

CAN THE SEMESTER DELIVER ON POVERTY AND PARTICIPATION?

#2015EAPN

EAPN ANNUAL POLICY CONFERENCE

Friday 09th October 2015

Supported by European Economic and Social Committee (EESC)
Section for Employment, Social Affairs and Citizenship (SOC)

Conference report



"Poverty and Social exclusion are becoming one of Europe's most persistent problems. EU leaders maybe have provided some commitments to fight them through the Europe 2020 Strategy. However, due to (...) also a lack of determination to move from words to deeds, the track record is poor, to say the least (...). The European Semester continues to be a tool essentially devoted to budgetary discipline. A mind-set change of what the EU Semester stands for is needed at both the EU and national levels".

Martin Schulz, President of the European Parliament

"Participation of civil-society organizations and social partners is a foundation of democratic legitimacy. As President Juncker said, our focus will be to raise accountability and legitimacy of the European Semester involving the full participation of civil society".

"We cannot lower our ambition when it comes to poverty. The current situation runs against values and principles the EU stands for, and undermines confidence of people in the EU project. We are determined not to allow such a situation to continue. Social considerations must be equally taken into account with economic ones. More fairness and progress are needed for a truly social Europe".

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Marianne Thyssen, Commissioner for Social Affairs, Employment, Skills and Mobility

"Greater emphasis is needed in the European Semester on social objectives as economic objectives constantly prevail".

"The very useful work of NGOs and Trade Unions in the Semester Alliance for a more democratic, social and sustainable European Semester".

Pavel Trantina, President of SOC Section/EESC

"EU policies focus on growth - but for whom and for what? As long as inequality, with a priority for the one caused by austerity policies are not tackled, poverty and exclusion will continue to grow and the future of the UE will be at stake".

Sérgio Aires, President of EAPN

"I have spent more than half my life in poverty, but I'm still a person and can still contribute to society".

Derek Holliday, board member of Poverty Alliance (EAPN Scotland) and Glasgow Homelessness Network activist

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CONFERENCE PROGRAMME

9.00 OPENING | MARTIN SCHULZ, PRESIDENT OF THE EUROPEAN PARLIAMENT (video)

9.10 WELCOME AND PANEL | SETTING THE CONTEXT

- Pavel Trantina, President of SOC Section/EESC
- Sérgio Aires, EAPN President
- Derek Holliday, Poverty Alliance/EAPN UK : Experience from the ground of welfare reform
- Tanya Cox, Beyond 2015 Steering Group Co-chair: From Europe 2020 to Post-2015 Sustainable Development Goals

10.00 ROUND TABLE | CAN THE EU DELIVER PROGRESS ON POVERTY IN THE EUROPEAN SEMESTER/EUROPE 2020?

Chair: Barbara Helfferich, EAPN Director

- Paul Ginnell/EAPN Ireland and Chair of EAPN EU Inclusion Strategies Group: Presentation of EAPN 2015 NRP and European Semester Assessment
- Tom Dominique, Chair of the Social Protection Committee
- Outi Slotboom, European Commission DG ECFIN

11.00 Discussion with Audience

11.45 ROUND TABLE | HOW CAN THE EU INCREASE PARTICIPATION AND LEGITIMACY OF THE EUROPEAN SEMESTER?

Chair: Sérgio Aires, EAPN President

- Graciela Malgesini, EAPN Spain: Promising practice: Structured dialogue with NGOs
- Johanna László, EAPN Hungary: Raising awareness on the Semester
- Raquel Lucas, Cabinet of Commissioner Dombrovskis, Vice-President for the Euro and Social Dialogue: Getting ownership, strengthening social and civil dialogue
- Marco Cilento, Advisor, ETUC: How to increase accountability and legitimacy of the European Semester

12.30 Discussion with the Audience

12.50 CLOSING SPEECH | MARIANNE THYSEN, COMMISSIONER FOR EMPLOYMENT AND SOCIAL AFFAIRS, SKILLS AND MOBILITY

MAIN INTRODUCTION and KEY MESSAGES

On 9 October 2015, the European Anti-Poverty Network held its annual policy conference, entitled *Can the Semester Deliver on Poverty and Participation?* at the premises of the European Economic and Social Committee in Brussels.

The event was attended by over 150 people, including 80 EAPN national members, decision-makers, and other stakeholders.

It benefitted from high-level interventions from **Martin Schulz**, President of the European Parliament, **Marianne Thyssen**, Commissioner for Employment, Social Affairs, and Skills and Labour Mobility, **Pavel Trantina**, President of the Section for Employment, Social Affairs and Citizenship (SOC) of the EESC, as well as speakers from the cabinet of **Commissioner Dombrovskis**, **DG ECFIN**, the **Social Protection Committee**, the **European Trade Union Confederation**, and civil society speakers, including **EAPN members and people with direct experience of poverty**.

EAPN presented its Assessment of the 2015 National Reform Programmes (NRPs) and European Semester, which stimulated debate in the conference, focusing on two key questions:

1. What needs to be done to ensure that the European Semester deliver on its Europe 2020 commitments to reduce poverty and promote participation?

2. How can we help the EU move forward on a social, sustainable and democratic strategy that could give hope and restore faith in the EU?

The Europe 2020 Strategy for smart, sustainable and inclusive growth, and the European Semester, its implementation mechanism, have strikingly failed to deliver so far, with 1 in 4 people now in poverty and social exclusion, an increase of 5 million since 2008. Although the European Semester was expected to engage stakeholders in the process at national and EU level, the experience of participation has been generally low quality, undermining support for the EU amongst civil society, as well as the development of sustainable solutions.

EAPN's Assessment of the 2015 NRPs and European Semester highlights notably that:

- **88% of the National Reform Programmes in the EU do not have poverty as a main priority** and only foster employment with increased conditionality as the main solution.
- **76%** said that **austerity is still the main focus generating more poverty** and social exclusion.

- **65%** said the NRPs **focused on macroeconomic and financial management** not Europe 2020 goals and targets.
- Although 47% of anti-poverty networks were consulted in some form, **76%** said that their **input was not taken seriously**.

The debate came at a timely moment, when revisions to the European Semester are being considered, in the light of the *5 Presidents' Report* and worries about whether Europe 2020 will be side-lined, putting the poverty and social targets at risk, following the delays to the Mid-Term Review. The recent orientation debates, held by the College of Commissioners led by Commissioner Thyssen and Vice-President Dombrovskis, have raised expectations of a new priority to put economic and social goals on a par, strengthening the social dimension and commitment to engage more effectively with civil society.

Following debate with the audience and speakers, strong support was given to the **3 main messages**:

1. Ensure macroeconomic policies deliver on social objectives

- Put social macroeconomic objectives on a par with social objectives and at the service of social inclusion and cohesion. Europe 2020 goals/ targets restored to heart of the Semester.
- Transparent ex-ante social impact assessment carried out on all policies, including austerity measures, to ensure a coherent approach that invests in inclusive and sustainable growth and prevents negative impact on people.
- Social policy must be seen as an investment not a cost, and as a pre-requisite for high quality growth and social inclusion, combined with equitable tax/benefit systems that can redistribute wealth more fairly and reduce inequality.

2. Demonstrate a strong social dimension: an integrated poverty strategy and investment in social standards

- The Semester must demonstrate an explicit social dimension, with specific sections in the AGS and in NRP proposing policies to deliver on the Europe 2020 poverty and other social targets, with CSRs on poverty for all countries.
- Propose an integrated rights-based anti-poverty strategy to tackle the multidimensionality of poverty for all groups, based on personalized, integrated Active Inclusion (inclusive labour markets, adequate minimum income and access to quality services) underpinned by rights to quality social protection and linked to thematic strategies for all at-risk groups.

