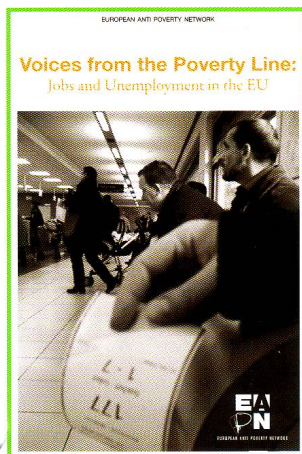


# An analysis of the new cycle of National Strategic Reports on Social Protection and Social Inclusion from an anti-poverty perspective: Is the

Sian Jones, Policy Coordinator, European Anti-Poverty Network

## EAPN in the Social OMC



The European Anti Poverty Network (www.eapn.eu) is an independent EU network of NGOs dedicated to the fight against poverty and social exclusion at national and EU level. Established in 1990, EAPN was a key actor lobbying for the setting up of the EU's Social Open Method of Coordination (OMC) in 2000 in order to make progress on reducing poverty and social exclusion at national and EU level. The National Action Plans (NAPs) process linked to common EU objectives on fighting

EAPN publication on jobs and unemployment in the EU

poverty and social exclusion seemed to offer national networks an important instrument to engage in the development of national inclusion strategies and a mechanism to press together for better policies and implementation at EU level. However, following the streamlining of the OMC with the pensions, health and long-term care pillars in 2005, matched by the narrowing of the overarching Lisbon Strategy to focus on "growth and jobs", EAPN has become increasingly worried about the declining importance and effectiveness of the NAP. With the deteriorating social situation resulting from the financial and economic crisis, these concerns become even more urgent.

In the EAPN stocktaking of progress on the OMC and recommendations for reinforcing it, four key points emerge:

- 1) Most EAPN networks have benefited from engagement in the NAPs by getting a higher profile, enabling them to become legitimate actors in national social inclusion strategies.
- 2) In most cases the NAP inclusion has helped in the development of a stronger national strategy for social inclusion, with some important specific policy gains and key examples where social NGOs have been institutional partners in an ongoing structured dialogue.
- 3) However, the increasing tendency to treat the NAP inclusion as a report, rather than a plan, has fundamentally undermined its effectiveness as a dynamic tool for driving forward an effective social inclusion agenda, based on participative governance.
- 4) The dominance of the Lisbon "growth and jobs" strategy since 2005 has sidelined the social OMC, with most member states increasingly hiding behind the defence of subsidiarity, leaving the process with little teeth or effective implementation.

## Last chance before 2010: the new cycle 2008-10

The 2008-10 reports lead up to 2010 marking both the EU year against poverty and social inclusion and the target date set by the

Lisbon Strategy in 2000 to deliver its pledge to make "a decisive impact on the eradication of poverty and social exclusion". During 2008, EAPN members continued to engage at national level and evaluated together the process and findings in the EAPN report: "Building Security, Giving Hope", EAPN Assessment of the National Strategic Reports on Social Protection and Social Inclusion (2008-10). An overriding concern of EAPN members was to see whether there were any signs of the OMC responding to the challenges set above relating to the effectiveness of the OMC.

## No significant progress on poverty

Generally, EAPN members agreed with the Commission's assessment that little progress has been made on at risk of poverty levels across the EU since 2000. EAPN members found that even where improvements were made to general poverty levels, this was often at the expense of specific target groups, e.g. in Ireland, where the reduction in the general at risk of poverty levels from 19.7% in 2003 to 17% in 2006 and consistent poverty levels from 8.8% to 6.9% was balanced by significant increases in the levels of consistent poverty for key groups - the unemployed, the sick and disabled, families with children, lone parents.

## Growth and jobs has not necessarily meant less poverty

Whilst some member states highlighted improvements in growth and progress on employment rates (before the current economic crisis), EAPN members confirmed that this has not necessarily guaranteed a reduction of poverty, ensuring that the benefits of growth were effectively redistributed. In some cases economic growth has fuelled increasing inequalities. In Sweden for instance, although growth has slowed in 2007, unemployment has continued to increase by 2.4%, especially for young people and migrants (increasing by 6.2%), with relative poverty increasing along with disparities of income and wealth.

