

EAPN briefing note

The Europe 2020 Strategy

JUNE 2011, BRUSSELS

INTRODUCTION

The Europe 2020 Strategy (2010-2020) replaces the Lisbon Strategy (2000-2010). It contains major opportunities for Anti-Poverty NGOs. The most prominent steps forward are:

- The adoption of an **EU poverty target** (ensuring that at least **20 million fewer people are in or at risk of poverty and social exclusion**) among the five headline targets of the strategy it is an historical progress;
- The setting up of a **European Flagship Platform against poverty** and social exclusion;
- The promotion of a clear **partnership principle** (Recital 16 in the Integrated Guidelines);
- A new Guideline 10 devoted to 'Promoting Social inclusion and combating poverty'

However, the overall Strategy it is still dominated by a neo-liberal approach and priority given to growth. Also, this Strategy is closely linked to austerity policies the EU is engaged in.

The present briefing aims at giving members of EAPN and anti-poverty activists:

- INFORMATION and a clear overview of the functioning of the EU2020 Strategy;
- ANALYSIS summarising EAPN's positions and actions and highlighting opportunities for EAPN at the EU and national levels.

The annex attached contains a series of thematic fiches which provide more details: elements of context, extensive quotes of official documents, recap of EAPN positions and past action....

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PART 1: WHAT IS EUROPE 2020?

1.1 THE MAIN COMPONENTS OF THE STRATEGY¹ ... IN A SNAPSHOT

→ 3 PRIORITIES

Smart growth: developing an economy based on knowledge and innovation.

Sustainable growth: promoting a more efficient, greener and more competitive economy.

Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

→ 5 HEADLINE TARGETS

75 % employment rate

3% investment in R&D (% of EU's GDP)

"20/20/20" climate/energy targets

< 10% early school leavers & min. 40% hold tertiary degree

At least 20 million people should be lifted out of poverty and social exclusion

Each Member State sets national targets to contribute to the EU target in each area.

→ 3 KEY COORDINATION INSTRUMENTS

10 European guidelines: 6 economic policy guidelines, 4 employment policy guidelines including Guideline 10 (on poverty and social exclusion)

In each Member State **National Reform Programmes** are the driving tool for the implementation of the Strategy.

European Commission Annual Growth Survey, published in January each year = the driver of this European Semester with 3 annexes attached:

→ **Progress Report** = Review of progress towards the 5 overarching targets

→ **Macro-economic Report**

→ **Joint Employment Report** = now also dealing with social issues, as it also responds to Guideline 10

→ 7 FLAGSHIP INITIATIVES, including a Platform against Poverty and the Agenda for new skills and jobs.

¹ See in the end of this briefing the list of all official references and other detailed references including web links and addresses.

... ON A CALENDAR

		Jan	Feb	Mar	April	May	June	July	August	Sept	Oct	Nov	Dec	
EU LEVEL		-----> 7 ongoing flagship initiatives													
		EUROPEAN SEMESTER													
	European Commission	Annual Growth Survey						Policy Guidance Incl. recommendations							
	Council of Ministers		Debate and orientations							Adoption of guidance					
	European Parliament		Debate and orientations												
	European Council		Spring Summit Strategic advice²								Adoption of guidance				
	Sectoral Committees														
NATIONAL LEVEL										NATIONAL IMPLEMENTATION AND PREPARATION					
					National Reform Programmes Stability and Governance Pact				Preparation of Budgets and NRPs for the N+1						

² In March 2011 = “the Euro + Pact”.

...UNDER THE SPOTLIGHT

→ THE FIVE HEADLINES TARGETS = THE DRIVERS OF THE WHOLE STRATEGY

*“1. **Aiming to raise to 75% the employment** rate for women and men aged 20-64, including through the greater participation of young people, older workers and low-skilled workers and the better integration of legal migrants;*

*2. **Improving the conditions for research and development**, in particular with the aim of raising combined public and private investment levels in this sector to 3% of GDP; the Commission will elaborate an indicator reflecting R&D and innovation intensity;*

*3. **Reducing greenhouse gas emissions** by 20% compared to 1990 levels; increasing the share of renewables in final energy consumption to 20%; and moving towards a 20% increase in energy efficiency (...)*

*4. **Improving education levels**, in particular by aiming to reduce school drop-out rates to less than 10% and by increasing the share of 30-34 years old having completed tertiary or equivalent education to at least 40%;*

*5. **Promoting social inclusion**, in particular through the reduction of poverty, by aiming to lift at least 20 million people out of the risk of poverty and exclusion.” (Based on 3 indicators – at risk of poverty, severe material deprivation and jobless households)”.*

Source: Council Decision (17 June 2010)

http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/115346.pdf

→ See Annex of this document, thematic fiche # 1 on the poverty headline target.