- EU social standards must be progressed to ensure an *adequate income throughout the life cycle for all*: with priority given to EU frameworks for adequate minimum income and social protection, living minimum wages and quality jobs.

3. Get serious about participation and NGO involvement!

- Effective civil society involvement at all stages of the Semester process (design, delivery and evaluation) is crucial and must demonstrate policy impact.
- A process must be launched to develop common guidelines and indicators to measure the effectiveness of stakeholder dialogue, monitored/reviewed annually through the Semester.
- Transform European Semester Officers into ‘participation officers’ with resources to support NGO involvement, including people with direct experience of poverty while promoting exchange of inspiring practices.

You can consult the full EAPN assessment report [here](#).

You can also read EAPN’s press release on the day [here](#).

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Photo acknowledgements:

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OPENING – MARTIN SCHULZ, PRESIDENT OF THE EUROPEAN PARLIAMENT

Click on the image or on this [link](#) to watch the video.



WELCOME PANEL – SETTING THE CONTEXT

Pavel Trantina, President of SOC Section / EESC

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The speaker began by welcoming participants to the European Economic and Social Committee, as freshly elected President of its Employment, Social Affairs and Citizenship Section (SOC). He continued by mentioning that he is following in the steps of his predecessor, Maureen O'Neill, who cooperated closely with EAPN in the context of 2010 – the European Year against Poverty and Social Exclusion, but also in the preparation of the EESC Opinion on the European Platform Against Poverty and Social Exclusion. The speaker also underlined that Giorgios Dassis, now EESC president, also used EAPN's

expertise for his 2013 Opinion on a European Minimum Income. Mr Trantina emphasised that the EESC is grateful to EAPN for the cooperation so far.

The speaker also pointed out that the topic of the day's conference was quite linked to another just adopted EESC Opinion, concerning Principles for effective and reliable welfare provision systems, by EESC member Bernd Schlüter. This Opinion examines which principles should underline social policies and welfare provisions for them to work better, and it



will be presented to the Luxembourgish Presidency and the European Commission on November 4th, during a high-level conference in Luxembourg, which will look at how to make the European Semester more social, and to which EAPN will be invited¹.

Mr Trantina highlighted that EAPN and the EESC share the belief that a much greater emphasis must be put on social objectives in the architecture of the European Semester, starting with the setting up of the EU's priorities (in the Annual Growth Survey), in order to have centralised guidance for social policy, and going all the way to the Country Specific Recommendations, in order to enable a proper social monitoring of the performance of the Member States. He states that, in spite of progress made, and while some authors² believe that we are progressively assisting to a so-called "socialisation of the European Semester", this progress did not yet seem to be enough to strike the right balance between economic and social interests.

The speaker agreed that, despite calls for strengthening social and civil dialogue, the limited involvement of stakeholders, at both national and EU level, remains an important flaw of the EU's socio-economic governance architecture. He underlined that neither social partners, nor civil society organisations currently play a significant role in the European Semester. He emphasized that it is a known fact that civil society organisations are in a unique position to connect European and national policy makers with the people and services their policies directly impact. Mr Trantina identified the aim of the as closing these two gaps, by looking for proposals for an overall strategy to restore faith in "Social Europe", and giving hope to citizens and the organisations representing them.

Mr Trantina continued by stating that EAPN's assessment of the National Reform Programmes does not make for happy reading, but that he wished to take an optimistic approach and underline some positive developments. He pointed out that, on the right balance between economic and social concerns, Commissioner Marianne Thyssen declared at the 4th Meeting of the Annual Convention of the European Platform Against Poverty, that she will do all in her power to place social and economic issues on equal footing with macroeconomic issues in the European Semester, and will hopefully elaborate on how the new Commission expects to deliver on this promise in her intervention later in the day.

Regarding stakeholder consultation, the speaker expressed the hope that the new format of the European Platform against Poverty and Social Exclusion, where non-governmental organisations are well-represented, will allow for their voices to be better heard and taken into account by all European

¹See [EAPN participates in EESC/ESC conference: Common Social values, principles and social governance](#)

² See: Jonathan Zeitlin and Bert Vanhercke "Socialising the European Semester? Economic Governance and Social Policy Coordination in Europe 2020?", Sieps, 2014:7, Stockholm, December 2014, also quoted in the publication [Social policy in the European Union: state of play 2015](#) (OSE, ETUI, Brussels 2015).

Institutions. He said that such organisations should definitely be involved in the definition of priorities and in the making of the respective policies. Mr Trantina welcomed the fact that European trade unions and NGOs and networks have assembled in the EU Semester Alliance, to make their voices heard and influence its outcomes, and underlined that EAPN should be particularly praised for its systematic assessment of the National Reform Programmes over the years.

In conclusion, Mr Trantina wished participants an excellent conference, and assured them that the EESC will be glad to work with its outcomes.

Sérgio Aires, EAPN President

The speaker began by thanking the EESC for hosting this conference, and by congratulating Mr. Pavel Trantina, President of the SOC Section of the EESC, for his recent election and wishing him good luck. He then presented some figures from the recent EAPN assessment of the National Reform Programmes 2015: 88% of NRPs reviewed don't have poverty as a priority, only employment with increased conditionality and precarious jobs, and 76% of respondents said austerity is still the main driver, generating more poverty and exclusion. 65% of EAPN networks queried said their NRP was focussed on macroeconomics and financial measures, not Europe 2020. While 47% of EAPN members said they were consulted by their Government on the NRP, 76% of those say their input was not taken seriously.

Mr Aires emphasised that we are living a paradox for a long time: poverty keeps growing in extension and intensity, yet the same road is being followed, while democracy is facing significant risks, which are not tackled. The speaker highlighted that the macroeconomic model which bears the responsibility of the current situation is still the same, and the commitments within the Europe 2020 Strategy seem to be forgotten or not taken seriously. He also pointed out that there is almost no relation between Europe 2020 and the European Semester, which is particularly relevant to discuss in the context of the upcoming Mid-Term Review. Mr Aires expressed confusion at the fact that the Review has been delayed, while the *5 Presidents' Report* seems to be replacing Europe 2020 in terms of broad vision for the European Union.

The speaker continued by asking a series of poignant questions: Where is civil society in all this? And national Parliaments? Why do we tend to forget that the origin of this crisis is not being tackled, as the crisis is not the problem, but the consequence of the problem? Why do we insist on growth as the ultimate solution – because, even if called inclusive growth, social protection is being destroyed? Growth for whom, and growth for what, when employment is still the only solution, no matter what kind of employment, and while in-work poverty is growing? When will we start speaking seriously about labour market reforms, in order to have a real redistribution of wealth and social justice? Or why are we not, at least, able to defend and put in practice adequate minimum income schemes? Why do we insist on this

“marketization” of everything in our societies, leading to the privatization of important services for human life, as in the case of social protection? Why do we treat people and human feelings as goods? Until when will European citizens support this, while inequalities and poverty keeps growing? When will we learn that we are destroying the EU?

Mr Aires stated that the European Semester can deliver, but only if it fulfils some essential preconditions. He stressed that macroeconomic policies must deliver on social objectives – as the economy is there to serve human beings, and the EU must demonstrate a strong social dimension, as EAPN has been asking for for the past 20 years – an integrated anti-poverty strategy, adequate social standards, safeguarding social protection, which is an economic driver.

Mr Aires concluded by emphasising that participation and civil society involvement with these processes need to be taken seriously – not only in the social area, to alleviate the problems and the impact of the mistakes, but also when the central decisions are being made on finances and the economy.

Derek Holliday, Poverty Alliance / EAPN UK

Experience from the ground of welfare reform

Good morning everyone.

