

# How will the Europe 2020 Strategy Mid-Term Review reduce poverty and inequality?



European Anti-Poverty Network (EAPN)  
SEMINAR & ROUNDTABLE DEBATE

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## EAPN Proposals for the Mid-term Review

*Paul Ginnell*

*Co-Chairperson of EAPN Inclusion Strategies (Policy) Group*

- EAPN proposals based on experience of national stakeholder engagement in the Social OMC, Lisbon Strategy and Europe 2020.
- Drafted with input from 31 EAPN national networks across/beyond the EU and 18 European Organisations in membership of EAPN mainly through the Executive Committee, General Assembly and EU Inclusion Strategies (Policy) Group.

# Proposals for an Ambitious Transformative Agenda for Europe 2020



- EAPN calls for ambitious changes to stop the tide of rising poverty and inequality and to bring credibility and legitimacy to EU-decision-making.
- Based on a vision that will help Europe move towards a more coherent, social and sustainable development strategy that goes beyond growth/GDP
- That judges its progress in people's well-being, shared prosperity, greater democracy and social cohesion as well as environmental sustainability.

# KEY PRIORITIES FOR CHANGE



- 1. Building a coherent economic and social strategy and governance model**
- 2. Establishing credible poverty reduction and social targets**
- 3. Prioritising an EU integrated strategy to fight poverty and an urgent Marshall-type investment plan**
- 4. Establishing democratic and accountable governance**
- 5. Using EU money for poverty**

# 1. Build a coherent economic and social strategy and governance model



## What?

- Need for debate on sustainable development models and how to rebalance economic and social objectives.
- Move forward on a Social and Economic Union
- Refocus on Europe 2020 objectives rather than primarily on the Stability and Growth Pact and ensure that poverty goals are given equal priority.
- Retain a distinct social space and agenda.

# How? – Recommendations



- ✓ **Start debate on creating a more sustainable development model** which puts the economy as the service of an inclusive and sustainable society.
- ✓ **Restore balance and make progress towards a social as well as an economic and banking Union and introduce a new Golden Rule**, operationalising the Lisbon Treaty horizontal social clause.
- ✓ **Introduce an Annual Progress Report on Europe 2020 goals** and targets as the central document to drive the European Semester and refocus the Annual Growth Survey to mainstream all the core objectives of Europe 2020.
- ✓ Restore balance to economic and social **Country Specific Recommendations**
- ✓ **Develop separate social protection/social inclusion guidelines** for the poverty target outside the employment guidelines and a separate report on an equal footing to the Joint Employment Report.
- ✓ **Effectively mainstream the social and employment scoreboard** into the Alert Mechanism Report and ensure it acts as a trigger for policy change.
- ✓ **Develop a Social OMC** promoting a detailed EU Social Agenda and mechanism, to feed into Europe 2020.

## 2. Establish credible poverty reduction and social targets



### What?

- Back poverty target but strengthen their implementation and put at heart of the Semester.
- Make sure that the complexity of poverty is captured and monitored for all groups.
- Improve timeliness and impact of social data.
- Consider refinements to education and employment targets and new targets for other key challenges e.g. inequality.

# How? – Recommendations



- ✓ Prioritise a poverty target based on the **3 EU indicators** and **require a % decrease on each** by all Member States.
- ✓ Review and establish new poverty targets for **Member States who claim to have met their target**.
- ✓ Establish **poverty sub targets for key priority** groups e.g. children, youth, homelessness, migrants, Roma, long-term unemployment, single parents and people with disabilities.
- ✓ **Employment Target:** Reformulate the Eurostat definition underpinning the employment target and complement it with indicators to reflect the quality and sustainability of employment with sub-targets for key groups.
- ✓ **Education Target:** Consider a target for adult life-long learning and adult education.
- ✓ Provide a **breakdown** of all social targets according to gender, age and social groups.
- ✓ Establish a **new target** to reduce inequality based on the 20%/80% income quintile indicator.
- ✓ Require **Member States to make medium and long term plans** to deliver on the targets and provide annual updates on progress and trends. Provide **comparable information in the Annual Progress Report and Annual Growth Survey on progress** or shortfalls in reaching the targets and reasons for this.
- ✓ Invest in **timely social data** and new indicators or data on the most vulnerable groups. Explicitly monitor and report on the broader dashboard of social indicators and ensure coherence.

