



# Procedure file

Basic information		
CNS - Consultation procedure Decision	2007/0300(CNS)	Procedure completed
Guidelines for the employment policies 2008-2010		
Subject 4.15.02 Employment: guidelines, actions, Funds		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>EMPL</b> Employment and Social Affairs		28/02/2007
		PSE <a href="#">VAN LANCKER Anne</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>ECON</b> Economic and Monetary Affairs	The committee decided not to give an opinion.	
	<b>ITRE</b> Industry, Research and Energy	The committee decided not to give an opinion.	
	<b>FEMM</b> Women's Rights and Gender Equality		05/02/2008
		ALDE <a href="#">GIBAULT Claire</a>	
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2884</a>	15/07/2008
	<a href="#">Employment, Social Policy, Health and Consumer Affairs2876</a>		09/06/2008
	<a href="#">Employment, Social Policy, Health and Consumer Affairs2855</a>		29/02/2008
European Commission	Commission DG	Commissioner	
	<a href="#">Legal Service</a>	BARROSO José Manuel	

Key events			
11/12/2007	Legislative proposal published	<a href="#">COM(2007)0803</a>	Summary
31/01/2008	Committee referral announced in Parliament		
29/02/2008	Debate in Council	<a href="#">2855</a>	Summary
06/05/2008	Vote in committee		Summary
08/05/2008	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A6-0172/2008</a>	
20/05/2008	Results of vote in Parliament		
20/05/2008	Debate in Parliament		
20/05/2008	Decision by Parliament	<a href="#">T6-0207/2008</a>	Summary
15/07/2008	Act adopted by Council after consultation of Parliament		

15/07/2008	End of procedure in Parliament		
26/07/2008	Final act published in Official Journal		

### Technical information

Procedure reference	2007/0300(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	EC Treaty (after Amsterdam) EC 128-p2
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/6/53195

### Documentation gateway

Legislative proposal		<a href="#">COM(2007)0803</a>	11/12/2007	EC	Summary
Committee draft report		<a href="#">PE400.670</a>	08/02/2008	EP	
Economic and Social Committee: opinion, report		<a href="#">CES0282/2008</a>	13/02/2008	ESC	
Amendments tabled in committee		<a href="#">PE402.871</a>	17/03/2008	EP	
Committee opinion	FEMM	<a href="#">PE402.557</a>	07/04/2008	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0172/2008</a>	08/05/2008	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0207/2008</a>	20/05/2008	EP	Summary
Commission response to text adopted in plenary		SP(2008)3593/2	12/06/2008	EC	

### Additional information

National parliaments	<a href="#">IPEX</a>
European Commission	<a href="#">EUR-Lex</a>

### Final act

[Decision 2008/618](#)  
[OJ L 198 26.07.2008, p. 0047](#) Summary

## Guidelines for the employment policies 2008-2010

PURPOSE: to propose Member States' employment policy guidelines, 2008-2010.

PROPOSED ACT: Council Decision (under Article 128 of the EC Treaty)

CONTEXT: In 2005 the EU relaunched the EU's Lisbon Strategy in a bid to modernise Europe by focusing specifically on growth and jobs. The Strategy is based on a close partnership between the Commission and the Member States, who together have unanimously agreed to implement agreed integrated policy guidelines. The guidelines consist of firstly, 'broad economic policy guidelines' and secondly, a set of 'employment policy guidelines' for the Member States to implement through National Reform Programmes. The Strategy is organised around three-year cycles; the first covering the period 2005-2008. This summary concerns the employment guidelines only.

The purpose of the proposed Council Decision is to renew and update the agreed guidelines for the next three year cycle 2008-2010. The Commission suggests that most of the Integrated Guidelines, agreed on unanimously in 2005, do not require amending and as a result should

remain largely unchanged for the next three-year cycle. The Annex accompanying the proposals has, however, been updated in order to reflect changing circumstances.

