

9 June 2011

To: EU Ministers of Employment and Social Affairs

Refer: EPSCO Council 17 June 2011

EAPN's Key Messages

1. Ensure that the Poverty Target is restored to the centre of Europe 2020 Strategy.
2. Ensure a reinvigorated Social OMC contributing to the Europe 2020 Strategy and based on a strong participative strategy for social protection and social inclusion.
3. Put stakeholder involvement, including NGOs, at the heart of the NRPs and national strategies for social protection and social exclusion.

Dear Minister,

Last month, Member States presented their National Reform Programmes, which were supposed to demonstrate progress towards inclusive, smart and sustainable growth, based on the integrated guidelines. From the Commission's appraisal (published 7 June), it is clear that many Member States did **not even present targets in line with the poverty-reduction target and indicators agreed at the June 2010 Council**. This completely undermines the credibility of the Council decision. From EAPN's initial assessment of the Programmes (to be finalized in July), even more worryingly, the policies proposed (particularly in line with Guideline 10) are minimally described and generally inadequate to the purpose – with an **overwhelming focus on jobs alone** as a way out of poverty. While accessible quality employment is essential to reduce poverty, it is clear that when 8% of people in work are in poverty, and 22% of the poor have a job, and when unemployment has reached devastating heights, and continues to expand in many countries, employment cannot be the only solution. In this regard I draw your attention to the document you received for this Council which includes the **key messages from the 10th European Meeting of People living in Poverty** which this year focused on the theme of work and employment.

Few countries reflect in their proposals 10 years of consensus building on an EU strategy to tackle poverty and social exclusion, developed through the Social OMC. There is no expressed commitment to the follow up of the agreed **Active-Inclusion Recommendation** which acknowledges the vital role of adequate minimum-income and social-protection systems, quality jobs and affordable and accessible public services. Nor is there commitment for follow up of other agreed priorities: **child poverty, homelessness and housing exclusion**.

It is clear that the absence of the Social OMC has weakened the social input into the National Reform Programmes. We therefore urge you to ensure that there is follow up of the proposal to **reinvigorate the Social OMC**.

Whilst some Member States have made attempts to involve stakeholders in the full NRPs, (13 EAPN networks were invited to engage in some way), the **governance process remained virtual** in most cases, with NGO stakeholders consulted late, in a disorganized fashion and with barely any impact on the final results. This undermines the credibility and accountability of Europe 2020 and loses a key opportunity to raise visibility.

In EAPN's view, the poverty target is being **explicitly undermined by the macro-economic policies being driven by the EU's economic governance package, and the Euro Plus Pact**. We consider that the fundamental causes of the problems we face in Europe today: growing concentration of wealth in the hands of a few, the dominance of financial speculators, the decline in quality of employment, and the constant erosion of public services and social welfare systems are absent from this economic governance agenda. Social Affairs Ministers must ensure that these key issues get the necessary attention in the follow up of the Europe 2020 Strategy and its poverty-reduction strategy.

We therefore ask Social Ministers to:

1. Ensure that the Poverty Target is restored to the centre of Europe 2020 strategy.

The poverty target must be restored to a central place, if any credibility is to be maintained to Europe-2020 social commitments. The target alone is not sufficient. It must be backed by **effective policies and funding**. Social Ministers must insist on their role as "guardians" of: social rights, the horizontal social clause (Art 9 TFEU) and the Charter of Fundamental Rights. They must play a key role in highlighting the social impact of the economic governance package, proposing solutions for a balanced, social and sustainable recovery.

Recommendations

- **Commit to agreeing ambitious poverty-reduction targets in line with the EU Target by the end of 2011**, establishing ambitious national targets in all 3 indicators (at risk of poverty, severe material deprivation and low-work intensity) as well as sub-targets for key excluded groups.
- **Give priority to integrated policies beyond employment** that prevent as well as alleviate poverty and social exclusion for all groups, throughout the life cycle. Such policies should create and ensure access to quality jobs for excluded groups, whilst ensuring adequate minimum income and social protection, guaranteeing affordable access to quality services, as part of an active-inclusion approach.
- **Ensure adequate funding** through Structural Funds and national funding, with a particular focus on financing integrated active-inclusion approaches.
- **Carry out a detailed social impact assessment of the economic governance/Euro Plus Pact and Europe 2020 proposals**, and insist on the EPSCO role in monitoring

these processes and proposing recommendations to ensure a balanced economic, employment and social strategy to reduce poverty and promote inclusive growth.