Described below is a set of tools aimed at delivering on these headlines targets.

→ THE NATIONAL REFORM PROGRAMMES

Key points

- National Reform Programme Reports (NRPs) are the main tool to chart progress at national level towards the targets and objectives of Europe 2020 and policies to achieve them.
- NRPs and National Stability and Convergence Programmes (SCP) (national implementation of the Stability and Growth Pact) are prepared together and both submitted mid April by Member States to the Commission³.
- They are drawn up based on the Integrated Guidelines and the specific guidance and priorities from the Growth Survey and the Spring Council.
- NRPs and SCPs are then evaluated by the Commission at the EU level, who in turn makes policy guidance and country-specific recommendations to be endorsed by the Council in July.
- NRPs (and SCPs) and the country-specific recommendations are timed to influence the preparation of national budgets, and should be implemented in the Autumn.

³ 2010/2011 = A TRANSITION PERIOD → SPECIFIC ARRANGEMENTS.

Draft NRPs submitted to the Commission by 12 November 2010, setting out the national targets and main policies and focussing on “bottlenecks to growth”, following bilateral meetings with the Commission.

These draft NRPs are evaluated in the Employment Report/Macroeconomic Report and the Annual Progress Report, part of the Commission Annual Growth Survey Package issued in January. Finalisation of fuller NRPs in mid April 2011.

- NRPs (and SCPs) should involve “regional/local authorities, social partners and other stakeholders” in their design and implementation.

Timetable

- **Mid-April:** Member States forward to the EU Commission their NRPs (at the same time as their national Stability and Convergence Programmes), taking into account the policy guidance addressed to them by the European Council in February/March;
- **In June**, based on Member States NRP’s and SCPs, the Commission will present proposals for country specific Opinions and Recommendations addressed to Member States.
- **In June**, ECOFIN⁴ discuss/adopts opinions and policy recommendations on fiscal and macro-economic policies, with necessary input from sectoral Council as regards the thematic recommendations. The European Council may provide orientations where necessary in line with Treaty requirements.
- In the **second part of the year** Member States finalise national budget and policy measures taking into account the EU and country guidance received.
- In the **beginning of the following year**, the Commission assesses how Member States have taken EU guidance into account.

Content of the NRPs

NRPs should be drafted in plain, simple language and should be kept short with the following sections:

Macroeconomic scenario

→ Cross-reference to the elements in the SCP

- **Macro-economic surveillance** (Integrated Guidelines 1 to 3):
 - Non-fiscal, macroeconomic policies aimed at addressing internal/external imbalances, ensure macro-financial stability, and tackle competitiveness weaknesses
- **Thematic coordination** (Integrated Guidelines 4 to 10):
 - National target adopted and key measures to attain the targets
 - Progress towards the targets
 - Horizontal and methodological issues
- **Participation, communication and identification of good practice**
 - How they plan to involve / how they have involved local/regional authorities and **relevant stakeholders** in defining and implementing the NRPs;
 - How they plan to communicate on Europe 2020 and NRP, and results;
 - Report on their experience with collecting, sharing and implementing good practices.

⁴ The Economic and Financial Affairs Council is a configuration of the Council composed of the Economics and Finance Ministers of the Member States, as well as Budget Ministers when budgetary issues are discussed.

→ THE EUROPE 2020 INTEGRATED GUIDELINES

Key points

- EUROPE 2020 Guidelines are supposed to remain stable until 2014.
- They encompass economic, research, education, employment and social policies.
- They are the basis for the development of the National Reform Programmes. Guideline 10, as well as recitals 2 and 16, are particularly important for anti-poverty activities.
- Anti-poverty policies (under Guideline 10) are now clustered under employment policies, meaning that they will be reported about within the European Employment Strategy and may for the first time be the subject of country-specific recommendations.