CONTENT : The examination of the Member States' National Reform Programmes contained in the Commission's Annual Progress Report and in the draft Joint Employment Report shows that Member States should continue to make every effort to address the priority areas of :

- ? attracting and retaining more people in employment, increasing labour supply and modernising social protection systems,
- ? improving adaptability of workers and enterprises, and
- ? increasing investment in human capital through better education and skills.

In this context, the Commission proposes establishing employment guidelines along the following lines:

- Guideline 17: Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion. These policies should contribute to achieving an average employment rate for the European Union (EU) of 70% overall, of at least 60% for women and of 50% for older workers (55 to 64) by 2010, and to reduce unemployment and inactivity. Member States should consider setting national employment rate targets.
- Guideline 18: Promote a lifecycle approach to work. This guideline consists of: (i) a renewed endeavour to build employment pathways for young people and reduce youth unemployment; (ii) resolute action to increase female participation and reduce gender gaps in employment, unemployment and pay; (iii) better reconciliation of work and private life and the provision of accessible and affordable childcare facilities and care for other dependants; (iv) support for active ageing, including appropriate working conditions, improved (occupational) health status and adequate incentives to work and discouragement of early retirement; (v) modern social protection systems, including pensions and healthcare, ensuring their social adequacy, financial sustainability and responsiveness to changing needs.
- Guideline 19: Ensure inclusive labour markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive. The following measures are expected to be implemented: (i) active and preventive labour market measures including early identification of needs, job search assistance, guidance and training as part of personalised action plans, provision of necessary social services and measures aimed at eradicating poverty; (ii) continual review of the incentives and disincentives resulting from the tax and benefit systems, including the management and conditionality of benefits and a significant reduction of high marginal effective tax rates, notably for those with low incomes; (iii) development of new sources of jobs in services for individuals and businesses, notably at local level.
- Guideline 20: Improve matching of labour market needs. This shall involve: (i) the modernisation and strengthening of labour market institutions, notably employment services, also with a view to ensuring greater transparency of employment and training opportunities at national and European level; (ii) removing obstacles to mobility for workers across Europe; (iii) better anticipation of skill needs, labour market shortages and bottlenecks; (iv) appropriate management of economic migration.
- Guideline 21: To promote flexibility combined with employment security and to reduce labour market segmentation. It concerns: (i) adapting employment legislation, reviewing where necessary the different contractual and working time arrangements; (ii) addressing the issue of undeclared work; (iii) the better anticipation and positive management of change, including economic restructuring, so as to minimise their social costs and facilitate adaptation; (iv) the promotion and dissemination of innovative forms of work organisation, with a view to improving quality and productivity at work; (v) support for transitions in occupational status, including training, self-employment, business creation and geographic mobility.
- Guideline 22: Ensure employment-friendly labour cost developments and wage-setting mechanisms by: (i) encouraging social partners to set the right framework for wage bargaining in order to avoid gender pay gaps; (ii) reviewing the impact on employment of non-wage labour costs and reducing, where appropriate, the tax burden on the low-paid.
- Guideline 23: Expand and improve investment in human capital. It is planned to implement policies promoting inclusive education and training policies, with a view to: (i) facilitating access to initial vocational, secondary and higher education, including apprenticeships and entrepreneurship training; (ii) significantly reducing the number of early school leavers; (iii) developing efficient lifelong learning strategies open to all (schools, businesses, public authorities and households), through appropriate incentives and cost sharing.
- Guideline 24: Adapt education and training systems in response to new competence requirements. In this area, it is planned to: (i) raise and ensure the attractiveness, openness and quality standards of education and training, ensuring flexible learning pathways and enlarging possibilities for mobility for students and trainees; (ii) diversify access for all to education and training, and to knowledge, by means of working time organisation; (iii) respond to new occupational needs, key competences and future skill requirements.

## Guidelines for the employment policies 2008-2010

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The Council reached a general approach on a decision on Guidelines for the Employment Policies of the Member States, in the framework of Integrated Guidelines for Growth and Jobs.

The Council notes that it will return to the Employment Guidelines after the Parliament's opinion has been received (due in May).

