# **ISSUE 33** DECEMBER 2011



# **POLICY BRIEFING**

#### DEAR EAPN MEMBERS,

This is our last Policy Briefing of 2011. It has been a very busy and difficult period for us, the people experiencing poverty we work with and for Social Europe. As this briefing goes to Press, the European Council has just agreed already by 5am on the 9<sup>th</sup> December a closer, harsher economic union of 26 (17 Euro countries plus other MS except UK) but with no visible social safeguards, requiring a new intergovernmental treaty. The agreement focuses on a new fiscal compact preventing the Euro countries and others that sign up for it from breaching the 3% deficit rules, embedded in Member States' legal frameworks with compulsory sanctions, and strengthened economic coordination through the Eurogroup and Eurosummit. They've also agreed an acceleration of the new European Stability Mechanism. The new Economic Semester will drive the implementation of these reforms. On the 23 November the Commission presented the new Annual Growth Survey. Although the new AGS has some important concessions to social inclusion, the overarching narrative is the decisions being taken on how to save the Euro - stability, and fiscal consolidation with automatic penalties for those who fail to reach the 3% of GDP set. What shape will Europe take? Will Greece and the other countries suffering bail outs be abandoned; is it a 2 or 3 speed Europe? How will this impact on poverty, exclusion and inequality? The prospects do not look bright and underline the need for EAPN to sharpen its objectives and work better in alliances with joint campaigning for alternative models at national and EU level.

In terms of EAPN activities: the EAPN Crisis conference was held in Brussels on the 23<sup>rd</sup> September, involving nearly 200 participants, combining with the final meetings of the current working groups. The crisis background paper is now being finalized and developed into a position paper, and EAPN is working with the King Baudouin Foundation on a followup stakeholder meeting with key decision-makers, in the New Year. The conference also saw the launch of the EWG video on positive activation. In October, around 40 EAPN members participated in the first Annual Convention of the European Platform Against Poverty, with EAPN co-organising a workshop on stakeholder involvement, with Eurocities, EESC, and CoR. In this period we have also finalized and launched the EAPN NRP Report - Deliver Inclusive Growth, based on 22 national members and EO input. This has been widely circulated and presented at key events reviewing progress on Europe 2020. The report was also sent to President Barroso with a letter prior to the launch of the Annual Growth Survey on the 23 November. EAPN also held a hearing in the Parliament to launch the Wealth Explainer with Karima Delli MEP from the Greens / EFA Political Group. The booklet has been widely picked up and appears to have been a trigger for the Commission's major conference on Inequality - held on the 5 and 6 December. Other key lobbying action has been on Structural Funds, with a letter to DG Regio highlighting our concerns regarding the draft Structural Funds Regulations, including 20% ring-fencing for delivering on the poverty target, and greater access to funding for NGOs.

The EXCO on the 23-25 November has now decided on transitional arrangements for 2012, pending agreement on the Strategic Plan by the General Assembly in June 2012. A new policy group: EU Inclusion Strategies Group will be launched early in 2012, delivering on the revised objectives. This will try to build on the very good work of the current working groups, together with additional policy work in the EXCO and in new Task Forces.

We take this occasion to give a big thank you to all the members of the current working groups: Social Inclusion, Employment and Structural Funds, for their very good work, hoping that many of you will continue to be active in the new structures.

# Best regards

Sian Jones, Policy Coordinator, with the Policy Team: Fintan Farrell, Amana Ferro, Vincent Caron, Tanya Basarab (Development Officer), and Micheline Gerondal.

#### NOTE

All EAPN documents, reports, position papers can be accessed on the EAPN website <a href="https://www.eapn.eu">www.eapn.eu</a> > Publications section and in EAPN Members' Room.

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#### 1. EUROPE 2020 AND ECONOMIC GOVERNANCE

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All policy officers and working groups contribute currently together to this work.

EAPN groups in charge: EXCO, Social Inclusion Working Group, Employment Working Group, Structural Funds Working Group.

### **EU Policy developments**

#### **Latest developments**

During the autumn, Member States made adjustments to their national budgets, implementing the Country-Specific Recommendations, which were primarily focussed on enforcing austerity measures and the Euro Plus Pact, with minimal reference to the Europe 2020 targets, particularly the poverty target. In October, the European Council finalized their legislative economic governance package (the so-called "six pack"), following agreement with the European Parliament. The dominant narrative has been the failure to provide adequate support to Greece, and other countries at risk from the predatory action of the credit agencies: particularly Italy, Spain, and increasingly others like Belgium. Some recognition has emerged that austerity measures are undermining growth and exacerbating the impact and depth of the crisis. The Commission was forced to bring forward the launch of the 2012 Economic Semester, launching the Annual Growth Survey a month early on the 23 November. This new AGS makes some concessions to the social dimension and impact of the crisis, but does little to counter the overriding driver of obligatory deficit and debt reduction through austerity measures. Most importantly on the 8 and 9 December, the European Council has decided on a new fiscal compact and Golden Rule, enforcing balanced budgets or surpluses for the Eurozone and others who wish to join (17+6 with UK), which enforces tighter budget rules and sanctions with a new economic government. Whether this is sufficient to "calm the markets" remains to be seen. What is clear is that the "poor" will still pay the price.

# 8 and 9 December: European Council

Following tense negotiations, the Council agreed the proposals of Angela Merkel and Nicolas Sarkozy. The decision by UK to use its veto helped to close the deal with the other non-Euro members. The key decisions include: agreement to closer economic and fiscal union for the Euro countries and those who wish to join (currently 8: Denmark, Poland, Latvia, Lithuania, Bulgaria and Romania, with Sweden and Czech Republic considering with their national parliaments, and the UK staying outside). Key elements include:

- a Fiscal Pact: automatic sanctions for rule breakers over the 3% GDP limit on deficits, and 'golden rule' of balanced budgets or in surplus to be embedded in national legislation, with recall to European Court of Justice. Right of Commission scrutiny over draft national budgets and to demand changes. This will require an intergovernmental treaty signed by those who want to join.
- Closer joint economic government for the Eurozone countries, with a permanent president and regular Eurosummits.
- Increased financial backing with deal struck with the IMF for 200 million Euro, new European Stability Mechanism coming into force in July 2012, but only commitment to reassess level of new bail out fund European Financial Stability Fund currently only set at 500 billion Euro. See European Council documents <a href="here">here</a> and Council Conclusions here.

#### 23/11 Commission publishes new Annual Growth Survey for 2012, a month early

The AGS sets out the EU's priorities for the next 12 months in terms of budgetary policies, and is the starting point of the 2nd Economic Semester which is driving delivery on Europe 2020. The AGS is published with annexes, including a Progress Report on Europe 2020, a Macroeconomic report, the Draft Joint Employment Report and a report on promoting growth-friendly tax policies. Other elements in the package also include 2 Regulations tightening economic and budgetary surveillance in the euro area and, a Green Paper on Stability Bonds (=Eurobonds).

In the AGS, the key message is that the EU's economic and social situation is deteriorating, economic governance must be embedded and deficits reduced and that more, urgent efforts are needed to put Europe back on track on growth and jobs, without a specific reference to inclusive growth or poverty target, but reference to unemployment and social impact of crisis. The 5 priorities are: 1) Pursuing differentiated growth-friendly fiscal consolidation, 2)Restoring normal lending to the economy, 3) Promoting growth and competitiveness for today and tomorrow, 4) Tackling unemployment and the social consequences of the crisis and 5) Modernising public administration.

➢ Positive references and points include: 1 of 5 priorities is social; Austerity should consider distributional impact; Deficit reduction by increasing tax revenue (as well as expenditure cuts..); Job-rich recovery with green and social jobs; Tackling youth unemployment + new initiative to be launched shortly; Reinforce social protection as automatic stabilizer; Active Inclusion strategies valued, but only 2 pillars, without minimum income; Ensuring access to key services − financial, energy and affordable housing.