“Broad guidelines for the economic policies of the Member States and of the Union

Guideline 1: Ensuring the quality and the sustainability of public finances

Guideline 2: Addressing macroeconomic imbalances

Guideline 3: Reducing imbalances in the euro area

Guideline 4: Optimising support for R&D and innovation, strengthening the knowledge triangle and unleashing the potential of the digital economy

Guideline 5: Improving resource efficiency and reducing greenhouse gases

Guideline 6: Improving the business and consumer environment and modernizing the industrial base”

Source: Council Recommendation (13 July 2010)

(<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32010H0410:EN:NOT>)

“Guidelines for the employment policies of the Member States

Guideline 7: Increasing labour market participation and reducing structural unemployment

Guideline 8: Developing a skilled workforce responding to labour market needs, promoting job quality and lifelong learning

Guideline 9: Improving the performance of education and training systems at all levels and increasing participation in tertiary education

Guideline 10: Promoting social inclusion and combating poverty, clearly supporting income security for vulnerable groups, social economy, social innovation, gender equality, and refers to the poverty headline target.”

Source: Council decision (21 October 2010)

(<http://eur-lex.europa.eu/Notice.do?val=534997:cs&lang=en&list=534997:cs,&pos=1&page=1&nbl=1&pgs=10&hwords=2010/707/EU>)

→ See Annex of this document, thematic fiche # 2 on the new EU integrated guidelines.

→ THE SEVEN 7 FLAGSHIP INITIATIVES

7 'Flagship Initiatives' have been launched by the European Commission, mobilizing existing or new tools, aiming at reinforcing thematic coordination (key initiatives for EAPN are in bold).

- Digital Agenda (August 2010)
- Youth on the Move (September 2010)
- Innovation Union (October 2010)
- New industrial Policy (October 2010)
- New skills and Jobs (November 2010)
- Platform against Poverty (December 2010)
- Resource Efficiency (January 2011)

Flagship initiatives of main interest for EAPN

1. *The European Platform Against Poverty (EPAP)*

Key points

- EAPN has lobbied hard for an ambitious Platform against Poverty at national and EU levels, building on the acquis of the Open Method of Coordination on Social Inclusion and Social Protection. (See Fiche for Summary of EAPN Position and Action).
- A framework for action, building on 10 years of cooperation and finding new, participative approaches.
- Ultimate objective: lifting at least 20 million people out of poverty and social exclusion by 2020.
- These are Commission initiatives, with, at the moment an unclear connection to Member State actions.

Objectives

- Address needs of groups particularly at risk, tackle severe exclusion and new vulnerabilities
- Break the cycle of disadvantage and step up prevention efforts
- Do better and more efficiently in times of budget constraints

5 areas of actions

- Delivering action across the policy spectrum
- Making EU funds deliver on the social inclusion and social cohesion objectives
- Developing an evidence-based approach to social innovation and reforms
- Promoting a partnership approach and the social economy
- Stepping up policy coordination between the Member States

Priorities for 2011

- EU framework for national Roma Integration Strategies
- Legislative initiative on access to basic bank services
- Social experimentation initiative
- White paper on Pensions
- Recommendation on early school leaving

- Report on the governance of the social OMC in the context of Europe 2020
- Annual Convention, October, Poland
- Voluntary Guidelines on participation and governance

Planned in 2012

- Active-inclusion Communication
- Child-poverty Recommendation

!!! This initiative is central to EAPN's work. Part 2 below "Where to engage?" highlights EAPN's approach to the Flagship Platform against Poverty, and comprehensive references to EAPN's inputs and responses concerning the Flagship Platform are listed in the reference part.

→ See Annex of this document, thematic fiche # 3 on the European Platform against Poverty.

2. The new Skills and Jobs initiative

This flagship initiative is the continuation of the 'New Skills for New Jobs' initiative launched in 2008, but it is much broader as it is including also flexicurity, job quality, job creation and working conditions.

It includes **13 key actions points** which are **clustered under 4 priorities**:

- A new momentum for flexicurity: reducing segmentation and supporting transition
- Equipping people with the right skills for employment
- Improving the quality of work and working conditions
- Supporting Job creation

→ See Annex of this document, thematic fiche # 4 on the Agenda for New Skills and Jobs.

3. The Youth on the Move Initiative

The Youth on the Move⁵ Initiative aims at increasing the chances of young people, who have been hit particularly hard by the recent social and economic crisis, of finding a job by enhancing student and trainee mobility and improving the quality and attractiveness of education and training in Europe.

