

EAPN Detailed amendments to the Guidance Note are provided in Track Changes Below

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GUIDANCE NOTE FOR PREPARING NATIONAL REPORTS ON STRATEGIES FOR SOCIAL PROTECTION AND SOCIAL INCLUSION 2008-2010

Introduction

The first cycle 2006-2008 of the integrated Open Method of Coordination on Social Protection and Social Inclusion (OMC SPSI) has just been concluded. The integrated process has fostered more strategic reports which focus on a more limited set of priorities, while continuing to recognise the multidimensional nature of several of the priority issues at stake and the ensuing need to tackle them from many angles. These priorities are incremental steps in the strategy to achieving the overarching aims and objectives of the OMC The interaction between the implementation of the National SPSI Strategies (NSRs), and that of the National Reform Programmes (NRPs) for growth and jobs, was initiated and efforts will now be made to substantially strengthen the role of the OMC in its contribution to the Lisbon Strategy and to assessing Lisbon's contribution to social cohesion.

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On this basis the Social Protection Committee (SPC) [European Council] has agreed on maintaining unchanged the Common Objectives as adopted by the European Council in March 2006 and on keeping a three year cycle aligned with that of the Strategy for Growth and Jobs. Focussing on key themes in the intervening years between those with full reporting will remain a key focus, increasing understanding and promoting mutual learning through the active participation of key stakeholders, on specific common challenges in order to support improved policy impact on the overarching objectives. However, concise annual evaluation of progress will be encouraged at national level in order to match the equivalent process within the NRPs and to support the active governance process at national level.

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In light of the experience of one full cycle of the integrated SPSI Strategy, Member States are now charged with translating those common objectives into National Strategies for each of the three areas of Social Inclusion, Pensions and Health and Long Term Care. This Guidance Note provides for the evaluation of the previous cycle to be incorporated in the updated Strategic Reports, thereby forming the basis for the new or revised Strategies. In addition to assessing progress in relation to the 2006-2008 NSRs it should also take into account how the shared understanding has evolved over the course of the first cycle of the integrated OMC.¹ **As far as the social inclusion process is concerned the preparation of a new Strategy will be an opportunity to enhance policy efforts with a view to reinforcing delivery on the overall goal set by the Lisbon European Council in 2000, i.e. to make a decisive impact on the eradication of poverty by 2010.** The new National Strategies for Social Protection and Social Inclusion should cover the period 2008-2011 and are to

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¹ As reflected mainly in the key messages deduced in the 2007 and 2008 Joint Reports: http://ec.europa.eu/employment_social/spsi/joint_reports_en.htm

be submitted to the Commission between 30 August and 15 September 2008 at the latest.

To assist the Member States in the preparation of their National Reports, the Commission has prepared this Guidance Note for discussion and agreement in the SPC. Member States are invited to follow these guiding provisions in order to strengthen the effectiveness of the Open Method as a vehicle for exchange and mutual learning leading to better policies at national and EU level and to reinforce the interplay between the Open Method and the Lisbon Strategy on Growth and Employment.

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The NSRs will consist of four parts. Part 1 will be a common overview containing an assessment of the overall social situation, with particular reference to the trends on poverty and social exclusion, as well as wealth and inequality. It will also draw out high-level and summary messages across the policy area as a whole. It will conclude by presenting the overall strategic approach adopted by the Member State for the new cycle. Parts 2 to 4 will start with a report on progress made to date with respect to the priorities identified in the 2006-2008 NSRs, to the country-specific challenges identified in the 2007 Joint Report and to the pertinent country-specific Recommendations given in the framework of the Growth and Jobs strategy and proceed to describe the thematic strategies covering each of the three specific policy strands. It is important to respect the specificities of each strand and to take into account the different characteristics and stages of development of each. Each part will also contain the assessment of the strategy for the previous period, in order to identify strengths and weaknesses and to be an input in the new strategy.

While the National Strategic Reports should allow for the diversity of situations and policy priorities at national level, some degree of coherence is necessary as regards their structure and contents in order to reflect the common objectives that have been agreed and facilitate their use in a process of mutual learning. It is thus proposed that Member States should draw up their plans according to the common framework outlined below. Member States should report on all parts of the framework and thus on all the common objectives. However, within different parts, some Member States may choose to combine the reporting on two or more objectives while making it clear how the measures proposed will address all the different objectives. Also, while covering all objectives they may choose to emphasise some of them.

To ensure synchronization and consistency across Member States the following practical arrangements are proposed:

- **Submission date:** The National Reports should be submitted from 30 August 2008 and no later than 15 September.
- **Size:** Their size should be no more than around 50 pages (with complementing annexes, where appropriate) divided as follows:

Part 1	Common Overview and summary messages	max 8 pages
Part 2	National Strategy for social inclusion/NAP-inclusion, including succinct Progress Report	max 15 pages

Part 3	National Strategy Report for Pensions, including succinct Progress Report	max 15 pages
Part 4	National Strategy for Healthcare and Long-term care, including succinct Progress Report	max 15 pages

- **Data and indicators:** In order to help national policy makers in the preparation of their NSR, the Commission proposes to compile the latest available data and indicators from EU sources to be used in the NSRs and the joint report. This will allow national policy makers to get a better understanding of the strengths and weaknesses of their own country in a European perspective, to explain national specificities² and, where required, present appropriate policy responses. Any reliability issues of data from EU sources could also be identified at an early stage.
- **Annexes:** the reports to the Commission are intended to be concise and focussed in nature; however it is important to include more detailed supporting documentation highlighting key new developments or illustrating overall approaches developed through specific element of the process eg in the development of individual National Strategic Action Plans on social inclusion.
- **Language:** In order to assist the process of preparation of the Joint Report and to facilitate dissemination across Member States and to all interested stakeholders, the National Reports should be submitted in the national language, as well as a translated version in one of the working languages of the Commission.
- **Publication:** Once finally adopted each NSR will be published on the Commission website. In addition, each Member State should ensure transparency and visibility of the process by publicising the Report as appropriate also at national level.

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Moreover, this guidance note is accompanied by a series of supporting appendices which are meant to facilitate the work in preparing the NSRs:

1. The Common Objectives adopted by the European Council in March 2006
2. Model for reporting on good practices
3. Setting targets
4. Voluntary planning tool for the preparation of the social inclusion strategy
5. Manual for gender mainstreaming³

² Thus data that might present a misleading picture when used in international comparisons can be explained in the National Strategy Report. An example for this might be prospective theoretical replacement rates. Countries with automatic adjustment mechanisms to rising life expectancy will have less favourable replacement rates than countries where adjustments will take place on a discretionary basis. As simulations are based on legislation currently in force, pensions will appear to be less generous in countries with automatic adjustment mechanisms. By contrast, these same countries will be in a better position with regard to financial sustainability projections.

³ A Manual for Gender Mainstreaming social inclusion and social protection policies, as announced in the Roadmap for equality between women and men and reiterated in the Portuguese Presidency Conclusions on Indicators on Women and Poverty, has been drawn up by the Commission with a view to supporting Member States efforts in preparing their updated Strategic Reports and developing policies. Member States may also find useful a Discussion Paper prepared by the Disability

6. Discussion paper on disability mainstreaming

High Level Group on Disability Mainstreaming in the SPSI OMC. Both documents will be circulated in annex, but separately, to this Guidance Note.

Part 1 – Common Overview

1.1 Assessment of the Social Situation (3 pages)

This section should give a succinct overview of the economic, social and demographic context that needs to be taken into account when setting priorities and developing policies in relation to social protection and social inclusion. [This should include an assessment of the macro and micro-economic policy setting and the implications for social policy.](#) Major trends, new and emerging challenges, the key immediate and long-term risk factors, the main groups at risk and persistent gender gaps should be identified. A specific section should address the main social aspects of migration⁴, [ethnic minorities and reference to the trends regarding all](#) groups covered by [Article 13](#) Information on the baseline social policy situation and trends therefore should be provided, from which the extent of any new or strengthened policies can be determined.

