

# EAPN input on the role of the Social OMC in the context of Europe 2020 Strategy

## KEY MESSAGES

- Keep a distinct EU strategy for social protection and social inclusion (SP&SI), confirming the Common Objectives and full set of OMC indicators.
- Develop multi-annual National Strategies and National Action Plans, linked to the national policy cycle.
- Embed regular stakeholder engagement including people experiencing poverty and social NGOs at national and EU level.
- Follow up on the thematic approach with multiannual programmes and Joint SPC/EPAP Task Forces engaging national and EU NGOs and other stakeholders.
- Ensure regular Joint Assessments by the Commission and the Council.

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## Background

The Commission's proposals on the European Platform against Poverty and Social Exclusion (Dec 2010) recognized the key role of the Social OMC and the need to build on its many achievements. The Commission's Communication<sup>1</sup> emphasized the importance of the integration of the Social OMC into the Europe 2020 strategy to provide: "a stronger basis for the EU to meet its social goals", recognizing the need to "cross-fertilise" instruments and tools developed under the Social OMC with the governance architecture of Europe 2020. It promised that the Commission would work with Member States and key stakeholders to foster solutions "that ensure ownership, commitment and delivery", proposing a debate on how best to adapt the working methods of the Social OMC to the new governance structure of Europe 2020, following a review of the first European Semester of the Europe 2020 Strategy. It committed the Commission to presenting a report before the end of 2011 summarising the debate and proposing follow up.

During its meeting on 10 February 2011, the Social Protection Committee (SPC) agreed to set up an adhoc group to prepare a discussion paper reviewing the objectives and the working methods of the OMC in the new context of the Europe 2020 Strategy and its governance structure (in the three pillars – social inclusion, pensions and health/long-term care).<sup>2</sup> This preparatory work will lead to the adoption of an SPC opinion addressed to the June EPSCO Council and then to the European Council.

*In this paper, EAPN sets out its key messages for strengthening the Social OMC in the context of the Europe 2020 Strategy and the Flagship Platform, highlighting EAPN's history as an active partner, as an input to the work of the SPC and to the Commission in this debate.*

### Key messages:

- Keep a distinct EU strategy for social protection and social inclusion (SP&SI), confirming the agreed Common Objectives (2006) and full set of OMC indicators.
- Develop multi-annual National Strategies and National Action Plans, linked to the national policy cycle.
- Embed regular stakeholder engagement including people experiencing poverty and social NGOs at national and EU level.
- Follow up on the thematic approach with multiannual programmes and Joint SPC/EPAP Task Forces engaging national and EU NGOs and other stakeholders.
- Ensure regular Joint Assessments by the Commission and the Council.

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<sup>1</sup> "European Flagship Platform against Poverty and Social Exclusion: a European Framework for social and territorial cohesion", European Commission, December 2010.

<sup>2</sup> SPC/1102/4/REV1.

## Introduction

The starting point for the debate is how the Social OMC can play its role in ensuring that EU policy is effective in meeting its treaty mission, implementing the horizontal social clauses 8, 9 and 10, Articles 137 and 138 (now Articles 154 and 155 TFEU) and in delivering the agreed Common SP&SI Objectives (2006), whilst ensuring an effective social contribution to the Europe 2020 Strategy.

The bar needs to be set high on making progress towards the prevention as well as the eradication of poverty and social exclusion and the reduction of inequalities. This should focus on strengthening the adequacy and sustainability of social protection, ensuring access to rights, resources and services, and include following up on agreed priorities, which include active inclusion, child poverty and homelessness with more vigour.

It will be vital to clarify both how the OMC work, feeds into/connects to the Europe 2020 Strategy process and the link between the OMC and the Flagship Platform – at national and EU levels.

