such as the Next Generation EU. Our focus is on a socio-economic recovery that leaves nobody behind. However, given the magnitude of the challenges ahead, we need to do even more.

The Great Shift is the result of dedicated work by the Independent Commission for Sustainable Equality, co-chaired by Poul Nyrup Rasmussen and Teresa Ribera Rodríguez. The Great Shift is about ensuring we are equipped to cope with the demanding times that we live in by pursuing a new, forward-thinking, ambitious and realistic set of policy proposals. The Great Shift is our shared vision for a progressive society, where carbon neutrality and sustainable equality by 2050 are at the heart of our strategy.

In the S&D Group, we have already changed our decision-making process to make it more inclusive and more participatory. We integrate new ideas and translate them into concrete political action. We are ready to continue to do this for the task ahead with the vision and the plan to achieve it. Starting now through to 2024 and beyond, it is time to make the great shift towards a better future.



Iratxe García Pérez
President of the S&D Group
in the European Parliament

Foreword

The Coronavirus pandemic the world is currently fighting confirms that health and ecological emergencies are more closely linked than we thought. The pandemic is also having increasingly destructive effects on the economy and on the social fabric of our societies. How dramatic these effects will ultimately be is still difficult to gauge. This will largely depend on the political choices we make today. Beyond, the pandemic and its social and economic impact add to the urgency with which the further development of an alternative development model must be pursued in Europe and globally.

The present crisis reveals the limits and contradictions of our societies and of our prevailing socio-economic system. In a globalised world that remains excessively shaped by increasingly concentrated economic interests, an over-concentration of wealth, and a contraction of the role of government and too many laissez-faire policies, our planet's natural habitats and our climate continue to be relentlessly destroyed and vast numbers of peoples and territories are being left behind.

A pre-requisite for an alternative model of development is a comprehensive political agenda capable to address and overcome the full complexity of the intertwined and systemic crises we are facing. While the world's leading climate scientists are ever more concerned that global heating will reach unprecedented levels in the history of Earth's natural systems, which could lead to widespread and possibly irrevocable disaster, it is also increasingly recognised that the climate and ecological crisis will unleash a whole new source of social injustice. If this growing injustice is not addressed, more inequalities will arise and deepen our social crisis, in a never-ending and vicious circle.

We cannot end poverty and build a much fairer society while leaving our planet at the mercy of exploitation, nor will we be able to reign in climate change and biodiversity loss while letting social injustice untouched.

The most critical message of this policy report is that progressives must build a new alliance between ecological and social progress.

The fight for the environment and the fight for a more equal and fair society are part of the same battle.

With this second report of the Progressive Society initiative, the ICSE is proposing nothing less than a new sustainable development path, filled with a large set of innovative policy proposals. It will contribute to bring us closer to a truly progressive and comprehensive policy strategy to tackle the ongoing climate and biodiversity emergencies, while building a more resilient society based on social fairness and solidarity. This report is a radical roadmap that can meaningfully inspire and sustain the future of the European project, but it does not end there. It also has a global reach, since it will be equally important to push Europe's ambition to become a stronger global player in the field of sustainable well-being.

As socialist and social democrats, our political family has always fought for a more egalitarian, fairer, a more sustainable society. We are more than ever determined to deliver a society that works for all. We are committed to reconnect the EU with the well-being of its citizens. We are convinced that this is more than ever within reach, provided we act on all fronts.

This is no small task, but as progressives we cannot afford to fail. The great shift is before us - we will ensure it is a journey for the many rather than the few. The general interest must always prevail over individual interests.

Eric Andrieu
Vice-President of the S&D Group
in the European Parliament



» In order to achieve sustainable well-being, the social-ecological nexus has been identified as a central one.«

Progressive Society is an initiative of the Socialists and Democrats Group (S&D Group) in the European Parliament under the political leadership of S&D Group President Iratxe García Pérez and S&D Group Vice-President Eric Andrieu.

The initiative's aim is to support the S&D Group in its political work with analyses and policy recommendations on a broad range of issues within the framework of sustainable development.

A first policy report produced by the initiative at the end of 2018 already coined the notion of sustainable well-being as one that encapsulates the ultimate goal of future progressive politics based on sustainable development. In order to achieve such sustainable well-being, the social-ecological nexus has been identified as a central one.

This second policy report chose an even broader scope than the first report, and provides nearly 250 policy recommendations across the economic, social and ecological policy areas at European and at global level. It is the result of a one-year process led by an Independent Commission of renowned experts and policy-makers (Independent Commission for Sustainable Equality, ICSE), co-chaired by the Vice-Prime Minister of Spain, Teresa Ribera Rodríguez, and the former Prime Minister and former President of the Party of European Socialists, Poul Nyrup Rasmussen.

EXECUTIVE SUMMARY

At its outset, the ICSE agreed on a set of seven conceptual notions which form the frame of its ensuing policy recommendations across all policy areas. These conceptual notions are detailed in the report's first chapter and consider that:

- 1** In today's climate of precarity, policy change must address anxiety, existential uncertainty and re-build trust in a regenerated political system genuinely dedicated to peoples' needs
- 2** As different forms of inequality intersect with each other and form complex interrelationships, future policy must be tailored to address this complexity to generate multiple dividends for society
- 3** Social and ecological policies must be systematically combined in order to produce innovative and powerful forms of what the report coins as social-ecological progress
- 4** Sustainable well-being requires vibrant democracy and widespread participation at all levels
- 5** Countering precarity and inequalities in the future will depend on the emergence of a social-ecological state beyond the traditional social welfare state
- 6** The traditional approach of economic policy focussing on GDP as the metric of success must be overcome in favour of a new approach focussed on sustainable well-being
- 7** The COVID-19 pandemic has exposed deep-entrenched vulnerabilities of today's system and provides additional arguments and references for a far-reaching policy shift.

The ICSE furthermore agreed on a detailed definition for the central notion of sustainable well-being, in section 1.8 of the report.

» Public opinion is rapidly becoming aware of the full extent of these crises, sparking anxiety and alienation among ever larger social groups.«



Our societies are embedded in a global system that can be generically designated as capitalism. In its prevailing form, it rests first and foremost on a short-term minded dynamic of intense competition next to an increasing concentration of market and economic decision-making power as its main (and somewhat conflicting) sources of energy, in order to generate a continuous creation of wealth and, through it, economic and social progress.

However, this dynamic has also been allowed to lead to an inflated and short-term focussed financial sector, an increasingly concentrated accumulation of wealth and power supported by massive globally organised tax evasion, as well as it has provoked a monstrous damage to our planet.

**ANOTHER FUTURE
IS POSSIBLE**

44%

The world's richest 1 percent, those with more than \$1 million, own **44 percent of the world's wealth**

Despite historic levels of progress in human prosperity and security in many parts of the world, and certainly so in the European Union, it is strikingly evident today that the system's inherent flaws and conflicts have become unsustainable. They have generated human and planetary costs of a magnitude that increasingly outweighs its traditional benefits. At the same time, the joint effect of the global pandemic and the defeat of trumpism open a global political window of opportunity of potentially historic significance, which the European Union is ideally placed to seize upon in the interest of global sustainable well-being.

A new model of progress needs to be defined for another future – one that will be freed from continuous crisis management and focussed on sustainable human and planetary well-being. This is the challenge that the Independent Commission for Sustainable Equality (ICSE) strives to meet with this policy report. To this end, it follows the aim of providing people and institutions with a credible and feasible choice to comprehensively rebuild our model of development.

This new model of progress should cater for society's shared well-being, prove resilient and replace radical uncertainty with radical sustainability in all dimensions of human existence and cooperation. It should also be embedded in a new contract with planet Earth, ensuring its preservation and regeneration.