- ➤ However, Europe 2020 appears increasingly irrelevant, with few mentions in overriding macroeconomic/fiscal consolidation narrative. Commitments to social protection is seen as an economic buffer, but not adequacy or universal services; Increasing poverty is seen primarily as a bottleneck to growth, i.e. how to keep up consumption levels. Active Inclusion is present, but not the 3 pillars, focus on liberalisation increasing choice as way to increase affordability and access. Job-rich recovery and youth employment are mentioned, but not investing in creating quality jobs, or access for all. Increasing Tax but not much fairer tax. There is no mention of participation and stakeholders. The key role of Structural Funds is clearly mentioned in the delivery of the Europe 2020 headline targets, but mainly as a way to boost growth-enhancing priorities (competitiveness, transport, energy...). There are very scant references on how to use EU Funds for achieving the poverty reduction target. That is all the more worrying given the proposal put forward to introduce macroeconomic conditionality prior to the disbursement of Structural Funds (EAPN will be preparing a short position for end of December).
- The Progress Report on Europe 2020 highlights the lack of progress on the poverty target, only 12 instead of 25 million, but offers little concrete action, to counter the drive for austerity. Poverty described as bottleneck to growth household disposable income has fallen, some rise in relative poverty and material deprivation but solutions are increasing consumer choice! Poverty Platform main progress has been on: Integration, Roma, Social Business Initiative... not driven by social inclusion. Poverty reduction through Services rather than focus on Income (reduces poverty by 40% OECD): Recommendation on bank account, housing and liberalisation on energy market...

See the Employment section of this Policy Brief for short comments on the draft Joint Employment Report.

#### **Key Documents:**

Package of Documents on President Barroso's website;

Annual Growth Survey;

Annex: Progress Report on Europe 2020.

# Other important documents include:

Annex: Macroeconomic Report;
Annex: Draft Employment Report;
Annex: Growth-friendly tax policies

#### 26 October: Crisis EUROSUMMIT enforces budget discipline on Euro area

Eurogroup meets to agree additional measures to save the Euro – "restoring sustainable public finances and structural reforms for growth". The Conclusions monitor the delivery by Spain, Italy, Greece and countries suffering from the adjustment programme and reinforce demands, support recapitalizing the banks and make new proposals to reinforce economic and fiscal coordination and governance with new rules on balanced budgets translated into national legislation by end of 2012. Agree to hold a Euro summit at least twice a year with a new governing structure and President. See <a href="here">here</a>.

# 23 October, European Council returns to concerns about growth

The European Council concerned about need to refocus on growth-enhancing measures as well as stability and debt reduction, with priorities focussing on enforcing the Single Market, Digital Agenda and Energy, with Reduced Administrative Burden. No mention of Inclusive Growth. **See** <a href="here">here</a>.

# 28<sup>th</sup> September and 4<sup>th</sup> October: "Six Pack" on Economic Governance agreed

The Council, Parliament and Commission agreed the new package of six legislative instruments to enforce stricter economic governance focussed on 2 objectives: 1) Stronger preventative and corrective action around deficits and 2) around macro-economic imbalances. This provides strict new procedures to enforce deficit and debt reduction and the provisions of the Euro Plus Pact, including keeping wages in line with productivity, and raising retirement ages. See <a href="here.">here.</a>

# EP: Green's Report: The first European Semester and contribution of Europe 2020

The Commission doesn't care about the objectives it sets for itself. This is summary of the study realised for the Greens on the European Semester. This study reviewed all the country-specific recommendations and analysed their coherence with regard to the performances of these Member States. The study highlighted that the proliferation of new EU tools aimed at curbing the crisis and at making the member states' priorities consistent, does not appear to be contributing to the fulfillment of the economic, social and environmental objectives of the EU. The report was presented in an event in the EP, involving EAPN and other stakeholders. **See** here.

# 30 November: EP Employment Committee drafting own Initiative Report on employment and social aspects in the Annual Growth Survey 2012

Marije Cornelissen (NL, Greens / EFA) is drafting an own initiative report on the AGS, as a follow up to the commitments made by the EP in its resolution on the European Semester for Economic Policy Coordination (Rapporteur: Pervenche Berès, FR, S&D). This report marks the attempt by EP to have a greater role in the Economic Semester, as currently it only has a treaty base to deliver an opinion on the annual Commission's proposals on the Employment Guidelines. EAPN has worked with the rapporteur and coordinators of the Greens to give input to the initial working paper.

#### **Coming up**

- Implications of European Council? The Council made crucial decisions about saving the Euro area. But what do these changes really mean? Will they be enough to save the Euro, support Member States in the sovereign debt crisis and provide a basis for the EU to move forward? What chances to get a more social deal? These questions will have to be answered in the coming days and months...
- Next Steps in Economic Semester and Europe 2020? The Council Formations now discuss the Annual Growth Survey and recommendations go the Spring Council, in March 2012, when the details on the Fiscal Pact and other instruments will be further fleshed out. These Conclusions, together with the AGS will be the main messages underpinning the new NRPs to be prepared, ostensibly in April 2012, with the Commission Review and country-specific recommendations prepared and agreed at

the June Council. In reality, the overriding message is still likely to be fiscal consolidation with punitive enforcement mechanisms driving the agenda.

#### **EAPN** activities

EAPN has continued to lobby actively on Europe 2020, as well as the broader EU strategy on economic governance and fiscal austerity. Apart from our Crisis Conference on the 23 September, the launch of the EAPN NRP Assessment, has been very timely to provide input to the debate on changes needed in the new cycle of the economic semester.

See **Social Inclusion** section for work on the European Flagship Platform against Poverty and the Social OMC, as well as the poverty sections of the Employment Guidelines and the Employment Report (poverty issues).

See **Employment** Section for work on the New Agenda for Skills and Jobs Flagship and the Joint Employment Report (employment issues).

See **Structural Funds** section for work on Structural Funds related to Europe 2020.

See the **Capacity Building** section for all the documents and tools developed for the Induction Training, which had a cross-cutting approach and covered all the policy work, including Europe 2020, Social Inclusion, Employment and Structural Funds.

May 19-21, EAPN Induction Training for new members of statutory and working groups - See all the background notes, policy fiches and presentations <a href="https://example.com/here-new-members">here-new-members</a> of statutory and working groups - See all the background notes, policy fiches and presentations <a href="https://example.com/here-new-members">here-new-members</a> of statutory and working groups - See all the background notes, policy fiches and presentations <a href="https://example.com/here-new-members">here-new-members</a> of statutory and working groups - See all the background notes, policy fiches and presentations <a href="https://example.com/here-new-members">here-new-members</a> of statutory and working groups - See all the background notes, policy fiches and presentations <a href="https://example.com/here-new-members">here-new-members</a> of statutory and working groups - See all the background notes, policy fiches and presentations <a href="https://example.com/here-new-members">here-new-members</a> of statutory and statutory and

September 23, EAPN Crisis Conference: Getting out of the Crisis Together - The EAPN conference brought together representatives from EAPN working groups, activists with experience of poverty, EU decision-makers and stakeholders to discuss the social impact of the crisis and alternative solutions. The morning plenary debated the current reality with EU decision makers, with morning workshops focussed on national experiences, whilst the afternoon aimed to strengthen alliances with other actors focussed on key thematic priorities. The EAPN Background Paper, prepared with the working groups/EXCO and EO's and presented by Katherine Duffy was widely discussed: See <a href="here">here</a> for background document and <a href="here">here</a> for related press release on conclusions. See full web page site <a href="here">here</a> with presentation/documents.

**Follow up**: A stakeholder meeting is being organised together with King Baudouin Foundation with a wider set of stakeholders early in 2012. The Crisis Background Paper will be finalized with a short position paper in the March EXCO.

**21-22** September, EAPN Training for people with direct experience of poverty and their engagement with the EAPN Crisis Conference - The main outcome of this training has been to move towards giving more visible involvement to activists with direct experience of poverty in EAPN's work. See <a href="the Members' Room participation page">the documents from the meeting and the final report.</a>

**28 September: Commission Proposal on Financial Transaction Tax** - Commission presented its proposal for a Council Directive on FTT, following the opinion from the European Parliament in July, aiming to find a new own resource for EU revenue and regulate speculative financial trading. The proposal highlights that revenue could amount to 57 billion

EU a year, only impact on GDP by 0.5% and have progressive distributional effects, according to the quoted impact assessment. See <a href="here.">here.</a>

October 31st 2011: EAPN Report on 2011 NRPs: Deliver Inclusive Growth – put the heart back in Europe! - The EAPN Report reviewing the NRPs was launched. This report was prepared with the EAPN working groups with 22 responses from national networks and 4 European Organisations reviewing their national NRP according to a survey and scoreboard mechanism reviewing the contribution of all sections of the NRP to poverty reduction (macroeconomic, employment, social inclusion as well as Structural Funds and participation).