*In this paper, EAPN builds on the important work on the Social OMC carried out by the Belgian Presidency during the EU Year for combating poverty and social exclusion, drawing on the recommendations from the Presidency publication: “Europe 2020: Towards a more social EU?”, E. Marlier, D. Natali, with R. Van Dam R, 2010.*

## 1) Keep a distinct EU strategy for social protection and social inclusion, (SP&SI) confirming the Common Objectives and full set of OMC indicators

**The social dimension is at risk if subsumed only in Europe 2020.** EAPN's initial findings on the operation of the first European Semester tends to provide evidence for this fear being realized. 4 countries have not fixed targets and the majority lack ambition<sup>3</sup>. The majority of National Reform Programmes (NRPs) fail to mainstream the social objectives throughout the NRP, and the limited input related to Guideline 10 is overwhelmingly focussed on employment, with few references to Active Inclusion, defending social protection, quality services, in-work poverty or quality work and largely ignoring other agreed priorities like child poverty and homelessness. The Annual Growth Survey, and the recent decisions by the Council on economic governance and the Euro-Plus Pact, only serve to illustrate this danger – as inclusive growth appears to be sidelined, and priorities are exclusively focussed on increasing growth, competitiveness and fiscal consolidation, apparently at the expense of social rights, with pressure to cut expenditure on public services and benefits, reduce wages and decouple them from inflation.

**The SP&SI Common Objectives provide the basis for a broad, multidimensional, rights' based, integrated approach committed to the prevention as well as the alleviation of poverty and social exclusion.** The approach of the Common Objectives complements and deepens the Social Guidelines for the National Reform Programmes. EAPN supports the 2006 Common Objectives and calls for their **explicit re-confirmation**, in the context of the Europe 2020 Strategy. However, at a later stage, the objectives could be updated in line with newer developments, i.e. adoption of the Active Inclusion Recommendation.

**The OMC provides an integrated approach across the three pillars** – social inclusion pensions, and health and long-term care. Under the Europe 2020 Strategy, there is limited reference to these areas and not in a comprehensive form. Joint work on all three strands is crucial if the EU is to prevent as well as alleviate poverty and social exclusion, and defend sustainable, adequate social protection systems across the life cycle.

**Coherence with other EU strategies must be ensured.** The Commission is currently promoting the development of an overarching strategy on Roma Inclusion with national action plans – it is difficult to see how these will work, if they are not dovetailed into an overarching EU Strategy for SP&SI. The Council has also backed the development of an Equality Strategy. This is clearly seen as adding to the effectiveness of Europe 2020, rather than undermining its coherence, by allowing more detailed strategies in key priority areas. EAPN supports the call for thematic strategies on agreed SP&SI priorities under overarching EU and national strategies for SP&SI.

**A full set of Social OMC indicators is essential to capture the reality and multidimensionality of poverty.** The poverty/social inclusion target indicators in the Europe 2020 Strategy (at risk of poverty, severe material deprivation and jobless households) were envisaged to drive political priorities and delivery, and should not replace 10 years valuable work by the SPC/Commission in developing a detailed set of agreed EU indicators and comparable data. The full set of SP&SI indicators monitor progress on both social inclusion and social protection and the access to rights, resources and services. In the future, further work should be done on key areas: including income inequality and wealth, in-work poverty, as well as improved indicators related to implementing key priorities like Active Inclusion, child poverty and well-being, homelessness and housing exclusion as well as exploring the social and economic costs of inaction and indicators to measure social progress beyond GDP.

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<sup>3</sup> "Assessment of the Social Dimension of Europe 2020", SPC, February 2011.

## 2) Develop Multi-annual National Strategies and National Action Plans, linked to the national policy cycle

**The National Strategies on SP&SI and National Action Plans can provide an essential basis for properly preparing and implementing the social strand of Europe 2020.** The broader, multidimensional approach, based on the Common Objectives can enable Member States to provide real substance to their NRP inputs and social assessment<sup>4</sup>, developing and delivering complex policy approaches which can encompass the whole range of SP&SI policies and enable a more coherent approach to preventing and alleviating poverty and embedding adequate and sustainable social protection systems.

