30/07/2015

Revised 1/10/15BH

**REVISED Draft Minutes**

**With amendments by FEANTSA**

**Meeting of EAPN Executive Committee**

Bilbao, 2 July 2015

**Present:** *Eugen**Bierling-Wagner (EAPN Austria), Gaëlle Peters (EAPN Belgium),**Maria Jeliazkova (EAPN Bulgaria), Nino Zganec (EAPN Croatia), Ninetta Kazantzis (EAPN Cyprus), Karel Schwarz (EAPN Czech Republic), Per Thomsen (EAPN Denmark), Kärt Mere (EAPN Estonia), Tiina Saarela (EAPN Finland), Samuel Le Floch (EAPN France), Richard Delplanque (EAPN France) Biljana Dukovska(EAPN Macedonia), Alexander Kraake (EAPN Germany), Maria Marinakou (EAPN Greece), Krisztina Jász (EAPN Hungary), Vilborg Oddsdottir (EAPN Iceland), Tess Murphy (EAPN Ireland), Letizia Cesarini-Sforza (EAPN Ital), Laila Balga (EAPN Latvia), Eitvydas Bingelis(EAPN Lithuania), Gilles Rod (EAPN Luxembourg), Saviour Grima (EAPN Malta), Johanna Engen (EAPN Norway), Quinta Ansem (EAPN Netherlands), Kamila Plowiec (EAPN Poland), Sérgio Aires (EAPN Portugal), Raluca Mănăilă(EAPN Romania), Jasmina Krunić (EAPN Serbia), Anna Galovicova (EAPN Slovakia), Carlos Susias Rodado (EAPN Spain), Sonja Wallbom (EAPN Sweden), Peter Kelly (EAPN UK), Marie-Cécile Renoux (ATD Fourth World) Freek Spinnewijn (FEANTSA), Luigi Leonori (SMES), Bruno René-Bazin (BABELEA)*

**Secretariat:** *Barbara Helfferich, Philippe Lemmens, Fintan Farrell, Sigrid Dahmen, Magda Tancau, Nellie Epinat.*

**Apologies:** Mike Stannett, Salvation Army

**1. Welcome and Agenda/Minutes of Meeting of 13-14 March 2015**

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| **Decisions: Minutes of the last meeting were approved**  **Agenda for this meeting was approved** |

**2.** **Director’s Report**

The Director presented the activities report covering the period between March and June 2015 (Please see PPP on the Members’ Room for more details). She highlighted the stakeholder meeting organized by DG ECFIN to which EAPN had been invited to contribute. She underlined the importance of such mainstreaming activity. On the negative side, she informed the EXCO about the loss of funding for the Semester Alliance and pointed out that there appeared to be little chance that another round of joint actions would be funded in the future.

She also reported the successful start of the 5 pilot actions on Europe 2020 as well as the first meeting of the task forces.

She also referred to the important work done by Vice President Kärt Mere in relation to investing in children. She also reported that EAPN President had spoken at the meeting of the Social Protection Committee.

She added that good work had been done ensuring the informed participation of EOs in EAPN activities, following up on the decisions of the previous EXCO

Finally, she encouraged EXCO members to send their observations about EAPN’s current website as the secretariat (Nellie Epinat) was preparing to change EAPN’s website in order to make it more user-friendly and informative.

**3. Projects and Fundraising**

Fintan Farrell reported that funding appeared to be ensured for the 2015 European Meeting of People experiencing Poverty. While the Luxembourg Presidency had already paid their contribution as well as assured EAPN of its political support, the European Commission had just informed the secretariat that the meeting could be funded.

He also reported that the Drivers’ project had been finalized. Sian Jones underlined the successful nature of the project.

Fintan informed the EXCO that EAPN members could be potentially involved in 10 calls for tenders, but added that it was difficult to find the real possibilities for the networks.

He also said that EAPN may be part of a big call on social inclusion on Structural Funds, which would require about 40 days a year to work on that call. Other interesting, potential calls related to health, education, research, gender equality, Roma.

**On Sponsorship**, Fintan Farrell underlined that it was important to keep the pressure on in relation to the use of public funds for networks such as EAPN. He also said that the fundraising around Row 4 rights was closed, but that one could imagine to repeat such exercise as it brought in about 85 000 EURO.