### The **Key Messages** were:

- 1. The Macro-economic approach driven by EU economic governance is undermining inclusive growth and generating increasing poverty, exclusion and inequality
- 2. Failure to reach EU poverty target and evidence of cherry-picking and gaming by MS reflects a lack of seriousness about poverty
- 3. Policies proposed are skimpy and overly focussed on employment, instead of investing in comprehensive, multidimensional rights based approach backed by strong social protection systems.
- 4. Whilst the Employment Target is seen as sufficiently ambitious, doubts are voiced about implementation, lack of synergies with poverty target, a failure to promote quality jobs and inclusive labour markets
- 5. Education is not being treated as an investment, with policies proposed largely symptomatic, failing to attack underlying causes.
- 6. Gender Equality and fight against discrimination is largely absent
- 7. Structural funds fall far short of their potential to deliver on social inclusion
- 8. Stakeholder Engagement is insufficient and low quality, and a step back on the OMC..

#### The report and key findings has been presented in several key events including:

- 17 and 18 October: Annual Convention on Poverty, Krakow
- 19 October: Green's Seminar presenting Study on First European Semester.
- 29 November: Eurocities' Active Inclusion and NRP appraisal event
- 16 November: Tackling Social Exclusion Interreg. Conference Southampton

9 November: EAPN Press Release and Letter to Barroso regarding the adoption of the Annual Growth Survey - EAPN sent letter and Press Release, prior to the adoption of the AGS on 23 November, highlighting findings from NRP report and 5 key messages: 1) Prioritize inclusive recovery and growth through poverty-reduction measures! 2) Kick-start an inclusive recovery – A social-investment stimulus package! 3) Actions to close the inequality gap! 4) Use EU funds to reduce poverty! 5) Get serious about democratic accountability and participation! See letter and press release <a href="here">here</a>.

#### **Coming up**

© © ©: The last meeting of the current working groups was held in September. A new EU Inclusion's Strategies Group will be formed, starting in February and meeting 3 times a year to drive EAPN Policy work, building on the strong work developed by the working groups.

- ➤ Put yourself forward to your network or EO as nominated representative for the new EU Inclusion's Strategies Group. The EXCO member will propose the representative.
- On Europe 2020 EAPN urges all members in national networks to:
  - Use and publicise the EAPN NRP report and its findings;
  - Comment on EAPN's position on the AGS when circulated at end of December;
  - Ask your governments what preparation is being made for engagement in the New NRP in 2012 and how stakeholders will be involved;
  - Discuss with your network your reaction to these documents and to the decisions at the European Council and be prepared to feed this back to the EXCO and new EU Inclusion Strategies Group;
  - Use the EAPN crisis conference report and position paper in lobbying at national level.

# 2. OMC ON SOCIAL PROTECTION AND SOCIAL INCLUSION / EUROPEAN PLATFORM AGAINST POVERTY

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EAPN group in charge: Social Inclusion Working Group (end of 2011). From January 2012 – New EU Inclusion Strategies Groups

# **EU Policy developments**

#### **Latest developments**

Following the adoption of the SPC opinion on the OMC in June, the Commission has been developing their report on the future of the OMC, supposedly building on the SPC opinion. We understand a draft report is circulating in inter-departmental negotiation, and will probably be published in early 2012. The Secretariat General and indeed the Commissioner have apparent worries about the proposal of a national Social Reports, covering the 3 pillars (social inclusion, health and long-term care and pensions), as undermining the NRP. In the recent Commission conference on Inequalities (5 and 6 December), a large amount of speakers vocally stressed the importance of the Social OMC and Social Reports as key to strengthening the social dimension in the NRP and enabling progress on key issues such as inequality. EAPN has spoken to and written a letter to Commissioner Andor reinforcing this demand. Other key developments in the EPAP have been the first Annual Convention, replacing the Round Table held in Krakow on the 17 and 18 of October, where EAPN organised a workshop on increasing stakeholder and multilevel governance in the EPAP, carried out an evaluation and fed back results and proposals to the Commission and progress towards the Commission Recommendation on child poverty. In the Annual Progress Report review of the EPAP the main initiatives cited are the European Agenda on Integration, the EU framework for Roma Integration strategies (previously reported). The main new initiative has been the Social Business Initiative adopted in October 2011. See employment section. Some minor developments on Active Inclusion.

#### A disappointing First Annual Convention: 17-18 October, Krakow

The First Annual Convention took place with over 350 participants from 27 MS, and wide range of stakeholders, primarily selected by national governments. Over 30 EAPN representatives and people experiencing poverty participated. The representative of the Meetings of People experiencing Poverty (Sonja – EAPN NL) was the high point of the conference. EAPN also organised with EESC, CoR and Eurocities a workshop on increasing stakeholder involvement and multi-level governance in the EPAP at national, regional and local level. EAPN carried out an assessment of participants from EAPN. The main message was frustration and disappointment with an event that failed to make meaningful progress towards its three strategic objectives: 1) Taking stock of progress made towards reaching the poverty reduction target.2) Reviewing the follow up of actions under the Platform. 3) Providing suggestions for future actions. Particular concern was raised over the lack of conclusions, political impact or follow up and the limited meaningful participation or debate of stakeholders – in the plenaries or workshops. See member's room or contact Sian Jones (sian.jones@eapn.eu) for the evaluation summary. EAPN has been following up these proposals with the Commission and hopes to influence the 2012 Convention. A Stakeholder meeting will be held in early 2012 to discuss the next AC. The Commission is finalizing the workshop reports and conclusions. A short report was presented to the EPSCO Council on the 1 and 2 December, but with no real discussion.

See <u>website</u> for programme. This should be updated with presentations and conclusions shortly. The main person in the Commission responsible is Anne Degrand-Guillaud: <u>Anne.degrande@ec.europa.eu</u>.

# Child Poverty and well-being consultation and meeting: December 14<sup>th</sup>

The SPC Ad Hoc group has continued to meet, in support of the Commission proposals to take forward the Recommendation. The Communication has now circulated a questionnaire in preparation for a stakeholder meeting with the Ad-hoc group on the 14<sup>th</sup> December. The questionnaire focuses on 1) the EU added value of an EU initiative 2) the core principals and 3) implementation and monitoring mechanisms. The questionnaire should be returned by the 21<sup>st</sup> December. EAPN has circulated it to its members and will finalize a response (Contact Sian Jones for more details: <a href="mailto:sian.jones@eapn.eu">sian.jones@eapn.eu</a>)

#### **Active Inclusion Report**

The Commission report on implementation is being progressed through national experts. A consultation process is being considered for 2012. See Active Inclusion section for more details.

#### **SPC report on the Crisis and Europe 2020**

The SPC presented a short opinion on the social impact of the crisis, reviewing the social dimension in Europe 2020: Europe 2020 Social Dimension: Delivering on the EU Commitment to Poverty reduction and Social Inclusion. A fuller report will be presented in the New Year. The report highlighted the deteriorating social situation, and the crucial role

of social security in mitigating the impact, but the need for better quality social consolidation to underpin the social floor. The reports highlights the 2010 EU SILC data, which reflects little impact on poverty data: At risk of poverty being stable, only increases in severe material deprivation in LT and LV and small increases in low work intensity. However, it highlights the key of issue of falling median incomes, and rises in numbers of people claiming minimum income. Child poverty is increasing whilst older people seem to be reducing and increases in in-work poverty to 8.5%. The report also highlights increased inequality, referencing the recent OECD Report and perceptions of poverty in the Eurobarometer Report. (see below) See <a href="here">here</a>.