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The section should be supported by relevant statistics and indicators focussing on monitoring changes over time and differences between different demographic/socio-economic groups of the population. The EU's commonly agreed indicators should be used. Where appropriate, these should be supplemented with indicators based on national data, highlighting national specificities in particular areas of social exclusion and poverty, [as well as trends on wealth and inequality](#) that are not covered by the common indicators, helping to interpret the latter and/or measuring policy effort. [A specific section should outline the current developments regarding the provision of social protection services and other social services, particularly in relation to type of providers and provision.](#) All statistics and indicators should be broken down wherever possible by sex and age. The list of common indicators may still be adapted at the SPC in April to reflect work carried out in the SPC Indicators Sub-Group.

Member States are free to complement this concise overview in an annex containing more detailed analysis and corresponding graphs and tables.

1.2 Overall Strategic Approach (about 4 pages)

This section should present the overall strategic approach for modernising [and improving](#) social protection and for social inclusion policies envisaged for the period 2008-2011. It will draw on an assessment of the previous cycle, mainly on the basis of available documentation such as the 2007 and 2008 Joint Reports with their Supporting Documents. It should be prepared by referring to the three common overarching objectives (see Appendix 1). It will also examine the mutually reinforcing nature of the strategies adopted under these objectives and the Member States' National Lisbon Reform Programmes and how their joint contribution will help to achieve the objective of greater social cohesion. [As the Spring Council Conclusions in 2007 have drawn attention to](#)

⁴ In support of the planned mainstreaming of migration issues the ISG will propose guidelines on how to report on the social aspects of migration

the need to strengthen the social dimension in Lisbon, it is therefore particularly important to provide a more detailed assessment of the contribution of Lisbon to social cohesion (feeding out). This should include also describing any cases where Member States have had difficulties ensuring such positive interaction, where there may be negative developments or contradictory policy drivers and how they dealt with those perceived trade-offs. The section should analyse the link and impact separately in the 3 pillars and assess the impact of macro, micro and employment policies and measures.

Without prejudice to the possibility of merging reporting on different objectives within a single chapter, Member States should address each of the three overarching common objectives in turn.

Objective (a): Member States should outline their strategy for ensuring that social inclusion policies and social protection systems contribute to a high level of social protection, social cohesion and equality between men and women and equal opportunities for all while being efficient and sustainable.

Objective (b): Member States should outline what strategy will be used to ensure that pension reform, health and long-term care and social inclusion policies and the strategy for growth and jobs mutually reinforce each other. The two way relationship should be covered, particular emphasis should be given to how the strategy for Growth and Jobs is contributing to social inclusion in the light of the gaps noted by the Spring Council in 2007.

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- first, the way social inclusion policies, pension reform, health and long-term care help enhance delivery on the strategy for growth and jobs; and

- second, how the growth and jobs strategy contributes to delivering on the objective of greater social inclusion and to making a decisive impact on poverty by 2010; improves adequacy and sustainability of pensions; and positively influences the accessibility, quality and sustainability of the provision of health and long-term care, and health itself.

In the course of 2007 the SPC dedicated considerable attention to the interaction between the social OMC and the Strategy for growth and jobs⁵. Based on the lessons learnt, it is suggested that in relation to objective (b) and to increase the potential for comparisons and mutual learning, examples could be taken from the fields of social inclusion of migrants and minorities, active inclusion, child poverty, longer working life (flexibility in the age of retirement, early exit from the labour market) or flexicurity⁶. Here Member

⁵ See the report of the working group established to that purpose in 2007: http://ec.europa.eu/employment_social/spsi/docs/social_protection_committee/2007/spc_en.pdf

⁶ For instance, it would be useful if Member States could report on how social inclusion measures supporting the integration of immigrants lead to increased participation in employment, or how pathways to social inclusion in general, eg through measures to ensure adequate provision of enabling services such as health care and housing, in the medium term contribute to increasing labour supply; or on how social protection systems support the right balance between flexibility and security, providing a review of recent or planned reforms to the systems from this viewpoint; or on how measures to tackle child poverty involve actions to facilitate participation of lone parents and second

States should also highlight “problem areas and examples” in the link between economic, employment and social policies, in order to facilitate productive mutual exchange on the risks and threats, and the needs to adapt economic, employment and social policies accordingly. Member States might also identify here how social inclusion policies and the modernisation of pensions, health and long-term care interact and contribute to achieving the overarching objectives. As appropriate, Member States can include cross-references to the Lisbon NRPs rather than duplicating their reporting. Where possible specific sections should clarify the link between Lisbon and the 3 pillars and to clarify the impact of macro/micro and employment measures.⁷

Member States should also explain how the strategy will support an effective and mutual interaction with the sustainable development strategy.⁸

Objective (c): This sub-section should provide an overview of the overall approach to good governance adopted by Member States, particularly in relation to objectives a) and b), while strand-specific references will be made in Parts 2 to 4 below. This section should identify similarities and differences between the approaches adopted by the different strands, and compare the effectiveness in promoting good governance, effective coordination, transparency and active participation of all stakeholders. These should relate to issues such as: increasing transparency of decision-making; ensuring good coordination between different parts of the system and different levels of governance; strengthening the involvement of and consultation of stakeholders⁹ such as social partners, NGOs, patients' associations and people experiencing poverty and social exclusion in the design, implementation and monitoring and evaluation of policy; and improving information to citizens both about the OMC overall but also in relation to rights and entitlements in relation to the three strands. Notably, it should illustrate how good governance arrangements, such as provisions for stakeholder involvement, will be upheld continuously over the full OMC cycle, including the intervening thematic years. Member states are encouraged to develop indicators of effective governance and participation, which will enable them to evaluate progress on better governance and to benchmark with other member states.

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earners in the labour market. As working longer makes a decisive impact on adequacy and sustainability of pensions, Member States could elaborate on how pension reforms improve incentives to work longer. Examples on how labour market reforms open up opportunities for older workers would also be valuable.

⁷ Eg It will be important to assess how far current macro and micro economic policies are supporting improved social protection and social inclusion policies leading to increased social inclusion and the eradication of poverty. Some examples of areas to analyse could include measures on public debt, liberalisation of services, redirection of public funds to growth and innovation, promotion of equity in the tax-system to tackle inequalities of income...etc.

⁸ One example of relevant activities could be ethical and solidarity-based initiatives, in as far as they can contribute to economic development, to job creation and to reinforced social capital while taking account of environmental concerns.

⁹ In considering how to reinforce their arrangements for stakeholder involvement, Member States may find it useful to refer to the conclusions of one of the 2007 Peer Reviews which focussed on this subject:

<http://www.peer-review-social-inclusion.net/peer-reviews/2007/the-napinclusion-social-inclusion-forum>

This sub-section should also outline what arrangements are or may be put in place to monitor and evaluate the overall implementation of policies reported in the NSRs and in particular to assess their impact on moving towards the overarching objectives over the three-year period, as well as any targets that have been set in the strategy, be they based on the commonly agreed indicators or national (input- or output-related) indicators. In this context, Member States are encouraged to take inspiration from the Report and "Recommendations"¹⁰ drawn up by the ISG Taskforce on Child Poverty and Child Wellbeing as part of the 2007 thematic social inclusion focus as well as any other relevant and robust independent research in this area. While Member States will develop monitoring and evaluation arrangements appropriate to their own situations it is important to remember that results of policy evaluation is of fundamental importance to support the exchange of learning and good practice between Member States.

Finally, this section should also detail what coordination mechanisms have been put in place to ensure improved articulation between the OMC SPSI and the Strategy for Growth and Jobs. This should go some way in helping to reinforce the consistency between the NSRs and the preparation of renewed reform programmes under the core Lisbon Strategy.

1.3 Overarching Messages (about 1 page)

This section should draw out from the plans for the three strands the main overall summary messages across the social protection and social inclusion sector as a whole. It should particularly draw attention to synergies between the three pillars and their contribution to the overarching objectives.

