



The Competitiveness Compass and draft Joint Employment Report 2025 – What’s in it for Europe’s Roma¹?

The Autumn Package kick-starting the European Semester 2025 was released by the European Commission in two batches, on 24 November and on 18 December 2024. While the latter batch included the usual draft [Joint Employment Report](#), none of them contained the **Annual Sustainable Growth Survey**. This is a first, ever since the establishment of the European Semester back in 2011. There was only a brief [accompanying communication](#), of two and a half pages.

Instead, the European Commission put forward a new document, entitled the [Competitiveness Compass](#), on 29 January 2025. This is a **programmatic, framing document**, aimed to “guide the work in the coming five years” and listing “priority actions to reignite economic dynamism in Europe.” Explicitly, **competitiveness is “front and centre of this mandate”**. In this policy response paper, ERGO Network has analysed the Competitiveness Compass, as well as the draft Joint Employment Report and the accompanying communication, from a Roma rights perspective.

¹ The umbrella term “Roma” encompasses diverse groups, including Roma, Sinti, Kale, Romanichels, Boyash/Rudari, Ashkali, Egyptians, Yenish, Dom, Lom, Rom and Abdal, as well as Traveller populations (gens du voyage, Gypsies, Camminanti, etc.), in accordance with terminology used by the [European Commission](#).

The Competitiveness Compass is, as the name suggests, **almost exclusively concerned with economic matters** of growth and productivity, as well as with (re-)establishing Europe as a leader on the global markets. It is **heavily reliant on the [report](#) prepared last year by Mario Draghi**, former President of the European Central Bank and former Prime Minister of Italy, which is also explicitly focussed on European competitiveness. There are also frequent references to the other **key [report](#) prepared last year by Enrico Letta**, former Prime Minister of Italy, on the EU's internal market. This is consistent with Ursula von der Leyen's recognised ambition to make this mandate of the European Commission one of **"growth and investment"**.

This approach means that most if not all other policy areas, including **social and environmental policies, are subsumed to competitiveness goals**. The vision seems to be seeking competitiveness at any price, since it outlines **no red lines or areas to be spared** in this quest. It states, *"In this world, Europe's competitiveness and what Europe stands for are inseparable."* There is **no reference to [another crucial report](#)** recently commissioned by the European Union, on the **Future of the Welfare State**, or to the **[La Hulpe Declaration](#)**, proclaiming the Social Pillar (not competitiveness) the compass for the EU barely one year ago. The lack of attention to social issues is a significant **step back even from the previous Annual Sustainable and Growth Surveys** (itself primarily an economic document), and the narrative of the Competitiveness Compass leaves little doubt as to the **low priority assigned by this Commission to equality and inclusion**.

While it mentions that competitiveness will ensure the necessary prosperity to sustain our European social model, **the framing is not one that supports the social model as a goal**, and competitiveness as means to an end. There is **nothing about redistribution**, about tackling poverty and inequality, or about how prosperity is going to trickle down to those in need. In fact, throughout the text, **people are conspicuously absent**, and businesses seem to be the main (sole?) intended beneficiaries. There are few and far between mentions of 'citizens' (but not to residents), and to workers (but not to those who are not in paid employment). Aside the striking **lack of references to poverty and inequality** (not a single mention in the document to either), there is also **surprisingly little about the green transition**, with the European Green Deal not even named, and **not a word about social economy**.

Alongside social and sustainability concerns, there was also **no place for Roma, ethnic minorities, racism, or discrimination anywhere** in the Competitiveness Compass. This is another missed opportunity compared to the Annual Sustainable Growth Survey where, more often than not, the Roma were mentioned, or at the very least there was a commitment to the **Union of Equality – also absent from the current document**. The Compass includes one sentence about taking pride in Europe anti-discrimination laws, a sentiment which many human rights organisations would like to question. **Vulnerable groups are only mentioned once** in the entire text.

The Competitiveness Compass is divided in two parts: a first section, dedicated to the **“three transformational imperatives to strengthen competitiveness”**, which are identified as *Closing the innovation gap*; *A joint roadmap for decarbonisation and competitiveness*; and *Reducing excessive dependencies and increasing security*. Each of the three imperatives is detailed under a separate heading, and **each comes with a clear list and timeline of European policy initiatives** to be implemented to achieve them. The second section is entitled **“Horizontal enablers for competitiveness”** and includes six sub-headings, regarding *simpler regulation*, *the Single Market*, *financing competitiveness*, *promoting skills and quality jobs and social fairness*, and the *European Competitiveness Tool*. Unlike the first section, there is only one, common, list of policy actions corresponding to all 6 sub-headings of the second section of the document.

The structure confirms that **the all-important section on social fairness prioritises skills and jobs**, and moreover that it is firmly considered exclusively as an **enabler of competitiveness**, rather than a goal in itself, much less the main goal for Europe’s future. The section at least seems to have a **focus on quality jobs and adequate wages**, and it acknowledges inclusive labour markets and the welfare state. It states: *“Increasing labour participation and productivity largely depend on fair working conditions, decent wages, work-life balance, and on having access to affordable and quality childcare and long-term care.”* These positive references are backed up by the mention of the already announced **EU Job Quality Roadmap** and **Affordable Housing Plan** – but no wording on the EU’s upcoming first Anti-Poverty Strategy. Another positive reference, in a different part of the document, is to an **EU Affordable Energy Action Plan**.