**They provide the basis for continuing and deepening the involvement of EU and national stakeholders and allow for mutual learning.** The OMC has 10 years experience of engaging EU and national actors, but clearer guidelines could be put into place to enrich and deepen this engagement. The National Strategies should also be linked to regional and local levels, building on the learning of the Peer Reviews. The greater detail and coherence of the national action plans and strategies for SP&SI can also provide real substance for detailed mutual learning exchanges between Member States and stakeholders.

**The strategies should be linked to the real national policy cycle and provide a report to the EU each three years.** The criticisms of the NSRPSI as being reports not strategies could be answered by linking the development of multiannual strategies to the national policy cycle, for example, at the start of a new government. A yearly review would be vital, made together with stakeholders, but the actual formal reporting mechanism could be reduced to a three year cycle on the basis of a more focussed synthetic report style. This yearly review of progress on the SP&SI objectives should form a specific, separate section of the NRP.

## 3) Embed regular stakeholder engagement including people experiencing poverty and social NGOs at national and EU level

**On-going structured dialogue with civil society stakeholders is crucial to get visibility, ownership and accountability and provide input on which policies work/don't work, as well as to deliver policy change and results.** Recital 16 of the Integrated Guidelines of Europe 2020, emphasizes the importance of engagement of all relevant stakeholders to get ownership for the strategy, however currently there is little engagement of non-governmental stakeholders, leaving social NGOs and people experiencing poverty without a voice or potential to input into social objectives in the NRP. National Action Plans and National Strategies under the Social OMC have built expertise in some countries in effectively engaging stakeholders and can be used to great effect to build this ownership at national level and EU level as well as providing key feedback/input on effective policy implementation. One-off meetings/consultations should be embedded in a longer term regular structured dialogue with stakeholders to ensure their input into the design, implementation and review of the strategy and specific policy measures.

**Continue to engage people experiencing poverty and NGOs, in a regular dialogue at national and EU level.** The Social OMC explicitly recognized the importance of dialogue with people experiencing poverty and the organisations that support them, recognizing the importance of ensuring their

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<sup>4</sup> "Europe 2020: Towards a more social EU?", E. Marlier, D. Natali (eds.) with R. Van Dam, 2010, Brussels: P.I.E. Peter Lang.

voices are heard and their essential role in generating better policy solutions. Currently their role is completely absent in the Europe 2020 NRP process. The Social OMC and Flagship Platform need to insist on their inclusion in stakeholder dialogue at national level in national strategies on SP&SI and action plans, but also NRP and Flagship Platform initiatives. This needs to be replicated at EU level by inclusion in regular stakeholder meetings and by strengthening the annual People Experiencing Poverty (PEP) face to face meeting with decision-makers, integrating it better into the decision-making processes of the Social OMC and Europe 2020. EAPN proposes that the PEP meeting should be seen as an integral part of making progress on the SP&SI objectives and the European Platform against Poverty organically linked to the Annual Convention (the old Round Table), ensuring that their voices are heard. The PEP meeting would provide bottom-up, concrete recommendations to the Annual Convention and EPSCO Council and would review progress in the following year in terms of real impact on people's lives. Encouragement should be given for similar meetings to be organised in all Member States.

**Create a link with the Social OMC, NRP and European Flagship Platform against Poverty and Social Exclusion through national platforms against poverty and social exclusion.** Such national platforms could bring together relevant stakeholders to engage in regular dialogue with national governments providing input to the national strategies on SP&SI, the identified thematic OMC priorities, the NRP and also any specific initiatives of the European Platform against Poverty. These platforms could build on the expertise of EAPN and other similar platforms at national level.

**Establish regular dialogue with EU Stakeholders including NGOs and people experiencing poverty with the Social OMC (and Poverty Platform).** The practice of regular meetings and consultation with NGOs and with social partners should be embedded, enabling regular review of the SP&SI Common Objectives, key priorities and key challenges in the context of Europe 2020. Particular priority should be given to the European Social Platform, to EAPN and other platforms/organisations representing NGOs engaged with the national processes of the Social OMC and the Europe 2020 Strategy, as well as key EU thematic NGOs to progress work on agreed thematic priorities.