I have spent more than half my life in poverty and transient without a fixed abode. I have had very direct and recent experience of being homeless and helpless, trying to access support whilst battling debilitating mental health.

But I am still a person. I can still contribute to my society, as can everyone. I am now a people activist and I passionately believe in volunteerism and participation, in local people supporting local people, sharing their experiences to help those who do not know the way in the midst of austerity.

Austerity does not impact this positively at all. It's an attack on the middle and working class, who strive to be better off, and a brick wall stopping equality for the poor. We need to change people's ideas on poverty and homelessness. Changing attitudes and behaviours does not cost anything!

Over the past 5 years, the UK Government has taken the course of aggressive austerity, which resulted in £8 bn reduction in financial support for the most vulnerable. A further planned £35 bn reduction is expected between 2014 and 2019. The lack of affordable housing – or any housing – is a problem, as a home is at the base of having a life. My Government, in the midst of a human crisis, is selling at a discount 1.2 million social housing, so that those that can afford, can buy.

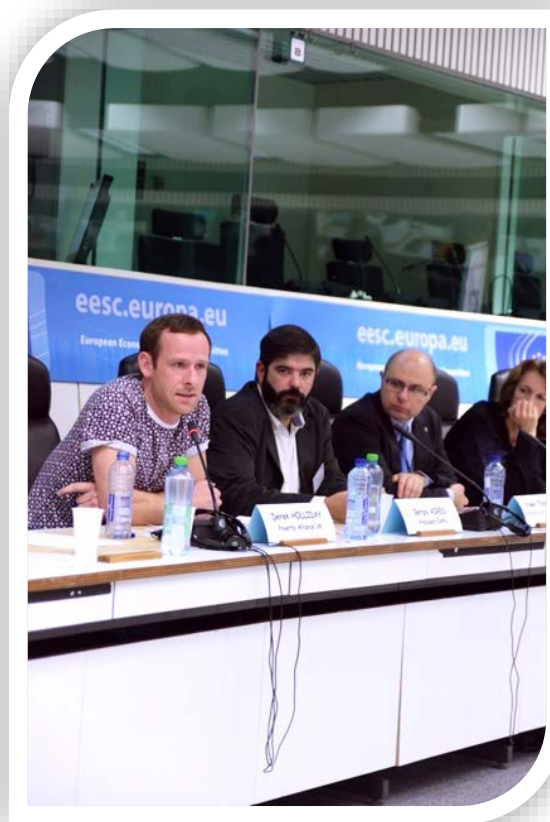
The removal of child tax credits in April 2016 will directly impact 3.2 million more of our vulnerable and poor families, hitting particularly single parents. Where does the money go?

Government should be a place where people come together, and no one should feel left behind. It should be an instrument for the good of all, not just the few. The UK Government is putting "big business", the well-off and the rich, at the centre of their policies... not the poor, the homeless, the ill or the vulnerable.

The figures just don't add up. One third of all homeless applications in England now lose their homes because of private landlords ending tenancy agreements. Between 2010 and 2014, rough sleeping in the UK increased by 55%. There is no support to start a family and have a quality life. In 2014, 20 million meals were provided through food banks, while more than 5 million people are living in food insecurity, and it's expected to increase. Oxfam UK estimates that nearly 36% of the UK population are one or two crises away from hardship and poverty. We take for granted things like paying bills, fixing your car, taking your children on holidays – they are luxuries for many people.

12 *We need to be role models and educators in the face of unsubstantiated stigma. Living in poverty is not a choice. Damaging mental health or living with a disability is not what we want to choose. Being homeless or hungry is not a life. People must come first over profit and business!*

Governments should not blame people for their own mismanagement of poverty. In the last 30 years, one thing has changed – the rich pay less taxes and poverty is greater than ever. We need to redistribute wealth. We need to all stand for a society where we end racism, sexism, poverty, homelessness, and discrimination... One where people of all backgrounds, colours and creeds are treated with respect and dignity.



Derek Holliday, Poverty Alliance/EAPNUK ; Sérgio Aires, President of EAPN ; Pavel Trantina, President of SOC Section / EESC; Tanya Cox, Beyond 2015 Steering Group Co-Chair.

Tanya Cox, Beyond 2015 Steering Group
Co-Chair

*From Europe 2020 to Post-2015
Sustainable Development Goals*

The speaker began by stating that attention is turning to how the Agenda will be implemented, as the ink dries on the post-2015 agreement – or the 2030 Agenda for Sustainable Development. She proceeded to emphasize two main things:

1. It's a universal agenda – so all the goals and targets apply to European countries as much as they do to African or Asian countries
2. It's comprehensive:
 - a. Sustainable development has 3 dimensions – officially at least – social, economic and environmental.
 - b. In the Beyond 2015 campaign, a fourth dimension was added, which is governance, because a lot of the global challenges the world faces can't be improved if we don't improve governance at national and international levels. This aspect has only been partially addressed in Agenda 2030, and a discussion on governance cannot be decoupled from a discussion on power.
 - c. The Agenda doesn't go anywhere near as far as stakeholders would have liked in terms of challenging current economic paradigms, which are at the heart of most of the challenges we face.

Ms Cox said she would focus on economic models and power in her intervention. She highlighted that the Beyond 2015 campaign expects the Agenda 2030 to produce results for people and planet, and argued that the economy should serve people and planet, not the other way around, as we see it today. She added that one of the leitmotifs to emerge from the SDG negotiations was "leave no one behind", and in a European context, this means that all Member States should set ambitious national poverty targets and work to achieve them. She also underlined that this commitment also means that Governments must work very hard to improve equality between people within countries, and between



countries. What is needed, in the view of the speaker, is to close the gaps between the *haves* and the *have not's* / the *have much less*.

Ms Cox continued by stating that, in order to achieve that, what is needed is a different way of thinking - for example, do we need to put caps on extreme wealth? Do we need to think differently about what constitutes progress? Albert Einstein once said that 'insanity is when you do the same thing over and over again and expect different results', she quoted. The speaker rhetorically asked why, when Europe still hasn't got out of the economic and financial crisis of 2008, are leaders are still proposing out the same old policies, based on austerity and an insatiable quest for economic growth – when it is clear that neither are working ?

She stressed that austerity means cutting spending – especially social spending – which just hurts people, and poor people the most. "Why are our leaders quite Ok with the thought that ordinary people and especially the already worst off can just suffer some more, instead of raising revenue, as governments should be – for example through taxation?", she asked. Ms Cox pointed out that even the OECD and IMF have realised that austerity is undermining recovery, not solving the crisis, while economic growth, as measured by GDP, simply does not mean progress for the vast majority of people in European countries. She added that the current growth models do a lot of harm to the environment, as economic growth doesn't take that harm into consideration, it just keeps on exploiting natural resources at a phenomenal – and unsustainable – rate.

The speaker said that the Beyond 2015 Europe campaign believes that it is not possible for every country in the world to grow ad infinitum, and for people to remain within planetary boundaries, however, the economic system favours short-term profit over long-term sustainability. She added that the campaign urges all leaders to start looking at what progress really means, and, if the aim is to have the economy serve people and planet, then decision-makers need to start looking at achieving well-being for all people and the planet, and well-being should be introduced as a new measure of progress.

Ms Cox underlined that poverty and inequality are not accidents of fate, but the results of specific power relations and decisions made by people in positions of power. "If European leaders make the right decisions this time and put the right policies in place, then we don't need to fear the idea of changing our growth models, we can abandon austerity policies that bring nothing but pain to ordinary people", she added. The speaker stressed that well-being goes much, much further than economic security, and wealth redistribution is going to be key to creating greater equality between people - which means fiscal policy needs to favour progressive, redistributive taxation, and Governments need to favour taxing capital, not labour. She also suggested the introduction of the principle of "polluter pays", taxing the

global bads instead of the global goods, and eliminating illicit financial flows and tax havens, which would raise a lot of money that could and should be ploughed back to benefit people and the planet.