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Part 2 – National Strategies / National Action Plans for Social Inclusion (NAPs-inclusion)

AIMS AND FOCUS OF THE STRATEGIES

The 2008-2010 National Strategic Action Plans for social inclusion /NSAPs-inclusion will evaluate, build on and draw lessons from the progress in implementation as briefly outlined at the beginning of the section. In so doing they should present, and in many cases confirm, the key priorities in Member States' efforts to promote greater social inclusion and to make a decisive impact on the eradication of poverty and social exclusion. In view of the structural nature of poverty and exclusion, Member States are encouraged to demonstrate as high a degree of continuity as possible, and to ensure that the decision to prioritise specific key target groups is developed in an incremental plan to progress towards the eradication of poverty and social exclusion for all groups. In this regard, Member States are reminded that the priorities emerging particularly strongly in the previous Strategies/NAPs-inclusion were child poverty and active inclusion, whereas it was explicitly highlighted that the social integration of migrants would warrant more attention, as well as housing and homelessness. Maintaining or reinforcing the attention given to these issues, should not prevent the selection of other priorities if justified by the evaluation of progress or by new emerging concerns, nor should they undermine the overall strategy to tackle social exclusion for all groups. Member States are encouraged to develop more detailed national strategies on poverty and social exclusion which should be attached as an annex. The Strategies/NAPs should be forward-looking and developed through a participative planning process involving a wide range of stakeholders. Such an active planning process for developing national strategic plans is vital to support greater ownership and to help implementation and greater policy impact. The National Plans should follow the planning cycle, evaluating progress made and setting out new or additional policies or programmes intended to achieve greater policy impact rather than just report on existing actions. Ensuring complementarity and synergies between existing and proposed actions will be an important element.

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Thus, in preparing their Social Inclusion Strategies/NAPs-inclusion Member States it should take account of lessons from implementing the first integrated OMC cycle as well as previous rounds of NAPs-inclusion. As outlined more in detail below, these particularly relate to improving implementation and ensuring effective impact, by ensuring an integrated and multi-dimensional approach focussed on the main objectives to eradicate poverty and social exclusion., enhancing co-ordination with other strategies, increasing the strategic focus, improving mainstreaming and strengthening governance arrangements.

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It can be recalled that, provided that the Commission proposal as adopted on 12 December 2007 gains the support of the Council and the European Parliament, one year into the next OMC cycle – i.e. 2010, the symbolic target year of the overall Lisbon goal for fighting poverty – will be designated as the European Year for combating poverty and social exclusion. It is therefore particularly important that the NAP Inclusion focuses clearly on this main objective and include an assessment of necessary actions in the lead up, as well as during the year to achieve the goals and targets set.

To close the current implementation gap, it is suggested that Member States give particular attention to the following aspects:

i) Increased strategic focus and an integrated and multidimensional approach: The 2006-2008 Social Inclusion Strategies adopted a clearer strategic focus by identifying a small number of key priorities reflecting as appropriate the seven key policy priorities identified in previous Joint Reports.¹¹ However, it is recognised that insufficient progress has been made towards the goal of making a decisive impact on the eradication of poverty by 2010, with poverty levels constant and in some cases increasing.. It is therefore vital that in the preparation of the 2008-11 Strategic Reports, Member States agree to set clear quantified general targets for the reduction of poverty and social exclusion and specific targets per priority issue. They should take account of anti-discrimination measures and mainstream gender at each stage of the plans, in the identification/confirmation of challenges, the design, implementation and assessment of policies, the selection of indicators and targets and the involvement of stakeholders. A balance should be ensured between preventative measures and action taken to alleviate existing instances of poverty and exclusion. A key learning point from the Social Inclusion process to date is the importance of developing an integrated and multi-dimensional approach to tackling poverty and social exclusion. Thus Member States are encouraged, while developing a more focussed approach, to also keep in mind the multi-dimensional nature of the issues, and thereby of any effective response. This can be ensured, first, by selecting key objectives on the basis of a multi-dimensional analysis of the situation; second, by developing a multi-dimensional set of actions to achieve each of the strategic objectives¹²; and, third, by ensuring that arrangements are or will be put in place to mainstream social inclusion into other relevant policy domains (see below).

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ii) Co-ordination with other strategies: It will be particularly important to ensure that there is a good coordination between the preparation of the Social Inclusion Strategies/NAPs-inclusion and the National Reform Programmes on growth and employment so that each reinforces and complements the other, paying particular attention to the need to support the strengthening of the social dimension in Lisbon by adequate assessment of the NRPs performance on delivering social inclusion objectives and priorities, in relation to macro,micro and employment policies implemented.. It will be vital to actively promote better articulation between economic, employment and social policy development related to the two processes by developing joint meetings and joint reporting. It will also be important to ensure that there is a good coordination between the preparation of the Social Inclusion Strategies/NAPs-inclusion and the reports on pensions and healthcare so as to increase synergies and to avoid overlap. In this regard it is suggested that the Social

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¹¹ These are, as outlined in the 2005 and 2006 Joint Reports: to increase labour market participation, modernise social protection systems, tackle disadvantages in education and training, eliminate child poverty and enhance assistance to families, ensure decent housing and tackle homelessness, improve access to quality services (health and care services, life long learning, financial services, legal advice services, transport...) and to overcome discrimination and increase the social inclusion of people with disabilities, ethnic minorities and immigrants.

¹² E.g. if an objective is to tackle the exclusion of the most marginalised a MS might indicate how income support, health, social services, housing, education, employment, transport, cultural, sport and recreation, legal, anti-discrimination and other policies will contribute to achieving the objective.

Inclusion Strategies/NAPs-inclusion should only address questions of healthcare and long-term care or pensions in so far as they affect those people or groups who are most vulnerable and at risk of poverty and social exclusion and who need additional support to be able to access mainline provision. In other respects these areas should rather be addressed in the pensions or healthcare strands. Cross-references to relevant reforms in line with other relevant EU Strategies or joint initiatives, e.g. Education and Training 2010 and the Youth Pact should also be made, along with clarifications on their implementation with respect to the most vulnerable groups, both from remedial and preventative point of view. A further vital area is to ensure the link with Structural Funds ensuring the use of the funds to deliver the social inclusion objectives and priorities

iii) Improved mainstreaming: The Social Inclusion Strategies/NAPs-inclusion need to be better integrated with the general policy design and implementation in Member States. They should indicate how poverty and social exclusion objectives are affected by action in other relevant policy areas. Member States should indicate progress made in the use of instruments such as poverty proofing and social impact assessment. The Social Inclusion Strategies/NAPs-inclusion need to be appropriately linked to budgetary decision making. In this respect, the 2008 Joint Report provides food for thought in its supporting document which includes a chapter examining Member States' envisaged use of the European Social Fund and the European Regional Development Fund for SPSI objectives under the new generation of Structural Funds. Member states are encouraged to actively monitor these developments to ensure that the funds designated for Lisbon Objectives are also used to deliver the priorities on social inclusion.