**Embed guidelines and promote mutual learning on good practices. Good governance needs good mechanisms.** Common guidelines need to be established, with indicators for monitoring progress. A database should be established with examples of good practice and learning points, as well as mutual exchange including Peer Reviews to promote mutual learning on what works.

**Ensure funding for good governance.** Embedding good governance will also require financing. The awareness-raising programme of PROGRESS has provided vital funding for engaging in the governance of the OMC, and raising visibility and ownership amongst stakeholders and other key actors. It will be crucial to use PROGRESS funding to back governance initiatives – particularly for embedding effective engagement of NGOs as well as people experiencing poverty at national level in the national strategies on SP&SI and national reform programmes.

**Supporting social inclusion and poverty reduction as a binding priority for all community funds and ensuring access to funding to NGOs.** With the poverty/ social inclusion target agreed in Europe 2020, it will be important to press for funding for OMC priorities i.e. developing guidelines to support proposals for a more holistic approach to promote integrated active inclusion approaches, as well as priorities like child poverty and homeless/housing exclusion including strengthened access to quality social protection and public services. Support to community-based projects by small NGOs will be essential to develop effective pilot grass-root approaches for social inclusion and will need to be backed by global grant mechanisms and technical assistance support units at EU and national level.

#### 4) Follow up on the thematic approach with multiannual programmes and Joint SPC/EPAP Task Forces engaging relevant national and EU stakeholders

**Ensure effective follow up on thematic priorities with strategies and multiannual work programmes.** The work on thematic priorities through thematic years was generally valued by EAPN in terms of enabling key priorities to move up the agenda and progress consensus on policy challenges and solutions. But continued action has to be guaranteed. A specific EU strategy with multi-annual work programmes for key priorities would enable a long-term plan and approach for delivering sustainable outcomes. The key priorities should be those currently identified under the Social OMC: implementation of integrated active inclusion approaches (including ensuring progress on guaranteeing an adequate minimum income and ensuring access to affordable, quality services, as well as personalized, pathway approaches to an inclusive labour market and quality jobs), child poverty, homelessness and housing exclusion, migration (including undocumented migrants) and ethnic minorities (including Roma).

**Embed thematic strategies such as active inclusion, homelessness and child poverty within an overarching strategic approach.** EAPN fully supports the importance of long-term work on agreed thematic priorities, enabling mutual learning amongst key stakeholders, practitioners and users and building consensus amongst MS on policy solutions. However, it is clear that the thematic priorities need to be set within an overarching EU and national strategy on SP&SI, ensuring that they contribute to the achievement of the SP&SI Common Objectives and to overarching goals, including the eradication of poverty and social exclusion.

**Establish SPC Task Forces to work together with the European Platform against Poverty, engaging with a wider set of national and EU stakeholders.** The effectiveness of the thematic years was weakened by the limited engagement of non-governmental stakeholders at national and EU level, undermining the visibility of the actions and the effectiveness of the policy solutions or their implementation. The SPC working through the Social OMC should establish Task Forces which work jointly with the European Platform against Poverty, and involve a broader range of relevant stakeholders, including relevant Social NGOs and people directly affected, to progress key priorities established under the multi-annual work programme.

**Develop specific mutual learning and governance instruments to enable exchange with a wider set of actors.** More investment could be made in supporting a more diverse approach to mutual learning, exploring new ways of engaging key actors at national and EU level. For example, the existing peer reviews could be expanded to link to broader thematic reviews on findings with a broader set of stakeholders, which could focus on key challenges as well as good practice.



## 5) Ensure regular Joint Assessments by the Commission and the Council

**Retain a joint review of progress towards the objectives of the Social OMC and progress on thematic priorities with a Joint SPC/Commission Report.** The Joint Reports on SP&SI, together with the Supporting Documents currently provide vital information on comparative data, appraising progress towards the agreed objectives and key priorities, as well as identifying key challenges. EAPN thinks that a specific regular reporting mechanism on the progress towards the SP&SI Common Objectives and key priorities needs to be retained. To be effective (in terms of connection to Europe 2020 based on yearly reports), there needs to be an **annual review of progress**, which could be done through the social assessments on Europe 2020 and the NRP, and by an annual Commission's review of the full set of OMC indicators, preferably as a separate section or annex. However, a specific joint Commission/SPC report linked to the presentation of Member States' national strategic reports and linked to a more public debate, including with the Parliament, is important – to analyse and give visibility to the findings, particularly in relation to the Europe 2020 Strategy.