Ms Cox emphasized that, while leaders are focused on employment as the means to solve poverty, not enough attention is paid to care work, to job shares (so people earn and can also have a better work-life balance), to curbing activities of huge international corporations that harm the growth of SMEs – given it's actually the small businesses that create employment. The speaker concluded by saying that this is how Europe 2020 needs to change when it comes to evolve into Europe 2030 – as it must if it is to align with Agenda 2030 and the SDGs. "Perhaps the Mid-Term Review, combined with the upcoming mid-term review of the MFF, could provide the perfect opportunity to re-think and re-orient the Semester to make sure we focus on sustainable development, tackling poverty and inequality and reversing environmental damage", she added.

DISCUSSION WITH THE AUDIENCE

Q: The European public were sold an argument, and they believed it, that austerity is necessary. A lot of people in Britain put up with suffering, thinking that there is an end date, but permanent austerity seems to be institutionalised now. Housing affordability and supply, as well as poor wages and low quality jobs, are the two drivers of the model currently implemented in Britain – an income driver, and an asset driver. These drivers brought the UK to the crash of 2007 and, if this is the policy mindset, then the European public does not know what that means for them. Is there an end date for austerity in the politicians' plans?

Q: People don't choose their parents, how do we deal with issues of intergenerational transmission of disadvantage – inheritance tax or other instruments could maybe curb this trend?

Q: What is your opinion on the "Social Triple A", what does it really mean?

Q: How can anti-poverty networks use the Sustainable Development Goals to have a dialogue with Governments, as the tools currently at their disposals haven't worked so far? Can this be a hook to ask them to more effectively tackle poverty?

Q: What role for civil society? Policy makers don't want to change the situation, they listen to financiers, but not the voice of the people. How can we make our advocacy stronger?

Q: Tanya Cox mentioned changing how power is distributed, and changing power relations. Do you have some new concepts in mind?

Tanya Cox – The speaker said that there was no end date for austerity, because it suits higher interests, such as neoliberal capitalism, she continued, so that the poor stay poor and the rich get richer and stay in power. Ms Cox underlined that there is a need to challenge the system much more than it is currently done, and civil society needs to be more political and more vocal, and come together more, join forces and become much stronger. The speaker also stressed that advocacy was not enough – campaigning and reaching out to the public should be considered as well. She continued by saying that, in order to break the cycle of intergenerational transmission of disadvantage, social protection was the key element, but also quality education for all, no matter one's social background. Regarding the work on the Sustainable Development Goals, Ms Cox advised participants to have a look at the framework, which includes 17 goals and 169 targets. She cautioned that it may seem overwhelming, but complex problems require a complex panoply of solutions. She underlined that, while the framework doesn't cover everything, 193 countries signed up to it, including all European countries, so it is a very good start. She also noted that there was a goal on poverty, as well as on education and on decent work and social protection, and participants were encouraged to look at what it contains and use it. Ms Cox underlined that richer countries should aim for the most ambitious level of achievement, and we can discuss further how to work together on this.

16 Ms Cox continued by saying that, in order to translate words into practice, work needs to be done at both EU and national level, as there are sympathetic ears in every government. Regarding power distribution, she explained, poorer countries have less of a voice than richer countries, a good case in point being Greece, which had no power in recent debt negotiations, very little room for manoeuvre; started with the best intentions to refute austerity and work in the interests of their people – yet, their efforts were squashed. Ms Cox concluded that such practices are just undemocratic, which needs to be recognised, as power also needs to be re-balanced in international institutions to ensure democratic governance of international structures.

Derek Holliday – The speaker said that there was a lot of media coverage of the poor and the homeless, but a lot of it is negative, while positive images were needed, with clear figures and facts about austerity and its impacts. Mr Holliday underlined that politics is about trickery of words, and people believe it, as people who have suffered the most are treated with disrespect and disdain. He continued by saying that those who vote, those who can sway results and bring progressive change, were not being not engaged or included, because the vacuum is filled by wrong information and the wrong image. The speaker concluded by stressing that we need to fill that vacuum with real information, give people the right intelligence to understand what is going on. He emphasised that pressure needs to be put on politicians to change the balance of information, otherwise strings will keep being pulled from behind.

Sérgio Aires – The speaker explained how, in Portugal, good progress had been made on breaking intergenerational transmission of poverty, but the past 3 years of austerity had destroyed all that. Mr Aires continued by stating that children are leaving school, young people are leaving the county. “I think the Social Triple A is a joke, but I don’t know how to tell it without ruining the punchline”, he said. He added that, very often, the discourse is not about economy, but about finances only. The speaker added that advocacy was not enough, and civil society was already out of the participation circle for a long time, while it also lacks funding. Mr Aires stressed that, while representative democracy was part of the game, questions need to be asked about the way it is being put in place. “We call them our ‘leaders’, but I don’t think they are real leaders, they are just elected officials – a good example of where power is located is the TTIP negotiations”, he concluded.

Pavel Trantina – The speaker reminded that, at the EU level, the EESC is the organised voice of civil society, representing the voice of those who are not heard, who need their messages to be brought to the European level. “We can’t do it all, but we try to do it as best as can. The EESC is the space to voice your concerns, either directly (through hearings, conferences, study groups), but also through the members”, he added. The speaker emphasised that they the EESC was working on measuring wellbeing beyond GDP and striving for sustainable development. He said that a number of EESC members were real specialists in the field of anti-poverty measures, and they put forward Opinions that the EU institutions and member states are obliged to respond to. He clarified that, while the EESC doesn’t have decision-making power, it advises and raises these concerns. “I want to encourage you to follow what we are doing and contribute to it, and I am happy to take your recommendations on board and mirror them in our upcoming Opinions”, concluded Mr Trantina.

ROUND TABLE – CAN THE EU DELIVER PROGRESS ON POVERTY IN THE EUROPEAN SEMESTER / EUROPE 2020?



Paul Ginnell / EAPN Ireland and Chair of EAPN EU Inclusion Strategies Group

Presentation of EAPN 2015 NRP and European Semester Assessment

Click on the image or on this [link](#) to see his PowerPoint presentation.

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EAPN'S ASSESSMENT REPORT | KEY MESSAGES

1. *Ensure macroeconomic policies deliver on social objectives*

Macroeconomic policies need to be put on a par with social objectives, and at the service of social inclusion and cohesion. Europe 2020 goals and targets must be restored to the heart of the Semester. Transparent social impact assessment must be carried out on all policies, including austerity measures, to ensure a coherent approach that invests in inclusive and sustainable growth. Social policy must be seen as an investment not a cost, and as a pre-requisite for high quality growth and social inclusion, combined with equitable tax/benefit systems that can redistribute wealth more fairly and reduce inequality.

2. *Demonstrate a strong social dimension: an integrated anti-poverty strategy and investment in social standards*

The Semester must demonstrate an explicit social dimension, with specific sections in the NRP linked to delivery on the Europe 2020 poverty and other social targets, with CSRs on poverty for all countries. An

integrated anti-poverty strategy must be developed to tackle the multidimensionality of poverty for all groups, based on personalized, integrated Active Inclusion (inclusive labour markets, adequate minimum income and access to quality services) underpinned by quality social protection and linked to thematic strategies for at-risk groups; EU social standards must be progressed to ensure an *adequate income throughout the life cycle*: with priority given to EU frameworks for adequate minimum income and social protection, living minimum wages and quality jobs.