The policy roadmap we seek to define rests on the conviction that, in full respect of the clear natural limits policymakers across the globe are gradually acknowledging, humanity can still turn this planet into a place of well-being for all. This should be viewed as the guiding light for all progressives in politics and beyond, in a common battle for another future.

We appeal to progressive forces in Europe and globally to engage with us at this level of ambition. Progressives at large need to further strengthen and enrich the policy recommendations in this report and beyond, and they need to join and mobilise forces and energies to achieve the necessary transformation. This collective contribution will be key and, hence, the associated responsibility is immense.

» A new model of progress needs to be defined for another future.«



Around the world, policymaking and governance since World War II have followed a single, overriding objective: maximising gross domestic product (GDP) through measures that spur economic growth. Although this policy orientation has been able to create unprecedented material wealth, its limits and shortcomings are becoming increasingly evident. During the past forty years in particular, the narrow-minded fixation on GDP growth has gone hand in hand with widening inequalities, poverty, and existential insecurity affecting large parts of the population and accelerated the destruction of the planet's climate and biosphere.

Overcoming these multiple social and environmental crises requires more than the current modest attempts to tame the growth dogma through the adoption of climate action targets. Fostering widespread well-being and social cohesion under the conditions of environmental sustainability requires that Europe adopts an agnostic outlook on economic growth.

It depends on a framework for governance that places legally binding policy objectives that directly support the sustainable well-being of people and planet at its core and systematically aligns policymaking and public finances. Such objectives must relate to the social, economic, and ecological dimension of sustainability and well-being, hence include targets for the reduction of poverty and inequalities, and greenhouse gas emissions, and translate into evidence-based long-term-oriented policies that are underpinned by sufficient financial resources to mobilise the necessary investments. This implies comprehensive reforms of the EU fiscal and financial framework, as well as effective governance mechanisms through which EU Member States, parliaments and stakeholders jointly identify challenges, set priorities, and implement policies that enhance the well-being of people and planet on a lasting basis.

LIVING IN AN ECONOMY DEDICATED TO SUSTAINABLE WELL-BEING FOR ALL

» Recent years have led citizens around the world to understand the destructive nature of the global race for profits and growth.«

Achieving sustainable well-being for all will also require reforms in the financial sector and the digital economy, the two sectors in which the paradigm of limitless and extractive growth continues to ravage most forcefully, and which continue to shape the entire economy along these lines. In terms of financial sector reform, a key challenge lies in re-allocating capital from unsustainable forms of economic activities into sectors, projects, and businesses with clear benefits for the sustainable human and planetary well-being. This implies deepening and accelerating the EU sustainable finance agenda, including by complementing measures aimed at the promotion of 'green' finance with action to bolster socially sustainable finance. In the digital economy, new regulatory frameworks and more capable public authorities, both in terms of regulation and enforcement, are key to ensure digitalisation, a mega-trend shaping lives and livelihoods around the world in ever more powerful ways, is no longer driven exclusively by a small number of global mega-corporations that discount the public interest in the pursuit of profits.

Economic change in the interest of sustainable well-being for all also relies on far-reaching changes in the corporate sector, where environmental sustainability and the well-being of people and their communities must become central concerns in all aspects and at all stages of business activities.

15%

15% of the **EU workforce** live on wages that are **below the national poverty line**, despite working full time.

This can be achieved by means of a European Responsible Capitalism Act that replaces the pursuit of shareholder value with a broadly defined sense of Corporate Social Responsibility, inter alia by obliging companies to define comprehensive sustainability strategies and to report on their implementation, respect for environmental standards, and fundamental rights through effective due diligence provisions. Supporting stakeholder-oriented companies, for instance benefit corporations or the social economy, are another building block of such a strategy. Lastly, engaging the private sector in productive, so-called mission-oriented forms of innovation that deliver solutions to meet well-being and sustainability-related challenges must be considered key putting economic activity in Europe at the service of sustainable well-being for all.

» A widespread and narrow understanding of resilience is that of returning to a previous state after a disturbance (a shock, a crisis...). This is not our understanding.«

At the beginning of this year, the European Commission published a legislative proposal which aimed to create a “Just Transition Fund” within a mechanism of the same name (JTM). The operationalisation of the just transition concept is an indisputably meaningful political step in the right direction since it aims at ensuring that the transition towards a climate-neutral economy happens in a fair way. It however lacks a substantial definition of a just transition for people and communities. Yet, a too limited approach, blind to the actual magnitude of the social crisis, would be dangerous, because it could understate the grave social and political risks associated with a climate policy that is not embedded in equally ambitious social policy.

This is where our approach of a “just transition” can be a powerful policy concept of the early 21st century, when addressing the mega-crisis we face—provided we embrace its full meaning. We can by no means allow a conflict between social and environmental policy objectives to happen. Because it would mean that the most vulnerable sectors of society would bear alone the consequence of a failed transition. Instead, a true social-ecological transition must answer environmental change with social progress. The transition we are calling for must be fair, it must offer stability, and it must promise protection. A particular focus will therefore be placed on anticipative and inclusive policymaking: building capacity to anticipate structural changes in order to allow policy to intervene before harm is caused is key to achieve fairness and sustainable well-being.

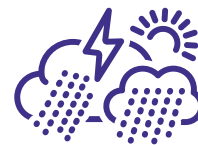
LIVING IN A SOCIETY OF CHANGE: THE IMPERATIVE OF A JUST TRANSITION

In this respect, we provide an inclusive definition of Resilience to implement transformative policies. This definition will require from policy-makers to understand resilience in the context of sustainability by looking at the entire ecological-social-economic-political system. Its transformative approach leads to a major question: who decides when and why a particular system should be considered “resilient” and what would be the political objective we want to achieve via the transformation phase. This is where strong social consensus on the goal and pathways to sustainability is fundamental. In fact, such an approach to a just transition should even be used to (re-)vitalize democracy itself. A true participatory democracy must define the nature of the ambitious reform the EU should undergo to achieve human well-being goals and to co-create the society of tomorrow.

This section proposes to create inclusive governance mechanisms at all levels, so that citizens, communities, trade unions and employers can be part of implementing a strategy they co-decided. Along the same lines, this section seeks to reaffirm the crucial role of education, training and lifelong learning in paving the way towards a sustainable future for Europe and beyond.

However, if this transformation is not set within a comprehensive approach to the wide-ranging distributional impacts on social groups, regions and localities, it cannot suffice to meet the EU’s pledge of ‘leaving no one behind’. Our definition of a Just transition requires the application of a place-sensitive approach which would invite to create a greater variety of regional development strategies, opening the door for more complex but fairer solutions that cannot be achieved through a ‘one size fits all’ approach.

Finally, and in order to ensure a just transition, we need to address the two dimensions of the challenges faced when pursuing climate justice objectives, namely: tackling the unequal vulnerability and exposure to environmental risk in society and at work, on the one hand, and the need for social fairness in environmental policies, on the other hand.



Extreme weather events across Europe between 1980 and 2019 inflicted economic losses amounting to almost €446 billion



All the evidence indeed suggests that Humans have gone too far in the destruction of the only planetary ecosystem they have, leading to them now being endangered. The world's leading climate scientists are increasingly concerned that global heating will trigger tipping points in Earth's natural systems, which will lead to widespread and possibly irrevocable disaster, unless action is taken urgently. Reducing greenhouse gas is therefore a matter of absolute necessity. The EU cannot afford to fail, because the target is still close, and because our chances of a second try constrained. These shocks would indeed not only damage the environment on which we depend, they also weaken our political, economic and social systems.