# Dec 1<sup>st</sup>: Divided we stand: Why Inequality keeps rising – New OECD report!

The gap between rich and poor has reached its highest level for over 30 years, according to the OECD report and governments must act quickly. The average income of the richest 10% is 9 times that of the poorest 10%, and the gap has risen even in the traditionally egalitarian countries like Germany, Denmark and Sweden. This study dispels the assumptions that the benefits of economic growth will automatically trickle down to the disadvantaged and that greater inequality fosters greater social mobility. "Without a comprehensive strategy for inclusive growth, inequality will continue to rise." The main driver behind rising income gaps has been greater inequality in wages and salaries. Tax and benefit systems play a major role in reducing market-driven inequality, but have become less effective at redistributing income since the mid-1990s. The main reason lies on the benefits side: benefits levels fell in nearly all OECD countries, eligibility rules were tightened to contain spending on social protection, and transfers to the poorest failed to keep pace with earnings growth. See <a href="here">here</a>.

# 29 November: The New Special Eurobarometer on social impact New report highlights:

- 87% think poverty has increased (up 3 points from 2010) with Greece (99%) and Spain (98%), and all but Latvia with a majority agreeing there is a strong increase;
- 75% say not enough is being done to fight poverty (84% of New Member States and 73% of EU 15);
- There has been a substantial fall in the number of people who think the EU has a positive impact (78-62% in 2009, no 67-48%) this is particularly true in areas like:
  - Fighting poverty and social exclusion: from 70% (2009) to 55% and coordinating the reform of national systems of social protection from 64% to 49% and creating new job opportunities and fighting unemployment from 72 to 55%.

#### See here.

# 15 Nov: EP Report on European Platform Against Poverty Approved Unanimously

The Frédéric Daerden Report was finally approved unanimously. It calls for stronger actions to reinforce rights and gives priority to a credible governance methodology: engaging civil society and people experiencing poverty as well as other actors, critically monitoring progress on the target, implementing the social clause and ensuring relevant financing. It supports a timetable for implementation on the Active Inclusion Recommendation and calls on the Commission to launch a consultation which will allow economic growth, prevent poverty and serve as a basis for people to live in dignity. It wants the Commission to help Member States share best practice in relation to minimum income levels, and encourages

Member States to develop minimum income schemes based on at least 60% of the median income in each Member State. See <a href="here for summary">here for summary</a>.

#### Progress on Minimum Income: Call for tender: Network on Minimum Income

The Commission has decided to re-launch the tender, despite receiving two tenders (1 from EAPN and another). The likelihood is that the new proposal will be more research-focussed.

#### **PEER Reviews**

Since September, the following Peer Reviews have taken place. EAPN was the expert network in the PR on ex-ante social impact assessment, taking place in Brussels on the 17 and 18 November. Maria Jeliazkova and Sian Jones from the secretariat represented EAPN. Find background papers and conclusions on the Peer Review site.

6 7.10.2011	France	Building a coordinated strategy for parenting support	Belgium - Bulgaria - Croatia - Czech Republic - Denmark - Estonia - Germany - Italy - Malta
20 21.10.2011	Sweden	Closing the Gap - in search for ways to deal with expanding care needs and limited resources	Bulgaria - Cyprus - Denmark - Estonia - Germany - Greece - Ireland - Luxembourg - Slovenia - United Kingdom
3 4.11.2011	Germany	Effects of life courses on women's pensions	Austria - Czech Republic - France - Hungary - Italy - Lithuania - Luxembourg - Portugal - Spain - Sweden - The Netherlands
17 18.11.2011	Belgium	Developing effective ex ante social impact assessment with a focus on methodology, tools and data sources	Austria - Cyprus - Finland - France - Greece - Ireland - Luxembourg - Norway - Spain
29 30.11.2011	Portugal	Improving the efficiency of social protection	Belgium - Croatia - Finland - Italy - Latvia - Lithuania - Malta - Romania - Slovenia - Spain

See Peer Review site <u>here</u>. For all the copies of the host paper, discussion papers, NGO expert papers (including EAPN) and country responses.

If you would be interested in participating in a Peer Review and your country is down as contributing, you can contact your government officials to see whether you can participate as a non-governmental representative.

# Network of Independent Experts: Sept 2011: Assessment of progress towards Europe 2020 social inclusion objectives

Independent Assessments made of the NRPs and adequacy of the policy solutions. The Synthesis Report is publically available. This useful report supports most of EAPN conclusions and makes 9 recommendations: 1) Support comprehensive approach to poverty and social exclusion, through Social OMC and social reports, 2) More systematic use of social impact assessment on economic governance too, 3) Joint Assessment Frame is a good basis for monitoring – make 1 Recommendation at least on poverty for each MS, 4) Review Poverty target working, 5) Spell out more clearly the policies and mechanisms, 6) Set sub targets, 7) Implement integrated Active Inclusion approach – not just employment, 8) Closely monitor approach and resources for involving stakeholders including PEP in NRPs and embed minimum standards, and 9) Systematic campaign to raise awareness and visibility. See <a href="here">here</a>.

Report on Policy Solutions for fostering inclusive labour markets and for combating child poverty and social exclusion

Now out and in hard copy! See <a href="here">here</a>.

#### **EAPN** activities

### **Flagship Platform Against Poverty and Poverty Target**

Sept-Nov: EAPN worked closely with the European Parliament Rapporteur Frédéric Daerden (S+D, BE) on the EP report on the European Platform Against Poverty and with the rapporteurs from the Greens (Karima Della and Jean Lambert) on amendments to the report agreed in November. EAPN is particularly pleased with the provisions on rights, stakeholder engagement and PEP, active inclusion and support for a consultation on a legislative framework on Minimum Income.

Feb – May: EAPN worked with EESC's rapporteur (Maureen O'Neill) to plan "Going Local Events" developing a stakeholder dialogue on the delivery on the poverty target through Europe 2020 and the NRPs in Portugal and Denmark in October. Representatives from REAPN and EAPN DK were actively involved. A report is being prepared of these events.

Sept - Nov: Meetings with Anne Degrand, Egbert Holthuis and Istvan Vanyolos, from the European Commission Directorate D to further proposals on the Annual Convention, to press for implementation of stakeholder participation in the new reinforced Social OMC and in the Social Reports and in the development of follow up/aid implementation on the Active Inclusion Recommendation and other areas.

17 and 18 November: EAPN Action: Annual Convention against Poverty and Social Exclusion - EAPN supported the involvement of over 30 EAPN national members, including People experiencing poverty, EO members were also present and organised a joint workshop on stakeholder involvement and multi-level governance with Eurocities, CoR and EESC. EAPN presented its **Key Messages** and launched a **Press Release**. **See <a href="here">here</a>.** A written evaluation has been sent to the Commission and meetings held with the Commission on its results and recommendations and follow up. Contact Sian Jones, for more details.

- 4<sup>th</sup> October: Wealth, inequality and social polarisation in the EU: Hearing in the EP with Green MEP Karima Delli of EAPN's explainer On Tuesday 4 October, MEP Karima Delli and EAPN held a public presentation of EAPN's explainer on Wealth, inequality and social polarisation in the EU. Speakers included Michaela Moser, Vice President of EAPN, Martin Schürz, expert on wealth and inequalities and Andrew Watt, Senior Researcher at the European Trade Union Institute (ETUI). Read more.
- **17 October:** Active Inclusion book finalized and launched! The Active Inclusion draft was updated in the context of Europe 2020 and checked with members of the three working groups. The booklet was launched on the 17<sup>th</sup> October at the Annual Convention See <a href="here">here</a>.
- **22 September: Social Inclusion Working Group meeting Brussels** The final SIWG meeting for 2011 was combined with the EAPN seminar on the crisis and focussed on finalizing the work programme, with follow up on the EAPN NRP Report, next steps on the Social OMC, the Flagship Platform and Europe 2020. Strong concerns were raised about the outcomes of the EXCO decisions on the Strategic Plan and ending of the SIWG group which had worked so well over the last 3 years. See minutes in **the member's room**.

#### **Coming up**

10 and 11 February 2012: New EU Inclusion Strategies Group meeting. This group will drive the EAPN policy work and input at national and EU level on Europe 2020, inclusion, employment and training strategies, as well as Structural Funds. Networks and EO's will choose their representatives by the end of December. The group will build capacity and plan joint action around this year's economic semester and Europe 2020 action, and develop proposals for more effective anti-poverty strategies. Put your name forward now to your EXCO member if you'd like to be a representative!