3. ***Get serious about participation and NGO involvement***

Effective civil society involvement at all stages of the Semester process (design, delivery and evaluation) is crucial and must demonstrate policy impact. A process must be launched to develop common guidelines and indicators to measure the effectiveness of stakeholder dialogue, monitored/reviewed annually through the Semester. Transform Semester Officers into ‘participation officers’ with resources to support NGO involvement, including people with direct experience of poverty while promoting exchange of inspiring practices.

Tom Dominique, Chair of the Social Protection Committee

The speaker began by stressing the importance of looking at the context we operate in. “We have the Europe 2020 Strategy – or had it – the first question is, do we still have that Strategy? We start with the premise that we still do, and that we still also have a poverty target to build on, however, the previous Annual Growth Survey mentioned neither the Europe 2020 Strategy, nor the targets, but introduced a new Strategy, with three priority pillars”, Mr Dominique continued.

He stressed that it was difficult to plan anything on deepening the social dimension, as it was unsure whether the Europe 2020 Strategy was still operational, including its targets, and whether the European Semester was committed to deliver on this Strategy. He added that the *5 Presidents’ Report* gave a new



meaning and direction to the Semester, as there was nothing left about Europe 2020 and the poverty target in the new framework of the Semester. The speaker likened the current state of play on the “Social Triple A”, as announced by the President of the Commission, to just “selling shadow in a black plastic bag”.

Mr Dominique continued by saying that it was the right time to be pro-active and take the opportunity of the “Social Triple A” to fill the black plastic bag with content. The speaker stressed that EAPN’s report and analysis of the NRPs and the Semester was a great opportunity to start with. “But will we still have NRPs in the future?”, he continued. “There should have been already by now a Commission contribution on the Mid-Term Review, but it has been postponed to April 2016. There is also an upcoming Annual Growth Survey, but no guarantees that it will include social issues”, he added.

Mr Dominique underlined that the Social Protection Committee, since the beginning of the Strategy, asked for a Joint Social Report as part of the Annual Growth Survey, but, up to now, the Commission did not give a follow up to this request. However, he said that *the 5 Presidents’ Report* mentioned something along these lines, which could be a starting point, and also the Luxembourgish Presidency is pushing for such a Joint Report. Equally, Mr Dominique explained that, as the Commission takes the initiative on the Annual Growth Survey, it has the possibility to focus on different topics including social aspects, and it is in its hands to highlight the social dimension, if wanted.

“The *5 Presidents’ Report* also mentions benchmarks, but it does not mention if they are quantitative or qualitative, however, they are an opportunity for the Commission to make social progress”, he added. The speaker clarified that the SPC has already carried out comprehensive work in this area, and that social objectives needed to be commonly fixed by all Member States.

Mr Dominique emphasised that the SPC continued to support the European Platform Against Poverty in its initiatives to actively contribute to the social dimension of the Semester, but pointed out that the actual process risks to be altered though a replacement agenda, limiting social considerations in the Semester. “What is missing for the moment is some certainty about the process we are in, and the tools at our disposal”, concluded Mr Dominique.

Outi Slotboom, European Commission, DG ECFIN

Ms Slotboom began by agreeing with previous arguments made about having a social dimension and an integrated strategy, as well as meaningful stakeholder involvement. “These are explicit objectives of the Commission, but we all agree we are not there yet”, she continued. The speaker explained that, at the European Commission level, country analysis was done by teams involving +/- 15 different services, looking at different aspects, before the documents went through the political level, which was evidence of working in an integrated manner. She added that further proof of this were the integrated Country Reports, bringing together all these aspects, coming out in February, which was not as easy to produce as separate thematic reports about the same country, but the Commission tried to have one analysis, looking also at the links between fiscal policies, social policies, and competitiveness issues. Ms Slotboom clarified that this integrated approach also applied to the reports the Commission asks of the Member States, and said that some Member States might also find it easier if separate Ministries wrote separate reports, but the Commission preferred the format of the NRP which bring everything together. She added that Eurozone members also had to submit draft budgetary plans in October, which included a section on how the budget would contribute to the Europe 2020 targets.

The speaker continued by saying that the Annual Growth Survey had the three priorities, as mentioned by Mr Dominique: investment for growth and jobs, structural reforms, and fiscal responsibility. She emphasised that, in this context, the CSRs also presented an integrated approach, covering different areas, and complementing the general guidance in AGS, by focusing on a very small number of key priorities for the country in question. She stated that the Commission did not propose recommendations to each Member States on every area that is important, but published reports, assessed policies, carried out analysis, while the Recommendations need to be very limited in number, as President Juncker insisted on 3 Recommendations per Member State. Ms Slotboom stressed that the Recommendations highlighted the most urgent priorities, required heavy prioritisation, and certainly left out other important issues, but clarified that the Semester process and the monitoring of issues under it was much broader than the CSRs, which are not the only tool, but just the tip of the iceberg.



Ms Slotboom continued by underlining that there are objectives in the CSRs that may appear conflicting – but often, these are false trade-offs, as different objectives needed to be balanced in an integrated approach. “For example, the Integrated Guidelines invite the Member States and social partners, when setting minimum wages, to consider their impact on in-work poverty, job creation and competitiveness, hence taking on board all relevant dimensions”, she continued. She added that the Commission was trying to address the lack of ownership and the weak degree of implementation of the Country-Specific Recommendations, and, in 2015, the main change in the European Semester was to allow more time for dialogue, by starting with the Country Report, followed by bilateral meetings and the European Semester Officers working in Member States, to make sure the analysis was right before the CSRs are issued. Ms Slotboom stressed that the Commission will also, for the next macroeconomic imbalances scoreboard, assess if the current format has the right focus, and this summer the Greek macroeconomic adjustment programme was, for the first time, accompanied by a social impact assessment, which may become a model for the future. The speaker also underlined that the Commission published a comprehensive package on better regulation in May, which includes accompanying new proposals with an assessment of its likely environmental, social and economic impacts, as well as improved stakeholder consultation.

22 Ms Slotboom stressed that the changes in the *5 Presidents’ Report* referred to the euro area first and foremost, and there were two institutional proposals to improve ownership, which should lead to better policy making: a proposal for competitiveness authorities and a network of fiscal institutions in the Member States, so that the process becomes more bottom-up, starting with policy discussion in the Member States, with broad policy debates and stakeholder involvement, and then report to the Commission before the AGS and the issuing of the Country Reports. She added that the *Report* also mentioned stronger convergence and binding benchmarks, which could involve social and economic performance standards, but these are still being discussed. She informed that Europe 2020 will continue as it is, it has not been shelved, and the objectives will remain until revised, and stated that there was a need to take a fresh look, modernise, and see how to better link Europe 2020 and the Semester, also in the context of the Multiannual Financial Framework review. “Europe is in a different situation now than when the Europe 2020 Strategy was adopted, and, to be able to finance any welfare policy in the future, public finances need to be improved in the Member States”, she concluded.

DISCUSSION WITH THE AUDIENCE

Q: The European Commission made a Recommendation on long term unemployment and fighting poverty to France, and this was very helpful. At the same time, another CSR was on cutting housing financial help, which had disastrous effects. Even from an economic perspective, cutting housing

support means more people falling into poverty, and costing the State more money to shelter them. Can the CSRs be more supportive for our efforts to fight poverty?

Q: Ms Slotboom spoke about reducing debt in the Member States, but how does human suffering measure in this equation?

Q: Can the semester deliver on poverty and participation? From the NRPs of the 21 countries included in the EAPN assessment, poverty is not a priority for 88% of the respondents, and 76% of our networks say they are not meaningfully consulted. How is this possible?

