

8 DECENT WORK AND
ECONOMIC GROWTH



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





| EU internal action

Overview and challenges

The EU aims to transform into a modern, resource-efficient, fair and competitive economy where there are no new emissions of greenhouse gases by 2050, economic growth is decoupled from the use of resources, and no person or place is left behind.

The EU economy saw strong and continuous growth between 2014 and 2019. Over 14.5 million jobs were created in this period. The positive trend faltered in 2020 because of the COVID-19 pandemic, but the EU economy, boosted by Europe's recovery plan, bounced back strongly in 2021 and 2022. This was also seen in the labour market, with the EU's employment rate reaching a record high of 74.6%, although with a persisting gender employment gap. With the swift recovery, labour and skills shortages have exceeded pre-pandemic levels. Adequate minimum wages are key to protecting low-wage earners from in-work poverty and to encouraging people into work.

However there are major uncertainties ahead due to ongoing inflationary pressures, tightening financial conditions and the Russian war of aggression against Ukraine. Overall, GDP growth is estimated at 3.5% in 2022 and is projected to expand by 0.8% in 2023 and 1.6% in 2024 in the EU and employment by 1.8% and 0.1% respectively. Risks to the forecast for economic activity and inflation are heavily dependent on the evolution of Russia's war of aggression in Ukraine, developments in the energy markets and potential shocks to commodity

markets. Employment growth is projected to have slowed down in 2022 and come to a halt in 2023. Long standing **challenges remain to the labour market participation** of women, young and older workers, people with a migrant background, persons with a minority racial or ethnic background, persons with disabilities and other vulnerable groups.

Key initiatives

The European Green Deal is the EU's roadmap for making its economy sustainable by turning climate and environmental challenges into opportunities across all policy areas, and by making the transition just and inclusive for all. At the same time, the EU aims for **an 'economy that works for people'** — its social market economy encourages growth and aims to reduce poverty and inequality.

The **European Pillar of Social Rights action plan** outlines actions to implement the **20 principles of the European Pillar of Social Rights** in a joint effort by the Member States and the EU, with the active involvement of social partners and civil society. It also proposes headline targets for the EU to achieve by 2030 in employment, skills and poverty reduction. The implementation of the social rights pillar is the EU's primary means of progressing towards the SDGs in the areas of employment, skills, and social protection.

Several legal initiatives were also set out at EU level. The most important of these is the **Directive on adequate minimum**

2030 targets and trends at EU level

Target and policy reference

At least 78 % of the population aged 20 to 64 to be employed by 2030

European Pillar of Social Rights Action Plan

Less than 9 % of young people aged 15 to 29 to be neither in employment, nor in education or training by 2030

European Pillar of Social Rights Action Plan

Trends

The employment rate in the EU grew from 68.5 % in 2015 to 74.6 % in 2022. If the positive trend continues, the EU will be well placed to reach the target of a 78 % employment rate by 2030.

The proportion of young adults neither in employment nor in education or training (NEETs) continued to fall between 2015 and 2019. However, this trend was reversed with the onset of the COVID-19 pandemic, bringing the share of NEETs to 11.7 % in 2022. The short-term assessment shows that the EU is on track to achieve the target.

More details on indicators and trends for SDG 8 can be found in the statistical and analytical annex and in Eurostat's monitoring report on progress towards the SDGs.

[wages](#) in the EU adopted in October 2022, which improves minimum wages and aims to increase workers' access to minimum wage protection. The reinforced Youth Guarantee strengthens activation of all young people, and in particular those not in employment, education or training, and will help reduce social exclusion among young people. The [Youth Employment Initiative](#) supports quality employment, further education, quality traineeships and apprenticeships.

The [Council Recommendation on the integration of the long-term unemployed into the labour market](#) aims to help people who have been unemployed for a long time to re-enter the labour market. The [Directive on transparent and predictable working conditions in the EU](#) complements existing obligations to inform each worker about their working conditions and sets new minimum EU standards on working conditions for all workers. The [Recommendation on an effective active support to employment following the COVID-19 crisis](#) (EASE) supports the transition from emergency measures to preserve jobs during the pandemic to new measures needed for a job-rich recovery.