Social OMC/National action plans on Inclusion and national Social reports – Members should ask their SPC and Social Ministry representatives what plans there are to develop participative processes around NAPs/national social reports and to develop national platforms against poverty, as well as input into the NRPs.

# **Participation**

- 4<sup>th</sup> October 29<sup>th</sup> November Participation at the "Open dialogue between institutions and citizens Chances and challenges" organised by the Austrian Institute for European law and policy.
- **22 October**: **2**<sup>nd</sup> **National Coordinators Meeting** Brussels National Coordinators made a more detailed and deep evaluation of the 10<sup>th</sup> EU Meeting of People experiencing Poverty (Brussels, May 2011) and proposed ideas and tracks for the 11<sup>th</sup> EU Meeting (2012), mainly to improve the process of the next EU Meeting of People experiencing Poverty, to increase the opportunities of debate with decision makers, and to tighten up the link between EU decisions and national impacts.
- **21 September & 28 October** Invited by the future Danish EU Presidency, participation at the **Organising Committees** in order to build the 11<sup>th</sup> EU Meeting of People experiencing Poverty (spring 2012).

#### 3. ACTIVE INCLUSION

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#### **EU Policy developments**

#### **Latest developments**

#### 22 November

EAPN met with Istvan Vanyolos, the leading person in DG Employment on Active Inclusion. Main highlights of the meeting include:

- Regarding the upcoming Active Inclusion Communication, which would focus mostly on implementation, a pre-assessment of implementation has been done by the University of Antwerp. This paper was then sent to Member States themselves to do an assessment, and desk officers will also give their input, but only 10 responses were received so far.
- There is no clear roadmap or timeline of the process. The SPC will do a thematic review in 2012. The focus seems to be providing evidence of what works in a cost and benefit analysis.
- There will probably be no internet consultation, but consultation of selected stakeholders (including NGOs and social partners).

EAPN presented its work on Active Inclusion and the recent comprehensive publication, and highlighted the need to more critically assess the situation, particularly in the light of the austerity measures, and look at the obstacles to implementation. Active Inclusion should be promoted as a viable strategy to deal with the crisis, an alternative to brutal austerity. We also stressed the need to follow up on the different opinions and proposals of the European Parliament, the Committee of the Regions and the European Economic and Social Committee, particularly related to demands on Minimum Income.

For mentions regarding Active Inclusion in the Annual Growth Survey package, please see the section on Europe 2020 of this Policy Brief.

#### 29 November

The annual conference of EUROCITIES takes place in Brussels. This event is organised in the framework of Cities for Active Inclusion, an EU funded initiative led by EUROCITIES, involving nine European cities carrying out research and mutual leaving activities on the

implementation of active inclusion. The aim of the event is to share research findings and discuss the future developments at European level on active inclusion. The afternoon is dedicated to a seminar on the social pillar of the National Reform Programmes. EAPN is speaking at this event. Please see more details <a href="here">here</a>.

Regarding Research, EUROCITIES will be publishing, at the end of November, a series of case study factsheets on innovative practices on active inclusion. Find <a href="here">here</a> more details about research and national workshops.

#### **EAPN** activities

#### **Latest EAPN activities**

The three EAPN Working Groups have now finalised a joint booklet regarding Active Inclusion, as an integrated approach, but also detailing our position on each of the three pillars. You can download the publication <a href="https://example.com/here">here</a>.

EAPN has been actively lobbying on the need for full implementation of the Active Inclusion Recommendation. This includes specific proposals on a Framework Directive on Minimum Income, reinforced EU framework guaranteeing access to affordable quality Services of General Interest, and supporting pathway approaches into decent employment, as part of its campaign on EU 2020 - see sections (Europe 2020 and Social OMC).

### **Coming up**

© © O National networks are invited to join EAPN's campaign for Adequate Minimum Income schemes – www.adequateincome.eu.

Follow up with your own Governments the implementation at the national level of the Active Inclusion Recommendation, including through the NRPs, and make inputs to your SPC and EMCO representatives, as well as feeding back to the Secretariat.

For more detailed information about the three pillars of the Active Inclusion strategy, please consult the Social Inclusion section (for minimum income), the Employment section, and the Services section.

#### 4. EMPLOYMENT

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EAPN group in charge: Employment Working Group

# **EU Policy developments**

# **Latest developments**

#### 1 December

Employment, Social Affairs, Health and Consumer Protection Council (**EPSCO**) meeting in Brussels. Most important issues debated where employment and social affairs under Europe 2020, ageing: an opportunity for the labour market and the development of social services and community activities, and reconciliation of work and family life in the context of the Beijing platform for action. Please find more information <a href="https://example.com/here">here</a>.

#### 23 November

The **Joint Employment Report for 2011** has been released as an Annex to the Annual Growth Survey. This is a brief overview of main positives and negatives of the document.

### <u>Pluses</u>

- it makes a strong stance about the situation of young people and proposes relatively comprehensive solutions;
- mentions increased precariousness on the labour market and low wages, but does not include a solid point on quality;
- it picks up on the gender dimension, with a specific focus on childcare;
- picks up on undeclared work, but only briefly;
- has a focus on the low-skilled and long-term unemployed;
- some measures on migrants and the Roma;
- some progress regarding education;
- speaks about increased security and a better balance with flexibility;
- mentions job creation, but only in passing.

# **Minus**es

- the approach is still from a "growth and employment" perspective, with no human dimension;
- nothing on pathway approaches, integrated support, flanking services and combating discrimination;
- Active Inclusion is not mainstreamed, there are only some references to services;
- there is no mention of people with disabilities;
- talk about conditionality and sanctions;
- absolutely no mention of in-work poverty;
- really nothing on child poverty, homelessness, minimum income;
- education is seen only from the labour market perspective, no mention of wrap-around support for families;
- the recommendations are rather a shopping list;
- no mention of the social economy.

Please find the text <u>here</u>, and, for a detailed analysis of the Annual Growth Survey Package, see the documents <u>here</u>, and read more in the Europe 2020 section of this Policy Brief.

#### 15 November

European social partners sent a letter to Commissioner László Andor, informing him that, further to the Commission consultation on reviewing the **Working Time Directive**, they will open negotiations. The first negotiation meeting is scheduled for 8 December 2011. Should the European social partners be able to conclude these negotiations within the nine month period foreseen by the Treaty, they would inform the Commission of the results achieved at the beginning of September 2012. Read the letter <a href="here">here</a>.

#### 26 October

The European Parliament adopted, in plenary, a non-legislative resolution on the Commission Communication **An Agenda for New Skills and Jobs**, which is one of the seven Flagship Initiatives of Europe 2020, supporting the employment target. The report, to which EAPN has offered input, contains good references to improving job quality, tackling in-work poverty, reducing labour market segmentation, no flexibility without security, adequate social protection and inclusive labour markets, as well as fostering better life/work balance and promoting gender equality. Read the resolution <a href="https://example.com/here">here</a>.

#### 25 October

The European Commission published its **Communication on the Social Business Initiative**, which is launching an ambitious programme, aimed at providing social enterprises with improved access to funding, better visibility and a legal framework. Although not called as such, WISEs (work integration social enterprises) are clearly mentioned and supported in the text, as providing work placements and training for vulnerable groups, furthest from the labour market. Read the Communication <a href="https://example.com/here">here</a>.

#### 11 October

In Warsaw a Joint Conference of the Employment Committee (EMCO) and the Heads of Public Employment Services (HoPES) of Member States entitled "Challenges and opportunities for employment vis-a-vis demographic changes" was held under the Polish Presidency in the EU Council. See more details <a href="https://example.com/heads-new-committee">here</a>.

#### 17 October

**EMPLOYMENT, WORK, JOBS** – Report of 10th EU Meeting of People Experiencing Poverty is out! Download the full report (EN, FR, HU, IT) or a summary (DK, EE, FI, IT, LT, PL, SI), see the creative presentations of the Meeting and watch the European Commission video <a href="https://example.com/here">here</a>.

#### 3 October

The first formal session of the Council on Employment, Social Policy, Health and Consumer Affairs (EPSCO Council) was held in Luxembourg. Please find <a href="here">here</a> the main results of the Council.

# September

The **Employment and Social Situation Quarterly Review: September 2011** is out! Read an overview of results <u>here</u> (at the bottom of the hyperlinked page you will find the link to the full report).