Priority areas:

- Employment
- Student and trainee mobility
- Quality and attractiveness of education and training in Europe

→ See Annex of this document, thematic fiche # 5 on the Youth on the move initiative.

⁵ http://ec.europa.eu/education/yom/com_en.pdf

4. The Resource-efficiency Flagship Initiative

- “Smarter use of scarce resources”: this initiative⁶ establishes resource efficiency as the guiding principle for EU policies on energy, transport, climate change, industry, commodities, agriculture, fisheries, biodiversity and regional development.
- Priorities are:
 - **A Shared vision** – the initiative seeks to involve and unite governments, stakeholders and the public in support of a **long-term** European vision for efficient use of resources.
 - **More effective action** – thanks to the **combined efforts** of all these parties.
 - **Well-informed policies** – on climate change, energy, transport, raw materials, agriculture and fisheries, and biodiversity that take into account the **need for efficiency** and that include tools to monitor progress.

5. The innovation union

- This Commission Communication aims at creating more “innovation-friendly” conditions and at catching up with the most advanced areas in the world in terms of spending in Research and Development.
- It will support delivery against the headline target of 3% investment in R&D (% of EU’s GDP).
- Among the 13 initiatives planned, the one entitled “increasing social benefits” aims at developing social innovation. Social innovation will be promoted through the European Social Fund and activities of the European Flagship Platform against Poverty. A research programme on public sector and innovation will be launched in 2011.

→ See Annex of this document, thematic fiche # 6 on the Innovation Union Flagship initiative.

→ THE ROLE OF EU FUNDING INSTRUMENTS

Other EU instruments or ‘EU levers’ will also be geared toward the implementation of the strategy, including the Single Market re-launch, Trade and External Policies, as well as **EU Financial support (including Structural Funds)**.

The Commission, in its Budget Review⁷ and proposals on Cohesion⁸, has set out a clear proposal to link future Cohesion Policy to Europe 2020 priorities, this is reflected in the Europe 2020 documents.

1) Budget review paper

This document aims at detailing the principles of the future EU budget after 2013 and at making Cohesion Policy a financial tool to deliver the EU2020 headline targets. Here are the most important proposals:

- Harmonising Cohesion Policy with Europe 2020 and macro-economic stability.

⁶ http://ec.europa.eu/resource-efficient-europe/pdf/resource_efficient_europe_en.pdf

⁷ Communication from the Commission, The EU Budget Review, 19 October 2010. http://ec.europa.eu/budget/reform/library/communication/com_2010_700_en.pdf

⁸ Report from the Commission, Investing on Europe’s future, Fifth Report on economic, social and territorial cohesion, November 2010.

- Cohesion Policy should tackle social exclusion in all the Member States but an emphasis is put on ensuring a shift to a more innovative and knowledge-based economy, upgrading skills and developing job opportunities.
- The necessity to show the added value of Cohesion Policy focusing on results and a strategic framework outlining a comprehensive investment strategy with a stronger coordination of EU funds.
- Improving the quality of expenditure: through the building up of the institutional and administrative capacity of Member States. A competitive approach introduced through a performance reserve to reward Member States who make the most important progress in achieving the EU2020 targets objectives.
- A focus of the ESF on securing the 2020 objectives: a clear guidance to the ESF to back the European Employment Strategy (improving skills, mobility, adaptability...). **But what about the contribution of Cohesion Policy to Social Inclusion?**

2) The 5th Cohesion Report

The European Commission published its 5th **Report on Economic and Social Cohesion** (http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion5/pdf/5cr_en.pdf) that outlines the political orientations of the Cohesion Policy after 2013.

In time of budget constraints and austerity measures, a shift towards a more selective Cohesion Policy targeting only a few priorities closely linked to the EU2020 Strategy is put forward by the EC.

→ See Annex of this document, thematic fiche #7 on the role of Structural Funds.

1.2 HOW IS EUROPE 2020 COORDINATION IMPLEMENTED? WHO DOES WHAT AND WHEN?

Note: this chapter only deals with transversal coordination tools. Thematic flagship initiatives are distinct process however their contributions to the targets of the Strategy will be picked up along the coordination process presented below.