The [European Semester](#) integrates the surveillance and coordination of economic and employment policies to promote sustainable economic growth, job creation, financial stability and sound public finances. Since 2018, the EU's [Annual Sustainable Growth Strategy](#) (ASGS) has emphasised the need to refocus the European Semester on integrating the SDGs and advancing competitive sustainability. From 2020 onwards, the ASGS has further specified that the European Semester should help implement the European Green Deal, the European Pillar of Social Rights and the SDGs.

Tools to effectively carry out this agenda have recently been revised in the light of the policy context after the COVID-19

crisis and with the war in Ukraine. In 2021, the Commission launched a review of the EU economic governance framework (see the [Economic Governance Review](#)), with the aim of improving the effectiveness of integrated surveillance and policy coordination in the EU. In April 2023, the Commission presented legislative proposals to implement the most comprehensive reform of the EU's economic governance framework since the aftermath of the economic and financial crisis. The central objective of these proposals is to strengthen public debt sustainability while promoting sustainable and inclusive growth. EU Member States will design and present plans setting out their fiscal targets, measures to address macroeconomic imbalances and priority reforms and investment over a period of at least four years. The proposals facilitate and encourage EU Member States to implement growth-enhancing reforms and investments in order to build the green, digital and resilient economy of the future. In this context there is an enhanced role for national fiscal institutions to be built over time.

The EU is also working to create the capital market and banking unions. A more integrated capital market could facilitate risk sharing and investment in businesses irrespective of their location, providing capital for the green and digital transitions and helping reduce the impact of financial shocks. Work on the Banking Union aims to make banks more resilient, to establish a European deposit insurance scheme and to create a more integrated single market for banking services.

Selected enablers

Financial resources, reforms and investments as well as science and innovation are strong means to implement the SDGs in the EU.

With the objective of boosting job creation and economic growth, the Investment Plan for Europe mobilised more than EUR 500 billion in investment in the EU in 2015-2020 through the budgetary guarantee of the European Fund for Strategic Investments (EFSI). This investment plan was followed by the Sustainable Europe Investment Plan (SEIP), which is the investment pillar of the European Green Deal. The plan aims to mobilise at least EUR 1 trillion in sustainable investments over the next decade.

The plan includes [InvestEU](#), which is one of the Commission's main programmes to support the sustainable transition of the EU economy by providing financial guarantees to implementing partners. It will mobilise more than EUR 372 billion in public and private funding for debt and equity investments in EU companies across four policy windows: Sustainable Infrastructure Window, Research, Innovation and Digitalisation Window, SMEs Window, Social Investments and Skills Window. At least 30% of the InvestEU financing must contribute to climate objectives, and many of its financial products have a strong focus on sustainability.

Supporting investments for jobs and growth is a core priority of Cohesion policy. By the end of the 2021-2027 programmes' implementation, estimations show that GDP in certain Member States will be +3 to 4% higher than in a scenario without cohesion policy (with an even higher impact for some regions), with the creation of about 1,3 million additional jobs. The programmes are a direct response to the country specific recommendations addressed to Member States in the context of the European Semester.

Furthermore, over EUR 23 billion of Cohesion policy funds will be spent on helping SMEs to grow and improve their competitiveness. The European Regional Development Fund contributes to smart economic transformation by enhancing sustainable growth, competitiveness and job creation in SMEs, including by productive investments and through financial instruments, by developing skills for smart specialisation, industrial transition and entrepreneurship, and investing in education and training infrastructure. The European Regional Development Fund has for the first time a dedicated specific objective of supporting skills for smart specialisation, industrial transition and entrepreneurship in 65 000 SMEs.

With a budget of EUR 99.3 billion (2021-2027), the European Social Fund Plus (ESF+) also makes an important contribution to the EU's efforts to promote employment and decent work, education and skills policies, and structural reforms in these areas. For example, the project 'Convergence between academic training and active life' in Romania helps students complement their academic knowledge with skills developed during good quality internships.

The [Support to mitigate Unemployment Risks in an Emergency \(SURE\) instrument](#) has mobilised EUR 92

billion to help Member States fight the negative economic and social consequences of COVID-19 on their territory. The instrument proved effective in supporting short-time work schemes. SURE supported approximately 31.5 million people and 2.5 million firms in 2020, representing almost one third of total employment and firms in the 19 Member States that benefited. SURE continued to safeguard employment in 2021, in particular in the first half of the year, supporting approximately 9 million people and over 800 000 firms.