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iv) Strengthened governance: The governance of policies and practices to combat exclusion is of vital importance and needs to be strengthened. Thus the Social Inclusion Strategies should take into account the importance of the regional and local dimensions while respecting the different distribution of competencies in different Member States and involve regional and local authorities in the preparation, implementation and monitoring of their plans as appropriate. The Social Inclusion Strategies/NAPs-inclusion should also highlight and support the development of participative planning approaches to the development of local and regional strategies in countries where these have been developed. They should show how Member States are involving as broad a range of actors as possible in an ongoing structured dialogue, in particular NGOs and social service providers, people experiencing poverty and social partners, in all stages of development, implementation, monitoring and evaluation of the process over the full cycle, i.e. including in the intervening years with thematic focus. Efforts should be made to improve the quality of the involvement and to develop innovative approaches and methodologies to ensure effective participation, particularly in order to support the involvement of people experiencing poverty. Thought should be given to the need to provide financial and other support to organisations to facilitate this engagement. They should show how arrangements and capacity to monitor and evaluate the policies have been put into practice and, where appropriate, strengthened. For improving monitoring and evaluation arrangements Member States are invited to refer to and take inspiration from the "Recommendations" drawn up by the 2007 ISG Taskforce on "Child Poverty and Child Well-being" and endorsed by the SPC at its first meeting in 2008. The preparation of the Social Inclusion Strategies/NAPs-inclusion should be used as a

means of increasing awareness of and debate about poverty and social exclusion issues both amongst the general public, amongst key stakeholders and amongst policy makers and practitioners, including national parliaments;

PROPOSED STRUCTURE FOR THE SOCIAL INCLUSION STRATEGIES/NAPS-INCLUSION

Section 2.1 Progress in relation to 2006-08 NSRs and challenges identified in 2007 Joint Report (3 pages)

Progress in implementation in relation to the priorities established in the respective Member State's 2006-2008 NSR and, in particular, to the key country-specific challenges identified in the 2007 Joint SPSI Report, as well as any Lisbon recommendations addressed – to the extent that they also fall within the remit of the SPSI Strategy, should be assessed in this section. It should make clear how policy lessons have been deduced and how the strategy has been adapted with a view to reinforcing impact. [Analysis should be made of areas where progress has not been made and recommendations for policy adapted accordingly.](#)

Section 2.2 – Key Challenges, Priority Objectives and Targets (3-4 pages)

Member States should identify the 3 or 4 priority policy objectives that they will pursue over the 2008-2011 cycle of the social inclusion process and which they think will best contribute to achieving Common Objectives (d) and (e) agreed by Member States. [whilst highlighting how these priorities will be embedded in an overall strategy to reach the targets to reduce poverty and social exclusion in general.](#) Without repeating the analysis in the first section of the report and in section 2.1, they should explain and justify why these particular objectives have been confirmed / selected.

In selecting and justifying, these key objectives it is recommended that Member States take into account:

- the overall assessment of the social situation in the common overview of the National Reports and the latest available data on poverty and social exclusion; [also including an assessment of trends in wealth and inequality of income.](#)
- an assessment of the extent to which progress has been made in relation in particular to the key challenges on social inclusion identified in their Country Profile in the 2007 Joint Report on Social Protection and Social Inclusion.
- the experience of implementing their previous SI Strategy and NAPs-inclusion;
- an assessment of how the priority objectives identified will help to identify measures that will address the needs and tackle the situation of particularly vulnerable groups;
- an assessment of how the priority objectives selected will contribute to the prevention of poverty and social exclusion.
- [the agreed priorities at EU level and the recommendations on child poverty and active inclusion from 2007.](#)

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Overall quantified targets should be set for reducing the number of people at risk of poverty and social exclusion in the near and medium term and progressive targets leading to the eradication of poverty. These should draw appropriately on the work of the Social Protection Committee on commonly agreed indicators, on the Report and "Recommendations" of the ISG Taskforce referred to above, and any other relevant and robust research. When necessary they should also draw on national or sub-national data in case it better reflects those aspects of poverty and social exclusion that are a priority for a certain Member State. Targets should be disaggregated by age and sex whenever data is available (see Appendix 1 on target setting). Member States may also want to supplement overall national targets with targets at sub-regional level where appropriate.

Sections 2.3 – 2.5/2.6 Priority Policy Objectives 1 to 4 (2 pages each)

(The numbering of these chapters will vary depending on whether a Member State confirms/selects 3 or 4 priority objectives)

For each priority objective identified Member States should identify the following key elements:

Policy measures: first, this sub-section should outline the key existing measures that will contribute to achieving the priority objective selected and any significant modification a Member State proposes to make to them so as to enhance their impact and effectiveness; secondly, it should identify any major new/additional policy measures that will be introduced to achieve the objective; thirdly, it should identify the role of the different actors (Public authorities, NGOs, Social Economy actors, local authorities..) in implementing the policy measures, lastly it should specify how a gender perspective has been taken into account, in particular by assessing where appropriate the implications for both men and women of the policy measures proposed. Emphasis should be given to highlighting new measures taken to promote key priorities agreed in 2007 For example:

What measures are being taken to promote integrated active inclusion approaches and how successful has their impact been on reducing poverty and social inclusion as well as increasing employment, for all groups of people furthest from the labour market?

What action will be taken to follow-up on the recommendations on child poverty related to improving adequate family income, supporting access to quality work, lifelong learning and specific actions on early learning and school drop-out, access to quality childcare, child development and, parent support, promoting children's rights and participation. Name specific action taken to implement the Barcelona targets on childcare?

Indicators and monitoring arrangements: this should specify what indicators will be used to monitor progress towards the achievement of the objective and the specific arrangements to be put in place for the ongoing monitoring of the implementation of actions and for assessing their impact in achieving the objective. The commonly agreed indicators developed by the Indicators Sub Group of the SPC should be used wherever possible and, when appropriate, supplemented by national indicators.

Resource allocation: first, this should indicate what specific funding is allocated, the source, what level of additional resources, including European Structural Funds, are

envisaged to achieve the objective; secondly, what agencies (national, regional or local) will be responsible for implementing measures and how their efforts will be co-ordinated.

In identifying policy measures Member States should take into account the importance of a multidimensional approach and thus the contribution that can be made by a range of different policy domains (economic, employment, education, social, environmental and cultural)¹³ to achieving the policy objective set (see the planning tool for Social Inclusion Strategies/NAPs-inclusion in Appendix 2). It will also be important to take into account measures to fight discrimination on grounds of sex, race/ethnic origin, religion/belief, disability, age and sexual orientation. In identifying specific actions it will be important to achieve a balance between measures to prevent poverty and exclusion arising and to address the situation where it does exist.

Section 2.6/2.7 – Better Governance (2-3 pages)

This section should be structured around the third of the social inclusion common objectives agreed by Member States. Drawing on the section in good governance in Section 1.2(c), it should set out in detail the arrangements that the Member States intend to implement over the three-year period to strengthen their overall institutional arrangements to support policies and measures to eradicate poverty and social exclusion and how effectiveness will be monitored (the indicators and process to be followed).

The chapter should have five sub sections as follows:

Preparation process: This sub-section should briefly describe and assess the process which was followed to develop the Member States' 2008-2011 Social Inclusion Strategies. In particular it should explain what arrangements were made to involve actors concerned at all levels, vertically as well as horizontally, and to promote administrative co-ordination in preparations, providing details on the actors involved and on the format chosen. An assessment should be made of how far a wide range of stakeholders was involved.

Policy coordination: First, this sub section should outline what arrangements are already in place to co-ordinate and integrate social inclusion policies across all relevant policy domains and to ensure that all levels of government (national, regional and local) are involved. Where inclusion policies are mainly the responsibility of regional authorities, these arrangements might comprise the provision of national monitoring. Second, it should specify what new or additional arrangements will be put in place during the period of the plan.

Mobilisation and involvement of actors: First, this should summarise what arrangements are already in place to ensure the mobilisation and involvement of relevant actors (NGOs, local authorities, social partners ..), including people experiencing poverty, in the process on an ongoing basis over the full OMC cycle,

¹³ The range of policy domains in the original social inclusion objectives agreed at the Nice and Laeken European Councils provide a useful framework in this regard.

from the drawing up of strategies through to implementation, evaluation and review, and extending also over intervening thematic years. Secondly, it should outline how the quality of this involvement is assured, what indicators are used and the process followed to ensure that stakeholders' views and experiences are reflected in policy development as well as in the assessment of the effectiveness of the governance process. Thirdly, it should specify lessons learnt from the governance process and the rationale behind new or additional arrangements that will be put in place during the period of the plan.

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Mainstreaming: First, this should identify what arrangements are already in place to mainstream social inclusion in all relevant public policies (economic, employment, education, social, cultural and environmental) and in the Structural Funds, and reflect on current weaknesses or areas to improve. Second, it should specify what new or additional arrangements will be put in place during the period of the plan. Specific reference should be made to coordination arrangements between those responsible for the NRP and the NAP Inclusion and to plans to ensure that Structural Funds will be used in the current programming to deliver the social inclusion priorities within the Lisbon earmarking.