... AT EUROPEAN LEVEL

→ THE 'EU SEMESTER'

Key points:

- From January to July each year the coordination of national budgetary and economic policies is organised at the EU level, aimed at ensuring that the Stability and Growth Pact is respected and the EUROPE 2020 5 headlines targets are progressed.
- The European Commission and the Council (Sectoral Council formations, e.g. Social Protection Committee (SPC) and the Employment Committee (EMCO) and the European Council) are involved as well as the European Parliament.
- The European Semester starts with the launch by the EC of a key package of documents. The Annual Growth Survey is a short document which analyses the bottlenecks to growth and the progress made by MS on reducing deficits, and is going to drive this EU coordination process. Key documents are annexed to the AGS,
 - Progress report on Europe 2020
 - Macro-economic report
 - Draft Joint Employment Report

Together with the AGS they form the 'AGS package'

- The Draft Joint Employment Report is a key document as it analyses progress made along the guidelines concerning education, employment and social inclusion (guidelines 7 to 10).

Timeline (see template at the beginning of the document):

- **January:** Commission publishes Annual Growth Survey (AGS) package.
- **February/ March:** *AGS discussed by Council of Ministers and European Parliament*
- **March:** the Spring Council issue **strategic advice** on challenges facing the EU
- **April:** Member States submit their **NRPs and Stability and Convergence Programmes (SCP)**.
- **June,** the Commission present **country-specific opinions and recommendations if national policies or budgets are out of line**, providing the basis for the preparation of MS national budgets, which are discussed by the Council.
- **July:** endorsement by the European Council of the **country-specific opinions and recommendations** before member finalize their budgets in the Autumn.

→ See Annex of this document, thematic fiche # 8 on the 'AGS and the AGS package in 2011'

→ THE ROLE OF EU INSTITUTIONS

The role of the European Commission

The EC has a driving role in the process, i.e.:

- Sets the tone of the discussions in the EU Semester with the Annual Growth Process;
- Analyses NRPs and SCP;
- Proposes policy guidance including country recommendations for adoption by the Council;

The role of the Council

- The European Council plays an increasing role in the Europe 2020 Strategy, with the endorsement of policy guidance and country recommendations;
- In the running to the European Council, 2 Council configurations, the Economic and Finance Council and the Employment, Social Policy, Health and Consumer Affairs Council play a prominent role.

The key role of the sectoral committees

Note: The detailed process along which the SPC will contribute to the EUROPE 2020 Strategy is currently being discussed and shaped. By consequence it is not yet definitively fixed and may evolve over time.

- The Economic and Policy Committee (EPC), the Employment Committee (EMCO) and the Social Protection Committee (SPC) prepare the deliberations of the Council.
- This means that they assess the structural reforms following the economic and Employment Guidelines and the progress towards EU headline targets and national targets.
- The integration of the fight against poverty and social exclusion in the integrated guidelines of the Europe 2020 **within the employment guidelines** means that the **cooperation between the SPC and other Committees, in first place the EMCO will be crucial**. A Joint EMCO / SPC Assessment Framework (Joint Assessment Frame – JAF) using a scoreboard mechanism of agreed indicators to monitor the Employment Guidelines under Europe 2020 will be used.
- As a contribution to the Europe 2020 Strategy **the SPC will specifically:**

1/ Each year produce a report **reflecting on the social situation** and the development of social protection policies in the Member States and the UE (draft discussed around the end of the year) in the Autumn

2/ Building on these first results, as well as on the activities within the European Platform against Poverty (to which the SPC will contribute), it will:

- report on progress towards the **EU-level headline target**;
- cooperating with EMCO to the monitoring of social aspects of the employment guidelines (in particular provide an input on IG 10);
- provide its input on IG 1 to 6 in **dialogue with the EPC** (including on aspects relating to sustainability of public finances);

3/ Work on the strengthening of **indicators** related to EUROPE 2020 Strategy;

4/ Pursue **thematic work** (monitoring the social impact of the economic situation and ongoing fiscal consolidation) on active inclusion, child poverty, Roma, ageing, pensions, health and long-term care, social services of general interest, probably under the Social OMC..!