NextGenerationEU is the EUR 750 billion temporary (recovery instrument, implemented over 6 years, to help repair the immediate economic and social damage brought about by the COVID-19 pandemic. The [Recovery and Resilience Facility \(RRF\)](#) makes EUR 723.8 billion in loans and grants available to support reforms and investments made by EU countries. The RRF aims to finance reforms and investments with long-lasting impact, making the EU more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. The RRF is designed to help the EU achieve its target of climate neutrality by 2050 and sets Europe on a path of digital transition, creating jobs and spurring growth in the process. The reforms proposed in the national recovery and resilience plans tackle (a significant subset of) the challenges identified in the country specific recommendations addressed to Member States in the context of the European Semester. Estimates suggest that, if well used, funds from NextGenerationEU could boost the EU's real GDP by around 1.5% in the long term and support the creation of new jobs.

In March 2023, the REPowerEU Regulation entered into force. The REPowerEU Plan, as the EU's response to the global energy crisis, recognises the role of the RRF for achieving secure, affordable and green energy. Under REPowerEU, the RRF will support Member States in putting forward additional reforms and investments to rapidly phase-out the EU's dependence on Russian fossil fuels, accelerate the clean energy transition, support the reskilling of the workforce, and address energy poverty. These new or scaled-up measures, to be included in dedicated REPowerEU chapters, will come on top of the already ambitious green agenda of the existing recovery and resilience plans, which already include support to environmental priorities such as the circular economy.

The [RRF Scoreboard](#) provides extensive information on the implementation of the facility. For example, the German recovery and resilience plan will contribute to major multi-country initiatives aimed at strengthening European innovation and industry in three strategic technological areas: hydrogen, microelectronics and cloud technologies. It is planned to implement these initiatives through Important Projects of Common European Interest (IPCEIs), which make it possible to bring together knowledge, expertise, financial resources and economic players from across the EU.



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Another example is from the Spanish recovery and resilience plan. This is the reform of employment contracts, amending existing regulations on the use of temporary contracts, to promote the use of open-ended contracts. The plan also includes measures to strengthen and modernise public employment services and provide more efficient and targeted support to job-seekers. These include digitalisation and improving processes in the employment services, training staff, and recruiting temporary staff to face the effects of the crisis.

Research and Innovation actions under Horizon Europe explore how the EU can transform its economy to become more inclusive and sustainable. For example, in 2017-2020, the project [InGRID-2](#) (Integrating Research Infrastructure for European expertise on Inclusive Growth from data to policy) supported joint research activities and research networks focusing on social inclusion and exclusion, the workplace and related social and labour market policies. In another project, a consortium of research institutions and national statistical institutes explored and harmonised indicators beyond GDP that measure sustainability and wellbeing ([Makswell](#) – MAKing Sustainable development and WELL-being frameworks work for policy analysis). Research projects are providing new understanding on labour market impacts and how the EU can ensure decent jobs and good social protection. The [TransEuroWorkS](#) project aims to provide information for policymakers by examining changes in work and social protection across Europe and their impact on people.

Another example is the project ‘Support to the tourism ecosystem: towards a more sustainable, resilient and digital tourism’ in Italy, supported by the Technical Support Instrument under the call for 2022. Tourism is an important economic driver in Italy, but reforms are needed to overcome long-standing structural weaknesses and build the foundations for recovery.

The main objective of this project is to strengthen the governance model and evidence base for tourism, and promote sustainable, resilient and digital tourism in Italy.

Stakeholder engagement

The EU take a collaborative approach to deliver on its agenda to promote decent working conditions. In the framework of the European Semester process, the Structured Dialogue provides an opportunity for the European Commission to engage with both employers and trade unions to discuss the issues, challenges, and possible policy responses on the economy, labour market and social protection.