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Monitoring and evaluation arrangements: This should specify what arrangements are or will be put in place to monitor and evaluate the overall implementation of the plan and to assess its impact on eradicating poverty and social exclusion. It should outline how the range of actors will be involved in the process on an ongoing basis, the development of participative evaluation methodologies and the extent to which independent research is being used to feed into this monitoring and evaluative process¹⁴ and how such arrangements might have assisted Member States when preparing the new NSR taking into account progress in implementation of their 2006-2008 National Strategy/NAP-inclusion.

Annex 2.1 – Good Practice

This section should contain a detailed presentation of a few (not more than four) examples of good practice drawn from policy measures or institutional arrangements. Examples selected should be of key policies or pilot projects that have been evaluated and have demonstrated important lessons for policy making or should cover a key institutional arrangement relevant to some aspect of the third of the social inclusion common objectives. Examples should be drawn from a mixture of providers, including NGOs. It is helpful when presenting examples to illustrate not only what has been done and the outcome but also how it has been done, including when reaching a positive outcome has been the result of an iterative process of policy adaptation. It is also particularly useful to include details of any monitoring or evaluation results which are available as this will support the dissemination of good practice among other Member States. In relation to the support provided by the PROGRESS programme, details would be useful as to whether those examples are inspired by the peer review exercises and/or could be worth feeding into such reviews at European level.

Other Social Inclusion Annexes

¹⁴

See footnote 2 above

Member States should be encouraged to attach more Social Inclusion documentation, particularly examples of full National Action Plans reflecting a more comprehensive strategy or progress report, for example, which has provided the basis for selecting the priorities included in this plan. Others may wish to elaborate in more detail on some aspect of their work on poverty and social exclusion that they think will be of interest to other countries.

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Part 3 - National Strategy for Pensions

AIMS AND FOCUS OF THE NATIONAL STRATEGY REPORTS ON PENSIONS

The main purpose of NSRs is to explain how Member States expect to meet the three common objectives taking into account the current and foreseeable demographic and socio-economic challenges they have to cope with. This requires a long-term perspective with a time horizon of several decades (for the public expenditure projections and the calculation of prospective replacement rates by the ISG the time horizon was the middle of the century).

There should be three main sections, focusing on adequacy, financial sustainability and modernisation (the latter covering all other major reform issues as well as the process of reform). Within these sections, Member States should provide sufficient information to allow an appreciation of how each of the three objectives is met, but they should also have more freedom to develop those topics that are most relevant in the national context. However, the analysis of the NSRs should still take place objective by objective and the authors of the NSRs should make sure that any strengths and weaknesses with regard to a particular of the three common objectives are clearly addressed.

The report could be structured as an update of the previous report, and it can refer to material already collected in the framework of the SPC studies carried out in 2006 - 2008¹⁵.

PROPOSED STRUCTURE OF THE REPORT

3.1 Progress in relation to 2005-08 NSRs and challenges identified in 2007 Joint Report

¹⁵Minimum income provision for older people, December 2006; Promoting longer working lives through pension reforms - First part - Flexibility in retirement age provision, April 2007; promoting longer working lives through pension reforms – second part- early exits, January 2008. These SPC studies can be found at http://ec.europa.eu/employment_social/spsi/adequacy_sustainability_en.htm

This section should report on progress in implementation of the priorities established in the respective Member State's 2006-2008 NSR and the assessment of the challenges identified in the 2006 Synthesis Report on Adequate and Sustainable Pensions¹⁶. This assessment should also cover any Lisbon country specific recommendation or 'point to watch' to the extent that they also fall within the remit of the SPSI Strategy. It should make clear how policy lessons have been deduced and how the strategy has been adapted with a view to reinforcing impact. This should be done by specifically addressing the key issues identified for further work in the Synthesis Report on Adequate and Sustainable Pensions which have emerged during this three year cycle:

- Promoting longer working lives through pension reforms: Early Exits from the labour market and flexibility in the age of retirement;
- key issues in the development of private pensions (efficient legal framework, (in)equality in coverage, security, information, transition costs, contribution private pensions can make to financial sustainability) ;
- design of minimum income provisions for older people (including the link between pensions and other benefits provided to people in retirement);
- the strengthening of the link between contributions and benefits (enabling a life cycle approach to pensions, that has to be reconciled with non contributory credits and gender equality issues);
- developing regular review and adjustment mechanisms.

3.2. Review of Adequacy

The purpose of this section is to spell out how adequacy of pensions is currently met and will be met in the future. Reporting can be limited to those bullet points that are most relevant for the national strategy, or have been identified as national challenges in previous reports.

- Update changes since last NSR in particular the mix of flat rate/minimum pensions, statutory pension schemes, incentives for occupational or private pensions, notably through tax rules, means-tested benefits and tax allowances, benefits-in-kind, pension credits for various types of career interruptions (notably child and elderly care, unemployment, sickness and invalidity) and how these various instruments interact.
- Review recent trends regarding adequacy of pensions, notably as regards relative income of older people, relative levels of pensions in relation to wages, relative poverty rates, and coverage of pension systems notably for private pensions (and its dispersion).
- Discuss the likely evolution of incomes for older people, also taking account of employment histories of future pensioners (e.g. increased labour force participation of women, incidence of long-term

¹⁶ SEC (2006) 304 of 27.2.2006. The report can be found at:
http://ec.europa.eu/employment_social/spsi/adequacy_sustainability_en.htm

unemployment), of demographic developments, and as well of envisaged or on-going reforms in pension systems (particularly in respect of the method of indexation of pensions and other benefits, for instance through theoretical replacement rates).

- Review the impact of recent measures that will minimise the risk of social exclusion of older people (for instance minimum income guarantees and their adjustment in line with prices/earnings) and measures that will allow older people to maintain an adequate relative living standard (e.g. pension increments for deferred retirement, access to private pension schemes)
- Present any planned measures to improve the adequacy of pensions or elements of reforms currently in debate.

3.3 Review of Financial sustainability of pension systems

The purpose of this section is to present a credible policy strategy that allows for a balance between the social objectives presented in the previous section while at same time preserving the financial sustainability of the pension systems and ensuring sound public finances. Member States are likely to rely to varying degrees on different combinations for raising employment, prolonging working lives, consolidating public finances, adjusting pension scheme parameters and developing funded provision. Reporting can be limited to those bullet points that are most relevant for the national strategy, or have been identified as national challenges in previous reports.

- Review the level of resources currently devoted to providing pensions (including through special schemes, e.g. public sector) and how these resources are raised (social insurance contributions, taxes, role of public/private schemes). Discuss any weaknesses of the current financing arrangements.
- Review future expected developments of pension expenditures: total (public and private) resources needed over the coming decades (suggested time horizon: 2050) to provide adequate pensions; percentage of GDP that will need to be devoted to pensions in order to secure adequate benefits according to national definitions. Describe the sensitivity of expenditures and revenues of public pension schemes to certain key variables, e.g. changes in employment rates or productivity growth, increased life expectancy or migration flows etc. Member States may refer to the Ageing Report, where such sensitivity tests are available¹⁷.
- Review the financing gap in public pension schemes using the projections of public pensions expenditure of the AWG and discuss how this gap is to be filled, taking into various financing sources and the broader context of policies to achieve overall sustainability of public finances; discuss whether there will be rising deficits, and the links with the dynamics of accumulated reserves and/or debt.
- Examine the scope for improving employment levels for both sexes in general and of older workers in particular and assess the contribution of increased employment and gender equality to reducing the financing gap. Review in particular measures in pension systems to encourage increased employment (e.g. closer link between contributions and benefits to increase incentives to take up declared employment) and review pathways for early labour market and discuss/present measures for restricting access to early retirement (without actuarial pension reductions) to people who genuinely need to leave the labour market before the standard retirement
- Discuss the level of resources that will have to be available from private sources in addition to statutory pensions. Discuss the need for private and funded provision in filling the gap between available public resources and

¹⁷ See Economic Policy Committee and European Commission (2006) 'The Impact of ageing on public expenditure: projections for the EU25 Member States on pensions, health-care, long-term care, education and unemployment transfers (2004-2050)', European Economy Special Reports, No. 1

the resources required for adequate pensions and how this contribution can be achieved. Are coverage and contribution levels to such schemes developing sufficiently well enough to prevent an adequacy gap? Discuss the expected development of private and funded provision in filling the gap between available public resources and the resources required for adequate pensions and how this contribution can be achieved. Discuss scope for achieving greater efficiency (lower administrative costs, better investment strategies) in private pension provision.