## Loss of overarching strategy on poverty and exclusion

Since 2005, the social OMC has increasingly focused on thematic priorities as a means for making progress in key areas, with Child Poverty established as the theme for 2007 and 2008 focused on Active Inclusion. Most member states mirrored the Commission's priorities from the 2007 Joint Report (child poverty, active inclusion), with activation being the big winner, not the broader approach to active inclusion. Whilst EAPN members have valued the opportunity to focus on specific themes, this approach always runs the risk of missing key priorities at national level and undermining the development of an overarching strategy of poverty and social exclusion.

## Missing themes and groups, particularly migrants

Apart from an insufficient analysis of poverty - causes, trends and costs, EAPN members note the absence of debate on the

implications of growing inequality and the need to support universal public services and establish better redistribution mechanisms. There was also surprisingly little reference to the economic crisis, and the impact on the poor - even in the immediate consequences of rising food, energy and housing prices, unemployment and increasingly indebted families, through bad lending practices. Although homelessness received increased attention, there was a lack of focus on prevention or on increasing the supply of affordable housing, whilst tackling health inequalities was also worryingly absent. In terms of missing groups, migrants and ethnic minorities continued to be given a low profile, particularly undocumented migrants, asylum seekers and unaccompanied minors.

### Child poverty: better approaches but weak implementation

In general, EAPN members noted an increased profile on child poverty, with an increase in general and specific targets to reduce child poverty, more specific objectives focusing on supporting families and development of some better integrated strategies. However, most approaches still lacked effective universal, multi-dimensional strategies to tackle child and family poverty: ensuring adequate family income, as well as access to key services including affordable quality childcare, housing and education. Most policies prioritized getting parents into jobs, at any price. Barriers for specific groups of families were also not sufficiently recognized - lone parents, ethnic minority and migrant parents, disabled children and carers. Most approaches lacked ambition on implementation - with inadequate budgets and little discussion on discriminatory access criteria or regard to children's rights.

### Active inclusion

Active Inclusion is a key priority for the EU. However, EAPN members highlight that most member states continue to pursue limited activation approaches to boost the employment of specific target groups often combined with increasingly punitive conditionality, rather than the proposed integrated approach. Ensuring adequacy of minimum income is notably absent as is the impact of the crisis on declining purchasing power. However, some progress has been made on the development of positive pathway approaches to support excluded groups into jobs. EAPN members also noted no major progress on the integration of migrants in terms of access to rights, resources and services, with the main focus in the NAPs "driven by labour market needs rather than their wider social integration" (EAPN BU). Where mentioned, strategies focus on language skills rather than key obstacles related to residence status, and multiple barriers faced by undocumented migrants, asylum seekers, migrant families, children etc.

### Participation and governance

EAPN was pleased to note some important progress on governance in some member states. This usually means an increased involvement of stakeholders at all stages: in consultation meetings, invitation to comment on drafts and in some cases to engage in follow up discussions, implementation and evaluation. More importantly a number of member states have now embedded an institutionalised ongoing structural dialogue with NGOs as partners which are vital good practice examples of governance. For example, in the UK, a stakeholder group meets four times a year through the Social Policy Task Force, chaired by EAPN. In Belgium, civil society stakeholders including NGOs and people experiencing poverty are now integral partners in the social policy cycle on poverty and exclusion strategies and delivery. However, there are worrying signs of stagnation and even decline in other countries. In most countries, the governance process still falls far short of being a dynamic action plan based on active participation, with stakeholders actively involved in every step of the policy cycle and where their input is actually taken on board.

### Conclusion - the way forward for the OMC

The NAP 2008-10 continues to demonstrate the social OMC's strengths and weaknesses. The plans remain reports without ambition. Although the NAPs chart important progress on social policy on agreed EU priorities, the OMC is still far from using the NAPs effectively as an instrument to have a significant impact on poverty and exclusion. Hard political choices need to be made. A strengthened OMC needs strong political backing to ensure a real impact on national policy, and to move beyond the endless excuses about subsidiarity. Similar limitations of subsidiarity have not stopped the EU's OMC on Education and

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Training from establishing EU targets for education and a common EU qualifications framework, or indeed limited the revised Lisbon Strategy itself. Moving forward on implementation means agreeing EU and national targets on poverty and exclusion, transparently monitored through annual scoreboard mechanisms and Commission Recommendations. Revitalised governance and NAP action planning processes will be crucial to engage stakeholders, providing ownership and raising visibility, and ensuring that policies really deliver on their objectives. EAPN is counting on the EU to set out a clear Road Map in 2009 to reassure all stakeholders that the OMC will become a key player in the fight against poverty and social inclusion, if the EU is to have a chance of reaching the goals of 2010 and beyond.