To reflect collectively on new trends and best practices, the Commission also regularly organises annual flagship events, such as

- ▶ The Annual Convention for Inclusive Growth, provides a platform for civil society organisations and policymakers to discuss how to make the EU’s economy work for all.
- ▶ [The Brussels Economic Forum](#) (BEF) is the flagship annual economic event of the European Commission, gathering high-level European and international policymakers, academics, civil society and business leaders to identify key challenges and debate policy priorities for the European economy.
- ▶ [The EU Sustainable Investment Summit](#) is the European Commission’s flagship annual event on sustainable investment, bringing decision makers and stakeholders together to discuss key issues and challenges linked to the European Green Deal and its investment plan.

- [The Annual Research Conference \(ARC\)](#) is where European institutions exchange knowledge and engage in dialogue with researchers in academic institutions and think tanks, practitioners in civil society organisations and citizens. In 2022 the focus was ‘how to turn green the European way: keeping cutting the edge while remaining social and fair’.

In 2022, the Commission also organized the first edition of the European Employment and Social Rights Forum, where stakeholders were invited to discuss the social dimension of the green transition.

While the green transition provides ample opportunities for good quality jobs, the transition requires new green skills. Therefore, the [Skills for the Green Transition Award](#) highlights best-practice initiatives to develop education, training and skills that support the shift towards a sustainable, clean, carbon-neutral circular economy and society.

Good quality apprenticeships and on-the-job training are key to ensuring new job opportunities and developing people’s skills. The [European Alliance for Apprenticeships Award](#) recognise outstanding achievements by companies and their apprentices that help improve the quality, supply and overall image of apprenticeships across Europe.

The European Entrepreneurial Region (EER) is an award that identifies and rewards EU regions and cities with an outstanding and innovative strategy to encourage entrepreneurship through sustainable and credible initiatives with measurable targets. Cooperation with a broad range of stakeholders is essential to developing an entrepreneurial culture within a region. Since its creation in 2010, the EER label has been

granted to 39 regions and cities from 17 EU Member States. The EER label for 2023 has been granted to Barcelona (Spain), Penela (Portugal) and Western Pomerania (Poland).

Multi-level approach

SDG delivery implies ambitious action at all levels. For example,

The Start-Up Nation programme in Romania supports citizens abroad who want to set up a business in their home country with grants of up to ROL 200 000 (approx. EUR 40 000). The maximum amount can be obtained if at least two full-time jobs are created through the project. The beneficiary company must bring a co-financing of at least 5 % of the eligible costs of the project. The programme aims to help set up and develop SMEs and create new jobs. The programme has supported, among other things, investments in energy-saving installations and equipment, and systems that use renewable energy sources.

The regional government of Wallonia in Belgium has partnered with the Walloon business federation to increase awareness of the SDGs and encourage the private sector to implement them. The website [‘Les SDGs pour les entreprises wallonnes’](#) provides guidance to firms on integrating the SDGs into their business practices and models. For this purpose, two catalogues of actions that enterprises can take inspiration from have been published on the website.

Several European cities (including Amsterdam, Brussels and Berlin) are experimenting with the ‘doughnut economy’ model to recover from the COVID-19 pandemic and encourage participatory processes to improve social conditions, while minimising climate and environmental impacts.

EU external action

Global trends

In 2010-2020, real GDP per capita grew steadily, if modestly, across the world, with low but rising unemployment rates in least developed countries. With the COVID-19 pandemic in 2020, GDP growth slowed down considerably, job losses and the increase in numbers of people not in education, employment or training (NEET) have been unprecedented, with vulnerable groups, women and young people affected disproportionately. Workers in the informal sector and small firms have been hit particularly hard in the absence of well-established social protection systems. School closures have led to increased child labour and longer working hours of those already in work (see the [UN SDG 2021](#) and [2022](#) reports). Recent developments, notably the impacts of the Russian aggression on Ukraine, have increased the threat to workers’

livelihoods and working conditions and exacerbated inequalities in income and in the labour market.

Internal/external coherence including policy coherence for development

Coherence between internal and external policies plays an important role in avoiding negative spillover effects in terms of growth and employment, and in ensuring a global spread of the economic recovery following the COVID-pandemic. The EU plays an active role in promoting sound and sustainable macroeconomic policies in non-EU countries, through economic diplomacy, bilateral relations and in multilateral forums such as the G7 and the G20. It also holds regular dialogues on macroeconomic and structural policy issues with candidate countries, EU Neighbourhood countries and most of the



non-EU G20 countries such as Argentina, Brazil, China, India, Mexico and South Africa.