- Update the description of risks facing different types of private pension schemes since last NSR. For defined benefit schemes, risk occurs due to the possibility that contributions may be insufficient to cover future entitlements. Review accounting requirements ensuring that companies and/or pension providers have accurate actuarial estimates as regards potential future liabilities, and the reporting requirements thereon. Review arrangements in place for taking corrections in the event of shortfalls being identified and is there transparency as regards who should bear the risk? For defined contribution schemes, risks arise from potential insufficient contributions, and the inability to provide an adequate income in line with the expectations of contributors.
- Review arrangements in place for monitoring the real rate of return of defined contribution schemes, and is there adequate transparency on this? Discuss risks to the financial sustainability of funded pension schemes by discussing in particular what rates of return are being expected and whether these are realistic and by considering the volatility of the value of assets held by public and private pension reserve funds and the sensitivity of such assets to demographic and macroeconomic developments. Update from former NSRs on the prudential and supervisory structures in place to ensure that investments in pension funds are managed in a prudent manner, and also the arrangements in place to deal with the risk of fraud.
- Do contributors to pension schemes have adequate information and financial expertise to gauge future income prospects, and what steps are being taken to improve this. Discuss what further reforms of pension systems would be necessary to reduce the financing gap. Discuss what mix of measures, including automatic adjustment mechanisms (e.g. defined contribution schemes or demographic factors in benefit formulae) would strike a fair balance between the active and the retired.

3.4 Review of modernisation of pension systems in response to changing needs of the economy, society and individuals

The purpose of this section is to identify needs for other changes to pension systems in response to social and economic change and to examine the process of pension reform. Reporting can be limited to those bullet points that are most relevant for the national strategy, or have been identified as national challenges in previous reports.

- Update changes in how pension accrual of people in non-standard employment and in particular part-time, temporary and self-employed workers. Do all groups of the labour market have sufficient opportunities

to build up adequate pension rights? Examine whether pension schemes are neutral with regard to atypical career patterns or whether they result in better pensions for people in standard careers (full career, working full time with little mobility) than for people who had similar life-time earnings, but with interrupted careers, several job changes, spells of part-time working (notably at the end of the career) etc. Discuss whether professional or geographic mobility is hampered by pension schemes.

- Review recent trends in poverty risks and pension levels for men and women above retirement, separating individual from derived rights and distinguishing different age groups. Discuss trends in pension incomes of men and women and the main determining factors.
- Describe any forms of unequal treatment between men and women that subsist in the pension system (notably with regard to the pension age, survivors' benefits, special advantages for raising children, mortality tables used for calculating the level of benefits); discuss whether they are justified and, if not, how they can be abolished. Examine whether divorce and widowhood can cause major income losses and increased risks of poverty. Explain how pension entitlements (from public and private, collective or individual pension provision) are shared between spouses in the event of divorce. Present measures for improvement, if required.
- Present any other important reform issues in your country (e.g. complexity of the system, inefficiencies, unfair treatment of certain groups etc.) and measures to address them.
- Assess the quality and comprehensiveness of aggregate monitoring of pension systems, notably with regard to the current and future adequacy of benefits and financial sustainability. In particular, describe the main indicators/statistics used at the national level and the institutional arrangements to monitor the adequacy and financial sustainability of pension systems (e.g. are regular reports presented to policy makers?). Is this information appropriate for supporting the reform debate and process?
- Describe the steps taken to ensure the broadest consensus on the need and content of the reforms undertaken, including mechanisms for disseminating information, promoting a public debate and consensus building.
- Assess the quality of information on the entitlements available to individuals, both current and future pensioners; does this information allow individual retirement planning?
- Present any measures to improve the aggregate and individual information on pensions and to strengthen the adaptability of the pension system.

ANNEXES

The decision on what information should be presented in annexes is left to each Member State. Annexes could contain detailed statistical information and accompanying methodological notes or more detailed information on certain pension system features and reforms.

One annex could give a detailed presentation of a few examples of good practice drawn from policy measures or institutional arrangements. In selecting examples Member States should select those for which monitoring or evaluation results are available as this will support the dissemination of good practice among other Member States. Examples should illustrate not only what has been done and the outcome but also how it has been done.

Part 4 – National Strategy for Health and Long Term Care

AIMS AND FOCUS OF THE NATIONAL STRATEGY REPORTS ON HEALTHCARE AND LONG TERM CARE

The National strategies for Healthcare and Long-term care should be no more than 15 pages long. Member States may wish to provide more descriptive material on systems and practices, including statistical information in an Annex 4.1. The report could be structured as an update of the previous 2006 report.

The NSRs should show how arrangements and capacity to monitor and evaluate the policies have been put into practice and/or, where appropriate, strengthened. By objective they should report on how Member States are involving as broad a range of actors as possible (e.g. associations of patients and of providers, social partners, etc) in the definition and implementation of the strategy. The commonly agreed indicators developed by the Indicators Sub Group of the SPC should be used wherever possible and, when appropriate, supplemented by national indicators. The NSRs could also take inspiration from Appendix 2 (Setting targets) for possible target setting in the areas of healthcare and long term care.

The NSRs should also mainstream gender considerations across the plans and in particular under each objective, where possible, it should identify how policies affect the respective situation of women and men and contribute to greater equality between the sexes.¹⁸

When preparing for and when drafting the national plans, the national SPC members are strongly recommended to be in close contact with their national colleagues that take part in other EU level groups such as the High Level Group on Health Services and Medical Care and the Economic and Policy Committee. Moreover, it is important to involve the national (or in some cases regional) institutes (or agencies/ centres/ authorities/ foundations) publicly responsible for health policy notably in the areas of health promotion and prevention (or protection/ education/ development).

PROPOSED STRUCTURE OF THE REPORT

Section 4.1 – General issues, covering both healthcare and LTC. (1 page)

This section should give an overview of the national challenges and, objectives and planned policies.

The section should also review the interaction between the healthcare system(s) and the long-term care services.

¹⁸ For guidance see the Manual on gender mainstreaming social inclusion and social protection policies attached in the annex. Note also that the Austrian Presidency Conclusions on Women's Health invited Member States to encourage gender mainstreaming in healthcare http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/lsa/89830.pdf.

The Member States could point to important and interesting national experiences from policy measures or institutional arrangements that can be described in more details in an Annex 4.2 – Good Practice Examples.

Section 4.2 - The Healthcare section. (7 pages)

4.2.1 Progress in relation to 2006-08 NSRs and challenges identified in 2007 Joint Report

This section should report on progress in implementation of the priorities established in the respective Member State's 2006-2008 NSR and to the challenges identified in the 2007 Joint Report on Social Protection and Social Inclusion⁶ Synthesis Report on Adequate and Sustainable Pensions¹⁹ should be assessed in this section. This assessment should also cover any Lisbon country specific recommendation or 'point to watch' to the extent that they also fall within the remit of the SPSI Strategy,. It should make clear how policy lessons have been deduced and how the strategy has been adapted with a view to reinforcing impact. This should be done by focussing the report on the following points, which reflect the areas identified for further work in the 2007 Joint report and the results of the in depth work in 2007 (analytical work, peer reviews, seminars):

- Please assess recent trends and future needs in social protection resources devoted to healthcare. For countries where financial resources seem to be particularly scarce please comment on how you see future funding of necessary improvements in provision.
- What measures are being taken to improve incentives for better resource use and for care coordination
- How to prevent costs growing substantially faster than GDP while ensuring that all can benefit from technical progress;
- In countries where staff resources are an issue - what are the strategies to attract and retain staff (recruitment, remuneration, training, working conditions, career development)
- How to ensure that implementation of prevention and promotion programmes contribute both to improved health status and to reduced expenditure growth

4.2.2 - Priority policies related to Common objective (j)

This section should look at policies in place to ensure universal access as well as equity in access to care, e.g. for various groups. The key dimensions seem to be age, sex, socio-economic groups and geographical regions. The question is how to ensure that universal rights to access translate into universal access in practice and that care reaches those that are most vulnerable/ need care the most.