Q: Regarding the integrated work, this is a good step, but, as Ms Slotboom said, it leads to heavy prioritisation. What happens with the other items which are not considered a priority, where are they dealt with?

Q: I don't know if the Social Triple A is a joke or not, but the EPAP was a joke, and a missed opportunity, part of the failure on the engagement of civil society. There is a risk that the poverty target will be delayed past 2020, and that the issue will become again a national matter, which would set the clock back to the 80s. These are real dangers, can we avoid them?

Q: EAPN produced a great assessment report, and the European Disability Forum would be happy to contribute to future editions, maybe through our national members. There is a strong mandate for the SPC for implementing the UN Convention on the Rights of Persons with Disabilities, how will the SPC take it up, and how can EDF contribute? No matter how well intended, sometimes CSRs have very negative consequences – see the case of Denmark and employment of persons with disabilities – is there any follow up or redress for that?

Q: The economy is not separate from people and planet - if we all stopped working, the economy will grind to a hold, and the same will happen when we will have used up all natural resources. Why are we still focusing on macroeconomic indicators, which are not delivering, and not taking sufficient account of the social and environmental aspects?

Graham Stull, European Semester Officer for Ireland – There is a country team, with input from several DGs, including European Semester Officers. Country Reports are very much evidence-based, and are supposed to feed into the NRPs. Country teams look for input from social stakeholders, and it is the ESO's job to reach out to them. In Ireland, social stakeholders have been very effective in making their voice heard and communicating their views in an evidence-based way, for example through the Better Europe Alliance which is coordinated by EAPN and the person speaking today, and which has been

instrumental and reflected in the CSRs for Ireland this year – as two have a strong social footprint to them: on health and low work intensity households and child poverty. We hope the Irish model is emulated in other Member States.

Tom Dominique – The speaker clarified that no Annual Convention of the EPAP would be organised in 2015, and this used to be a regular dialogue platform between the Commission and stakeholders on social inclusion, to feed into the Annual Growth Survey. He stressed that, without continuous commitment to the poverty target, it was difficult to get Member States to enact the necessary steps to reach it, and there needed to be closer monitoring of poverty developments in Member States. He added that, in this context, the SPC would welcome the input from the European Disability Forum.

Outi Slotboom – “We never recommended measures aimed at increasing poverty or human suffering”, the speaker said, and continued by stating that there were many Recommendations which referred to instruments such as general benefits, which didn’t benefit specifically those in need, so the Commission may refer to means-tested benefits or other more targeted instruments. She said that she was happy to check the French case more specifically, and underlined that Europe was facing a financial sustainability crisis and a social crisis, and both had to be addressed. She emphasized that some countries increased their indebtedness to a level where they could no longer borrow on the markets – which was something that the new economic governance aimed at preventing in the future, but the key focus needed to be addressing debt sustainability in these countries, while tackling the current social crisis. She informed that, ten days prior, the Commission had published a report on tax reforms in EU Member States 2015, which assessed the different types of taxes and their impact, including redistribution. She also explained that the number of issues raised in the 2015 CSRs was about 50% of what they were in the previous year, and this had been announced very explicitly, and that the monitoring and the process were much broader than the CSRs, and that all the other tools complement the CSRs. She said that, in areas such as the Energy Union, where a dedicated mechanism was being set up, the relevant (in this case energy related) Recommendations were not part of the Semester this year. She added that the Commission also presented thematic fiches on the Commission website, which compared Member State performance by a list of indicators, and these were just part of the work of several DGs in country surveillance – in the case of public health, in particular ECFIN, EMPL, SANCO.

The speaker also said that Europe 2020 had an economic, social and environmental dimension, and the Commission was trying to look at everything together. She agreed that economy should not be looked at in a bubble and that, while it was not an easy task to review the impact of every single policy measure in every single Member State, stakeholders played a very important role in helping the Commission monitor this impact. Ms Slotboom concluded by informing that, in early 2016, the Commission will come

up with a proposal on social rights, applying to the EU as a whole, which is another way in which the EC is looking at social issues.

Paul Ginnell – The speaker welcomed the input from the European Disability Forum to the EAPN NRP report, in addition to the European Organisations already in membership of EAPN, and added that, at national level, several EAPN networks have disability organisations as members. He stressed that the poverty target was an important driver, to hold Member States accountable – while it was not perfect, it was still a very useful tool. “We heard Europe 2020 is still there, but if it keeps being marginalised, this is a major concern, as the targets need to be given more weight in the overall Semester”, he underlined. Mr Ginnell concluded by stating that macroeconomic concerns sometimes had a narrow understanding of their impact on social objectives, and this approach needed to be rethought.

ROUND TABLE – HOW CAN THE EU INCREASE PARTICIPATION AND LEGITIMACY OF THE EUROPEAN SEMESTER?

Graciela Malgesini, EAPN Spain: Promising practice – Structured dialogue with NGOs

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The speaker began by underlining that, according to the principles of good governance, social actors and NGOs, among others, were asked to participate in the Europe 2020 process by making proposals and providing information to public institutions on the policies implemented and on their outcomes. She added that, furthermore, civil society organisations played an important role in meeting the objectives of EU social policies.



Johanna László, EAPN Hungary; Raquel Lucas, Cabinet of Commissioner Dombrovskis ; Peter Kelly, Vice-President of EAPN; Graciela Malgesini, EAPN Spain; Marco Cilento, ETUC Advisor.

She stressed that this importance was not only due to the role they have in participating in policy-making processes and in the implementation of employment and social policies³, but also in “supporting monitoring and evaluation of initiatives undertaken to support policy Objectives of the Europe 2020 Strategy and in particular the Social Investment Package through (...) the European Semester”⁴.

Ms Malgesini highlighted that, while the European Semester process had provided some opportunities for better and higher participation of the civil society organizations in the policy cycle both at the EU level and at the Member States level, the EAPN NRP Reports⁵ showed that the Semester was, in the vast majority of Member States, an executive decision process, with parliaments and civil society almost not involved at all in the process. She stressed that this translated into limited or inefficient consultation carried out by Member States when drafting their NRPs or when reacting to the Country-reports or Commission’s Recommendations. The speaker added that, when consultation did exist, many significant problems remained, including lack of sufficient time for consultation, very formal approaches to consultations, and lack of feedback to the Civil Society Organizations on the reasons for rejecting their comments and suggestions⁶.

The speaker referred to the case of Spain, which seemed to be rather different, as for the Spanish authorities, governance and engagement of the civil society organisations (notably with the Third Sector of Social Action) on the design of policies had been a key element in previous years, particularly during the context of the crisis. She emphasized that, although there was still a long way to go, the ongoing dialogue and interaction with social NGOs had produced many positive outcomes in terms of improving policies and strengthening the role of the third Social Sector, and the latter was also playing a key role in disseminating the Europe 2020 headline targets, guidelines and instruments.

Ms Malgesini noted that, regarding social policies and more specifically policies related to poverty and social exclusion and the role of the Third Social Sector, two important trends over the last decade could be observed, without a doubt accelerated by the European Agenda:

- ***At the internal level (inside the non-profit social sector)*** there is an increasing **articulation of the civil society organizations** in platforms and umbrella organizations at national and regional level.

³ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a European Union Programme for Social Change and Innovation; point 9 of the Preamble and Article 3.1.a

⁴ Call for proposals for the establishment of 4-year framework partnership agreements with EU-level NGO networks active in the promotion of social inclusion and poverty reduction, Area 1 (p. 7)

⁵ EAPN (2014), From Austerity to Inclusive Growth – what Progress? EAPN Assessment of the National Reform Programmes 2014. Available on <http://www.eapn.eu/images/stories/docs/EAPN-position-papers-and-reports/2014-EAPN-NRP-Report.pdf>

⁶ For more details see annual shadow reports of different organizations such as EAPN or Caritas Europa.