Through its active role as a member of the G20, the EU is able to promote its internal policies outside the EU. Examples of this include the G20 Framework for Growth Working Group, which was set up with the purpose of attaining strong, sustainable and balanced growth. In this working group, discussions touch upon the appropriate policy mix, macroeconomic developments and challenges, and the range of impacts of climate change and mitigation policies. Discussions also include the EU role in the employment strand of the G20. Furthermore, to ensure that growth is sustainable, the EU strongly promotes the priorities of the European Green Deal among its international partners. In this vein, the EU actively contributes to a global effort on resource efficiency and decoupling growth from environmental degradation, as described in more detail under SDG12.

Most recently, the EU has also been a strong driving force behind the G20 Common Framework for Debt Treatments. It has ensured consistency between EU and international work on fair taxation in the digital age, and helped to bring together donors and creditors under the G20 Compact with Africa. The European Commission also proposed a series of measures to modernise and make the EU's Value-Added Tax (VAT)

system work better for businesses and more resilient to fraud by embracing and promoting digitalisation.

As the EU economy is connected to millions of workers around the world through global supply chains, and as EU consumers increasingly demand socially and environmentally sustainable fair trade goods, the EU engages with the private sector as well as with governments in partner countries on **responsible business conduct in global supply chains**. In line with that, the EU fosters the provision of expertise in the area of employment and social protection in partner countries via the SOCIEUX+ technical assistance facility and promote decent work in specific sectors through programmes such as the 'farm to fork strategy', the 'raw materials initiative', 'better work' and the 'vision zero fund'.

Key partnerships with the UN and the OECD, in particular, have been instrumental for the EU in promoting international standards on responsible business conduct on a global scale, and in encouraging the uptake of the OECD Guidelines for Multinational Enterprises, the International Labour Organisation (ILO) Tripartite Declaration, and the UN Guiding Principles on Business and Human Rights in global supply chains.

The proposed [corporate sustainability due diligence Directive](#) aims to broaden the scope from voluntary standards in responsible business conduct to a horizontal legal framework to prevent, mitigate and end the adverse social, climate and environmental impacts of corporate activities across their value chains. It thus promotes policy coherence for development as it aims to foster sustainable and responsible corporate behaviour and to anchor mandatory human rights and environmental considerations in companies' operations in non-EU countries as well as businesses from outside the EU that operate in the EU. Human Rights encompass issues such as forced labour, child labour, inadequate workplace health and safety and the exploitation of workers. The proposed directive would further strengthen other measures such as the [EU conflict minerals Regulation](#), which creates supply chain due diligence obligations for EU importers of tin, tantalum, tungsten and gold, to ensure that imports of those minerals into the EU do not contribute to armed conflict and other associated human rights abuses along the supply chain. The regulation also aims to promote sustainable development in the countries concerned by encouraging responsible sourcing, including from conflict-affected and high-risk areas. In addition, with the [Regulation for deforestation-free products](#), the EU aims to reduce the impact of deforestation on nature and people in non-EU countries by introducing stringent due diligence obligations for corporations.

The EU adopted its [strategy on the rights of the child](#) in 2021 and committed to a zero-tolerance approach to child labour in supply chains. In this context the EU adopted a new programme to address child labour in supply chains. The Commission has also adopted a legislative [proposal to prohibit products made with forced labour](#) from being placed on or exported from the EU single market^[1]. The proposal builds on internationally agreed definitions and standards and covers all products, namely those made in the EU for domestic consumption and export, and imported goods, without targeting specific products, companies, industries or geographical locations. Furthermore, the [Communication on decent work worldwide](#) reaffirms the EU's commitment to champion decent work both at home and around the world.

