

21st of September 2015

President of the European Commission
Mr Jean-Claude JUNCKER

Dear President Juncker,

Re: Annual Growth Survey 2016: Business as usual is not an option! – Economic Governance must deliver on social objectives with real participation from civil society.

We are writing to you on behalf of the European Anti-Poverty Network (EAPN) the largest platform of anti-poverty organizations in Europe, representing more than 6000 organisations across 31 countries, working with and for people with direct experience of poverty.

You are currently preparing the **2016 Annual Growth Survey**, which will drive the European Semester 2016. This AGS comes at a crucial time, when the **future of the EU is in jeopardy**, brought to crisis point by the failure of the EU to get agreement to fairly share the responsibility and provide safe passage and relief to the thousands of desperate refugees and asylum seekers who are flocking to the EU shores. We are counting on you as the president of the European Commission to reassert the Commission's role as a leader for a fairer and just Europe which puts people at the centre of policy making.

EAPN's **review of the European Semester 2015** from our members¹ also concludes that the European Semester has so-far failed to provide this explicit social dimension, with low visibility of Europe 2020 goals of inclusive, as well as sustainable growth and of the social targets. Although poverty and social exclusion affects 1 person in 4 (123.1 million) the 2015 CSRs on poverty were reduced from 12 to 6. Despite the new 'investment' priority, austerity measures continue to predominate, with damaging cuts to benefits and services, wages and employment standards only contributing to a widening gap on poverty and inequality. Instead of 'greater accountability and ownership', participation by stakeholders, particularly social NGOs continues to be weak with low quality involvement resembling too often a public relations exercise rather than genuine dialogue and partnership.

An EU that only focuses on macro-economic and monetary union, developed behind closed doors, at the expense of social rights, solidarity and concrete standards, will fail to get people's support for the EU project and thus exacerbate the deepening political crisis in Greece and other countries brought on by misguided austerity policies.

¹ EAPN 2015 Report: Can the Semester deliver on poverty and participation? EAPN Assessment of the NRPs 2015. See also event launch on 9 October in EESC.

In the new AGS, you have a crucial opportunity to take concrete steps to ensure that the **social dimension in the European Semester** gets a new priority, building **new accountability and participation mechanisms**.

We highlight for you our **Key Messages** arising from EAPN's assessment:

Key Messages

- 1. Ensure macroeconomic policies deliver on social objectives
- 2. Demonstrate a strong social dimension: an integrated poverty strategy and investment in social standards
- 3. Get serious about participation and social NGO involvement!

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.

We hope that you will take on board our proposals in your deliberations and would welcome the opportunity to discuss them further with you.

Yours sincerely,

Sérgio Aires

Barbara Helfferich

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EAPN President

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EAPN Director

Cc: Vice President Dombrovskis, European Commissioner for the Euro, Social Dialogue. Commissioner Marianne Thyssen, European Commissioner for Employment, Skills and Mobility. Thomas Händel MEP, Chair of the Employment and Social Affairs Committee, European Parliament

Key Documents:

- Can the Semester deliver on poverty and participation? EAPN Assessment of the NRPs 2015.
- See also EAPN/EESC <u>Event</u> launching report on same topic: 9 October 2015. See here the <u>programme</u>.
- EAPN's 2015 CSR Assessment and Proposals and Country Fiches.
- EAPN's Response to the <u>Annual Growth Survey</u> 2015.
- <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
- <u>EAPN 2014: "Giving a Voice to Citizens Building stakeholder engagement for effective decision-making"</u> Guidelines for Decision-makers at EU and national levels.