While there was no progress on major donors, EAPN now participated in a group of fundraising officers from different NGOs in Brussels.

**On the EAPN Fund,** he reported that the Fund Committee met in January and that 3 national networks had received funding this year.

Finally, he underlined how successful the EMIN project has been and that the Commission would launch the second phase later in the year for which EAPN would apply.

**On Communications**, the Director invited Nellie Epinat, the Media and Communications Officer to report.

The media and communication’s officer pointed out that with a New Strategic Plan the Communication Strategy would need to be revised. She also referred to the ongoing work on the website.

**Comments and questions by EXCO Members:**

Representatives of EOSs asked to be informed about potential project participation before EAPN decides to apply or join in a call.

**Fintan Farrell** responded:

Of the 10 projects, only the one under the FEAD programme had a substantial chance to get involvement from European members. He added that when there are possibilities to involve networks, it is done.

FEANTSA responded that it was simply not true. The study on health of excluded groups in urban areas is perfect example where EOs could have had important role (several work specifically on health) but we were not informed. It is up to EOs to judge whether or not they could potentially be involved. FEANTSA also suggested a brainstorming about the role of EOs and other members in important call that we know will be launched soon – EMIN 2 being prime example.

**4. Finances**

The Director reported a considerable shortfall of 111 000 EURO for 2015 on account of the budget cuts and the unexpected cancellation of funding for joint actions However, she also explained that part of the problem was also related to travel and accommodation expenses related to the Strategic Congress.

While savings had already been put in place after the first cuts in 2014 with three staff having been made redundant, it had not been possible to make the necessary cuts to arrive at a balanced budget. This was in particular true as the expected income from a second phase of Joint Actions and EMIN did not materialize in 2015.

FEANTSA commented that they had not been aware that EAPN voted a deficit budget for 2015 at ExCo/GA 2014 and added that they raised the issue of shortage on salaries at first ExCo of 2015 but that office/President said that there was no reason to worry and that ExCo in Bilbao would provide ample time to react if necessary

Some of the deficit, the director continued, could be offset by assets that EAPN has accumulated over the years; in particular a cash reserve which amounted to about 55,000 EUROs. In addition, EAPN also managed to accumulate a considerable “social” reserve destined to protect staff in case of dismissal. That reserve has over the years functioned to also help with cash flow problems.

FEANTSA asked about the 90.000€ debt (carried over from previous years) in the balance sheet and was promised an explanation. Furthermore, there is an expected 20,000 EUROs left over from the EMIN project, which will help to reduce the deficit. (*Please see the more detailed note that the EXCO asked the Director and accountant to put together to explain the balance sheet; expenses and assets in a clear and concise fashion- attached to these minutes).*

Questions of clarifications were posed by FEANTSA, EAPN France and Luxemburg regarding the extent of the shortfall and the nature of assets as well as their purpose. Reference was made to apparent inconsistencies with the accounts presented and the balance sheet. Clarification was also sought about the relationship between the shortfall for 2015 and the draft budget which was presented for 2016.

The accountant explained further that the some of the deficit was also due to the lowering of the co-financing requirements for the pilot projects from 50 to 20 per cent. The fundraising officer added that the EAPN Fund 10 000 € could help with activities agreed (Policy Conference).

EAPN President, on behalf of the Bureau, added that talks were under way with the European Commission to ask for greater flexibility with the current budget. He also underlined the unexpected cancellation of the Joint Actions for 2015, which had been foreseen for a three-year period.

He explained that the EXCO needed to decide on a package of cuts on the basis of the recommendations by Bureau to EXCO: reducing the deficit from 165 000 Euro to 111 000 Euro There was a whole range of questions related to the actual proposal and some disagreement as well .

Some EXCO members cautioned that cuts to an existing work programme could not easily be made and that EAPN would need to make sure that the Commission will accept those costs. Feantsa said that you cannot simply cut/substantially reduce activities listed in the work programme but continue to claim money and use it for something else. FEANTSA asked for more information about the position of the European Commission on this.