EU and Member States external financial support for SDG implementation and results

In 2021, EU institutions reported to OECD commitments totalling EUR 8.2 billion in projects contributing to SDG 8, making it one of the largest recipients of EU development assistance along with SDGs 1 and 10. The largest share of the EU contribution is accounted for by projects that target SDG 8 as the main SDG. These projects also make a significant contribution to other interlinked SDGs, in particular SDGs 1, 5, 9 and 10. Other SDGs also contribute to SDG 8

as a significant objective. The main contributors are SDGs 1, 9, 13 and 17. When taking into account also other official flows, private funds mobilized through public intervention and support to international public goods, the Total Official Support to Sustainable Development (TOSSD) of the EU to SDG 8 amounted to EUR 13.6 billion in 2021

The results of assistance ⁽²²⁾ include more than half a million jobs that were supported or sustained by the EU. Further, nearly 800 000 firms and more than 2,6 million people had access to financial services with EU support in 2018-2021. In addition, nearly 2 million people benefited from EU-supported initiatives to give vocational education and training or develop skills. As for the enlargement region, in 2018-2021 the EU supported or sustained more than 1.8 million jobs, 1 082 535 firms had access to financial services with EU support, and the EU supported 23 public policies to strengthen revenue mobilisation, public financial management and budget transparency to strengthen the investment climate.

Collectively, the EU and those Member States that reported on SDGs to the OECD in 2021 contributed EUR 12.5 billion to SDG 8. EU and Member State funding for SDG 8 in 2021 focused predominantly on projects in Africa (61%), Asia (14%) and non-EU countries in Europe (12%).

Main policy orientations and initiatives for external engagement

In relation to SDG 8, the EU helps partner countries to improve the conditions for equitable and sustainable economic growth, employment and decent work. A core dimension of the EU's activity is to foster an improved business environment and investment climate to create conditions that are more conducive to private sector development and foreign direct investments.

In this context, and in line with partner countries' own policies and plans to achieve sustainable growth, the EU's priorities for its external actions that contribute to SDG 8 and interlinked SDGs include:

- ▶ making growth environmentally sustainable, including by fostering digitalisation and reducing carbon emissions;
- ▶ making growth socially sustainable, including by promoting decent work and human rights for workers worldwide, as well as responsible business conduct;
- ▶ making growth inclusive, by reducing inequalities.

Boosting investment in partner countries has been supported through the [European fund for sustainable development](#) (EFSD), set up in 2017 and providing EU budgetary guarantees

⁽²²⁾ For the methodology on results, see the same section under SDG 2.



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covering up to EUR 5.1 billion of operations in 2017-2021. The fund was designed to contribute to the achievement of the SDGs, namely by supporting sustainable and inclusive growth, creating decent jobs, promoting gender equality and empowering women and young people. The EFSD provides guarantees and blended finance to facilitate investment in the European Neighbourhood and in sub-Saharan African countries through activities to reduce risks for private investors in more challenging markets, with the goal of leveraging EUR 50 billion of investments.

The fund's successor, the EFSD+ and the external action guarantee, set up in 2021 with the capacity to provide EU budgetary guarantees covering up to EUR 53.45 billion of operations in 2021-2027, has evolved from a regionally focused approach to a global scope. It contributes to aim at eradicating poverty and promoting sustainable development, prosperity, peace and stability, including by mobilising private sector financing.

In 2022, the Commission launched the first EFSD+ call for proposals (available envelope EUR 5.95 billion) under the Open Access Window. The EFSD+ Regional Operational Boards held in 2022 and January 2023 endorsed 55 proposals amounting to EUR 8.4 billion across world regions. Furthermore, in 2022 the Commission signed five guarantee

agreements in sectors related to digital, financial inclusion, cities and MSME lending amounting to EUR 295 million.

Under the roll-out of the Global Gateway strategy across the world, including in the case of the Western Balkans and the Neighbourhood region through the implementation of the Economic and Investment Plans, the EU aims to mobilise up to EUR 300 billion of investments in 2021-2027 to boost smart, clean and secure links in the digital, energy and transport sectors, and to strengthen health, education and research systems, thus supporting the implementation of the SDGs.

Furthermore, EU budget support encourages the implementation of reforms and macro-economic stability and, together with macro financial assistance during the pandemic, **provided countries with a lifeline for SMEs massively affected by lockdowns** and with social protection for the most vulnerable people. EU budget support provides a platform for dialogue, including with the private sector, and a set of incentives for reforms, capacity development and policies to improve economic governance and the investment climate.

The EU also provides aid for trade assistance to support partner countries' efforts to develop and expand their trade as a way to grow their economy and reduce poverty. The respective

policies and objectives are set out in the EU's [aid for trade strategy of 2017](#), referred to in this report under SDG 17.