The SPC has also set up an **ad hoc group on the adaptation of the Social OMC to the EUROPE 2020** on the views of the role of the Social OMC in Europe 2020 and the relationship with the Flagship Platform. In May, the SPC agreed an opinion which was endorsed by the EPSCO (<http://register.consilium.europa.eu/pdf/en/11/st10/st10405.en11.pdf>) in June, which backs a reinvigorated SPC as the visible face of the social Europe. The opinion confirms the Common Objectives of the OMC on Social Protection and Social Inclusion, highlights the importance of stakeholder engagement, including NGOs, and backs separate national reporting on social protection and social inclusion in order to provide a more comprehensive basis for input to the NRP and Europe 2020. (See Fiche on the European Platform Against Poverty).

... AT NATIONAL LEVEL

EU Headline targets are translated by each Member State into national targets including the EU Poverty Target.

The governance principle is to be applied to the shaping and implementation of the National Report Programmes, due in April each year, in line with the **new recital 16** in the integrated guidelines. (See fiche on the integrated guidelines):

*“When designing and implementing their National Reform Programmes taking account of these guidelines, Member States should ensure **effective governance of employment policy**. While these guidelines are addressed to Member States, the Europe 2020 strategy should, as appropriate, be implemented, monitored and **evaluated in partnership with all national, regional and local authorities, closely associating parliaments, as well as social partners and representatives of civil society**, who shall contribute to the elaboration of National Reform Programmes, to their implementation and to the overall communication on the strategy.”*

In the autumn, the preparation of national budgets takes into account policy guidance and possible country recommendations from the Council.

PART 2 - WHERE CAN WE ENGAGE? ANALYSIS

2.1 RISKS AND OPPORTUNITIES OF THE STRATEGY

OPPORTUNITIES

- Inclusive Growth is recognized as the overriding objective of a strategy for growth and jobs, together with smart and sustainable growth.
- The Poverty Target among the 5 headline targets gives new priority and visibility to the fight against poverty and should promote greater transparency and accountability of national governments and the EU.
- New guideline 10 on Promoting social inclusion and combating poverty is part of the integrated guidelines of the whole Europe 2020 Strategy. This may give a chance to influence the ‘big picture’ and to ensure a better integration of anti-poverty concerns in European policies.
- The new recital (16) explicitly fosters improved governance including the involvement of stakeholders: this should ensure that active stakeholders’ involvement is at the heart of developing new solutions.
- The functioning of the Strategy Europe 2020 is far from being entirely fixed. Various elements are still to be defined, including notably the functioning of the Flagship Platform against poverty. Input by stakeholders can still make an impact on the final shape of the Strategy. EAPN has been regularly lobbying before and after the first draft to have an impact on the shaping of the target, the indicators, European Platform against Poverty, the Social OMC and the social dimension in Europe 2020.

RISKS

- This new strategy doesn’t challenge the growth paradigm underpinning the previous Lisbon Strategy: it’s about “smart, green and inclusive **growth**”, not fairer **sustainable society**.
- It doesn’t recognise sufficiently the role of social security, social protection and services.
- The Strategy is mainly driven by the objective of re balancing public budgets with the approach of austerity policies.
- Member States may go for minimal national poverty targets, or ensure that they target people who are the most easily reached (*creaming*), or focus too exclusively on jobless households/those with low work intensity – regardless of the quality of the jobs.
- The Strategy focuses on getting people off benefits and into jobs and on reaching the quantitative employment targets, rather than on quality jobs and active inclusion.
- The integration of the social area in the Strategy is at risk if the guidelines are interpreted along a too narrow approach.
- The architecture of the Flagship Platform against Poverty is still not clear, particularly how it will connect to the priorities and activities of the OMC for Social Inclusion and Social Protection now backed by the SPC and the EPSCO (including the National Action Plans, the involvement of stakeholders, and the participation of people experiencing poverty...). EAPN has strongly backed the continuation of the OMC in order to ensure that a more integrated, multidimensional and

rights' based approach based on the broader Common Objectives of the OMC (2006)⁹ is embedded, providing a more social base to the NRP. A key asset of the Social OMC is also its good record, in involving stakeholders including people experiencing poverty and NGOs in the governance process.

2.2 WHERE TO ENGAGE?

→ AT NATIONAL LEVEL

Active involvement of EAPN national members can make a big difference. The key areas where they can use the hooks that the Europe 2020 Strategy contains are recapitulated below.

Implementation of the governance principle with the NRPs

National members together with other relevant stakeholders must demand to be involved in the drafting, the implementation and the evaluation of the NRPs.