Climate change is a “crisis multiplier” that has profound implications for international peace and stability. It is indeed common knowledge that the environmental degradation and anthropogenic climate change caused by an exploitative world economy is the prime example illustrating the unsustainable nature of today's model of development. Less noticed are its unequal fundamental components: the richest 1% on the planet is responsible for twice as many CO₂ emissions as the poorest half of humanity, as the devastating effects of climate change are felt more than ever. The same goes for global pollution and its detrimental effects to Nature and Human, which generate unacceptable injustices. Ecological crises reinforce inequalities, just as inequalities increase environmental damage.

» Air pollution is considered the single largest environmental risk in Europe.«



**LIVING A HEALTHY LIFE
ON A DECARBONISED AND
PRESERVED PLANET**

1.5°C

To stay within 1.5 degrees warming, the carbon budget left is **around 416GtCO₂**, or **10 more years of emissions at our current rate.**

It is indisputable that the European Union displays unprecedented environmental policy ambitions to deal with the threats that are now facing us. The goal of climate neutrality by 2050 has become a legally binding target, paving the way for a much-needed ambitious environmental agenda.

In the view of the ICSE, the opportunity of the ongoing EU climate action should be seized to propose a sustainable transformation of Europe. A true environmental agenda not only aims to protect our livelihood and that of planet Earth, but to actively improve our future sustainable well-being through a fully-fledged social-ecological response to climate change.

This section proposes a comprehensive approach on carbon emissions reduction with the aim of aligning carbon pricing, effort sharing and climate policies in order to carry out a fair distribution of the emissions space among countries and among people. If carbon pricing and environmental taxation are important instruments to implement the green transition, it is equally crucial to take into account the distributional effects of these instruments and to put in place accompanying policies to mitigate their potentially socially unfair effects. In particular, carbon pricing revenues should be used to counter potential negative social and economic consequences resulting from the decarbonisation process.

It is equally important that the 2030 climate target is translated into a concrete and adequate policy framework to achieve ambitious environmental goal. To do so, the EU should act as the leading promoter of transformational measure by: designing an integrated industrial policy focused on strategic missions linked to decarbonisation; aligning infrastructure policies and mobility policies to this long-term vision; boosting sustainable production and consumption; and proposing a comprehensive framework for improving natural carbon sinks.

Besides, we must make it clear that applying a well-being lens when designing climate mitigation policies has the potential to deliver wider well-being benefits both in the short and the long term. A co-beneficial approach should recognise the intrinsic interconnections between our social and ecological systems as the basis for a just and sustainable economy, with health as the great connector. Along these lines, the revalorisation of biodiversity into the political agenda of the European Union is necessary to emphasise the interactions between human activities, ecosystems and climate. With the same view of aligning policies with the objectives of sustainable well-being, this section will seek to re-affirm that health, in a wide sense, is “one”, which implies that policy responses must be guided by a coherent approach towards human and environmental health. Furthermore, a shift in perspective is needed to better integrate growing challenges to the sustainability of the food system, and the CAP should ensure full policy coherence covering agricultural, food, environment, and climate policies. Finally, and as air, water and soil pollution, as well as the use of hazardous chemicals, can undermine the health of all citizens, the ICSE is calling for an overarching framework at EU level that can address the complex interlinkages across policy domains relevant to environment and health.

» Next to poverty, inequalities in terms of incomes and wealth represent key dimensions of the European social crisis.«

Already at the end of 2019, 21% of the EU population, more than 90 million citizens, were considered to be at risk of poverty and exclusion. The COVID-19 pandemic has added to this further, with first projections estimating that especially low-income earners are bearing the brunt of the crisis' economic fallout. At the same time, 1% of households in Europe hold an approximate 25% of the continent's net wealth, without paying any tax on such assets in all but a single EU country. Such precarity and inequalities drive European societies apart and undermine their ability to cope with the testing effects of change that is inevitable in light of the climate crisis, demographic change, and digitalisation. Rebuilding European societies in line with the principles underlying the notion of sustainable well-being for all is thus a matter of urgency.

Related work must commence by developing effective backstops against poverty. Despite the magnitude of the European poverty crisis, EU policy action to date has failed to address it with sufficient determination.

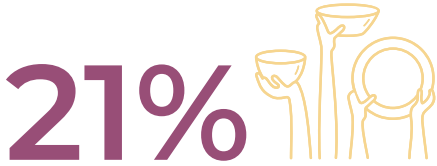
To rectify this, a European anti-poverty law should be adopted that defines the full eradication of poverty in Europe by 2050 as a legally binding target for EU policy in the same way as the EU climate law does in the field of climate action. Eradicating poverty requires that its drivers are being choked. Bolstering social security systems and re-regulating labour markets, which, at present, are rife with precarious and atypical forms of low-wage and insecure employment, is key in this regard. Solving the current housing crisis that forces families to overstretch their budgets due to a lack of affordable homes constitutes another necessity, as does action to bolster care infrastructure and capacity across the Union to stop workers, especially women, from being excluded from labour markets. Defining common policy strategies and supporting them with EU investment to bring these emergencies under control would amount to a forceful manifestation of the EU's commitment to the well-being of its citizens.

LIVING A SAFE LIFE IN A FAIR, EQUAL, AND DIVERSE SOCIETY



Next to poverty, inequalities in terms of incomes and wealth represent key dimensions of the European social crisis. As is becoming increasingly clear, tax and wage setting systems in Europe have evidently lost their effectiveness in view of increasingly fierce global competition and footloose capital. Rebuilding collective bargaining systems, adapting them to new labour market realities, and fostering wage transparency are crucial steps that must be taken. Likewise, ensuring a fairer and effective taxation of private wealth and corporate income, through coordinated action at the EU and global levels, are necessary elements of an effective strategy to close the growing gap between the rich and the rest. However, relying on a more egalitarian distribution of wealth and income among the individual members of society has its limits, especially given the need to ensure a more efficient use of resources that stems from the ecological crisis. Building common wealth for the collective use of resources through the expansion of public services and support for citizen-led initiatives to build common wealth must therefore be central elements of social policy going forward.

The COVID-19 pandemic has highlighted how our societies critically rely on the contributions of social groups that are in many respects left standing at the margins of our economic and social model. While women, ethnic minorities, migrants, the young, and others have had to deal with exceptional hardship to keep society running, their access to social, economic, and political opportunities remains unequal. The post-COVID-era must therefore be an era of a concerted push of equality of opportunity for all members of society to turn sustainable well-being for all into an inclusive and non-discriminatory project. This will require both targeted strategies, for instance to address the specific situation of women, youth, and migrants, as well as horizontal action to strengthen fundamental rights and the rule of law.



More than 90 million citizens, almost 21% of the EU population, are considered to be at risk of poverty and social exclusion

» For too long now, global corporate profits have been internalised while environmental and social costs have been shifted to society.«



A helicopter view of today's global policy landscape is not one of a well engaged and ongoing global transformation, but of a transit zone in which certain areas are being reshaped while others remain untouched, and where activity in one area is not clearly related to activity in another area. There is no clear and unifying sense about where exactly this transit zone leads towards.

In this politically unpredictable and unstable context, the pandemic has shed new light on the global ecological and social consequences of an economic system in which prosperity is equal to short-term minded economic growth, instead of long-term minded sustainable well-being; and it has made one point clearer than ever before: the billions of human destinies on our planet are more intertwined than they have ever been.

This must help us understand the real meaning of human well-being (the well-being-environment nexus), the fact that well-being policies fare better on all fronts than growth policies and finally the fact that we should take care of welfare states, in the EU and elsewhere, because it is the backbone of our societies and our shield to face ecological shocks.