The EU's [Communication on decent work worldwide](#) highlighted the importance of fundamental labour rights, decent working conditions, protection of vulnerable groups and social protection for the achievement of the SDGs.

The scope of SDG 8 is particularly broad, and the main EU actions which ensure that growth in partner countries is sustainable, integrating environmental and climate considerations, are described in more detail in other chapters such as those on SDGs 12 and 13.

Examples of EU actions (with a focus on Global Gateway and Team Europe initiatives)

Promoting sustainable growth and decent work is at the heart of SDG 8 while also being important for achieving other SDGs, such as addressing poverty (SDG 1), food security (SDG 2), gender equality (SDG 5), reducing inequality (SDG 10) and for ensuring responsible consumption and production patterns in global value chains (SDG 12).

In this sense, one project that is taking a particularly cross-cutting approach is the Team Europe initiative being developed to support sustainable and inclusive socio-economic development in Iraq. It will include actions to create decent jobs (including for young people and vulnerable groups), on economic governance, the economic empowerment of women, economic diversification, private sector development, entrepreneurship, the digital economy, the green economy, education and skills development.

Some initiatives focus on young people and women, thereby contributing to SDGs 4, 5 and 10. These include for example three Team Europe Initiatives which contribute to roll out the Global Gateway strategy, and the Global Gateway Africa-Europe Investment Package in particular, the [#nigergenerationsfutures](#) aims to provide Nigeriens, especially young people and women, with opportunities to develop their skills and engage in decent work, improving the business environment, facilitating access to financing, developing legal private businesses in promising sectors and increasing people's potential through education and healthcare, especially for girls.

In the same vein, the regional Team Europe Initiative 'Investing in young businesses in Africa' supports and develops early-stage businesses by improved quantity and quality of financial instruments available and technical assistance. The Team Europe Initiative 'Europe-Benin: Sustainable growth and employment for young people' which is also part of the Global Gateway Africa-Europe investment package aims to improve people's potential by using technical and vocational education and training and entrepreneurship as levers to transform the country's

economic and social structure. The focus is on vocational training and on supporting the private sector on entrepreneurship and decent job creation, primarily for young people and women. In North Macedonia, the EU has supported educational reform and the entry of more than 26 000 young people into the labour market and further supports the country in addressing the mismatch between the educational offer and the demand in the labour market through a vocational education and training reform. The [EU for Youth](#) budget support, rolling out the youth guarantee, contributed to improving young people's skills and reducing youth unemployment from 30.5 % in 2019 to around 25 % in 2022.

The Team Europe Initiative 'Decent work' in Bangladesh contributes to the Global Gateway's investment priorities and provides a socio-economic response to the impacts of COVID-19. This project aims to address cross-cutting issues by mainstreaming gender, a rights-based approach, the Green Deal and digitalisation. While it is focused on employment and decent work, its actions will span many areas such as education, social protection, the business environment, and accountability and transparency in economic governance. In 2021, the EU strengthened efforts to boost women's economic empowerment in partner countries by launching a new partnership with the Tony Elumelu Foundation that supports 2 500 African women entrepreneurs.

In contribution to SDGs 8, 12 and 13, the Team Europe Initiative 'Green Growth' in Malawi supports Global Gateway investment priorities and aims to sustain agriculture, social stability and (youth) employment in Malawi. The main objective is to create jobs under a sustainable food systems approach focusing on agriculture diversification, environment and nutrition as growth enablers. The Team Europe Initiative '[Green Paraguay](#)' under the Global Gateway, which aims to promote global climate action and the green transition, in line with EU's Green Deal. The initiative will build a strong EU-Paraguay partnership on environment and climate change and raise awareness among young Paraguayans to transition towards a more sustainable and resilient economic model in Paraguay. In addition, the Team Europe [Global Green Bond Initiative](#) will support partner countries in increasing and diversifying their access to private capital for an inclusive and sustainable transition.