Answering the question of what the heading “External Experts” meant, the accountant explained that it referred to all the money that went into the contracts including NN expertise and co-funding which was referred to as expenses as well.

Some members expressed frustration referring to the EXCO’s financial responsibility and the fact that the financial documents only arrived two days before the meeting. FEANTSA raised the issue that the ExCo had no idea the shortfall was so high and that it was the first time (two days before the meeting) it saw actual numbers.

The President on behalf of the Bureau insisted that the deficit budget must be accepted

Freek Spinnewijn from FEANTSA declared that he could not accept to accept a deficit budget. The Accountant pointed out that there would be 31 000 Euro net loss this year if the EXCO could accept the cuts proposed by the Bureau and the use of the saving.

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| **Decision:** Members of the EXCO expressed the need to have further clarification and asked the secretariat to prepare a paper for the new EXCO outlining the financial situation, detailing income, deficits and types of savings, their amount and their potential use in dealing with the overall deficit for 2015. The EXCO will then decide on a revised budet proposal if necessary and as mandated by the General Assembly. |

**Presentation of 2014 core budget and Semester Alliance budget accounts**

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| **Decision:** The EXCO approved the accounts for the Semester Alliance for 2014. |

**5. Draft Work Programme 2016 and provisional budget**

Chair: Letizia Cesarini Sforza

Barbara Helfferich/EAPN Director explained that the work programme 2016 was designed to encompass all of EAPN’s activities even those which are not part of the core funding; i.e. activities related to EMIN which have to be financed by a separate project budget. The rest of the programme reflected the work EAPN has done over the last years.

The President explained that the work programme was still part of the 3-year framework agreement with the European Commission.

In order to ensure an open debate without prejudice, staff members were asked to leave the room so that EXCO members would feel no restriction discussing all possible budgets cuts including those related to staff. The Chair then asked the members of the staff to leave except for the Director whose presence was felt necessary as a source of information as well as being the manager of the secretariat.

Fintan Farrell reacted to the request by saying that she was very unhappy about this and drew attention to the fact that there was no representative of staff in the Bureau.

The staff left except for the Director

Some EXCO members expressed concern about the way staff had been asked to leave . The Chair responded that this could have been done better, but that it was also necessary to recognize that a frank discussion was needed without the presence of the staff.

The staff was invited to join back in after the last coffee break of the day.

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| **Decisions**:   * Ask GA to give mandate to EXCO to revise the 2016 so as to make it balanced. I said that was not possible because of statutory role of GA in relation to financial affairs * Director and Bureau to work on a restructuring proposal with a view to making the financial framework sustainable and present it to the EXCO for discussion and decision. * EXCO expressed its full support for the Director. |

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EAPN President – Sergio Aires – apologized for the way the staff had been asked to leave. He said that a restructuring plan of the organization needs to be prepared for October. This would be part of the mandate for the new EXCO and the new bureau to work on the restructuring plan.

Feantsa raised the issue of the EC call for proposals with deadline in August

**6. Preparation of the Strategic Congress**

Chair: Sergio Aires

The Director explained that four strategic objectives had been established on the basis of the evaluation carried out before the strategic planning process, the analysis of the mission and vision of the EAPN, and a world café session with members. There were also two rounds of consultations with EAPN members.

The President of EAPN added that there was a difference between the Strategic Plan and the Operational Plan and that was why you do not see the actions in the Strategic Plan. Their place was in the Operational Plan.

He also added that the new EXCO would be responsible for finalizing the strategic plan. There was no pressure to leave the strategic congress with an approved plan.

**7. Preparation for the GA**

Chair: Letizia Cesarini Sforza

Discussing and clarifying the GA agenda:

GA Agenda – point 3 – only the new members will be presented and the new Ex-Co 2015-2018 will be ratified

Clarification of the point – “Members take the Floor” – European Organisation members of EAPN – 10’ – this slot was dedicated to EOs who have asked to present the work of EO’s to the GA.

The Director will presents the Work Programme and the budget.

EAPN Greece asked that there should be a specific point on Greece on the agenda of the General Assembly.

Sergio Aires/EAPN Portugal: EAPN has been condemning austerity for a long time, we have been drawing attention of EU policy measures and the disastrous effects of austerity.