**Carry out annual reviews on national strategies and feed into the NRP (the annual report on the social situation and other mechanisms of the Europe 2020 Strategy).** Currently the annual document produced for Europe 2020 is the SPC report on the social dimension of the Europe 2020 Strategy and the Social Situation. It is difficult for the SPC and national stakeholders to consistently get across their messages linked to the Social OMC, unless a yearly review of progress towards the agreed objectives is carried out. EAPN recognizes the resistance of Member States to “double reporting”. EAPN's proposal is that an annual review of progress on the national strategies and key priorities and the Common Objectives should take place at national level feeding into the NRP and the social assessment, with a full separate national strategic report on SP&SI and Joint Report, every three years. These annual reviews should be developed in dialogue with national stakeholders and could use checklists/scoreboards to highlight progress and obstacles or bottlenecks to achieving the objectives.



## EAPN and the Social OMC: more than 10 years of active partnership!

- **EAPN was constituted in 1990, and was one of the key NGO actors pressing for the setting up of the Social OMC**, modelled closely on the existing European Employment Strategy. The Social OMC was seen by anti poverty organisations as a key model for a soft method of coordination between Member States, based on the need to ensure “access to rights, resources and services”. The mobilization of all actors, including NGOs and people experiencing poverty, as stakeholders in the development of National Action Plans for Inclusion based on the Common Objectives was a central pillar of the Social OMC.
- **During the early years of the Social OMC (2000-2005), EAPN worked with its national networks and European organisations to input into the national stakeholder processes developing National Action Plans**, and met regularly with the Commission and the SPC to discuss and exchange on progress. EAPN also intervened regularly in all the key elements of the Social OMC: peer reviews, studies and exchanges as well as in work on new indicators. EAPN participated actively in shaping the Round Table, viewing it as an essential event to review progress together with national actors on the SP&SI Common Objectives. EAPN also helped to coordinate the newly launched annual People Experiencing Poverty meeting that was organised each year by the Member State holding the Presidency by Presidency<sup>5</sup>, as a key event to deliver on the agreed objectives on participation. The Social OMC elements and process were rightly hailed as a “*template for soft governance*”<sup>6</sup>, which has been widely valued by academic and other institutions across the globe.
- **Following the streamlining of the OMC in 2005 (combining the 3 pillars of social inclusion, pension, health and long-term care) EAPN predicted that the governance process would be put at risk**, as well as the focus on the inclusion strand. However, EAPN’s members continued to engage, where possible and to review progress together through exchange meetings and regular EAPN EU synthesis reports<sup>7</sup>. EAPN strongly welcomed the Commission’s proposals on reinforcing the Social OMC in 2008 and responded with its own proposals, highlighting the key strengths of the social OMC<sup>8</sup> – particularly the importance of agreed Common Objectives (2006) and the full set of OMC indicators, the strength of national and European stakeholder engagement in the governance process, and the strong focus on mutual learning, but emphasizing the need to increase its effectiveness on delivery with better monitoring and follow up, better mainstreaming into the overarching Lisbon strategy, and more effective structured dialogue with stakeholders at national, regional and local level into the national strategies and action plans. EAPN also underlined the need to make progress on concrete measures which could benefit people – including progress on common social standards.

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<sup>5</sup> The annual European Meeting of People Experiencing Poverty has been organized by the Member State holding the EU Presidency with the support of EAPN and an organizing committee comprising representatives from: Social Ministries of the next Presidency to organize the meetings and of Belgium, a representative of the European Commission and the NGOs ATD Fourth World and FEANTSA.