The previous Integrated Guidelines, including both the Employment Guidelines and the Broad Economic Policy Guidelines, were adopted as an integrated package, whereby the European Employment Strategy has the leading role in the implementation of the employment and labour market objectives of the Lisbon Strategy.

The draft Employment Guidelines for the period 2008-2010-are the following:

17. Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion;
18. Promote a life-cycle approach to work;
19. Ensure inclusive labour markets, enhance work attractiveness, and make work pay for jobseekers, including disadvantaged people, and the inactive;
20. Improve matching of labour market needs;

21. Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners;
22. Ensure employment-friendly labour cost developments and wage-setting mechanisms;
23. Expand and improve investment in human capital;
24. Adapt education and training systems in response to new competence requirements.

## Guidelines for the employment policies 2008-2010

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The Committee on Employment and Social Affairs adopted the report by Anne VAN LANCKER (PES, BE), adopting, under the consultation procedure, and amending the proposal for a Council decision on guidelines for the employment policies of the Member States (part V of the package proposed by the Commission).

Overall, the approach advocated by MEPs is two-tiered. They ask that:

1. requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health be better taken into account and that the fight against discrimination based on sex, racial or ethnic origin, religion or belief, disability, age, or sexual orientation be stepped up;
2. interaction between the guidelines and the open method of coordination on the Social Protection and Social Inclusion Process be strengthened.

In particular, MEPs call for better cooperation between Member States and social partners in order to improve the compliance of national legislation with the application of European social legislation and the principles of equal treatment and non-discrimination. Member States are also called upon to implement their own pathways based on the common principles of flexicurity, within the framework of effective social dialogue.

MEPs introduce, in particular, an additional annex setting new benchmarks for the European Employment Strategy. According to MEPs, this strategy shall aim to:

- offer a new start before reaching 4 months of unemployment in the case of young people and 12 months in the case of adults (in the form of training, retraining, work practice, a job or other employability measure);
- ensure, by 2010, the participation of 25% of the long-term unemployed in a programme of active measures, with the aim of achieving the average of the three most advanced Member States;
- ensure that jobseekers throughout the EU are able to consult all job vacancies advertised through Member States' employment services;
- increase by five years, at EU level, the effective average exit age from the labour market by 2010 (compared to 59.9 in 2001);
- ensure the provision of childcare, by 2010, for at least 90% of children between 3 years old and the mandatory school age and at least 33% of children under 3 years of age;
- reduce the average rate of early school leavers to 10%;
- ensure that, by 2010, at least 85% of 22-year olds have completed upper secondary education and that at least 12.5% of the adult working-age population (between the age of 25 and 64) actively participate in lifelong learning.

In this context, the main amendments to the introductory part of the annex and the guidelines can be summarised as follows:

- reintegrating employment guidelines for 2008-2010 in the three main pillars, namely macroeconomic policies, microeconomic reforms and employment policies, which, together, contribute to achieving the objectives of sustainable expansion and employment and to strengthening social cohesion;
- promoting job flexibility while also bearing in mind family constraints and the work-life balance;
- taking into consideration the gender dimension and the need to bear in mind gender inequality in the workplace (by reducing, in particular, the pay gap between men and women);
- taking the situation of older workers and disabled persons better into account;
- highlighting the need for better quality jobs, by facilitating a work-life balance, and the need to increase labour supply;
- promoting active social integration and the fight against poverty and social exclusion by ensuring a decent income and quality social services together with opportunities for recruitment and ongoing vocational training for everyone;
- improving the security of workers;
- increasing investment in human capital by adapting education and training systems to new competence requirements;
- increasing investment in research, science and innovation.