¹⁹ SEC (2006) 304 of 27.2.2006. The report can be found at:
http://ec.europa.eu/employment_social/spsi/adequacy_sustainability_en.htm

One factor of particular interest is the use and effects of patients' co-payments for healthcare services. This section may report on issues such as coverage of population by public and private arrangements and, if applicable, on policies to promote insurance coverage. This section should also focus on existing inequalities in health outcomes and policies to address them.

4.2.3 - Priority policies related to Common objective (k)

This section should report on how social protection systems contribute to promoting quality. One key issue is how social protection systems encourage healthcare services to adapt to changing needs and preferences, e.g. to the growing importance of primary care and preventive activities. A second important issue relates to the mechanisms to spread quality across the whole care system. A third concerns patients' involvement, choice and information.

4.2.4 - Priority policies related to Common objective (l)

In order to ensure access for all and sustainability, a key angle is improving governance of a very complex system. This section should report on how Member States intend to improve governance and to foster a rational use of healthcare resources. This would include coordination between different providers and care systems, the relation between those who finance health care and users and providers, and the review of incentive structures for users and providers. It could also reflect on the experiences of cost control strategies and mechanisms. It should take into account the importance of the regional and local dimensions while respecting the different distribution of competencies in different Member States. This section should also report on how Member States are involving as broad a range of actors as possible (for example associations of patients and of providers, social partners, etc) in the definition and implementation of the strategy. Promoting health and active life styles are important as part of a sustainability strategy in a broader sense, as well as the question of whether human resources for the care sector are and will be available.

Section 4.3 - Long-Term Care (7 pages)

4.3.1 Progress in relation to 2006-08 NSRs and challenges identified in 2007 Joint Report

This section should report on progress in implementation of the priorities established in the respective Member State's 2006-2008 NSR and to the challenges identified in the 2007 Joint Report on Social Protection and Social Inclusion²⁰ 2006 Synthesis Report on Adequate and Sustainable Pensions²⁰ should be assessed in this section. This assessment should also cover any Lisbon country specific recommendation or 'point to watch' to the extent that they also fall within the remit of the SPSI Strategy. It should make clear how policy lessons have been deduced and how the strategy has been adapted with a view to reinforcing impact. This should be done by focussing the report on the following points, which reflect the areas identified for further work in the 2007 Joint report and the results of the in depth work in 2007 (analytical work, peer reviews, seminars):

- How to ensure that long-term care needs are put on a sound financial footing.

²⁰ SEC (2006) 304 of 27.2.2006. The report can be found at:
http://ec.europa.eu/employment_social/spsi/adequacy_sustainability_en.htm

- How can coordination between health care and social services be improved?
- How to ensure quality care and how to prevent elder abuse and neglect?
- Human resources: what are the strategies to attract and retain staff (recruitment, remuneration, training, working conditions, career development)
- Describe the strategy concerning support for informal carers: social protection coverage, training and coaching or supervision (psychological support), respite care, holidays for carers.

4.3.2 - Priority policies related to Common objective (j)

This section should look at policies in place to ensure equity in access to long-term care, e.g. the coverage by age groups, sex, socio-economic groups and geographical regions. One factor of particular interest is the use and effects of different payment provisions, including the arrangements for providers, users and carers. It would also be of interest to highlight ongoing and planned modernisation of social services for disabled persons of all ages, having in mind that the modernisation should promote access to affordable quality care services.

4.3.3 - Priority policies related to Common objective (k)

This section should report on national strategies for quality promotion. It should look at patients' choice as a tool to improve quality. It can also show how the LTC is being adapted to changing needs and preferences of the concerned disabled persons for different types of care and to the growing importance of preventive activities and rehabilitation. This section could be used to show how support is given to the disabled persons to enable them to stay at home as long as they wish.

4.3.4 - Priority policies related to Common objective (l)

This section should review the provisions in place to ensure the long-term sustainability of LTC systems. This could include a review of the basic financing provisions and related reforms. This section could also set out how good governance contributes to ensuring that adequate and high quality long-term care remains affordable and sustainable, for instance through care coordination and incentives for different actors to use resources efficiently. This section should take into account the importance of the regional and local dimensions while respecting the different distribution of competencies in different Member States. It should also report on how Member States are involving as broad a range of actors as possible (for example associations of patients and of providers, social partners, etc) in the definition and implementation of the strategy.

RECOMMENDED ANNEXES

Annex 4.1- Descriptive material on healthcare and long-term care systems and practices

Experience shows that some Member States may wish to provide additional, more detailed, information than foreseen in the structure outlined above. This is most welcome to be submitted in Annexes 4.1.x.

Annex 4.2 – Good Practice Examples

This annex could give a detailed presentation of a few examples of good practice drawn from policy measures or institutional arrangements. In selecting examples Member States should select those for which monitoring or evaluation results are available as this will support the dissemination of good practice among other Member States. Examples selected should be of key policies rather than of individual or pilot projects, or should cover a key institutional arrangement relevant to some aspect of the common objectives. Examples should illustrate not only what has been done and the outcome but also how it has been done.

Supporting Appendices

1.1. Appendix 1 – The Common Objectives

1.2. The overarching objectives of the OMC for social protection and social inclusion are to promote:

- (a) social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies;
- (b) effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion, and with the EU's Sustainable Development Strategy;
- (c) good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

1.3. The following objectives apply to the different strands of work:

1.3.1. *A decisive impact on the eradication of poverty and social exclusion by ensuring:*

- (d) access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion;
- (e) the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion;
- (f) that social inclusion policies are well-coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and structural fund (notably ESF) programmes.

1.3.2. *Adequate and sustainable pensions by ensuring:*

- (g) adequate retirement incomes for all and access to pensions which allow people to maintain, to a reasonable degree, their living standard after retirement, in the spirit of solidarity and fairness between and within generations;
- (h) the financial sustainability of public and private pension schemes, bearing in mind pressures on public finances and the ageing of populations, and in the context of the three-pronged strategy for tackling the budgetary implications of ageing, notably by: supporting longer working lives and active ageing; by balancing contributions and benefits in an appropriate and socially fair manner; and by promoting the affordability and the security of funded and private schemes;

- (i) that pension systems are transparent, well adapted to the needs and aspirations of women and men and the requirements of modern societies, demographic ageing and structural change; that people receive the information they need to plan their retirement and that reforms are conducted on the basis of the broadest possible consensus.

1.3.3. Accessible, high-quality and sustainable healthcare and long-term care by ensuring:

- (j) access for all to adequate health and long-term care and that the need for care does not lead to poverty and financial dependency; and that inequities in access to care and in health outcomes are addressed;
- (k) quality in health and long-term care and by adapting care, including developing preventive care, to the changing needs and preferences of society and individuals, notably by developing quality standards reflecting best international practice and by strengthening the responsibility of health professionals and of patients and care recipients;
- (l) that adequate and high quality health and long-term care remains affordable and financially sustainable by promoting a rational use of resources, notably through appropriate incentives for users and providers, good governance and coordination between care systems and public and private institutions. Long-term sustainability and quality require the promotion of healthy and active life styles and good human resources for the care sector.