#### 8 December

A meeting of the **Heads of Public Employment Services or the Vice-Ministers** supervising labour the market and their Assistants (Deputies) was held in Józefów. The purpose of the meeting was to exchange experience, views, best practices and policies implemented by the Network of Heads of Public Employment Services in the EU / EEA states, including in the context of EC policies and guidelines related to public employment services. The meeting is a platform for the exchange of experiences of activities realised by the employment services of the Member States, a discussion of guidelines and policies of the European Commission on the labour market, etc. The meeting features two employment policy workshops on subjects chosen by the Member States. The current situation on the labour market in the country of Presidency was presented.

For a full list of the Polish Presidency events, as well as additional information, please consult the Presidency website <a href="here">here</a>.

#### **EAPN** activities

#### **Latest EAPN activities**

16 November – EAPN met with DG Employment to discuss their current revision of the concept of quality work, which has been announced last year in the New Skills for New Jobs Flagship Initiative, and which is now ongoing. The revision itself is, at least for now, a "technical debate", so with no policy implications as of yet. What they are doing is collecting data from Member States (she complained that availability of information was a big problem and building on existing indicators (Laeken and others). The idea is to come up with a framework of analysis that can be used to assess MS policies regarding quality of work. They will be looking not just at working conditions, but everything, including wages, duration of contract, employment rights, reconciliation, training etc.

- Unfortunately, a number of details are still unclear:there is no precise timeline;
  - there is no scoping they started a process and will see where it takes them;
  - there is no policy context once and when the tool is ready, they'll think about how to use it;
  - there is no concrete outcome foreseen again, they will see what shape this tool will take.
  - there is no consultation process they work with EMCO on developing the indicators, they consult the social partners because there is a legal obligation, and they are "open to informal consultation with civil society.

EAPN presented how this tool can be used in the framework of Europe 2020 – specifically in the AGS and monitoring the NRPs, and spoke about upcoming publications such as the In-Work Poverty paper and the Quality work Explainer, which they found interesting and asked to be sent the final products.

**2** November – EAPN released its **first report on the NRPs** under Europe 2020, based on the Questionnaires previously dispatched. EWG members have substantially contributed to the two chapters dedicated to Employment and Education & Training of this report. The

chapters are building on the responses to these two specific sections in the Questionnaire. Please see the Europe 2020 section of this document for more information, and read the report <a href="here">here</a>.

**22-23 September** - The **latest and last EWG meeting** took place in Brussels, followed by half day joint preparation (with the other WGs) for the **Crisis Conference**. The second day was dedicated to the external public conference on alternative ways to exit the crisis. This conference featured a workshop entitled *Creating quality employment and ensuring employment security are positive factors of cohesive and sustainable growth!, which featured presentations on alternative models from the social economy sector and from trade unions. Information about the EWG meeting (including the minutes) is available in the Members' Room (password: 1515). Information about the Crisis Conference, including all presentations and key messages from workshops, can be accessed here.* 

September – The EAPN booklet on Active Inclusion is now finalised and out (see <a href="here">here</a>). It includes a comprehensive chapter dedicated to the pillar o Inclusive Labour Markets, written together with the Employment Working Group and featuring concrete examples from the ground, supplied by our members. The chapter and example illustrate the EAPN Principle on Active Inclusion with regards to Employment, as they were agreed in 2008.

Regarding EAPN's work on the European Employment Strategy and the NRP process, please read more in the Europe 2020 section of this Policy Brief.

#### **Conferences attended**

- **12 December** The European Trade Union Institute organised a seminar entitles "What we do and what we don't know about **Minimum Wages in Europe"**. Please see <a href="here">here</a> for more information, agenda, as well as presentations of discussants.
- 18 November European Commission conference on Social Economy and Social Business, to mark the launch of the Social Business Initiative (see above, under Recent Policy Developments). Read more about the Initiative and the Conference, including high-level interventions (Commission President JM. Barroso, Commissioners L. Andor, M. Barnier etc) <a href="https://doi.org/10.1007/jhere-10.1007/jh
- **14 November High-level Conference on Flexicurity**, organised by the European Commission, as previously announced in the Flagship Initiative *Agenda for New Skills and Jobs*. The presentations and results are not yet available, but you can read more and see the agenda <a href="https://example.com/here">here</a>.
- **7 November** The Thematic Review Seminar **Unemployment Benefits as Automatic Stabilisers**, as part of the Mutual Learning Programme (Employment OMC), was held in Brussels. Read the keynote presentation <a href="here">here</a>, see programme of the event <a href="here">here</a> and read more about the event <a href=here</a>.
- **19-20 September** EC Conference **Equality between women and men**. See conference report and materials **here**.

#### **Workers' Actions**

Please find below a series of workers' protest actions organised in the past weeks in different European countries by trade unions:

30 November UK: TUC Day of Action. "Pensions justice"

TUC "Pension justice": <a href="http://pensionsjustice.org.uk/">http://pensionsjustice.org.uk/</a>

In solidarity with everyone involved in this Day of Action for Pensions Justice, The Workers have joined up to record "Let's Work Together". The video and the recording can be found at: <a href="http://www.theworkers.org.uk/">http://www.theworkers.org.uk/</a>

• 30 November Europe EPSU Day of Action - European Public services

EPSU: <a href="http://www.epsu.org/a/8161">http://www.epsu.org/a/8161</a>

• 30 November Bulgaria Protest rally against draft reform of labour rights

CITUB: http://knsb-bg.org/

PODKREPA: http://www.podkrepa.org/

• 1 December Greece General strike against austerity

GSEE: http://www.gsee.gr/

ADEDY: http://www.adedy.gr/adedy/site/home...

• 2 December Belgium Demonstration against austerity

CSC: http://www.csc-en-ligne.be/Actualit...

Tract: http://www.csc-en-ligne.be/Images/P...

FGTB: <a href="http://www.fgtb.be/web/guest/news-f...">http://www.fgtb.be/web/guest/news-f...</a>

Tract: http://www.fgtb.be/web/guest/news-f...

CGSLB: http://www.cgslb.be/publications/do...

Tract: <a href="http://www.cgslb.be/uploads/media/t...">http://www.cgslb.be/uploads/media/t...</a>

• 3 December Hungary Public sector workers' demonstration

MSZOSZ: http://www.mszosz.hu/

ÉSZT: http://www.eszt.hu/

LIGA: http://www.liganet.hu/

SZEF: http://www.szef.hu/

 6 - 9 December Week of protest in Romania against the destructive Government policy on education

FSLI: <u>www.fsli.ro</u>

7 December Europe ArcelorMittal Action Day - EMF

EMF: http://www.emf-fem.org/Areas-of-wor...

• 10 December Lithuania Action Day against austerity

LDF: <a href="http://www.ldf.lt/">http://www.ldf.lt/</a>
LPSK: <a href="http://www.lpsk.lt/">http://www.lpsk.lt/</a>

13 December France Action Day against austerity

CFDT: <a href="http://www.cfdt.fr/rewrite/article/...">http://www.cfdt.fr/rewrite/article/...</a>
CGT: <a href="http://www.cgt.fr/CFDT-CGT-FSU-Soli...">http://www.cgt.fr/CFDT-CGT-FSU-Soli...</a>

UNSA: <a href="http://www.unsa.org/?communique-des...">http://www.unsa.org/?communique-des...</a>

### **Coming up**

Based on your responses to the Questionnaire on Quality Work, a core team and the Secretariat are currently drafting a **Quality Jobs and Employment** explainer. A first version will be circulated after Christmas, and your input will be requested at that time.

© © © A second draft of the **In-Work Poverty position paper** will also be circulated soon, and your input will be requested.

Please activate / initiate contact with **your national representative(s)** in **the EMCO**. The role of the EMCO has increased exponentially in the assessment of the NRPs. Both for acquiring information as well as for inputting in the process, contacts with the EMCO are crucial. Please consult the latest list of EMCO members here.