In direct relation to these amendments, MEPs make amendments to the guidelines:

- Guideline 17: MEPs call for the promotion of labour markets that encourage integration and advocate support for businesses through financial assistance so that they can compete in the market. They also call for increased investment in human capital. Furthermore, they also reinsert the provision in the approach advocated by the European Pact for Gender Equality and by the European Alliance for Families;
- Guideline 18: MEPs consider that that this guideline should aim to 'enhance a life cycle approach to work' through a series of measures aimed at, among other things, combining work with caring for a close relative, enabling persons who lose their job later in life to get back to work (particularly people over the age of 40), focusing on the different impact of benefits systems on men and women, adapting parental leave schemes and establishing terms for temporary leave without obstacles?;
- Guideline 19a: MEPs insert a new specific guideline that aims to ensure the active social integration of all workers and tackle poverty and social exclusion by guaranteeing a decent income and better access to quality social services together with better access to the labour market through the expansion of job opportunities and vocational training;
- Guideline 20: MEPs ask that this guideline encourage better access to the labour market, preventing the brain drain of the EU through sufficient investment in training;
- Guideline 21: MEPs ask that this guideline (which aims to promote flexibility of the labour market) include the following components: (i)

flexible and reliable contractual arrangements through modern labour laws, collective agreements and work organisation; (ii) comprehensive lifelong learning strategies to ensure the continual adaptability and employability of workers; (iii) effective active labour market policies which do not involve an active early retirement policy and better integrate older workers; (iv) modern social security systems that provide adequate income support, encourage employment and facilitate labour market mobility. In particular, MEPs call for control measures for workers, in order to combat the problem of undeclared work by means of appropriate sanctions;

- Guideline 22: MEPs request that, within this guideline, workers be guaranteed sufficient purchasing power and that gender pay gaps be avoided;
- Guideline 23: as part of lifelong learning, MEPs call for the number of early school leavers to be significantly reduced, and for access by women to education, continuous training and lifelong learning to be facilitated;
- Guideline 24: lastly, MEPs call for foreign language learning to be promoted as part of both initial and lifelong training.

## Guidelines for the employment policies 2008-2010

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The European Parliament adopted by 584 votes to 72, with 11 abstentions, a legislative resolution approving, with amendments, the proposal for a Council decision on guidelines for the employment policies of the Member States (part V of the package proposed by the Commission).

The report had been tabled for consideration in plenary by Anne VAN LANCKER (PES, BE) on behalf of the Committee on Social Affairs.

The main amendments, adopted in accordance with the consultation procedure, aimed at:

1. taking greater account of the requirements linked to the promotion of a high level of employment, guaranteeing adequate social protection, fighting against social exclusion, promoting a high level of education, training and protection of human health, and combating all forms of discrimination;
2. strengthening interaction between the guidelines and the open method of coordination on the Social Protection and Social Inclusion Process.

In particular, the Parliament calls for better cooperation between Member States and social partners in order to improve the compliance of national legislation with the application of European social legislation and the principles of equal treatment and non-discrimination. Member States are also called upon to implement their own pathways based on the common principles of flexicurity, within the framework of effective social dialogue.

The Parliament introduces, in particular, an additional annex setting new benchmarks for the European Employment Strategy. According to the Parliament, this strategy shall aim to:

- offer a new start before reaching 4 months of unemployment in the case of young people and 12 months in the case of adults (in the form of training, retraining, work practice, a job or other employability measure);
- ensure, by 2010, the participation of 25% of the long-term unemployed in a programme of active measures, with the aim of achieving the average of the three most advanced Member States;
- ensure that jobseekers throughout the EU are able to consult all job vacancies advertised through Member States' employment services;
- increase by five years, at EU level, the effective average exit age from the labour market by 2010 (compared to 59.9 in 2001);
- ensure the provision of childcare, by 2010, for at least 90% of children between 3 years old and the mandatory school age and at least 33% of children under 3 years of age;
- reduce the average rate of early school leavers to 10%;
- ensure that, by 2010, at least 85% of 22-year olds have completed upper secondary education and that at least 12.5% of the adult working-age population (between the age of 25 and 64) actively participate in lifelong learning.