Together with the federations and confederations organised by sectors (i.e. disability), there are thematic umbrella organizations working at national and regional level (i.e. voluntary platforms or national and regional European Antipoverty Networks). The result of this process is the recent creation of the Platform of the Third Sector, initially at the national level but later existing in every autonomous community. This Platform has most of the NGOs working in the social area (29,000 organizations with 500,000 employees and more than 1 million volunteers), and EAPN Spain holds one of the seven vice-presidencies⁷.

- ***At the external level,*** and as a consequence of the internal articulation and also of the European Policies, there is an **increasing process of consultation and dialogue** between the Government and the Third Social Sector resulting in permanent systems of work, civil dialogue agenda and progress and in new legal bases.

Ms Malgesini referred to four areas related to Governance with the Third Social Sector in the area of social inclusion policies:

1. Dialogue by thematic areas and with target groups

The speaker clarified that, in the last decade in Spain, several consultative councils had been created in areas like gender (Consejo Nacional de mujeres), disability (Consejo Nacional de Discapacidad), Roma (Consejo Estatal del Pueblo Gitano), migration (Consejo Nacional de Inmigración), discrimination (Consejo para la discriminación racial o étnica), etc. She noted that these consultative councils represented a form of dialogue between the Government and the non-profit sector in key areas where there is a formal recognition of the role of the civil society in contributing to social policies, and the duty of the Government in consultation. She clarified that public authorities were usually represented in these councils at the national level, by different ministries concerned, and also at regional level.

2. Civil dialogue at National and regional level

Ms Malgesini explained that civil dialogue had made important progress in previous years, namely at national level, and the greatest representation of this civil dialogue was the recent establishment of the Civil Dialogue Commission (Comisión de Diálogo Civil), which included regular meetings between the Third Sector and the different ministries, as well as regular meetings with the Economic Office of the President of the Government. She informed that the Third Sector had actively participated in the follow up of the Lisbon Strategy through the National Council of Social NGOs (Consejo Estatal de ONG de Acción Social) and, more recently, in the governance of Europe 2020. She added that state authorities

⁷ The Third Sector of Social Action consists of 29,000 organizations, employing more than 500,000 people.

had asked and considered the Sector's viewpoints and proposals with regard the National Reform Programmes, the National Action Plan for Social Inclusion (2013-2016), the Disabled and the Roma Strategies, and relevant legislation on social policies, in the aforementioned Table of Civil Dialogue framework. She also said that these schemes were replicated in some Autonomous Communities. The speaker highlighted how The National Action Plan for Social Inclusion of the Kingdom of Spain 2013-2016 (PNAIn) had been developed with the view of coordinating efforts in the eradication of poverty, and had gathered great participation from the preparation and elaboration. She added that the Plan explicitly promoted public coordination, and public-private cooperation in concrete ways, and that it worked within the framework of the National Reform Programme.

3. Legal progress

The speaker clarified that progress in civil dialogue needed a legal basis, which was why the Spanish Government had recently passed two important laws that could contribute to strengthening civil dialogue and civil participation: the Volunteering, and the Third Sector Acts. She stressed that, while the first one could contribute to fostering the active engagement in public policies, the second one could contribute to strengthening the role of the Third Social Actor in public social policies.

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4. Structural Funds

Ms Malgesini explained that civil society had made inputs to the Partnership Agreements, as well as the Operative Programmes, at the state and regional levels. She added that EAPN Spain had been included in the Follow-up Commission of the Youth Guarantee and the European Social Fund, and was also a member of the regional commissions. "Our mission is, above all, to monitor the earmarked 20% for social inclusion and fight against poverty, in the Structural Funds' execution", she said.

The speaker highlighted that part of the difficulties or shortcomings faced by the NGOs were because these were not recognized as "social actors", in equal terms with trade unions and employers. She reminded that civil society organisations expressed the interests of 13 million people at risk of poverty and social exclusion in Spain, and several millions more throughout the EU, hence they needed to become a full member of social dialogue, including being involved in the Social and Economic Protection Committee. She added that experience showed that in general however, NGOs did not participate on an equal level, away from the co-responsibility and, often, Governments called NGOs for the first phase (eg "ideas" for a homelessness strategy, measures to be included in the Partnership Agreement...), but they did not truly include them in the whole process. She stressed that frustration was also related to making comments on several drafts, which were dramatically changed at the last

minute, and that many times outcomes were shallow, short-term, and far from the ambitious initial kick-off period. Ms Malgesini also said that NGOs were far from being able to intervene in economic assessments and decisions on how to allocate the economic burden on any proposed measure.

The speaker concluded that, overall, the process had several positive features regarding transparency and working for shared concerns, and some of these could be replicated in other Member States. She added that, nevertheless, the Governments had the responsibility of making the right policy choices that could improve people's wellbeing and social cohesion.

Johanna László, EAPN Hungary: Raising Awareness on the European Semester

See full PowerPoint presentation [here](#).

Raquel Lucas, Cabinet of Commissioner Valdis Dombrovskis, Vice-President for the Euro and Social Dialogue: Getting ownership, strengthening social and civil dialogue

The speaker underlined that the Commission explicitly aimed at balancing social and economic objectives, and the streamlined European Semester was a concrete step in that direction. She stated that the Commission had been receiving positive feedback on the new streamlined approach, which had allowed for more exchanges with stakeholders and social partners at EU and national levels, while the CSRs leave more flexibility to Member States regarding policy choices to implement the reform. Ms Lucas stressed that the Semester had to be perceived as a more integrated tool, throughout the complete cycle, from the AGS, through the Country Reports, and then to the CSRs. She highlighted that the Commission would further reflect on better ways to improve coordination between policies, as well as on how to increase ownership and legitimacy of the process, and these changes should contribute towards achieving the completion of the Economic and Monetary Union, in line with the *5 Presidents' Report*. The speaker added that the aim was explicitly to foster convergence, and significant changes have been introduced, for example, to the integrated Country Report - these should constitute the basis for discussion and feedback with Member States, including stakeholders like civil society.



The speaker reminded that, at the EU level, the Commission was open to meeting with stakeholders, in order to deepen its knowledge, but also during the bilateral visits to Member States (so far, several meetings took place, at high level), and also through meetings with Commission's services (such as DG EMPL). She continued by saying that, at national level, Member States should closely involve national stakeholders and social partners in the design and implementation of relevant reforms and policies, respecting Member States' competences and traditions. Ms Lucas added that the recently adopted Employment Guidelines explicitly referred to strengthening the involvement at national level, and that it was good to have positive feedback, that there have been good experiences, such as the one Graciela Malgesini just presented. She also said that there were 22 countries where some degree of participation and engagement had been reported.

Ms Lucas emphasised that the European Semester was an increasingly important tool for policy coordination, not just economic, but also social and employment. "From this perspective, ownership is particularly important, as well as open and transparent exchange of views between institutions, but also social partners and civil society, and one of the Commission's top priorities is to make this process as simple and interactive as possible", she concluded.

Marco Cilento, ETUC Advisor: How to increase accountability and legitimacy of the European Semester

Mr Cilento began by saying that the democratic deficit was a recurrent issue in the construction of the EU, so one should not be surprised that it was also a feature of the European Semester. He recalled that the EU derived its democratic legitimacy from expanding the rights and freedom of its citizens, but that democracy and legitimacy were in danger once the EU started restricting these rights and freedoms. He clarified that ownership was understood as a shareholder-company relationship, which was not desirable. "These attitudes of Member States, who behave as owners of the process, has consequences, and Member States are willing to share the risks of a single currency



and market, but not the wealth produced – so the proposed solution is austerity”, he continued. He cautioned that this mechanism, by definition, could not deliver on the fight against poverty and inequalities, and that President Juncker was aware of this, and is trying to bring back into the community method some strategic areas of work.