**LIVING IN A WORLD
DEDICATED TO PLANETARY
AND HUMAN SUSTAINABLE
WELL-BEING**

» The EU has a direct interest in promoting well-being, because well-being is a vector of peace worldwide.«

The multiple economic and social damages induced by the pandemic are very far-reaching even in the richest parts of the world and are already devastating in more vulnerable countries and world regions. At any rate, they will take many years to overcome.

This is also a major set-back for the sustainable development agenda embodied by the United Nations Sustainable Development Goals (UNSDGs), as critical progress achieved since their launch in 2015 is being reversed for several goals at a critical point in time.

The pandemic has hit a world already entangled in a global meta-crisis, in which climate change, the large-scale loss of biodiversity, entrenched poverty and gaping inequalities increasingly interact. The global meta-crisis can eventually only be addressed as one. It requires a new generation of cross-sectional and multi-crisis approach policies - in particular along the social-ecological nexus - as much as it demands policies and regulations that are powerful enough to reset the prevailing economic model's underlying logic, from the discredited and unsustainable post-war growth/progress concept to a new and sustainable well-being/progress concept.

In a global strive towards sustainable well-being, EU leadership will be critical and its own (positive and negative) experiences in addressing challenges that are global as much as they are European is essential, for instance when it comes to climate change or poverty. Including through much more vigorous and targeted EU actions at global level, game-changing global policy change must address solidarity in the global pandemic, achieve a new boost for UNSDGs, re-launch the fight for the 1.5 climate change target, develop a global approach to a green deal, build a global social contract, set the activity of global corporations within a rules-based frame, achieve truly sustainable global trade, turn development aid into a sufficiently powerful lever for sustainable development, rethink global governance and open innovative pathways for human and planetary development such as through global common wealth.



The total value of only **the ten largest mega-firms** in the world is comparable to the **bottom 180 countries**.

ANNEX

**Summary of the
report's policy
recommendations**



Living in an economy dedicated to sustainable well-being for all

Making EU policymaking fit for sustainable well-being for all

Reform the foundations of EU policymaking through the adoption of a Sustainable Well-being Pact that stipulates actionable policy commitments relating to sustainable human and planetary well-being.

Develop institutional fitness in the EU through a Futures Capacity in the European Commission, a Sustainable Well-being Board in the European Parliament, and a Sustainable Well-being Council.

Adopt an interinstitutional agreement on cooperation and strong parliamentary involvement in the governance of the sustainable well-being pact.

Align the EU fiscal policy framework with sustainable well-being-related policy objectives.

Establish a meaningful EU fiscal capacity to provide stabilisation for Eurozone economies.

Align the EU budget with more balanced sustainability and well-being objectives.

Enlarge the EU Budget through new own resources to turn it into a powerful driver of the transition to a new model of society based on the principles of sustainable well-being for all.

Ensure greater consistency between sustainable well-being objectives and monetary policy by revising the European Central Bank's mandate.

Ensure policy coherence at the EU and national level through a European Sustainable Well-being Budgeting procedure.



Living in an economy dedicated to sustainable well-being for all

Make finance and the digital economy work for sustainable well-being for all

Uphold the original timeline for the implementation of the EU green finance taxonomy.

Complement the green taxonomy with a social taxonomy focussing on the social dimension of sustainability and well-being.

Define a horizontal 'do no significant harm' principle to ensure green investments do not compromise social objectives and vice-versa.

Establish uniform EU green and social bonds standards for investment instruments based on the green and social taxonomies.

Improve the availability of sustainability information in financial markets through comprehensive, stringent, and comparable sustainability reporting standards.

Penalise 'brown' investments through targeted revisions of prudential financial sector regulation.

Submit the financial sector to carbon stress tests to determine its vulnerabilities stemming from climate change and the transition to a climate-neutral economic model.

Require banks and financial firms to define comprehensive carbon net-zero strategies to ensure the green transition does not lead to financial market turmoil.

Update the EU Credit Rating Agencies Regulation to ensure sustainability issues are taken into account and create a public EU agency.

Platform regulators' mandate must mirror the scope of platforms to ensure the digital economy can be regulated and governed properly.

Apply stricter control to mergers in the digital economy and punish violations of related conditionalities.

Ensure interoperability across digital services and market places to prevent digital services operators from locking in users to monopolise data and increase their profits.

Ban targeted advertisement to stop the maximisation of profits through the manipulation of consumers.

Regulate user engagement techniques that manipulate users and have increasingly detrimental impacts on democracy.

Foster diversity in the online marketplace for goods, services, and content break the dominance of a handful of online giants.

Establish a European framework for data altruism to enable forms of data sharing that serve the public good.

Define stringent rules to ensure AI is bound by ethical standards that ensure respect for fundamental rights.

Make conformity checks for AI applications mandatory to ensure they comply with ethical standards.

Make the use of AI transparent and empower citizens to challenge instances of discrimination.

Develop an ambitious industrial policy for ethical AI made in Europe.

Establish national expertise centres for ethical AI to provide advice and support for businesses.



Living in an economy dedicated to sustainable well-being for all

Turn companies into agents of sustainable well-being for all

Require large and high-risk corporations to define comprehensive sustainability strategies that ensure businesses contribute to the transition to a new economic model focussed on sustainability and well-being.

Adopt a European Directive on mandatory corporate due diligence to make businesses accountable in for their impact on society and the environment.

Condition state aid and access to public procurement on good corporate governance.

34
Strengthen employees' right to board-level representation to give key company stakeholders a say in corporate strategy.

35
Bolster workers' rights to information and consultation, especially with regards to the management of change and restructuring.

36
Eliminate incentives for company directors to focus excessively on shareholder interests so that considerations of long-term value creation can prevail in corporate decision-making.

37
Limit the voting rights of large shareholders to limit the concentration of power in corporate decision-making.

38
Reward patient shareholding to mitigate the pressure on companies to focus on short-term profit.

39
Adopt an EU directive establishing a benefit corporation statute in all EU Member States that promotes public purpose-driven forms of business.

40
Introduce incentives and provide support services to promote the uptake of the benefit corporation statute.

41
Develop an EU social economy action plan that addresses key challenges and nurtures this sector that can play an outstanding role in a sustainability and well-being-focussed economic model.

42
Establish a dedicated Commission service for coordinating policy for the social economy.

43
Include the social economy in the future EU social sustainable finance taxonomy to improve access to finance for social economy operators.

44
Support the digitalisation of the social economy.

45
Foster collaboration between social enterprises and conventional businesses to enable mutual learning.

46
Build cross-sectoral capacity in the European Commission for the governance of mission-oriented innovation processes.

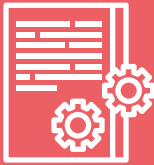
47
Use the experiences made as part of the turn towards a mission-oriented approach to innovation in the European commission to assist public authorities at all levels to follow suit.

48
Establish European innovation hubs that create networks between public research infrastructures, public and private companies to pool their expertise and potential and enable knowledge and technology transfers.

49
Boost European sustainability science to build greater capacity for transdisciplinary research and development that addresses societal challenges.

50
Adapt private sector research and innovation funding to create better incentives for companies to contribute to mission-oriented innovation processes.

51
Develop a European standard for innovation funds that recycle profits from publicly funded research and development.



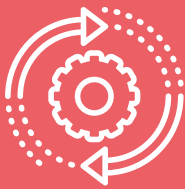
Living in a society of change: the imperative of a just transition

Resilience: an inclusive definition to implement transformative policies

52 Develop broad vulnerability indicators for the EU, Member States and regions (NUTS 2 level).

53 Create a comprehensive dashboard of resilience indicators for the EU and its Member States.

Build “integrated” climate resilience impact assessments, which would combine different types of modelling tools to uncover the interlinkages across the environmental, economic and social dimensions of development, targeting the importance of bringing inequalities to the fore.