At the same time, the Parliament makes a series of technical amendments to the guidelines themselves, which can be summarised as follows:

- Guideline 17: the Parliament calls for the promotion of labour markets that encourage integration and advocate support for businesses through financial assistance so that they can compete in the market. It also calls for increased investment in human capital. Furthermore, it reinserts the provision in the approach advocated by the European Pact for Gender Equality and by the European Alliance for Families;
- Guideline 18: the Parliament considers that that this guideline should aim to 'enhance a life cycle approach to work' through a series of measures aimed at, among other things, combining work with caring for a close relative, enabling persons who lose their job later in life to get back to work (particularly people over the age of 40), focusing on the different impact of benefits systems on men and women, adapting parental leave schemes and establishing more flexible terms for temporary leave;
- Guideline 19a: the Parliament inserts a new guideline that aims to ensure the social integration of all workers and tackle poverty and social exclusion by guaranteeing a decent income and better access to quality social services together with better access to the labour market through the expansion of job opportunities and vocational training;
- Guideline 20: the Parliament asks that this guideline encourage better access to the labour market, preventing the brain drain of the EU through sufficient investment in training;
- Guideline 21: the Parliament asks that this guideline (which aims to promote flexibility of the labour market) include the following components: (i) flexible and reliable arrangements through modern labour laws, collective agreements and work organisation (the plenary deleted the part of the paragraph that stated that indefinite-term contracts should remain the norm) ; (ii) comprehensive lifelong learning strategies to ensure the continual adaptability and employability of workers; (iii) effective active labour market policies which do not involve an active early retirement policy and which better integrate older workers; (iv) modern social security systems that provide adequate income support, encourage employment and facilitate labour market mobility. In particular, the Parliament calls for control measures for workers, in order to combat the problem of undeclared work by means of appropriate sanctions;
- Guideline 22: the Parliament requests that, within this guideline, workers be guaranteed sufficient purchasing power and that gender pay gaps be avoided;
- Guideline 23: as part of lifelong learning, the Parliament calls for the number of early school leavers to be significantly reduced, and for access by women to education, continuous training and lifelong learning to be facilitated;
- Guideline 24: lastly, the Parliament calls for foreign language learning to be promoted as part of both initial and lifelong training.

# Guidelines for the employment policies 2008-2010

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PURPOSE: to present Member States' employment policy guidelines, 2008-2010.

LEGISLATIVE ACT: Council Decision 2008/618/EC on guidelines for the employment policies of the Member States

CONTENT: the reform of the Lisbon Strategy in 2005 has placed the emphasis on growth and jobs. The Employment Guidelines of the European Employment Strategy and the Broad Economic Policy Guidelines have been adopted as an integrated package, whereby the European Employment Strategy has the leading role in the implementation of the employment and labour market objectives of the Lisbon Strategy.

The examination of the Member States' National Reform Programmes contained in the Commission's Annual Progress Report and in the draft Joint Employment Report shows that Member States should continue to make every effort to address the priority areas of:

1. attracting and retaining more people in employment, increasing labour supply and modernising social protection systems;
2. improving adaptability of workers and enterprises;
3. increasing investment in human capital through better education and skills.

This is reflected in Integrated Guidelines Nos 17 to 24.

In the light of both the Commission's examination of the National Reform Programmes and the European Council's conclusions, the focus should be on effective and timely implementation in line with the conclusions of the European Council, thereby also strengthening the social dimension of the Lisbon Strategy. Special attention should be paid to the agreed targets and benchmarks. The following targets and benchmarks have been agreed in the context of the European Employment Strategy. These are set out in a new Annex:

- that every unemployed person is offered a job, apprenticeship, additional training or other employability measure; in the case of young persons who have left school within no more than 4 months by 2010 and in the case of adults within no more than 12 months;
- that 25 % of long-term unemployment should participate by 2010 in an active measure in the form of training, retraining, work practice, or other employability measure, with the aim of achieving the average of the three most advanced Member States;
- that jobseekers throughout the EU are able to consult all job vacancies advertised through Member States' employment services;
- an increase by five years, at EU level, of the effective average exit age from the labour market by 2010 compared to 2001;
- the provision of childcare by 2010 to at least 90 % of children between 3 years old and the mandatory school age and at least 33 % of children under 3 years of age;
- an EU average rate of no more than 10 % early school leavers;
- at least 85 % of 22-year olds in the EU should have completed upper secondary education by 2010;
- that the EU average level of participation in lifelong learning should be at least 12,5 % of the adult working-age population (25 to 64 age group).