- ⊚ ⊕ The **video project**, illustrating good and bad activation practices from the UK; Belgium, Lithuania and Bulgaria, has been completed. It includes 8 interviews (2 per country, one positive, one negative) and it is entitled *Pathways to Work*. The video was screened as part of the EAPN Crisis Conference on September 23<sup>rd</sup> this year. An online version will be available soon on the EAPN website.
- © © The latest issue of the **AntiPoverty MAG**, dedicated to Employment, covers a wide range of topics, such as in-work poverty and reconciling private and professional life in Europe, flexicurity in Denmark, harsh activation practices in the UK, local employment initiatives in France, cooperation with Trade Unions in Ireland, social enterprises in Austria and employment from the perspective of Active Ageing. Don't miss this issue, which you can already download <a href="https://example.com/here/">here!</a>

#### 5. STRUCTURAL FUNDS

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#### **EU Policy developments**

#### **Latest developments**

# 1 December – Publication of the 7<sup>th</sup> Progress Report on economic, social and territorial cohesion

This Report assesses how, in the context of Cohesion Policy, regions and cities can contribute to smart, sustainable and inclusive growth and Europe 2020 headline targets. It also measures the distance of regions from national 2020 targets proposed in the Member States. Regarding the poverty and exclusion issue, it highlights that fact that at-risk-of-poverty rate has a strong regional dimension. But unfortunately, there is no available data at NUTS 2 or 1 level in several Member States. Thus, this Report strongly calls for a regional benchmark to monitor and assess the contribution of Cohesion Policy to poverty reduction.

# 24- 25 November 2011 - Informal Meeting of Ministers Responsible for Regional Policy, Territorial Cohesion and Urban Development, Poznan

A high-level discussion on the development of Europe, the shape of the post-2013 Cohesion Policy and its territorial dimension, as well as on the integrated approach to development were the topics for discussion in Poznań on 24 and 25 November. The ministerial meeting aimed to revive strategic actions for European development, discussing methods of maximising Europe's potential and directing it towards the fulfillment of strategic goals to ensure the reconstruction of the European economy and allow its entry into competition in global markets. It presented the integrated approach to regional development as a key to achieving the goals of the Europe 2020 Strategy of Smart and Sustainable Growth for All. For more information, please ask the Secretariat.

# 10 November – Publication by the European Commission of its 'Analysis of errors in cohesion policy for the years 2006-2009'

Alongside the review of the most common types of errors (such as contracts awarded without following the correct tender procedure; inadequate documentation to support expenditure; inaccurate calculation of overheads; application of incorrect co-financing rate; overestimated payment claims), this paper aims at reducing their occurrence by proposing actions which will pave the way of the future SF Regulations (greater use of the simplified costs option...).

**3-4 November** – Directors General in charge of Cohesion Policy met in Warsaw to discuss the Commission's legislative proposal on Structural Funds. The aim of the meeting was to prepare the work of the Ministers in charge of Cohesion policy that will meet in a "General Affairs" configuration on Dec 16 and make progress on 3 main issues (thematic concentration, strategic programming and conditionality). For more information, please ask the Secretariat.

**10 October – Launching of the European Code of Good Conduct for microcredit providers** For more information, see <a href="https://example.com/html/>here">here</a>.

#### 6 October -

- Publication of the Commission's legislative package on Structural Funds for the next programming period (2014-2020). (For more information regarding EAPN's response, please check below in EAPN Activities).
- Launching of the New EU Programme for Social Change and Innovation

The EU Programme for Social Change and Innovation (PSCI) is an instrument to be managed directly by the Commission, in support of employment and social policies across the EU. It is part of the Commission's proposal for the EU regional, employment and social policy for 2014-2020. The PSCI integrates three existing programmes: <a href="Progress">Progress</a> (Programme for Employment and Social Solidarity), <a href="EURES">EURES</a> (European Employment Services) and the <a href="European Progress Microfinance Facility">EURES</a> (European Employment Services) and the

For more information, please click here.

#### Coming up

- 16 December 2011: Formal Meeting of Ministers Responsible for Cohesion Policy within the General Affairs Council, Brussels.
- January 2012: publication of the EC proposal on the Common Strategic Framework followed by a 3 months publication consultation process
- End of the first quarter of 2012: publication of the EC proposal of European Code of Conduct on the partnership principle.

### **EAPN** activities

#### **Latest EAPN activities**

**September** – EAPN launched <u>the Active Inclusion Booklet</u> containing a Structural Funds part that aims at helping policy-makers and practitioners at national level to use Structural Funds in a more effective way to promote integrated active inclusion approaches.

**23 September** - In the framework of the <u>EAPN Crisis Conference</u>, a workshop on An Alternative Use of Cohesion Policy to get out of the Crisis. Kinga Göncz, MEP (S&D), Serafin Pazos-Vidal (CEMR) and Brian Harvey presented their views before a more open discussion and the elaboration of key recommendations for moving forward.

- 28 October Prior to the meeting of Directors General in Charge of Cohesion Policy (3-4 Nov), EAPN sent to all of them <a href="its Response">its Response</a> to the Commission's legislative package on Structural Funds. In its Response, EAPN acknowledges important improvements have been made especially with regard to the strengthened role given to the ESF in the delivery on the poverty reduction target (increased budget of at least 25% of the Structural Funds' financial envelope and 20% ring-fenced on social inclusion and fight against poverty), and a better recognition of NGOs in the design and delivery of Structural Funds on the ground (partnership principle, capacity-building, community-led initiatives and simplified delivery mechanisms). However, strategic changes could seriously endanger the delivery on the poverty reduction target through Structural Funds (reduced budget, macro-economic conditionality, no real social inclusion mainstreaming nor social evaluation system...)
- **27 October** EAPN attended **a Lunchtime session organised OSE** (European Social Observatory) on What's "Social" About the European Social Fund Beyond 2013. This was the first opportunity for EAPN to present its **Response to the Commission's proposals on the ESF post 2013** and discuss it with Thomas Bender (Head of Unit "ESF Legislation and Policy, Financial Engineering" European Commission).
- October November Based on the discussion that happened during September SFWG Meeting, a new version of the leaflet on Good practices of Social inclusion trough Structural Funds has been drafted. For more information, ask the Secretariat.
- **2 November** EAPN published <u>its NRP Report</u> containing a part dedicated to Structural Funds. The clear message coming from EAPN Members is that references to Structural Funds as a way to support the social targets (especially the poverty reduction one) are very skimpy.
- **16** November Fintan Farrell on behalf of EAPN spoke at the Structured Dialogue with Civil Society organised by DG REGIO on the future Regulations on Structural Funds. It was the occasion to present publically the Commission's officials (both from DG REGIO and DG EMPL) our Response to the Commission's legislative proposals. For more information, please ask the Secretariat.
- **17-18** November EAPN attended the **6**<sup>th</sup> meeting of the European Platform for Roma Inclusion. Following the adoption of the Commission's Communication on the EU Framework for national Roma Integration Strategies last April, this meeting was particularly timely for moving forward on how to use Structural Funds to back the national Roma Integration Strategies that Member States will have to submit to the European Commission by the end of this year. For more information, please ask the Secretariat.
- **22 November** EAPN was part of the Social Platform delegation and **meet the Shadow Rapporteur on the ESF Future Regulation** for the Greens, Elisabeth Schroedter, MEP. Fore more information, please ask the Secretariat.
- 1 December EAPN participated in the exchange meeting organised with the Rapporteur on the ESF (MEP Elisabeth Morin-Chartier) in the framework of the Social Policy Working Group of the Social Platform. This meeting was an opportunity to put forward the main concerns and proposals regarding the future ESF Regulation. For more information, please ask the Secretariat.
- **12** December EAPN attended a Conference on Governing in partnership, United to build a stronger Europe organised by CEMR in cooperation with the Assembly of European Regions, CRPM and Eurocities. For more information, please ask the Secretariat.

# **Coming up**

End of January 2012 - publication of the EAPN detailed response to the EC proposal on the Structural Funds' legislative package

End of February – early March 2012 - publication of the leaflet on Structural Funds and Social Inclusion.