The speaker pointed out that economic dialogue gave a role to the European Parliament, but that the EP could not become the democratic, pulsing heart of the Semester – as the latter moves too fast compared to the lengthy procedures of the European Parliament. He underlined that social partners could inject democracy into the process, but with a caveat: the outcome of the involvement of the social partners can’t be the fact that their positions are merely attached to main policy documents. “What we want is the documents themselves to incorporate the input”, Mr Cilento said. He added that what trade unions would like to see in the next Country Specific Recommendations was multiemployer collective bargaining, which was not mentioned in the Employment Guidelines; that the lowest wage in any country could not be lower than 60% of the average wage; and a stronger multiplying effect of the Investment Plan.

“In a few years, the EAPN reports can tell a different story, but only if these prerequisites are achieved, and a different narrative of economic governance can be proposed”, Mr Cilento said in conclusion.

CLOSING REMARKS:

Marianne Thyssen, Commissioner for Employment and Social Affairs, Skills and Mobility



Ladies and gentlemen,

*I would like to congratulate you
for today's conference. The fight*

*for an inclusive, socially fair society and the need to improve participation in decision making, the two main
themes of this conference, are strongly linked. They are foundations of democratic legitimacy and as such,
are at the heart of the public debate in Europe and certainly are at the core of this Commission's agenda.*

*Indeed, already in his Opening Statement in the European Parliament as a Candidate at that time,
Commission President Juncker was explicit; As a result of chronic economic and social problems accentuated
by the Great Recession, a 29th state is emerging within the borders of the European Union. In the President's
words, 'the 29th state is the state where people without jobs live. A state in which young people became
unemployed; a state in which we see people excluded, set back and left by the wayside.'*

*I do not need to say that such a state runs contrary to the values and principles that the European Union
stands for. I do not need to say that it undermines the confidence of people in Europe- and thus the essence
of the European project. I will not stop saying that we are determined to not allow such a state to exist.*

Stocktaking of EC's 1st year in Office

*This commitment has already been translated into concrete action to bring a fresh start for Europe. Notably,
already within the first month in office of this Commission we presented the 315 billion euro investment plan
– among the first projects that have been signed are projects in the area of healthcare. Now we need to ensure
that the full potential of the Investment Plan to invest in people is tapped.*

We have also taken swift action to address two of the sorest legacies of the crisis for people in Europe, youth and long-term unemployment;

- firstly, by making available to our Member States advanced payments worth a billion euro to help our young people find their way to good quality jobs.

- secondly, with our proposal last month to help the 12 million long-term unemployed in Europe – that is people who are out of work for more than a year – get back into the labour market.

*We also reacted **rapidly** to the ongoing refugee crisis with a comprehensive and balanced migration agenda, which sets social integration at the core of a successful migration management.*

Social Considerations in EU's economic governance

Ladies and Gentlemen,

From the first day in office, we were very well-aware that a fresh start cannot be brought about if the approach is to do 'business as usual'. Reconnecting Europe with its people means making Europe relevant to the expectations and concerns of Europe's societies and economies.

For EU to succeed, labour markets and welfare systems need to function well and in a fair manner in all Member States. This is why we immediately started work to rebalance the Union's economic governance so that social considerations are equally taken into account with the economic ones.

The objective of our economic governance should be to support greater socio-economic resilience, whilst striving for upward convergence. Building resilient economies and societies – based on the right mix of policies and institutions – is essential. That way, we ensure that – rather than becoming a race to the bottom – convergence is a positive process that improves competitiveness and social standards for all Member States.

When I refer to economic governance I mean of course the Semester but obviously this extends beyond the Semester, in the cases of our Member States most hit by the crisis that are under reform programmes. I therefore welcome the vote of the European Parliament earlier this week (5/10) which paves the way for swiftly implementing the Jobs and Growth Plan for Greece presented by the Commission on 15 July.

Of course, these were only the first steps. As President Juncker announced, the work on revamping the European Semester will continue. In the coming period, our focus will be on ways to strengthen the democratic accountability and legitimacy of the Semester. This involves more systematic consultation and involvement of national Parliaments, and stakeholders, such as social partners and civil society in the whole process.

Europe 2020 Review – creating resilient economies

Indeed, stronger participation and a shared sense of collective responsibility are key to deliver on our goal for a European Union worthy of a social Triple A.

That was also one of the main conclusions of my meeting last week with civil society organisations on how to forge common action for a stronger social Europe. The discussions we had underlined the need for a structured and pragmatic civil dialogue that would respond to the changing social needs. An annual Platform on Inclusive Growth will be the central and most visible part of this newly strengthened dialogue.

*This deepened involvement of all stakeholders is also crucial to reach our Europe2020 **objectives for smart, sustainable and inclusive growth**; the crisis has taken an enormous toll on our societies. We have been thrown off course on reducing poverty and inequality is drifting our societies apart. **Now, more than ever, we need to focus on the delivery of the strategy.***

*To make solid progress, we need to act in close cooperation with all **stakeholders, including social partners and NGOs**. Your experience on what works and what not, your direct interaction with national and local administration, and people in need of support - all these represent a wealth of knowledge that we must tap into, supporting and sharing it across the EU.*

34 Social pillar

Ladies and gentlemen,

*This Commission is indeed aiming for a **greater social convergence between Member States and within societies** over time. Just a few days ago, I held a debate in the College of Commissioners on the establishment of a social pillar. To achieve such a pillar we need to use all the instruments at our disposal: economic policy coordination, legislation, funds.*

We are currently reflecting on two complementary work strands: benchmarks (or common standards) and the modernisation of the existing social and employment legislation.

This integrated approach would help reduce precariousness, eliminate distortions of competition and return the EU to upward convergence - in line with the objective of “a Triple A social rating for Europe”.

The EU as a global player: Sustainable Development Goals

*The fight against poverty is of course not exclusively a European one. Just recently the United Nations adopted the **2030 Agenda** also with this aim - while making sustainability the guiding principle. The EU played an important role here as it is in the interests of our economy and our environment; but more importantly, for the society that will be left to our children and our grandchildren.*

The Commission will fully engage with the UN in experience sharing, capacity building, and monitoring of progress. We have already started a mapping exercise between the EU-2020 targets and these new Sustainable Development Goals.

Conclusion

Ladies and gentlemen,

*Strengthening Social Europe is our common journey. We will inevitably come to turns in the road and we will have to decide the best route to take. We should be **structured and pragmatic**, but also **flexible** so as to react to changing needs.*

*This is **not about creating extra policy architectures** - but rather, adopting a **pragmatic approach to delivering on Europe 2020 targets and to creating more convergence**. I believe that the **political guidelines** of this Commission provide a roadmap to achieve smart, sustainable and inclusive growth.*

We must work with our Member States and stakeholders at European and national level to make sure that we are growing closer together rather than further apart: And that this convergence takes us all upwards, improving and respecting our social and economic standards.

Ladies and gentlemen, I count on your support and vital work to help us achieve more fairness and progress towards a truly social Europe.

Thank you.

INFORMATION AND CONTACT

For more information on this conference or on EAPN policy positions and reports,
contact Sian Jones, Policy Coordinator, EAPN
sian.jones@eapn.eu – 0032 (2) 226 58 59

See EAPN publications and activities on www.eapn.eu

The European Anti-Poverty Network (EAPN) is the largest European network of national, regional and local networks, involving anti-poverty NGOs and grassroots groups as well as European Organisations, active in the fight against poverty and social exclusion. It was established in 1990.



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