Living in a society of change: the imperative of a just transition

Inclusive governance and open democracy for a just transition

54 The concept of a Just Transition process as well as the role of social partners in its governance must be enshrined in the legislation. Social dialogue and the role of trade unions should be explicitly mentioned in the Climate Law, the European Green Deal and the Adaptation strategy.

55 Invite Member States to produce national “Just Transition Strategies” as part of their National Energy and Climate Plans (NECPs).

56 Create a European Green Deal advisory board with trade union representations.

57 At sectoral and workplace levels, extend the scope of collective bargaining to green transition issues to discuss the impact on employment and wages of the decarbonisation process and the impacts on skills needs and health and safety at work.

58 Negotiate agreements at sectoral and company level to map the future evolution of skills needs and the creation of sectoral skills councils within a global commitment to retention, retraining and redeployment of workers, and ensure and support skills development, particularly for vulnerable workers.

59 Develop and strengthen a network of Trade Union representatives at the workplace level and involve workers in concrete actions aiming to assess the environmental footprint of their company.

60 Foster the engagement and active participation of all stakeholders, including youth, in accelerating the shift towards a more sustainable Europe.

61 Developing Inclusive and local frameworks on a just and inclusive Transition with stakeholders, especially the one representing the most vulnerable (CSOs including NGOs and various stakeholders).

62 Introduce a European association statute to strengthen freedom of association, assembly and expression.

63 Build several ‘Citizen conferences’ on a Pan-european scale including a panel of citizens, experts and decision-makers discussing the respective importance of the different dimensions of well-being and agreeing on a scoreboard common to be implemented.

64 Involve citizens in deliberative and participatory settings to discuss desired and concrete pathways to sustainable well-being for all, developing the concepts of community placemaking conversations.

65 Ensure that the information on investments and reforms financed by the EU – expenditures, physical implementation and procedures – are properly accessible to all citizens in an open and verifiable way, and that participative monitoring is facilitated at local level.

The European Commission should explore innovative ways to effectively engage with citizens to source ideas, co-create solutions, and seize opportunities provided by digital government tools.

Build a European Model for local and regional practices on climate-sensitive participatory budgets.



Living in a society of change: the imperative of a just transition

Education and lifelong learning

Protect holistic education as a public good and protect the social role of schools and education.

The European Union should launch a broad consultation on the Future of education and skills in a in an ever-changing and interconnected world.

The European Education Action Plan should implement the European Pillar of Social Rights and should require the member states to present their national strategies and adopt a clear monitoring on national actions and reforms in line with its goals.

Taking into consideration the needs of all key stakeholders in education (including teachers, school leaders, and other education personnel, students, parents, and the wider community), is important for inclusive education creating democratic school culture.

The European Commission should carry out thorough research and impact assessment, and adjust the targets based on trustworthy data on the impact of the COVID-19 crisis on education, students and teachers.

Safeguard appropriate funding to Education and teachers (funding education should be regarded as an investment rather than a cost for society and national budgets).

The EU should be more ambitious in order to ensure sustainable investment to high quality and inclusive education and to invest more in order to facilitate innovation with the best learning and teaching equipment in schools.

Ensure adequate, long-term funding at both European, national, regional and local level, to unlock the full potential of sustainable development skills across all learning sectors.

Establish that the “European skills strategy for sustainable competitiveness, social equity and resilience” from the EC must guarantee the right to lifelong learning for all and in all areas.

Introduce a skills-based compensation systems in companies accessing public funds for upskilling workers and in agreement with workers’ representatives, as this system would ensure that there is a return on that public investment.

The Digital Education Action Plan should help advance the digital transition in education with a view to help training according to the learner’s needs and reach out to people from remote areas.

EU member states should better connect environmental policies to education policies and the European Commission should support to set up national green skills and competence strategies.

Strategic foresight will be an essential tool to predict and prepare policies to leave no one behind and to avoid severe skills shortages in Europe’s technologically advanced industries and support older workers to acquire significant new knowledge, particularly in the field of new technologies.

Civic education promoting equitable, inclusive, and fair societies needs to be mainstreamed through all education from early ages to later on in adult life.

Promote a green mind-set in skills, education and training programmes, beyond the labour market, as an important area of citizenship competence.

Incorporate Sustainable Development in education and training policies and programmes such as the European Education Area, Digital Education Action Plan, aligning with Sustainable Development Goals.



Living in a society of change: the imperative of a just transition

Just transition and place-sensitive policies for sustainable cohesion

Data need to be systematically collected and used at place level on exposure to environmental hazards by socio-professional or income group and on cumulative vulnerability and health risks across social groups due to the distribution of the burden of environmental inequality.

Data need to be systematically collected as well on issues such as opportunities, institutional quality, well-being and welfare at local level, as well as on the impact of trade, globalisation and automation, among other processes, at a fine subnational level.

Mapping the perturbations in labour market caused by the economic transition to a new production system and of the transition towards a low carbon economy.

Promote public and open scrutiny at place level to strengthen the role of organisations representing economic and social interests and civil society affected by the transition in integrated territorial strategies.

Mainstream attention to the needs of the most vulnerable regions across all EU policies, including to support the energy, digital and industrial transitions, which tend to adopt a top-down approach and are not well aligned with their needs.

Ensure that structural reforms entail a place-based sensitivity.

Support and encourage investments in sectors with high employment creation and environmental protection potential, such as energy efficiency, renewable energy, with particular attention being paid to energy poverty, sustainable mobility, and the upgrade of transport infrastructures among other investments.



Living in a society of change: the imperative of a just transition

Climate justice: the need for a fair adaptation framework and just environmental policies

A European Climate Justice Governance Regulation. The ecological progress cannot lead to social regression, and lower income households should not bear the costs of this ecological transformation, whether through higher prices or taxes, or through labour market changes that may leave them unemployed. Equally, this should not leave exposed or vulnerable regions

and communities behind. Even more so, wherever possible, policies aimed at decarbonisation should be used to generate social progress, to improve economic and social well-being for all. Despite a range of important EU initiatives to address this (such as the Just Transition Fund or the forthcoming Climate Social Fund), a lot will depend on how national and regional

governments will address the social risks and opportunities of the ecological transformation. Hence, alongside the Fit for 55 initiatives, the European Commission should bring forward a Climate Justice Governance Regulation, notably inspired by the existing Energy Governance Union approach, to develop and monitor national climate justice plans.

The EU adaptation strategy to climate change must be legally binding.

Mainstream climate adaptation in, and maximise the co-benefits with, all relevant EU policies towards a more sustainable future, such as agriculture and food production, forestry, transport, trade, energy, environment, water management, buildings, infrastructure, industrial,

maritime and fisheries policies, as well as cohesion policy and local development, and social policies, and the need to ensure that other European Green Deal initiatives are consistent with climate adaptation and mitigation measures.

Develop a strong social dimension, which would put people first. The adaptation strategy should include meaningful indicators to monitor its socio-economic impacts and to assess the value of the prevention and management of risks linked to climate change.

Support social protection policies to protect lower-income groups against the threats of climate hazards.

Adaptation measures must promote and not undermine gender equality. This means women should participate in the 'gender-screening' of all proposals, to assess their specific impact.

The EU should pilot more closely policy to assist local communities develop and implement adaptation plans, and support urban-planning, investment in resilient infrastructure and housing.

The EU needs to plan for the consequences and to invest in public services, infrastructure, social protection and insurance schemes, so that our societies are ready to handle the challenges.

Public policy will have to play a critical role in providing public goods for adaptation and ensuring that social processes and institutions are flexible enough to learn and assess policy options.

Design a Climate risk insurance for low-income households as one fundamental element of the social-ecological welfare state.