<sup>6</sup> “Delivering the goods for Europe 2020: The Social OMC’s adequacy and impact re-assessed”, B. Vanhercke, 2010, article in “*Europe 2020: towards a more social EU?*”, E. Marlier, D. Natali (eds.) with R. Van Dam, Brussels: P.I.E. Peter Lang.

<sup>7</sup> See EAPN reports: [www.eapn.eu](http://www.eapn.eu) eg. “*Building Security, Giving Hope: EAPN assessment of the National Strategic Reports on social protection and social inclusion*”, 2008-2010.

<sup>8</sup> See EAPN Input to Reinforcing the Social OMC, 2008.

- **When the OMC “light years” were introduced to help progress on OMC thematic priorities like child poverty, homelessness and housing exclusion**, EAPN recognized the importance of this thematic work in promoting mutual learning and building consensus on common policy solutions and policy progress, but highlighted the need to have clearer follow up mechanisms to deliver on the momentum created by the thematic years, as well as to ensure that thematic approaches were embedded in an overarching strategy to combat poverty and social exclusion.
- **With the arrival of 2010 and the EU year, EAPN lobbied strongly for the inclusion of a stronger social dimension** in the post-Lisbon strategy, lobbying for a new EU social and sustainable strategy which would put people and planet first<sup>9</sup>. However, EAPN members continued to confirm the need for a separate, social process (the Social OMC) which would build on the strengths of work over the past 10 years. EAPN strongly supported the need to continue to engage a wider range of social actors (including NGOs and people experiencing poverty) in developing and delivering European and national strategies/ national action plans for inclusion around agreed EU objectives, as well as with follow up on thematic priorities such as child poverty and homelessness.
- **With the launch of the Europe 2020 Strategy in 2010, EAPN continued to lobby strongly, providing regular responses and input on the proposals**, including on the European Platform against Poverty. EAPN prepared its own input with its members (July 2010)<sup>10</sup> which highlighted the need to develop a broader Platform against Poverty, building on the strengths of the existing Social OMC with its better practice of participative structured dialogue and more strategic focus, but embedding better regular structured dialogue at national level and more rigorous, transparent monitoring and review. During the autumn of 2010, it became clear that the Commission and some Member States were reconsidering the role of the Social OMC, in the light of the Europe 2020 Strategy, including proposals to drop the requirement to national strategies, leaving only the NRP. EAPN strongly lobbied to defend the role of the Social OMC<sup>11</sup> and the national action plans/national strategies in its Key Messages to the Round Table and to the SPC and Informal Council meetings that were linked to the Round Table.
- **Following the launch of the Commission’s Communication on the European Platform against Poverty and Social Exclusion (Dec 2010), EAPN provided a detailed response<sup>12</sup>** in January 2011 which highlighted the need to provide strong backing for the Social OMC as a participative integrated strategy delivering on the Common Objectives and developed through multi-annual national strategies for SP&SI, backed by action plans, linked to the national policy cycle and follow up on thematic priorities.

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<sup>9</sup> See “An EU we can trust: proposals on a new post-2010 strategy”, EAPN, and Social Platform and Spring Alliance Manifesto, 2009.

<sup>10</sup> “Proposals on the European Platform against Poverty”, EAPN, July 2010.

<sup>11</sup> “Key Messages to the Round Table”, EAPN, 2010.

<sup>12</sup> “First Response to the European Flagship Platform against Poverty and Social Exclusion”, EAPN, January 2011.

**EAPN Key Documents (Europe 2020 Strategy and Social OMC):**

- [EAPN response to the European Flagship Platform against Poverty and Social Exclusion](#) (January 2011)
- [EAPN proposals on the European Platform Against Poverty](#) (July 2010)
- [EU we can trust: proposals on a new EU post-2010 strategy](#) (June 2009)
- [Building Security, Giving Hope: EAPN assessment of National Strategic Reports on Social Protection and Social Inclusion \(2008-10\)](#) (December 2008)
- [A stronger OMC, but not enough to make the difference – EAPN response and proposals for reinforcing the Social OMC](#) (July 2008)

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