### 3. Prioritise an EU integrated strategy to fight poverty and an urgent Marshall-type investment plan



## What?

- No target can deliver without a clear strategy to fight poverty
- Thematic strategies need to be placed within this overarching strategy
- Worsening conditions need urgent measures and investment
- EU social infrastructure needs to link to the national level and support participation

# HOW? - Recommendations



- ✓ **Develop a short-term Marshall-type plan** to address the immediate crisis of spiralling poverty levels.
- ✓ Urgently priorities the development of **an effective, integrated and multidimensional EU strategy to fight poverty and social exclusion** requiring Member States to develop integrated strategies along the same lines.
- ✓ Retain and refocus the **European Platform Against Poverty towards the development of an EU integrated strategy** to fight poverty and require the establishment of national platforms against poverty to feed into the European Semester.
- ✓ **Convert the Annual Convention into an independent dialogue forum** between national actors engaged in the Semester and the EU level to review progress on the poverty target.
- ✓ Financially support the **yearly Meeting of People Experiencing Poverty**.
- ✓ Clarify the **relationship of the Social Investment Package to the European Platform Against Poverty** and its contribution to the anti-poverty strategy to achieve the poverty target.

# HOW?



## Elements of an effective, integrated and multidimensional EU strategy to fight poverty and social exclusion.

- 1) Aim to eradicate poverty and promote social inclusion for all groups, ensuring access to rights, resources and services and implementing the Charter of Fundamental Rights and the horizontal social clauses.
- 2) Reduce inequality by promoting fairer income distribution, and redistribution.
- 3) Support a Social Investment approach.
- 4) Progress the development of EU wide social standards.
- 5) Promote Integrated Active Inclusion.
- 6) Invest in durable quality of work and employment.
- 7) Ensure access to quality services: particularly universal access to benefits and services.
- 8) Promote empowerment and participation.
- 9) Pro-actively tackle discrimination and establish and implement sub-strategies for key target groups and themes as endorsed by the Social investment
- 10) Promote social innovation that prioritizes 'more effective services and methods' without undermining existing effective public services.

# 4. Establish democratic and accountable governance



## What?

- Lack of debate at EU and national level on Europe 2020 or engagement with civil society including anti-poverty NGOs and people with a direct experience of poverty and social exclusion.
- Weak engagement with National Parliaments and weak visibility and ownership in wider society.
- Impacts on the quality of policy solutions and reduces credibility and accountability.

# HOW? - Recommendations



- ✓ Together with Member States and stakeholders **develop obligatory, transparent EU Guidelines for the engagement of stakeholders**, all stages of the Semester explicitly including people with direct experience of poverty, together with the NGOs that support them.
- ✓ **Invest in participation and democratic accountability**, and take the time to rethink methods of operating, evaluating the benefits and costs of failure to engage people in the Semester.
- ✓ Require the **involvement of national parliaments** through all stages of the Semester.
- ✓ Support the Parliament's call for an **inter-institutional agreement regarding the Semester**.
- ✓ In the Annual Growth Survey and Annual Progress Report, make a specific **analysis of the state of play on the extent and quality of democratic and stakeholder engagement**.
- ✓ Transform the **European Semester Officers** into comprehensive promoters for stakeholder engagement in the Semester.
- ✓ **Include stakeholders in the bi-lateral meetings** between Government and Commission.

## 5. Using EU money for poverty



### What?

- Structural Funds are a crucial instrument to support delivery of the poverty target.
- 20% of ESF budget for social inclusion is important but so far modest delivery and overemphasis on funding delivery of activation measures.
- Ongoing issue of engagement and access for NGOs.
- Need for support for funding for local solutions built through bottom-up partnerships.

# HOW? - Recommendations



- ✓ The European Commission should **monitor and ensure the compliance with the ring-fencing of 20% ESF for social inclusion** and actively require and monitor delivery on the ex-ante conditionality on integrated anti-poverty strategies.
- ✓ Member States should be required to **report in detail of the use and impact** of Structural Funds to achieve the poverty target.
- ✓ The Commission could help Member States by **documenting good practices from countries** in the use of the ESF for innovative approaches, in particular on integrated active inclusion strategies.
- ✓ The use of Structural Funds to **improve administrative capacity to pilot or improve minimum income schemes** is welcomed, however, the adequate co-financing and long-term sustainability of financing from national budgets needs to be assured.
- ✓ The **partnership principle and the Code of Guidance should be properly enforced** to ensure access for NGOs, and their at all stages of the Funds.
- ✓ **Community Led Local Development should be actively supported and monitored** as the key instrument in Structural Funds dedicated to bottom-up and people-led development.
- ✓ The **EU should invest in a new poverty programme**: a well-resourced local action programme to fight poverty which could support new models of social delivery and cross-national learning.