Introduce legislative instruments that recognise the increased safety and health risk faced by workers due to climate change and create obligations to protect them.

Establish social protection mechanisms at European level to support Member States in case of emergencies.

Strictly monitor the development and implementation of national adaptation strategies, with regards, in particular, to the assessment of climate change's socio-economic impact and make sure trade unions are involved.

Provide sufficient funding for adaptation through a rise of the amounts dedicated to adaptation by the different European Structural and Investment funds.

European trade unions and European employer's organisations should establish a strong and stable social dialogue on the implications climate change may have on the health and safety of workers in order to issue guidance for companies on how they should act to protect their workers.

Promote the adoption of integrated industrial policies that would be consistent with sustainable development goals, providing industry with clear strategic objectives, a stable regulatory, financial, fiscal and legal framework and allowing for the creation of green and decent jobs.

Promote investment in sustainable technologies. Promote European and national public and private investment in green technologies through European R&D, as well as the creation of European technological platforms dedicated to low & zero carbon technologies.

In regions and industries most affected by the transition, promote economic diversification as well as the adoption of policies and measures that will allow a just transition for workers.

Ensuring a just transition will require an adaptation of vocational and educational systems but also active labour market policies targeting employment creation, training and life-long learning.

In regions dependent on carbon-intensive activities, the transition process should lead to support workers with measures aiming at creating requalification and redeployment of workers, from declining sectors to growing sectors.

Identify both challenges and opportunities: In sectors and regions that are the most affected by the change, identify both challenges and opportunities linked to the decarbonisation process and promote initiatives aiming at retraining and relocating workers in developing sectors.

Promote the integration of adequate social protection measures into national climate change policies including measures specifically targeting those who are going to be negatively affected, and in particular workers largely dependent on natural resources or facing major structural changes.

Promote mechanisms, including public money, economic instruments and incentives to ensure that infrastructure and appropriate supports exist for consumers wishing to choose a low carbon lifestyle.

Adding a provision to ensure that access to energy services is a basic social right. Along these lines, a broad European definition of energy poverty, refined by Member States according to their own national circumstances should be established.

Set criteria for a significant minimum percentage of energy efficiency obligation schemes to target energy-poor citizens. A “European Energy Poverty Observatory” that would bring together all stakeholders would help define European energy poverty indicators.

The EC should launch without any delay a “Just transition strategy for the automotive sector “so as to anticipate and manage the changes.

Increased EU funding should help local, regional, national authorities to overcome current obstacles to make renovation accessible to all so that high upfront costs are not borne by vulnerable people.

Public subsidies in favour of fossil fuels must be phased out as soon as possible.



Living a healthy life on a decarbonised and preserved planet

A fair path to decarbonisation: beyond carbon pricing, the need for carbon value and a consistent political agenda

Set broader political objectives for carbon pricing : The European Commission must provide more comprehensive, complete and detailed assessments on quality jobs and employment. The aim would be to integrate the overall social benefits of increased climate ambitions policies, notably in terms of well-being and quality of life.

Make the ETS more efficient. the cap of the EU ETS will have to be significantly adjusted in view of the prominent role of emissions from installations regulated by the EU ETS.

Make the ETS fairer. Free allocation should be abolished and replaced by auctioning of all emission allowances. This measure would make the EU ETS fairer to citizens, since it would divide the costs of the low-carbon transition more equally between citizens and industry.

The Carbon Border Adjustment Mechanism must be part of a broader EU industrial strategy and goes hand in hand with a full phase out of all current measures aimed at mitigating carbon leakage, including free ETS allowances. It should be designed in a way that limits the risk of offshoring of manufacturing activities downstream the value chain.

Allocate revenues of carbon pricing (reformed ETS and CBAM) to just transition and mitigation policies. Options should be explored for pricing carbon through a contribution payable in non-ETS sectors, with part of the resulting revenue to fund assistance for workers, communities and regions.

Carbon dividends: an equitable use of the revenues. Carbon pricing revenues should be used to counter potential negative social and economic consequences resulting from the decarbonisation process, and that these revenues collected due to increased pricing of CO₂ should be redistributed to citizens. One use of revenues that is likely to be fair everywhere is to use transfer payments to lessen the impact on the households whose cost of living is disproportionately affected by carbon pricing.

Aim for a net decoupling taking greenhouse gas consumption emissions, not only production emissions, as a reference and promote on this basis and other equity criteria as a comprehensive global collective climate justice strategy.

Establish a European carbon budget to quantify the amount of GHG emissions that can be emitted in total over each 5 year period through 2050 and to define a fair distribution of the emissions space among countries by equity principles.



Living a healthy life on a decarbonised and preserved planet

Align policies and regulatory frameworks with the objective of achieving climate and sustainable well-being goals

Provide a comprehensive framework to put the EU industry on track to reach climate neutrality by 2050. Massive investment in the development and deployment of low carbon breakthrough technologies are needed.

Set a comprehensive renewable strategy. Increasing the renewable energy target could help secure and develop an industrial value chain in the EU for renewable technologies and therefore create new quality jobs.

Support cross-sectoral technologies as pathways to decarbonise Energy Intensive Industry (EIs).

Set European platforms for cooperation such as shared infrastructure for sustainable process technologies and organisation of industrial symbiosis.

Support re-adjustment programmes for SMEs in the EIs value chains that are specialised in conventional technologies, in order to help them to redefine their value chain positioning and to redirect their core competencies while preserving jobs.

Improve synergies between Renewable Energy and Energy Efficiency. The transformation to a sustainable energy system with high shares of renewables would meet climate goals and pay for itself. It would lead to massive job creations between now and 2050, and the health, environmental and climate benefits would save up to six times more than the additional costs associated with reconfiguring the energy sector.

Build new infrastructures to support new technologies and processes. Carefully co-ordinated planning coupled with targeted incentives will be needed to ensure that the right infrastructure is built at the right time. Renewable hydrogen, for instance, will require a strategic and quick upgrade of both production and distribution of renewable electricity and will have to be dealt with in the framework of the Energy Union governance.

Address with a serious focus the limitations of Carbon Capture and Storage technologies. The EU should adopt a 2030 emission reduction target supplemented by a separate target for removals to ensure both advance at the necessary scale independent of each other, while avoiding confusion and counter-productive incentives. Mixing emissions and removals in a single target would allow other countries to do the same and undermine the transparency and trust that is needed to accelerate the transition towards climate neutrality.

Re-design mobility systems around accessibility, i.e. ensuring that people are able to easily reach jobs, opportunities, goods, services and amenities by giving priority to sustainable modes and creating proximity between people and places in order to contribute to enlarging mitigation potential, while also improving life quality through delivering better equity, health, economic, road safety, and wider environmental outcomes.

Promote and extend the Ecodesign framework. In order to make sustainable products the norm, support an extension of the scope of products covered by ecodesign-type minimum performance requirements, including material and chemical contents, durability, reparability and recyclability, carbon and environmental footprinting and sustainable sourcing (recycled contents notably).

Establish effective economic incentives for resource-saving strategies. Establishing incentives to create a vibrant market for repair would reduce costs and encourage users to repair.

Develop new eco-design requirements for digital and electronic products with the implementation of an EU Extended Producer Responsibility (EPR), whereby the manufacturer would be responsible for the entire life-cycle of products.

Address growing waste management issues. All packaging must be designed for reuse and recycling, provide transparency on the chemical composition, be separately collected and materials must be sustainably sourced.



Living a healthy life on a decarbonised and preserved planet

The crucial contribution of natural carbon sinks to GHG emission reduction

Only biomass that adheres to sustainability criteria should be considered carbon neutral in the EU's climate legislation. The greenhouse gas emissions from burning biomass that do not meet these criteria must be accounted for in the carbon pricing mechanisms.

