

8th December 2014

To: Ministers for Employment and Social Affairs

Letter to EPSCO Council of December 11, 2014

Dear Minister,

We are writing to you on behalf of EAPN, the European Anti-Poverty Network, representing more than 6000 organisations across Europe.

At the EPSCO meeting on the **11**th **December**, you will discuss progress on the Europe 2020 Strategy and the Mid-Term Review, including your first response to the **new Annual Growth Survey 2015**. The AGS talks of a 'fresh start' to deliver on President Juncker's proposals of 'Jobs, Growth, Fairness and Democratic Change' but it appears more like 'business as usual', with the same focus on 'Growth and Jobs', rather than inclusive and sustainable growth, with an investment package delivered mainly through private investment, combined with a continuing package of restructuring labour markets and austerity measures.

Within these priorities, Europe 2020, the social dimension and particularly the poverty target seem completely invisible. The main assumption seems to be that market-led investment and privatization of public services will lead to growth and jobs with a trickle-down effect on poverty, despite the contrary evidence from years of record growth and employment under the Lisbon Strategy (2000-2010), and the evidence from the 2015 Draft Joint Employment Report where employment in Greece, Italy and Spain, has not stemmed rising poverty.

It is completely unacceptable that with over 124 million people experiencing poverty and social exclusion, a ¼ of the EU population, that Europe 2020 and poverty and other social target appears to play no central role. This undermines people's confidence in the follow up on the Mid-Term Review of Europe 2020 and the credibility of the new Commission and EU approach.

We attach the EAPN assessment of the AGS and Draft Joint Employment Report and set out below our **6 key messages** which we hope the EPSCO will support.

- 1) Demonstrate that Europe 2020 is still relevant with the poverty target at the centre.
 - ➤ Make an explicit commitment to mainstream Europe 2020 and the poverty/and other social targets into the new priorities and Semester.
- 2) Public Investment needed to ensure quality jobs, also in social sector.
 - The criteria for investment projects and 20% conditionality on social inclusion and poverty in ESF, must be transparently monitored by the European Parliament, Social Ministers and DG Employment together with stakeholders to deliver on promises of quality jobs and poverty reduction.

3) Jobs alone are not a sufficient answer to poverty! Invest in social protection and services.

The EU must go beyond a 'poor jobs' approach, enforcing criteria for quality and sustainable job creation. It must mainstream requirements to guarantee adequate social protection and quality services, financed through inclusive tax policy, throughout the life cycle, and by developing an explicit integrated strategy to fight poverty.

4) Reinforcing social standards, not austerity and a competitive race to the bottom.

➤ Give priority to reinforcing social rights and social standards as basis for an inclusive and sustainable growth strategy. Develop a road map to progress on guarantees for an adequate minimum income across the life cycle through an EU Directive on minimum income and EU framework on minimum wages.

5) Put Social and Economic Indicators on a par – with impact on policy!

Confirm commitment to real evidence-based policy-making with effective social impact assessment, putting social and economic indicators and actors on an equal footing, and make the EP partners to decisions.

6) Make Civil Society partners to design and monitor policy not just to implement it.

Confirm CSOs and people with direct experience of poverty as equal partners in meaningful stakeholder engagement in the Semester, and develop obligatory EU guidelines to ensure quality engagement at every stage: design, monitoring as well as delivery. Facilitate financial support to CSOs ensure equal participation, particularly through the European Semester Officers.

We hope that you will take our messages on board, and would welcome any opportunity to follow up this input with a direct exchange with you regarding their concerns.

Yours sincerely,

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Sérgio Aires EAPN President Barbara Helfferich EAPN Director

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Cc: Commissioner Marianne Thyssen, European Commissioner for Employment, Social Affairs and Inclusion.

See Also

<u>EAPN Input to the Mid-Term Review of the Europe 2020 strategy</u> – "Can the Strategy be made fit for purpose to deliver its promises on poverty reduction?"

"From Austerity to Inclusive Growth – What Progress?" EAPN Assessment of the NRP 2014

EAPN 2014: "Giving a Voice to Citizens – Building stakeholder engagement for effective decision-making" – Guidelines for Decision-makers at EU and national levels.