→ **THE HOOK:** recital 16 of the integrated guidelines, guideline 10.

Mainstreaming of Anti-Poverty concerns in the NRPs

National members must demand that their NRP details comprehensive anti-poverty policies. As the preparations of the national budget and of the NRP are on the same timeline, national members should also ask that these policies are adequately financed both by national and EU funding (including the use of Structural Funds). There is a specific section on the use of Structural Funds whereby Member States are expected to show how their policies to meet the targets are to be funded.

Your inputs will be exchanged and analysed together in EAPN policy group meetings and form the basis of a joint review based on a joint survey questionnaire completed each May.

→ **THE HOOKS:** integrated guideline number 10; National poverty reduction target. Guidance from the Commission on the preparation of the National Reform Programmes.

The National Targets

National members should engage with their government to ensure that National targets are ambitious enough, that they are based on all three agreed indicators (at risk of poverty, severe material deprivation and low work intensity) and particularly do not ignore the relative poverty indicator (at risk of poverty), and that progress made towards their achievement is carefully followed-up¹⁰. National members should also insist that governments work with the full set of OMC indicators in monitoring progress on the reduction of poverty and social exclusion, including inequality, in-work poverty, etc.

⁹ <http://ec.europa.eu/social/main.jsp?catId=755&langId=en>

¹⁰ The 2011 Progress Report on EUROPE 2020 (annex 1 of the Annual Growth Survey) observes that “a majority of countries have set targets although they do not meet the level of ambition agreed by the European Council” (Denmark particularly lacks ambition with a reduction of 330 000), and that “several countries have still not set their target” (ES, NL, SE, UK – only child poverty target).

→ **THE HOOK:** National Strategies for Social Protection and Social Inclusion (Social OMC)
EAPN is arguing that the NRP will not be sufficient, and that broader, multidimensional strategies are necessary based on the Common Objectives of the Social OMC on SPSI. EAPN would want national members to be able to continue to engage in the development, implementation and review of National Strategies, which would provide a basis to feed into the NRPs. This battle seems to have been won, as the SPC opinion agreed in May and endorsed by the EPSCO in June, fully backs this approach.

→ **THE HOOK: recital 19 and the SPC Opinion agreed in June 2011)**

Sectoral committees members

The increased role of the sectoral committees in the shaping and the follow-up of the Strategy, especially the Social Protection Committee, is described above. National members should identify who their country is represented by in these committees and engage in a relation with them. (EAPN Europe provides regular tools – letters, position paper... to be used by national members in this purpose). See list of the members of the SPC on the SPC website: <http://ec.europa.eu/social/main.jsp?catId=758&langId=en>

→ **THE HOOKS:** Work programmes of the relevant committees, the National Strategies and reviews and relevant website

Flagship Platform against poverty (FPAP)

EAPN members should engage in relevant thematic areas, as there are developed, and demand that EU Funding is made available to support social inclusion. See fiche on the FPAP.

Of particular interest for EAPN members are the:

- follow work on the thematic areas: active inclusion, child poverty, homelessness and housing exclusion , Roma inclusion and migrants.
- The improvement of social impact assessment at EU and national levels and the mainstreaming of the horizontal social clause (Article 9 TFEU).
- The potential for new funding for social experimentation and social innovation, including support to social economy, and for social inclusion through Structural Funds.
- The potential for increased, and more meaningful participation of NGOs and PEP – the creation of a more strategic link between the people experiencing poverty meeting and the annual convention.

Greater strategic role for the Annual convention - whose key task will be engaging all actors in evaluating together progress on the poverty target.

EAPN continues to press for national poverty platforms which can enable a more effective engagement of stakeholders in the EPAP, Europe 2020 and the Social OMC.

→ **THE HOOKS:** (improved governance) and **Commission Communication on the FPAP.**

Actions as national level and at European level are complementary. Material produced by EAPN Europe aims at supporting members lobbying actions. EAPN meetings provide opportunities to exchange on the situation in each country and actions taken by EAPN members. An EAPN survey,

reviewing EAPN members' responses to and engagement in the NRPs, will be carried out each year in May by the EAPN Policy working group(s), based on an agreed questionnaire. A synthesis report and key messages will be developed in June.