The Employment Guidelines are valid for three years, while in the intermediate years until the end of 2010 their updating should remain strictly limited.

Member States should take the Employment Guidelines into account when implementing programmed Community funding, in particular of the European Social Fund.

The following technical amendments have been made to the Employment Guidelines:

In this context, the Commission proposes establishing employment guidelines along the following lines:

- Guideline 17: Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion. These policies should contribute to achieving an average employment rate for the European Union (EU) of 70% overall, of at least 60% for women and of 50% for older workers (55 to 64) by 2010, and to reduce unemployment and inactivity. Member States should consider setting national employment rate targets.
- Guideline 18: Promote a lifecycle approach to work. This guideline consists of: (i) a renewed endeavour to build employment pathways for young people and reduce youth unemployment; (ii) resolute action to increase female participation and reduce gender gaps in employment, unemployment and pay; (iii) better reconciliation of work and private life and the provision of accessible and affordable childcare facilities and care for other dependants; (iv) support for active ageing, including appropriate working conditions, improved (occupational) health status and adequate incentives to work and discouragement of early retirement; (v) modern social protection systems, including pensions and healthcare, ensuring their social adequacy, financial sustainability and responsiveness to changing needs.
- Guideline 19: Ensure inclusive labour markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive. The following measures are expected to be implemented: (i) active and preventive labour market measures including early identification of needs, job search assistance, guidance and training as part of personalised action plans, provision of necessary social services and measures aimed at eradicating poverty; (ii) continual review of the incentives and disincentives resulting from the tax and benefit systems, including the management and conditionality of benefits and a significant reduction of high marginal effective tax rates, notably for those with low incomes; (iii) development of new sources of jobs in services for individuals and businesses, notably at local level.
- Guideline 20: Improve matching of labour market needs. This shall involve: (i) the modernisation and strengthening of labour market institutions, notably employment services, also with a view to ensuring greater transparency of employment and training opportunities at national and European level; (ii) removing obstacles to mobility for workers across Europe; (iii) better anticipation of skill needs, labour market shortages and bottlenecks; (iv) appropriate management of economic migration.
- Guideline 21: To promote flexibility combined with employment security and to reduce labour market segmentation. It concerns: (i) adapting employment legislation, reviewing where necessary the different contractual and working time arrangements; (ii) addressing the issue of undeclared work; (iii) the better anticipation and positive management of change, including economic restructuring, so as to minimise their social costs and facilitate adaptation; (iv) the promotion and dissemination of innovative forms of work organisation, with a view to improving quality and productivity at work; (v) support for transitions in occupational status, including training, self-employment, business creation and geographic mobility.
- Guideline 22: Ensure employment-friendly labour cost developments and wage-setting mechanisms by: (i) encouraging social partners

to set the right framework for wage bargaining in order to avoid gender pay gaps; (ii) reviewing the impact on employment of non-wage labour costs and reducing, where appropriate, the tax burden on the low-paid.

- Guideline 23: Expand and improve investment in human capital. It is planned to implement policies promoting inclusive education and training policies, with a view to: (i) facilitating access to initial vocational, secondary and higher education, including apprenticeships and entrepreneurship training; (ii) significantly reducing the number of early school leavers; (iii) developing efficient lifelong learning strategies open to all (schools, businesses, public authorities and households), through appropriate incentives and cost sharing.
- Guideline 24: Adapt education and training systems in response to new competence requirements. In this area, it is planned to: (i) raise and ensure the attractiveness, openness and quality standards of education and training, ensuring flexible learning pathways and enlarging possibilities for mobility for students and trainees; (ii) diversify access for all to education and training, and to knowledge, by means of working time organisation; (iii) respond to new occupational needs, key competences and future skill requirements.

It should be noted that the Parliament proposed to insert a new Guideline 19a which aimed to ensure the social integration of all workers and tackle poverty and social exclusion by guaranteeing a decent income and better access to quality social services together with better access to the labour market through the expansion of job opportunities and vocational training. However, the Council rejected this proposal.