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

European Anti-Poverty Network (EAPN)
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EAPN Proposals for the Mid-term Review

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- 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.
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.
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.
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.
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.
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.