→ AT EUROPEAN LEVEL

European Platform Against Poverty (EPAP)

EAPN has been engaged from the start with the relevant units in the Commission / DG Employment, as well as the SPC, the Committee of the Regions, European Economic and Social Committee and the European Parliament Rapporteurs in order to contribute to the shaping and the components of the EPAP. EAPN insists in particular that the Social OMC needs to be reinforced with national strategies SPSI, feeding into the NRP and with the participation of stakeholders should be reinforced and People experiencing poverty should be at the heart of the process, as well as progress on implementation on thematic priorities – particularly active inclusion, emphasizing the need for a framework directive on minimum income, social impact assessment and mainstreaming.

See below links to EAPN position papers.

Future of the OMC on Social Protection and Social Inclusion

EAPN is actively defending the continuation and strengthening of the tools developed under the Open Method of Coordination on Social Inclusion and Social Protection, in particular the need for national strategies on social protection and social inclusion, as well as NRPs, which are based on the broader, rights-based Common Objectives. While social concerns are integrated in the NRPs process through the Guideline 10, it is key that a specific process including a specific reporting is devoted to social policies, so as to avoid that anti-poverty policies are diluted in the 'bigger economic picture', and with a better record of regular, effective stakeholder engagement.

European Semester

Building on available hooks, including Guideline 10, recital 16 and poverty-reduction headline target, EAPN makes regular inputs all through the European Semester assessing if priority is consistently given to the fight against poverty. EAPN Europe's inputs (letters to EPSCO and European Council, Reports, Press releases...) are based on a review of the National Reform Programmes made by EAPN national members. All the policies presented in the NRPs (macro-economic surveillance, employment policy, education and training, poverty and social exclusion, gender, discrimination and equality, structural funds) are assessed in relation to their contribution to the reduction of poverty and social exclusion.

We assess also the extent to which the participation of external stakeholders is effectively implemented on the ground.

The fact that social area is included in the Employment Guidelines also means that, in the specific context of the **European Employment Strategy, which is part of the Europe 2020 Strategy**, not only employment policies should be assessed with regards to their contribution to the headlines targets, but also education and training and, for the first time, combating poverty and social exclusion (the new Guideline 10). EAPN watches that EU tools produced in the framework of the Employment Strategy (notably the Joint Employment Report) should equally reflect both employment and social challenges and establish links between different policies.

→ See below links to EAPN inputs.

Agenda for New skills and jobs

This EU Flagship initiative is aimed at supporting the achievement of the Employment Target of 75% of the 20-64 age group at work by 2020. As part of its long-term lobbying in favour of more inclusive labour markets, EAPN has published a detailed assessment of this initiative and will follow up very closely its developments.

Indeed the initiative contains number of positive elements (notably concerning job creation, quality of work, security as a condition for flexibility, social protection, issues around care work...), as well as a number of points representing hidden dangers.

→ See EAPN response to the European Flagship Initiative ‘An Agenda for New skills and Jobs, Position Paper’, April 2011 (<http://www.eapn.eu/images/stories/docs/EAPN-position-papers-and-reports/eapn-draft-response-to-the-agenda-for-new-skills-and-jobs-FINAL-en.pdf>)

Raising awareness - Challenging the paradigm

EAPN continues to raise awareness on the social impact of the crisis, the role of austerity policies in generating poverty and inequality, the failure of the currently dominating neo-liberal approach to deliver on inclusive growth and the specific EU role in driving these strategies and policy decisions. Actions are geared towards EU and national decision makers and the general public. Building on common work already implemented during the 2010 Year with other organisations, EAPN aims at strengthening alliances with Trade-Unions, social and environmental non-profit organisations, academics and alternative think tanks helping to build alternative approaches to the austerity policies and to the current dominant growth paradigm. (Internal exchange and mutual learning, reports, position papers, conference on the crisis organised in September 2011...)

→ See below links to EAPN reports and inputs, notably “An EU we can trust”.

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(= Annex 2 of the Annual Growth Survey)
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INFORMATION AND CONTACT

For more information on this publication, contact

Claire Champeix; EAPN Policy Officer
Claire.champeix@eapn.eu – 0032 222 448 9302 24

For information on EAPN policy positions and activities contact :

Sian Jones; EAPN Policy Coordinator
Sian.jones@eapn.eu – 0032 226 5859

For more information on EAPN positions, publications and activities

www.eapn.eu



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www.ec.europa.eu/employment_social/progress/index_en.html

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