The CAP must set concrete targets against conversion to cropland and fund restoration of damaged carbon sinks.

Step up EU Action against Deforestation and Forest Degradation.

Propose a wide-ranging restriction on microplastics in products placed on the EU/EEA market to avoid their release in the marine environment after a highly polluting life-cycle.



Living a healthy life on a decarbonised and preserved planet

"One" Planetary and Human Health

Mainstream the 'One Health' approach in Europe to build pandemic preparedness, enhance pandemic prevention programs, and to investigate and control outbreaks across sectors.

Prevention can have a significant impact on the achievement of sustainable well-being goals and the sustainability of healthcare systems, particularly in relation to the growing burden of chronic diseases linked to environmental causes. Welfare systems need to better target populations in vulnerable situations. Providing universal healthcare coverage should be a key element in such efforts, levelling the playing field in terms of access and utilisation of health services.

Include a strengthened chapter in the European Pillar of Social Rights, which would underline the right to a healthy environment as essential to ensure adequate living and working conditions and promote well-being.

Stress-test the capacity of Member states Health Systems to manage in socially equitable ways existing diseases and forthcoming climate change-related shocks and stresses.

Align policies that aim to reduce the effects of climate change on human health – for example, by strengthening health services – with the objectives of reducing poverty and inequalities.

Secure the recognition of biodiversity as a global public good and as a central policy agenda at all levels of government, in addition to the recently proposed Biodiversity Strategy for 2030.

Establish a Biodiversity Law. Biodiversity loss and climate change are challenges of a similar magnitude and urgency, and are fundamentally interlinked. They must be addressed together as part of a broader green and inclusive recovery. Instead of incentivising activities that harm

Biodiversity proofing should be mainstreamed across all EU spending and programmes on the basis of the EU Taxonomy, with the precautionary and 'polluter pays' principles taking precedence in EU actions.

Align the CAP with the European Green Deal objectives by dedicating sufficient and qualitative CAP funding to incentivise and reward farmers to deliver on the objectives of the European Green Deal. This would include : reducing pesticides, fertilisers and

Enforce the precautionary, the "non-regression" and the "do no harm" principles in all aspects of food and farming policy.

Promote the mainstreaming of agroecological farming in EU agriculture to organise the transition towards production and consumption models that are, in the long run, generators of health. European agricultural policy can and must serve the objectives of the sustainable well being in all its components.

Initiate a European strategy to propose concrete measure to reduce exposure to endocrine disruptor chemicals such as pesticides, as part of the EU's zero pollution ambition.

biodiversity, governments and the EU should redirect subsidies to activities that deliver socio-economic outcomes and have a positive impact on biodiversity. This would imply setting a legally binding biodiversity framework, similar to the Climate Law, which steers a path through

Scale up investment in biodiversity conservation, sustainable use and restoration and put a price on biodiversity loss by setting biodiversity spending targets for COVID-19 stimulus measures and recovery plans and reform subsidies harmful to biodiversity.

antimicrobials use, increasing organic farming, agroecology and agroforestry, deploying high-biodiversity landscape features, cutting greenhouse gas emissions, preventing food loss and waste, improving the circularity of the agriculture sector, a.o. through

Fill the legislative gap on soil protection by proposing a legally binding framework to address soil degradation at the EU level, including reducing soil erosion, increase soil health and biodiversity, and tackling soil contaminants.

Adopt a comprehensive Environmental Health Strategy, to streamline health requirements across relevant EU policy proposals. The strategy should provide a coherent framework for environment-related public health threats, including air, water and soil pollution.

Systematically evaluate the life-cycle of hazardous substances and their impact on air, soil and water resources, upstream and downstream, to carry out a holistic, evidence-based well-being impact assessment of legislative proposals, and to consider the social, environmental and economic benefits of such an approach.

a set of binding objectives for 2030, 2040 and 2050, and the commitments made at COP15. The Commission should make a legislative proposal to that effect without delay.

Develop and incorporate pandemic and emerging disease risk health impact assessments in major development and land-use projects.

better nutrients cycling, protecting and restoring ecosystems (especially in Natura 2000 and protected areas), and shifting dietary patterns.

Strengthen the management of agricultural market crises in the CAP via a sufficient dedicated budgetary reserve and genuine national and European sectoral regulators, akin to the energy sector.

Focus on co-benefits between the Zero-Pollution Action Plan and the Europe's Beating Cancer Plan, the Farm to Fork strategy, the EU's 2030 Biodiversity Strategy.

Develop digital solutions to help reduce pollution (air quality and emissions live monitoring and reporting, set-up of a harmonised alert system on pollution levels; centralisation of all available pollution related data to improve its traceability along the whole life-cycle, from production (integrating resource consumption), to use, to emissions and releases phases.)



Living a safe life in a fair, equal, and diverse society

Secure livelihoods for all in Europe

Adopt an EU anti-poverty law that commits EU and national policy to work towards the full eradication of poverty in Europe by 2050.

Use adequate definitions and indicators, hence measure the exposure of citizens to poverty by taking into account the real cost of living through the definition of reference baskets.

Set common standards for minimum income schemes to ensure all citizens, regardless of their age or employment situation have access to poverty-proof minimum incomes.

Embed the anti-poverty law and its targets in the European Sustainable Well-being Pact and well-being budgeting procedure to foster policy coherence at EU and national level.

Provide co-financing for the implementation of the anti-poverty law under the EU Social and Investment Funds.

Establish an EU re-insurance fund for minimum income schemes to ensure these are adequately financed, also in times of economic crises.

Establish an independent commission on the future of social security systems to provide advice for the proactive adaptation of social security systems to future challenges.

Establish a European sustainable jobs guarantee that provides gainful employment to the long-term unemployed and supports local communities to fulfil their needs.

Adopt the EU directive on adequate minimum wages to ensure wage floors exist in all segments of the EU labour market.

Develop a European zero-precarious employment strategy to eradicate the most harmful forms of precarious employment by 2030.

Strengthen the labour market position of the self-employed by tackling their social vulnerabilities and providing targeted support services.

Continue efforts to ensure fair cross-border labour mobility in the EU labour market through, especially through the improved coordination of social security systems.

Ensure fair working conditions in the platform economy by adopting EU legislation that establishes a rebuttable assumption of employment for workers on online platforms.

Propose an EU fair telework package that establishes flexibility for employees and protects their worker rights and health and safety.

Establish an EU Housing Guarantee that gives citizens an enforceable right to decent and affordable housing.

Integrate bolstered and binding housing indicators in the European Sustainable Well-being Pact and well-being budgeting process.

Develop real governance capacity in relation to housing policy at the EU level.

Improve public and private investment capacity to ensure demands for affordable housing are met.

103
Consider the housing needs of an ageing EU population and address them in EU and national housing policy.

104
Stimulate exchanges of best practice in housing policy between national and local authorities.

105
Define EU quality standards for childcare and long-term care services to ensure sufficient and good quality care services are available to all Europeans.

106
Support good working conditions in the care sector through targeted measures to improve wages and education and training for the care workforce.

107
Privilege responsible operators in the care sector by expanding the role of public sector providers and public purpose-driven businesses.

108
Introduce an EU care guarantee that ensures informal carers have adequate income.

109
Support Member States in meeting the targets of the European care deal through EU co-financing provisions and access to finance.

110
Coordinate policy action in relation to the European care deal through the European Well-being budgeting procedure.



Living a safe life in a fair, equal, and diverse society Fighting inequalities in income and wealth

111
Launch a European collective bargaining offensive to achieve a collective bargaining coverage of 90% of the EU workforce by 2030.