Appendix 2 – Recommended format for presenting good practices

Name of Policy/Project		Member State
End Purpose of the Initiative		
Main Results		
Targeted Beneficiaries	Policy Focus	
General Population <input type="checkbox"/> Children <input type="checkbox"/> Single-parent Families <input type="checkbox"/> Unemployed <input type="checkbox"/> Older People <input type="checkbox"/> Young People <input type="checkbox"/> People with disabilities <input type="checkbox"/> Immigrants / Refugees <input type="checkbox"/> Ethnic Minorities <input type="checkbox"/> Homeless <input type="checkbox"/> Specific Illness/disease <input type="checkbox"/> Other [Please specify:] <input type="checkbox"/>	Social Exclusion <input type="checkbox"/> Healthcare <input type="checkbox"/> Long-term Care <input type="checkbox"/> Governance <input type="checkbox"/>	
	Geographical Scope	
	National <input type="checkbox"/> Regional <input type="checkbox"/>	
	Implementing Body	
Context/Background to the Initiative		

Details of the Initiative	
1.	Specific Objectives
2.	How did the initiative address these objectives?
3.	What is/was the timescale for implementing the initiative?
Monitoring and Evaluation	
	How is/was the project monitored/evaluated?

Outcomes	
1.	To what extent have the objectives been met?
2.	What obstacles/risks were faced in implementing the initiative?
3.	How were these obstacles and risks addressed?
4.	Were there any unexpected benefits or weaknesses?

Appendix 3 - Setting Targets

Barcelona Conclusions

The conclusions of the Barcelona European Council invited Member States "to set targets, in their National Action Plans, for significantly reducing the number of people at risk of poverty and social exclusion by 2010". This is an important recommendation as setting targets can contribute significantly to the impact of the NAPs/inclusion. Setting targets that are appropriate to their own situation is a matter for each Member States. However, many of the factors that need to be taken into account in the process of setting targets are common to all. This appendix outlines some of the considerations that Member States may find useful to take into account in selecting targets for the social inclusion strand:

Importance of Targets

Setting targets is important for a number of reasons. In particular targets can be:

- a significant political statement of purpose and ambition in terms of eradicating poverty and social exclusion which can lead to increased policy effort;
- a goal against which to measure progress and thus a means of creating a dynamic process characterised by openness and accountability;
- a tool for promoting awareness of the process and thus for encouraging and mobilising all actors in support of it;
- a focal point around which to concentrate the efforts of policy makers and practitioners.

Types of Targets

In the various rounds of NAPs/inclusion prepared by the Member States three distinct types of targets were used. The first were concerned with the **direct outcome** of policy in terms of the reduction in poverty and social exclusion in a key policy domain (i.e. unemployment, low income, poor housing/homelessness, educational disadvantage, poor health). They included targets such as achieving specified reductions in overall income poverty levels or for specific groups such as children or reducing the number of long-term unemployed. The second type of targets were **intermediate outcome targets** which if achieved may play an important role in reducing poverty and social exclusion. These include things such as increasing the number of people in employment by a specified amount or reducing the number of welfare recipients, or decreasing the number of unhealthy years of life by a specified percentage and so on. The third type of targets were **input targets** which were more concerned with policy effort such as increasing the number of homeless assisted, ensuring that all immigrants can participate in a social inclusion programme, ensuring that all socially excluded people are assisted by social services within one year, et cetera. Although setting **direct outcome** targets should be the first priority intermediate outcome targets can be an important complement. When input targets measuring policy effort are used, monitoring of progress towards them should be accompanied by an assessment of their impact on social exclusion and poverty.

Characteristics

Experience suggests that for targets to be useful they need to have a number of characteristics. They need to be:

- **ambitious** but **achievable**: targets should imply significant progress but should also

- be realistic;
- **relevant**: achieving the target should contribute significantly to meeting a key objective;
- **intelligible**: targets should be understandable and should make sense to the average person;
- **quantified and measurable**: a target should be specific and the data should be available to measure whether it is being achieved.
- **time specific**: the period of time over which it is intended that the target should be achieved should be specified.

Multi-dimensionality

Given the complex and multidimensional nature of poverty and social exclusion it can be useful to have targets that cover a number of key dimensions. The main policy domains identified in the common objectives such as employment, income adequacy, housing, healthcare and education are a useful guide in this regard. However, the decision on whether or not to set a target in any particular domain will obviously depend on the seriousness of the problem for the Member State concerned.

Number

For targets to make a political impact and to contribute to awareness raising and mobilisation of actors it is worth considering selecting just a small number of **headline or global targets** for poverty reduction by 2010, the target date set at Lisbon and referred to in Barcelona. However, a series of more **detailed targets** might then be included as these can be important for monitoring progress towards the more global targets. These might cover very specific aspects of policy or specific target groups. Also, while long-term targets are important, it can be useful to set a number of **short-term** or intermediary targets that can be used to assess progress towards the long term goal from one plan to the next.

Comparability and the Commonly Agreed Indicators

An important dimension of the Union's social inclusion process is to allow comparisons and the exchange of learning between Member States. It would thus be very helpful if Member States made use of the commonly agreed indicators as appropriate when setting their national targets. In addition some Member States might make use of the common indicators to help them to benchmark their performance against other Member States. Thus a Member State could decide to use the average performance of the three best performing Member States on a particular indicator to set a benchmark of what it wants to achieve.

Gender

The importance of promoting equality between men and women in all aspects of the fight against poverty and social exclusion should be taken into account when setting targets. This might involve disaggregating global targets by sex where appropriate and setting specific targets for either men or women or selecting gender gaps where there is a very significant difference in poverty outcomes in general or on some specific aspect of poverty and social exclusion.

Regional and Local

The regional and local levels are also important when it comes to setting targets. In some Member States policy responsibility for key aspects of the fight against poverty

and social exclusion is primarily at a regional level. Thus regional targets can be a useful complement to national targets and can be one approach to addressing significant regional variations in the scale and intensity of poverty and social exclusion and can focus attention on areas of multiple disadvantages.

Statistical Infrastructure

Ultimately the setting of targets and indeed the use of indicators to monitor progress depends to a great extent on the availability of relevant and timely data. Thus, as well as setting targets in their NAPs/inclusion, Member States may wish to identify gaps in existing data and to stress the need to further develop their statistical infrastructure.

Appendix 4 –Voluntary Planning Tool for the preparation of the Social Inclusion Strategy

A key learning point from the EU's social inclusion process to date is that the main poverty and social exclusion challenges facing Member States tend to be multi-dimensional and require a response that cuts across and integrates many different policy areas. Thus, in identifying the policy measures they propose to implement to achieve each objective they have set for their NAPs/inclusion, Member States are encouraged in the guidelines "to take into account the importance of a multidimensional approach and thus the contribution that can be made by a range of different policy domains (economic, employment, social, environmental and cultural) to achieving the policy objective set."

Some Member States have indicated that they would find it helpful to have a planning tool such as the one below when they are preparing their plans. Whether or not Member States use it is entirely voluntary. The intention is to assist those developing strategies to ensure that each key objective is approached in a multi-dimensional way. It should be used in a flexible manner appropriate to national situations and it is not expected that all domains in the grid will be relevant for all objectives. However, it could be helpful to consider the possible relevance of each domain for each objective.

The grid also includes a number of other rows and columns to cover other elements in the draft guidelines such as:

- input and output targets
- indicators to be used for monitoring
- new or additional resources allocated
- agencies responsible for implementation.

Priority Objective:

e.g. Eliminate Child Poverty **or** Ensure Social Inclusion of Immigrants and Ethnic Minorities **or** Reduce Homelessness
or Increase Access to Employment of Vulnerable Groups **or** Reduce At-Risk-of-Poverty Levels

Input or Output targets	Indicators to measure progress		Policy Measures										
			Employment	Economic	Income: tax, social protection	Education & Training (incl. ICT)	Housing, Environment & Basic Services	Health & Social/Family Services	Culture, Sport & Leisure	Transport	Financial & Legal Services	Non Discrimination ²¹ and Gender Equality	
		<i>Key Existing measures</i>											
		<i>Main New measures</i>											
		<i>Additional resources</i>											
		<i>How do these measures address gender inequalities?</i>											

²¹ i.e. policies to fight discrimination on grounds of sex, race/ethnic origin, religion/belief, disability, age and sexual orientation.

	<i>Agencies responsible for delivery (national, regional, local)</i>										
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