⊕ ⊕ ⊕ The Members of the SFWG are invited to:

- Use and publicise the EAPN NRP Report when it's published in September and follow up with their Managing Authorities.
- Give their final comments to the final version of the Leaflet on Good practices of social inclusion through Structural Funds updated after the September meeting.
- Use and publicise the EAPN Response to the Commission's legislative proposals on Structural Funds and follow up with their Ministries and Managing Authorities

# 6. SERVICES OF GENERAL INTEREST/ SOCIAL SERVICES

#### **EU Policy developments**

# 7 October: Launching of the WHO Consultation on the Social determinants of health and the health divide in the WHO European Region

The Regional Office for Europe of the World Health Organisation has put social determinants and health equity at the centre its public health agenda. Therefore, they have been undertaking a review of these social determinants of health that will inform the new policy for health for the European Region, Health 2020. In the framework of this review, a consultation has been launched till the 25th November. For more information, please click here.

# October: Publication of the Summary Report of the 3<sup>rd</sup> SSGI Forum

For more information, click <a href="here">here</a> (the Summary Report is available in FR, EN and NL).

#### September: Review of state aid rules ("Almunia Package")

The European Commission has undertaken a review of state aid rules through the following documents:

- <u>Draft Communication</u> from the Commission on the application of the European Union State aid rules to compensation granted for the provision of services of general economic interest
- Draft Commission Decision
- **EU framework** for State aid in the form of public service compensation (2011)
- <u>Draft Commission Regulation</u> on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimize aid granted to undertakings providing Services of General Economic Interest

Following its discussion with the Member States, this Package will enter into force by January 2012.

#### 31 July – EC Recommendation on Access to Basic Payment Account

In this Recommendation, the Commission invites Member States to ensure that such accounts become available at a reasonable charge to consumers, regardless of their country of residence in the EU or their financial situation. It will assess the situation in one year's time and propose any further measures as necessary, including legislative measures. For more information, please click <a href="https://example.com/hemessary/">hemessary/</a> including legislative measures. For more information, please click <a href="https://example.com/hemessary/">here.</a>

# 5 July - Adoption of the <u>De Rossa Report on the future of Social Services of General</u> Interest

This Report calls for the provision of universally available, high-quality, accessible and affordable SSGI within the meaning of the Commission's 2007 communication on services of general interest can therefore be regarded as an essential pillar of the European social model and as the basis for a good quality of life and for the achievement of EU employment, social and economic objectives. In this context, it reaffirms the importance of SSGI and proposes a framework to strengthen their quality and efficiency.

### **Coming up**

Late December 2011 – beginning of 2012 - 3 main ongoing Commission's legislative initiatives:

- **A Communication on quality of SGIs**: this document will be an explanatory document presenting the Commission's thinking on how to provide high quality of SGI throughout Europe.
- A Reform of the Monti-Kroes Package on State Aid rules aiming at helping to better understand the Altmark criteria including a De Minimis Draft regulation (by January 2012).
- A Reform of public procurement rules.

For more information, please ask the Secretariat.

#### **EAPN** activities

**September** – EAPN launched <u>the Active Inclusion Booklet</u> containing a Services part that aims at helping policy-makers and practitioners at national level to design, provide and assess services in a way to promote integrated active inclusion approaches.

**23 September** - In the framework of the <u>EAPN Crisis Conference</u>, a workshop on An Services: Cushioning the social impacts of the crisis by defending universal, affordable, accessible and quality services took place. Laura Jones (EuroDiaconia) and Jan Willem Goudriaan (EPSU) presented their views before a more open discussion and the elaboration of key recommendations for moving forward.

27 September – EAPN participate in a Project Conference "Include-ED" on Education and Inclusion of Migrants organised by CEPS. The final Conference of this project will be

organised at the European Parliament in Brussels on the 6<sup>th</sup> of December. For more information, please click here.

**13 October** – A delegation of Social Platform members launched the first bi-annual meeting with Michel Barnier, Commissioner for Internal Market and Services.

The following issues were addressed with the Commissioner:

- the impact of internal market rules on the provision of services of general interest and social services,
- how to recognise the specific features of social services in the revision of the public procurement directive and how to use public procurement to achieve social and sustainable development goals
- how to define social business starting from the well established experience of social economy players
- how to protect financial services' user rights and ensure financial inclusion.

For more information, please ask the Secretariat.

- **8 November** EAPN took part in breakfast debate on "Retail payment services in the EU: the Citizen's right to choose?" This event was held at the European Parliament on the initiative of the European Foundation for Financial Inclusion (EUFFI). For more information, please ask the Secretariat.
- **6 December** EAPN spoke at a Seminar organised in the premises of the European Parliament by EuroDiaconia and Eurofound on how Household over-indebtedness in the EU in the context of the crisis, the way forward For more information, please ask the Secretariat.
- **13 December** Ludo Horemans, President of EAPN spoke at a Colloquium organised by the GDF-Suez Energy and Water Precariousness in Paris. For more information, please ask the Secretariat.

# 7. EUROPEAN YEAR OF VOLUNTEERING EYV 2011

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# **Latest developments**

The **European Year of Volunteering** has four objectives, including:

- Recognise and raise awareness on the value of volunteering.
- Celebrate volunteering.
- Empower people and volunteer organisations.
- Work towards the creation of an enabling environment for volunteering, including a volunteering infrastructure in the EU.

**EAPN** is part of the **Alliance on the European Year of Volunteering 2011.** The Alliance includes 39 members and has, throughout 2011, facilitated the engagement of individuals and organisations with the EYV 2011 Year. The main outcome of the Alliance is **P.A.V.E.** (**Policy Agenda on Volunteering in Europe**), proposing actions under 4 themes:

- An enabling and facilitating environment for volunteering
- Improved quality of volunteering
- Recognition of volunteering
- Value of volunteering.

You can find the P.AV.E. here.

Another useful document is the <u>Council Conclusions on the role of voluntary activities in</u> <u>social policy</u>, 3 October 2011 which clarifies what should and should not be accepted as volunteering, particularly in the current context when some Member States consider forcing people on benefits to "volunteer" or substitute public service delivery by voluntary work of NGOs.

Four thematic European events on Volunteering were organised throughout the year:
Hungarian Presidency Opening Event on Recognition of Volunteering, 8 January 2011
Brussels conference on recognition of achievements of Volunteering, 23-24 May 2011
Athens Thematic Conference on the Quality of Volunteering, 3-4 November 2011
Polish Presidency Closing Event on the European Year on Volunteering, 1-2 December 2011

You can access the information from these conferences as well as related to national events, and EYV 2011 Alliance member initiatives throughout the year at the following links:

- European Year Commission page: <a href="http://europa.eu/volunteering/en/conference-events">http://europa.eu/volunteering/en/conference-events</a>
- EYV Alliance website and newsletter: http://eyv2011.eu/newsletter
- National and EU events, see the calendar on the European Commission's website: <a href="http://europa.eu/volunteering/en/home2">http://europa.eu/volunteering/en/home2</a>

#### **EAPN** activities

EAPN is not part of the working groups on the Alliance, as it is not a founding member of the Alliance, but has supported the work by participating in events organised together with EU institutions.

EAPN has attended several meetings organised by the EYV 2011 Alliance together with the EESC and Committee of the Regions, highlighting always the links between poverty and volunteering drawing attention on the risks of the interpretation by some governments of volunteering by welfare recipients or passing on the burden of service delivery to NGOs without providing adequate support.

The EYV Alliance is developing a proposal for a future Platform on Volunteering which should allow for a formal continuation of the EYV Alliance structure. EAPN is following this work.

# See EAPN's main contributions to the year:

- Special Issue of the EAPN Magazine Volunteering: A tool for inclusion? <a href="http://eapn.eu/index.php?option=com\_content&view=article&id=2352%3Anew-eapn-mag-volunteering-a-tool-for-inclusion&catid=41%3Aanti-poverty-magazine-&Itemid=83&lang=en">http://eapn.eu/index.php?option=com\_content&view=article&id=2352%3Anew-eapn-mag-volunteering-a-tool-for-inclusion&catid=41%3Aanti-poverty-magazine-&Itemid=83&lang=en</a>.
- **EAPN Position on Volunteering and Social Inclusion** developed through the Social Inclusion Working Group, which has been agreed by the EXCO and finalized: <a href="http://www.eapn.eu/en/news-a-events/publications/eapn-position-papers-and-reports/2651-volunteering-and-the-fight-against-poverty-eapns-position">http://www.eapn.eu/en/news-a-events/publications/eapn-position-papers-and-reports/2651-volunteering-and-the-fight-against-poverty-eapns-position</a>.