112
Deliver better collective bargaining outcomes for part-time workers by building on good practices developed at the national level.

113
Enable collective bargaining for the self-employed through targeted reforms of competition law.

114
Adopt a bolstered and effective EU pay transparency directive that allows workers to fight wage discrimination and excessive pay inequalities.

115
Abolish the unanimity principle on matters of taxation in the European Council that makes effective progress towards tax justice virtually impossible.

116
Introduce an EU net wealth tax that ensures the wealthiest households in the EU contribute to the financing of policies that foster sustainability and well-being.

117
End the race to the bottom in global corporate taxation by implementing the international agreement on a minimum effective corporate tax rate.

118
Introduce an EU financial transaction tax and a digital levy as own resources for the EU budget.

119
Create a fully harmonised EU corporate taxation framework that ends corporate tax competition in the EU and lowers compliance cost for businesses operating in the European single market.

120
Introduce a temporary excess profit tax targeting businesses with higher-than-average profits during the COVID-19 pandemic to levy a contribution from the corporate sector to financing the cost of the public health crisis.

121
Adopt measures to create transparency and accountability with regard to corporate and wealth taxation.

122
Take a progressive initiative to adopt a Common Wealth Charter that serves to strengthen public services and supports communities in launching projects with social and environmental co-benefits.



Living a safe life in a fair, equal, and diverse society

Empowering women and minorities - the heroes of COVID

Develop a European assessment of the equality impact of COVID, to be presented at an EU Equality Summit, to create political accountability for the distress experienced by marginalised social groups and to set priorities for future policy action.

Launch an annual EU diversity and inclusion reporting procedure to enable a structured and regular engagement of EU policy with manifest challenges and trends.

Establish a dedicated equality formation in the Council to mirror related structures in the European Parliament and Commission.

Adopt a horizontal anti-discrimination directive to ensure citizens have access to effective remedies at hand with regards to all forms of discrimination and inequality in all sectors of society.

Develop a uniform statute for national equality bodies that contribute to the shifting of social attitudes, provide assistance to victims of discrimination, and support the preparation of effective policy action.

Establish a legally binding commitment to closing the gender pay and pensions gap by 2030 through effective social security and labour market reform.

Unblock negotiations on the 'Women on Boards Directive' to ensure women have equal access to decision-making roles in the economy.

Adopt quotas for women representation in public decision-making bodies.

Make broader use of gender mainstreaming and gender impact assessments in EU policymaking and in EU investment programmes.

Translate the Council of Europe Istanbul Convention into EU legislation to develop a consistent EU framework for fighting violence against women, including by declaring gender-based violence an EU crime.

Make sexual and reproductive rights shock-proof by assessing the impact of the COVID-19 crisis on the availability of related services and resources and preparing effective remedies.

Ensure an effective implementation of the EU LGBTIQ Equality Strategy, especially by using legislative instruments to achieve real change.

Create the office of a European disability coordinator charged with the mainstreaming of disability-related issues and concerns across EU policy.

Establish a fair, consistent, and effective system for legal labour migration to fight incentives for migrants to resort to irregular forms of migration and to help meet Europe's needs for skills and talent.

Support local communities in integrating migrants and refugees by making financial support available for local authorities.

Get tough on the defence of the rule of law by using existing instruments available to the European Commission.

Introduce a European statute for independent civil society organisations to foster a vibrant civic space in all EU countries and help civil society fend off attacks of national governments.



Living in a world dedicated to planetary and human sustainable well-being

220
A waiver on patents to accelerate and to spread the manufacturing and distribution of COVID-19 vaccines across the globe.

221
A USD 30 billion global multi-year burden sharing plan to finance vaccines for the poorest countries.

An EU initiative to propose a global blueprint for “beyond GDP” well-being indicators in the framework of the United Nation’s system of national accounts and a new governance approach promoting “Well-Being Budgeting” from national to local governance levels across the globe.

222
An EU initiative to host an International Summit on Sustainable Development and Well-Being to be held during the second half of 2022, based on a multi-level and multi-stakeholder approach, with international institutions, countries, regions, cities and non-state actors (including trade unions, civil society organisations and engaged multinational corporations) committed to the UNSDGs.

223
An ambitious 15-point plan for a 1.5 °C climate ambition for COP26 in Glasgow.

A new global climate policy initiative to be developed by the United Nations for 2023 aimed at achieving global carbon neutrality already by at least 2045 (and by 2040 for those countries which can achieve it) and at setting ambitious negative emission goals towards a zero-emission world.

224
An EU initiative for a Global Green Deal by the start of COP26.

225
A Global Social Contract including four initiatives:
• an empowerment of the ILO on standard-setting and governance in relation with the UNSDG implementation
• a global social label
• a global policy initiative on informal work in the global economy
• a global social protection & health fund.

226
A Fair Global Minimum Corporate Tax Rate of at least 20% and a fair distribution of corporate tax income for poorer countries.

227
A United Nations Convention on Corporate Responsibility.

228
EU trade negotiations flanked with clear and actionable sustainability roadmaps.

229
More effective and enforceable Trade and Sustainable Development Chapters in EU Foreign Trade Agreements.

230
Rebalanced EU Foreign Trade Agreements from brown to green goods and services.

231
Better and more timely use of sustainability impact assessments in EU trade talks, with policy evaluation to be commenced alongside the negotiation process and feed into negotiations on a rolling basis.

232
An EU trade policy aligned with domestic sustainability objectives.

Strategic EU partnerships with developing countries to allow them to seize development opportunities in key value chains for a sustainable economy.

EU Foreign Trade Agreements to leverage a contribution from the private sector.

A reform of the World Trade Organisation to ensure its work and rulebook is consistent with, and supports, trade in the interest of global sustainable development and the United Nations Sustainable Development Goals.

Develop greater multilateral capacity to ensure trade contributes to global public health policy.

An EU initiative to promote an integrated approach around a new social-ecological understanding and practice of development policy in combination with other policies, with the notion of sustainable well-being at its core (linkages with the recommendations for a Global Green Deal and for a Global Social Contract).

An increase of development assistance, notably through the United Nation's Financing for the Development in the Era of COVID-19 and Beyond Initiative (FFDI) and by achieving the 0.7% ODA target for the EU by 2030.

A World Commission for 21st Century Global Governance.

A Global Common Wealth Charter.

» The “Great Shift” is the result of dedicated work by the Independent Commission for Sustainable Equality, co-chaired by Poul Nyrup Rasmussen and Teresa Ribera Rodríguez. It is about ensuring we are equipped to cope with the demanding times that we live in by pursuing a new, forward-thinking, ambitious and realistic set of policy proposals within a shared vision for a progressive society, where carbon neutrality and sustainable equality are at the heart of our strategy.«

Iratxe García Pérez,

President of the S&D Group in the European Parliament

» The most critical message of this policy report is that progressives must build a new alliance between ecological and social progress. The fight for the environment and the fight for a more equal and fair society are part of the same battle.«

Eric Andrieu,

Vice-President of the S&D Group in charge of Progressive Society

» We need to shape a common future built on solidarity, human dignity and respect for nature, where economic activity is firmly framed within societal needs and planetary boundaries. This model must lead to widespread sustainable human and planetary well-being. This is most critical for our youth, to whom we owe a different and better future.«

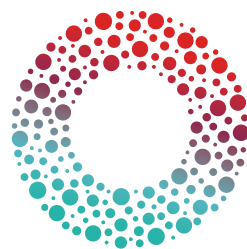
Teresa Ribera Rodríguez,

Deputy Prime Minister of Spain

Poul Nyrup Rasmussen,

former Prime Minister of Denmark and former President of the Party of European Socialists

Co-Chairs of the Independent Commission for Sustainable Equality



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