While seeming to praise the European Pillar of Social Rights, which is only mentioned once in the entire document, it does so only to clarify that **the EPSR is central to shaping a competitive Europe**. This is an instrumentalization of social policies for economic gains. The section speaks about better access to the labour market for **women, young people, older people, the low-skilled, people with disabilities, and other under-represented groups**. This may appear positive, but this is not about the wellbeing of these groups, but about business' needs for ever more available workforce, and it will likely result in **tighter activation policies at the national level**. There is also language around *"adequate, efficient, and effective social protection"*, but only for workers. Very worryingly, the section talks of **pension reform which entails longer working lives**.

A key component of the brief section on social fairness is the **Union of Skills**, with statements such as *"The foundation of Europe's competitiveness is its people."* In this narrative, investing in people **does not mean investing in their wellbeing**, but only in their productive capacity, as they are reduced to the skills they possess and the contribution they make to businesses. But the famous **'human capital' cannot start from skills**. Even if the objective is increased productivity and innovation for businesses (rather than better living for all), people need to **be healthy and thrive**, they need to have had **access to a solid foundation of general education**, as well as to have grown up **free from poverty, discrimination, exclusion, and hardship**. For the bluntly-stated objective of competitiveness at all cost, the current strategy is sabotaging itself by cutting corners.

There are, sadly, other **missed opportunities to draw useful connections with the social agenda**. For instance, the document mentions, *"The digitalisation of public services and the integration of AI in the public sector will enhance competitiveness"*, but there is no complementary reflection about other effects, such as **increasing the digital divide**, or about the quality of the service delivered. In a different section, where start-ups, scale-ups, and access to funding are mentioned, the chance to include a reference to **the plight of minority entrepreneurs**, for instance, is not stressed. There is a **single reference to migration**, not about providing solidarity and opportunity, but about attracting the best talent to the detriment of other regions of the world we are competing with. Once again, **people are bargaining chips** in a race of global business interests.

The Competitiveness Compass also announces some very **worrisome structural changes to EU processes and funds**, such as the Multiannual Financial Framework and the European Semester. Regarding the MFF, it makes it very clear that **European funding will henceforth be aligned with competitiveness objectives**, which includes ‘reprogramming’ existing funds, such as Cohesion Policy funds. Proposals to streamline and simplify EU funding instruments would be welcome, but there are **great concerns that vital social funding will be cut or redirected**. A new **Competitiveness Coordination Tool** is announced, supported by a dedicated **Competitiveness Fund**, which is bound to take up a sizeable portion of the available funding pot under the MFF.

In addition, the document cryptically refers to a “*streamlined **European Semester, focused on reforms and investments for competitiveness***” (our bold). Once again, this is very concerning language, as the process was already fairly tilted towards economic priorities – but the worry is now that **social monitoring through the Semester might disappear or at least be significantly downsized**. Given the recent announcement of the Second Social Pillar Action Plan and the EU Anti-Poverty Strategy, the question remains where do they fit in the competitiveness narrative.

In the absence of the Annual Sustainable Growth Survey this year (it is unclear whether it will return next year), a little **more detail on the structure of the European Semester 2025** is provided by the accompanying communication in the second batch of the Autumn Package documents. It states that “***The European Semester will continue to drive the EU’s economic and social policy coordination, ensuring consistency between the EU, national and regional dimensions.***” (our bold). The **Spring Package** will include the usual **Country Reports**, which will inform the **Country-Specific Recommendations (CSRs)**. The former will look at the implementation of existing recommendations, policy action to address identified challenges, and further economic growth and social progress. They will build on structural dialogues carried out in Member States.

It is announced that given the imminent end of the Recovery and Resilience Facility in 2026, the **CSRs will gradually become more comprehensive**. From this perspective, 2025 will be a “bridge year” regarding CSRs. However, they are **bound to be influenced by the strong competitiveness agenda**, providing guidance on reform and investment priorities in each Member State.

In what concerns the draft **Joint Employment Report (JER)**, we are very pleased to see Europe's **Roma mentioned multiple times** in the document, concerning issues such as their heightened risk of experiencing **poverty and social exclusion** (including that of children), low participation of Roma children in **early childhood education and care, early school leaving**, and difficult **access to services and the labour market**. The situation of Roma in Bulgaria, Hungary, Ireland, Romania, and Spain is highlighted. Additionally, **strong links are made with the EU Strategic Framework on Roma Equality, Inclusion, and Participation** and its targets, as well as with the Council Recommendation and recent Council Conclusions. Disappointingly, however, **nothing is said about Roma health or housing**, and there is **no mention of antigypsyism or racism**. There are only **four references to discrimination**, of which one is specifically about **the plight of people with a migrant or minority background** – but unlike in other years, not explicitly the Roma.

The **references to civil dialogue are very poor in all three documents** mentioned above. The **Competitiveness Compass makes no mention of civil society**, while social partners are mentioned three times. “Stakeholders” are also mentioned twice, regarding the Clean Industrial Deal, as well as regulatory simplification – but not in any other context. The **accompanying communication** of the second batch of documents of the Autumn Package includes **one explicit reference to civil society**, about increasing ownership of the Country Reports. However, nothing is said about **the need for Governments and the EU to closely involve beneficiaries and their civil society organisations** at all stages of design, implementation, and monitoring of the Semester. Finally, the **Joint Employment Report fares much better**, with multiple references to civil society, which is deemed *“instrumental for delivering impactful and inclusive policies.”*

ERGO Network will continue to advocate for **a stronger focus on Roma rights and inclusion in the framework for these processes**, and for stronger synergies between the European Semester and the EU Roma Strategic Framework for Equality, Inclusion, and Participation, the EU Anti-Racism Action Plan, and other relevant policies.

For more information on ERGO Network's work on the European Semester, please contact Senior Policy Adviser **Amana Ferro** – a.ferro@ergonetwork.org