In Albania, the EU's 2020-2024 social inclusion programme responded to the emergency with measures providing economic aid and support to employees of SMEs affected by COVID-19, taking into account gender and disability. A minimum salary was provided to 65 574 people from temporary closed small businesses during three months. The EU has also taken action to support businesses and workers during the COVID-19 pandemic, thereby contributing to SDGs 1 and 12. Also in North Macedonia, thanks to EU for Resilience budget support, 4 558 companies benefited from EU funding and 4 824 persons in risk of unemployment preserved their jobs and professional

activities. Similarly, in Armenia, the EU has supported socio-economic recovery and helped make the economy more resilient with the support programme 'COVID-19 Resilience Contract for Armenia' (2020-2022). The programme provided much needed financial assistance through existing government schemes to over 2 million vulnerable people, as well as support in grants or loans to almost 20 000 SMEs. Also in Armenia, a Team Europe Initiative – Resilient Syunik – was launched in January 2023 to encompass various interrelated pillars: MSME development, skills and employment, education, social services, sustainable and green public infrastructure, good local governance and citizen engagement.

Actions by the EU and its Member States are mutually reinforcing and coordinated to ensure complementarity and impact in support of the SDGs. In addition to acting together with the

EU through joint programming and Team Europe Initiatives, EU Member States carry out their own projects in support of the 2030 Agenda, such as the following initiatives, which are included for illustrative purposes.

In line with the objectives of SDG 8, Hungary supports a cashew farm project in Kenya, which helps to provide a livelihood for 15 000 people and has created jobs through the development of processing activities.

Through a financial technology transfer agency, Luxembourg supports training programmes in Kosovo, Cabo Verde, El Salvador, Ethiopia, Laos, Mongolia, Rwanda, Vietnam and West Africa. In addition to transferring knowledge in the banking sector, this exchange is creating lasting international links between professionals in the sector.

Looking ahead

The Conference on the Future of Europe showed broad support for the EU to more actively support the shift to a sustainable and resilient growth model, consistent with the green and digital transitions and with a strong social dimension. The conventional macroeconomic indicators and GDP figures could be complemented with new indicators to address European priorities such as the European Green Deal or the European Pillar of Social Rights, and to better reflect the green and digital transitions and people's wellbeing.

The European Commission's 2023 annual sustainable growth survey recognises that, in light of the mix of challenges and risks to economic growth, economic and social policies must remain both coordinated and agile whilst maintaining their course towards long term objectives. This includes securing an adequate and affordable energy supply, safeguarding economic and financial stability, and protecting vulnerable households and companies. At the same time, more rapid action is needed to boost growth and create good quality jobs, and to deliver on the green and digital transitions. In this context, the EU is looking to reform its economic governance framework. This aims to strengthen debt sustainability and enhance sustainable and inclusive growth through investment and reforms.

To make progress in achieving the objectives of SDG 8 and in line with its [reply to the outcomes the Conference on the Future of Europe](#), the Commission will take further action in the context of the Working Time Directive in the Member States to address evolving changes and challenges in the organisation of work, e.g. due to digitalisation. Further initiatives will also be proposed to make the EU's industries sustainable, digital and resilient, address demographic changes, in particular ageing and depopulation, and to tackle employment and labour shortages that result from the current geopolitical context.

The upcoming proposal for a Council recommendation on social economy framework conditions, announced in the [action plan for the social economy](#) adopted in December 2021, will also aim to create quality jobs, foster social and labour-market inclusion, and promote sustainable development through targeted recommendations to Member States on how to recognise, support, and build on the contributions of the social economy towards these goals.

The Commission will also consider new areas of action, including via an integrated approach that looks beyond GDP to measure and monitor wellbeing, sustainability and resilience, as proposed in the 8th Environmental Action Programme. Insights from a recent report on [the green employment and skills transformation](#) demonstrate that there is an opportunity for the European Green Deal to create more decent jobs and increase workers' skills, in particular in skilled manual occupations. The development of the taxonomy of skills for the green transition will support a fair and sustainable transition by creating better and more diversified employment.

At the international level, the EU will continue to take determined action to accelerate the implementation of SDG 8 globally, including by rolling out a range of multiannual programmes with partner countries in which sustainable growth and decent employment are a shared priority. A tangible contribution to SDG 8 (and other interlinked SDGs) will be the deployment of the Global Gateway strategy at regional and national level, including the Team Europe initiative Investing in young businesses in Africa (IYBA), which helps young African businesses and entrepreneurs in their initial growth stages to access to medium-term and long-term finance.