

2nd December 2015

To: Ministers for Employment and Social Affairs

Letter to the EPSCO Council: December 7 and 8 Making progress on the Social Triple A

Dear Minister,

We are writing to you on behalf of EAPN, the European Anti-Poverty Network, the largest and oldest platform of anti-poverty organisations in Europe, representing more than 6000 organisations across 31 countries.

At the <u>EPSCO meeting on the 7-8 December</u>, you will discuss the proposals on improving EU Social Governance, first response to the Annual Growth Survey, as well as the Recommendation on long-term unemployment. However, Social Ministers need to set this within the context of growing crisis of the EU project, confirming the need for concrete progress now on the Social pillar and Social Europe rooted in real progress on participation, if EU credibility is not to crumble and sustainable solutions be found.

Despite the commitments made by President Juncker from the Political Guidelines, and Commissioner Thyssen and Vice President Dombrovskis on the need to put economic and social policies on a par and make progress on the Social Triple A, it is hard to see signs of concrete proposals regarding the social pillar or a re-balanced economic and social policy. 121,3 million people are still in poverty and social exclusion with little sign of progress towards the target in most countries with the targets increasingly invisible together with Europe 2020 within the European Semester. Although the new AGS 2016 introduces a focus on more social investment, this is within the same economic priorities as last year with no reference to social rights and social standards. The failure of the EU to take concerted joint action based on solidarity and common EU values in response to the EU asylum and refugee crisis, combined with the reactions to the recent attacks only contributes to growing insecurity, xenophobia and racism undermining social cohesion and commitment to rights. This highlights the need for EU Social Ministers to be more pro-active. In response to the demand for more defences and heightened security, we urge you to press to for a new priority to tackling the underlying causes in the EU: rising poverty, social exclusion and inequality and the need to show that the EU stands for more than an internal market: rights, solidarity, equality, social and participative governance.

In this letter we set out 3 specific areas for discussion related to the Agenda:

- 1. Make real progress on social governance, social pillar and social EU
- 2. Ensure integrated support for long-term unemployed based on active inclusion
- 3. Concrete measures on participation now

¹ EAPN Press Release and initial response (in attatchment). EAPN is working on a fuller response with its members.

1. Real progress on social governance, a social pillar and social EU

The Luxembourg Presidency papers on social governance makes useful proposals, particularly with regard to strengthening the role of the SPC and Social Ministers in participating as equal in decisions around economic, as well as social policy. However, this will not in itself ensure progress unless the objectives themselves are balanced, the governance structures reformed and there is political will to ensure delivery. Macroeconomic policies and governance need to be placed at the service of social inclusion and cohesion, putting the Europe 2020 goals and social targets at the heart of the Semester, then monitored effectively with CSRs for all countries not making progress. The social impact assessment process needs to be overhauled, to be more transparent with the decisions made in the political arena, so that negative impact from macroeconomic and other policies are capable of triggering and preventing policy change – before they happen. We welcome the conclusions that social policy must be seen as an investment, not a cost, but it must go further to be accepted as a pre-requisite for highquality inclusive growth, combined with equitable tax/benefit systems that redistribute wealth more fairly and reduce inequality. Social governance also does not just mean socializing the Semester, which is likely to remain too narrow a conceptual framework to allow the detailed development of effective social policy and practice. This requires a rejuvenated Social OMC which operates in parallel and feeds in and out to the Semester based on participative governance. Most importantly, we need concrete signs of a social pillar now! This needs to be based on social rights, not just employment rights and build EU social standards to ensure a level playing field. Some of the messages from the People Experiencing Poverty meeting on Social Convergence on the 19-20 November² underlined key elements:

- The right for all to a dignified life and support to empowerment and participation.
- Guarantee of social rights with priority to integrated active inclusion: access to adequate minimum incomes, access to high quality public services, and inclusive labour markets through personalized approaches.
- EU Social Standards that ensure a level playing field across the EU with a priority focus
 on ensuring an adequate income throughout the life cycle giving priority to EU
 frameworks for adequate minimum income and social protection, living minimum
 wages and quality jobs.

2. Integrated support for long-term unemployed through active inclusion

EAPN welcomes the proposal for a Recommendation on the long-term unemployed as useful and timely. While a number of positive elements are put forward, we feel that some of these could have been further explored and complemented, and some important dimensions of the challenge have been overlooked. Most notably, EAPN laments the wasted opportunity to put in place genuine, integrated Active Inclusion approaches — while the proposal emphasizes support towards the labour market and a holistic package of services, nothing is said about adequate income support, thus undermining coherent, comprehensive Active Inclusion. Additionally, we welcome the individualised approach and the single point of contact, but wish to highlight that it is imperious that the tailored plans and proposed linking of benefits to activation measures do not encourage in any way negative, compulsive activation practices, based on conditionality and sanctions. Finally, other missing elements, in our view, include the lack of references to job creation, to the quality and sustainability of jobs proposed, to additional financial resources to implement the proposal, and to the key role that civil society organisations, as well as the social economy can play. We hope that the

² People Experiencing Poverty Meeting on Social Convergence – 19-20 November with the support of the European Commission and the Luxembourg Presidency.

Council will take this into account and complement these gaps with appropriate provisions, before adopting the Recommendation. For a more detailed analysis, please see EAPN's full reaction to the proposal, attached to this letter.

3. Concrete measures now on participation!

Increased credibility and progress on the socialization of European Semester as well as the Social OMC depend on greater ownership and involvement of national stakeholders, particularly people with direct experience of poverty and social exclusion and the organisations that support them. The New Integrated Guidelines, recital 6 underline the role of stakeholders in implementation, but it is the involvement at all stages of the policy process which will bring the real rewards - greater accountability, more ownership and better policies. Too much lip service has been paid to this goal, in successive Council and Commission reports. But the reality shows poor progress, as seen in the EAPN Assessment of participation in the NRPs 2015.3 We therefore urge Social Ministers to be pro-active in involving civil society stakeholders in national policy making as well as in the EU processes, to take the lead to develop common guidelines for quality participation, to develop common indicators, to monitor, and carry out peer reviews on best practice. Participation means being not just "listened to, but heard", with tangible evidence of policy impact. Unless Social Ministries show willingness to go beyond 'information' sessions to discuss the best ways to take on board proposals coming from stakeholders, NGOs are likely to opt out of the process, further damaging the credibility of 'social governance' in the EU and national level.

We hope that you will take on board our comments in your discussions and would welcome the opportunity to enter in dialogue with you to develop constructive solutions.

Yours sincerely,

Sérgio Aires President Fintan Farrell Acting Director

Cc: Commissioner Marianne Thyssen, European Commissioner for Employment, Social Affairs and Inclusion; Commissioner Valdis Dombrovskis, European Commissioner for Euro and Social Dialogue, Donald Tusk, President of the Council, Thomas Händel MEP, Chair of the Employment Committee, European Parliament, Tom Dominique, Chairman of the SPC, Tom Bevers, EMCO Chair.

See also:

- EAPN Press Release response to AGS 2016

Sing Ains.

- EAPN Statement on Long-term Unemployment
- EAPN Assessment of the 2016 National Reform Programmes: Can the Semester deliver on poverty and participation?

³ EAPN Assessment of the 2015 NRPs: Can the Semester deliver on poverty and participation? (in attachment)