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| **Decisions:**   * Representative of Greece will have the occasion to speak at GA about the Greek situation; * Work will continue on the Final Declaration denouncing austerity programmes and impact on all countries. |

**8. Amendments of the Standing Orders**

EAPN Germany voiced a general concern related to the question of participation, in the context of reducing participation of members – the fact that EAPN reduces the number of delegates will reduce the possibility of people experiencing poverty to participate. Germany felt strongly that this should be avoided.

EAPN Germany also questioned in Article 4 – strict definition of member networks.

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| **Decision:** NNs and EOs are ok. The standing Orders should refer to: national networks (NNs) and each NN has its members. |

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| **Decision: Article 4.3 -** In order for a European Organisation to be considered for membership of EAPN it must have members and be carrying out activities in at least ~~eight~~ 50 per cent of the Member States of the EU, **at the time of their application.** |

EAPN NL: - 3.4 correct the mistake – the word **“design”** should be kept

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| **Article 6.1** Each National Network shall be represented by at least one delegate. Budget permitting the number can be raised to three. The Executive Committee member will be one of these delegates. The ratio of their votes shall be proportional as follows: Germany, Spain, France, Italy, United Kingdom, Poland: 8; Belgium, Greece, Hungary, Netherlands, Portugal, Czech Republic, Romania: 6; Austria, Bulgaria, Denmark, Finland, Ireland, Lithuania, Norway, Serbia, Slovakia, Sweden: 4; Cyprus, Estonia, FYROM, Iceland, Latvia, Luxembourg, Malta, Croatia: 2. |

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| **Decisions:**  Amendments to be voted in the GA: 6.2; 11.2.2; 11.5, 11.6, 18, 19, 21, 20.2 |

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| Discussion regarding amendments to Article 18:  The Bureau comprises a number of seven members. There will be a President and six Vice-Presidents~~,~~ acting collectively, and supported by the staff, to manage the smooth operation of the affairs of the EAPN as manifested by its Executive Committee and staff. **European Organisations can occupy one place in the Bureau. If they do not fill it, the place can be taken up by a national member.** |

This article generated discussions, some members, like EAPN Germany, EAPN Greece, did not understand the article. EOs proposed that one place should be reserved for the EOs. The word “reserve” needed further clarifications.

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| **Decision:** Article 23 should be submitted for voting in the GA, some members are not ready to accept it. Decision to recommend to scrap this article. |

**9. Presentation of candidates to the next Bureau**

The Chair asked who of the EXCO members will stand for elections. The following persons indicated their interests:

Sergio Aires, EAPN Portugal – president, still running

Peter Kelly, EAPN UK – running for bureau

Kart Mere, EAPN Estonia – running for bureau

Kamila Plowiec, EAPN Poland– running for bureau

Vito Telesca EAPN Italy, replaces Letitia Cesarini Sforza in the EXCO and runs for bureau

Vilborg Oddsdottir, EAPN Iceland running for bureau

Carlos Susias, EAPN Spain– running for bureau

Jasmina Krunic, EAPN Serbia – running for bureau

Maria JELIAZKOVA, EAPN Bulgaria, running for bureau

Saviour Grima, EAPN Malta, running for bureau

The new candidates will have 3 minutes available for presentation at the end of the GA.

Freek Spinnewijn, FEANTSA said that he could stand for substitutes, but could not promise to attend sufficient nr of meeting.

**10. Final Declaration and other issues**

The Chair explained that the text of the final declaration will be adopted by the GA – the deadline for receiving amendments was last night.

Because previous sessions took more time than foreseen, the discussion on the Junker’s investment plan was skipped.

There was not enough time to discuss the TTIP paper and there was a proposal to vote on it on Saturday during the second EXCO meeting.

Alexander Kraake, EAPN Germany explained that the paper was only distributed late and felt that members should have more time to read it. France agreed, but also said that their comments had not been integrated yet. EAPN France also added that the document should have been stronger on criticizing and challenging the politics around it and should have also been shorter.

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| **Decision:** a Final decision about the TTIP paper will be taken on Saturday. |

The meeting closed at 19:00.