2. Ensure a reinvigorated Social OMC contributing to the Europe 2020 Strategy and based on a strong participative strategy for social protection and social inclusion

The absence of a clear social dimension in the NRPs underlines the key importance of a strong EU strategy for social protection and social inclusion, based on Common Objectives which ensure access to rights, resources and services, to underpin Europe 2020. This must become the driving force to realize the ambition to reduce poverty and inequality and should serve as the visible face of Social Europe. It must actively engage all relevant stakeholders at the national level. However, more clarity is now needed on the links between the Social OMC and the European Platform against Poverty, particularly at national level and on the way the already established key thematic priorities will be progressed through these frameworks.

Recommendations

- **Ensure a reinvigorated Social OMC**, confirming the Common Objectives and follow up on key elements (indicators, mutual learning, reports, etc) and the commitment to the participative development of national strategies for social protection and social inclusion to drive implementation.
- **Ensure that the national strategies and reporting underpin** and drive the input to the National Reform Programmes.
- **Clarify the link between the Social OMC and the European Platform against Poverty**, particularly in regard to national engagement in driving forward social protection and inclusion strategies and **multi-annual programmes on the key thematic priorities** already identified: active inclusion, child poverty and homelessness.

3. Put stakeholder involvement, including NGOs, at the heart of the NRPs and national strategies for social protection and social exclusion

Europe 2020 established a specific Recital (16) in the Guidelines to ensure partnership and engagement in the development of the NRPs by stakeholders, including civil society, but this process has not been sufficient nor meaningful, in the majority of cases. The Social OMC has a stronger record on effective engagement in National Action Plans on Inclusion and National Strategic Reports. Such engagement is vital to give visibility, ensure accountability and drive better policy solutions. But this engagement has to be effective and meaningful – i.e. engaging stakeholders in identifying challenges, proposing policy solutions, implementing and evaluation. In the case of NGOs, working with people experiencing poverty, such engagement requires financial support at national and EU levels. National Funding and the EU (Progress Programme) must deliver support for this engagement at European and National levels.

Recommendations

- **Ensure meaningful national stakeholder involvement**, including NGOs and people experiencing poverty, and agree common **EU guidelines** for participation, in the development, delivery and evaluation of the NRPs and the national strategies for social protection and social inclusion, including the measurement of the impact of such engagement.
- **Ensure adequate financing for participation** at national and EU levels, including backing for EU funding for national European and National engagement in the governance process associated to the NRPs and the National Strategies for Social Protection and Social Inclusion, in particular with support from the **PROGRESS Programme**.

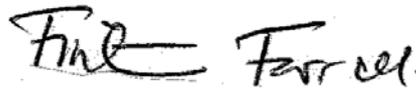
We hope that you will take on board our considerations in the upcoming EPSCO Council and in your contribution to the Spring Council. The role of Social Ministers is crucial to ensure that the **poverty target is not forgotten and is delivered on** – with concrete results from adequate policies and funding.

We welcome any opportunity to continue the dialogue with you.

Yours faithfully,



Ludo Horemans
President



Fintan Farrell
Director

Cc: Commissioner Andor, Commissioner for Employment, Social Affairs and Inclusion.
Ms Pervenche Berès, President of the Employment and Social Affairs Committee in the European Parliament.

See:

- [EAPN's response to the Flagship Initiative A European Agenda for New Skills and Jobs](#), April 2011.
- [EAPN's input on the role of the Social OMC in the context of Europe 2020](#), April 2011.
- [EAPN's Response to the Draft Joint Employment Report](#), Feb 2011.
- [EAPN's report: Is the European Project moving backwards: the social impact of the crisis and of the recovery policies in 2010](#), Feb 2011.