

IS EUROPE 2020 DELIVERING ON POVERTY?

How can we use the National Reform Programmes and National Social Reports to make concrete progress on fostering participation and reducing poverty?

EAPN Conference Report

Brussels, 28 September 2012

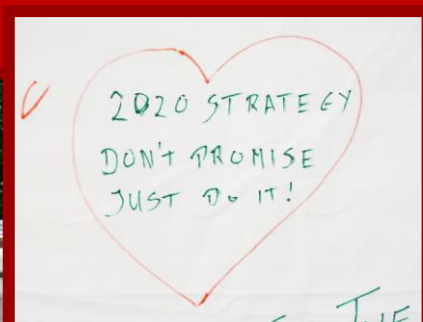


TABLE OF CONTENTS

Main messages and recommendations	4
Key speakers included	7
Summary	8
Opening addresses	9
Assessing the Europe 2020 Strategy results	12
EAPN's point of view	15
The point of view of other actors	19
The point of view of the Council of Ministers' Advisory Committee	24
What changes are needed to ensure that the Europe 2020 Strategy achieves poverty eradication in a participative way?	27
Round table: how to ensure that the Europe 2020 Strategy achieves poverty eradication in a participative way?	31
Debate.....	38

“We’re not only fighting poverty, we’re fighting to safeguard our democracy and to create the conditions to meet the original objective of the European cooperation to maintain peace”

EAPN President, Sérgio Aires

MAIN MESSAGES AND RECOMMENDATIONS

Main messages

- EU institutions don’t seem to recognize the developments on the ground, and **are backing policies that increase the burden put on the most vulnerable**.
- The European Commission is taking part in a questionable **undemocratic decision making process** that is contributing to a **humanitarian crisis**. This is particularly the case in Troïka countries.
- The Europe 2020 Strategy is not preventing the **dismantling of social protection** and in some cases is contributing to it and to the very rapid increase of poverty, inequality and social tensions.
- The ideological background of the Europe 2020 Strategy is in question. What kind of growth do we want? Where is the priority on inclusive growth and will this deliver results for poverty? **Is austerity the way out?** Austerity and the social objectives are in total contradiction. Who is this approach benefitting?
- The Europe 2020 Strategy was an opportunity and seemed to provide a **framework for progress** with social targets on poverty, employment and education, the flagship initiatives and commitment to inclusive growth, mainstreaming the social dimension into the main economic and employment agendas.
- Although some small steps have been taken: in terms of agenda setting (for example in relation to child poverty and homelessness); more social priorities in the Annual Growth Survey and a few more social elements incorporated into some of the Country Specific Recommendations, this is not

enough to balance the **overwhelming side-lining of social concerns**, and the predominance of a **negative macroeconomic agenda** which is undermining delivery on the poverty target.

- All actors agree on the **weakness of the governance aspect**, relating to stakeholder engagement at the national level of the Europe 2020 Strategy, as NRPs and NSRs are developed behind closed doors, at the Commission's request. Examples of meaningful participatory processes are scarce, the reports are dominated by economic and financial ministers and no serious attempts seem to be made to engage stakeholders meaningfully in a regular dialogue on the development and delivery.
- These failures are particularly regrettable when people's confidence in the European Union is fading and democracy is at stake in the way the crisis is handled.

Recommendations

- The general policy approach to the crisis should be reassessed with the objective of delivering long-term inclusive growth and a **Social Investment Pack** launched to this end. The short term and long term social costs of austerity policies should be seriously assessed, and austerity policies restricted. Budget adjustment should be sought through fair tax reforms rather than pressure on wages, deregulation of the labour market and cuts in services and benefits.
- Explicit recommendations must be made on restricting austerity which is generating increased poverty, analysing the social impact transparently and a concrete step forward must be made to defend social standards. **An EU framework directive on minimum income and framework on living wages** would send a strong message of an EU social pillar.
- Allocating at least 25% of the Cohesion Policy budget to the European Social Fund (ESF) earmarking / ringfencing at least 20% of the European Social Fund to poverty reduction and social inclusion.
- At European and national levels we need all actors at every level to come together to find solutions and contribute to solving the problems they are concerned by in a democratic and transparent way. We clearly need a **decisive step forwards on participation, and concrete steps to follow up on** the Commission's proposal on guidelines for stakeholder engagement.

- **National Reform Programs** integrating **social concerns should be based on a genuine democratic process**, including all stakeholders as well as National Parliaments. Citizens should be better informed about this process and ownership of such NRPs should be enhanced.
- **A common agenda and EU integrated strategy to fight poverty and social exclusion, and to close the inequality gap is also needed, likely to** bring together all allies for a serious fight against poverty in the EU in line with the target adopted. Such an agenda should be consistent with all EU policies. Such shared objectives should build on 20 years of EU cooperation on social issues under the Open Method of Coordination.
- Within such a common agenda, a real EU social policy should be re-launched capable of delivering concrete improvement in the lives of people in poverty. **National Social Reports** could be the tool for such a re-launch if they are based on genuine participation and if their conclusions are fed into the National Reform Programs. Transparency should be ensured regarding the process of shaping and implementing the National Social Reports in each Member State.

KEY SPEAKERS INCLUDED

EU decision makers

Georgios Papageorgiou - Permanent Secretary of the Ministry of Labour and Social Insurance, Cyprus; **Lieve Fransen** - Director Europe 2020: social policies, DG Employment, Social Affairs and Inclusion, European Commission; **Philippe Lamberts** - Member of the European Parliament, Group of the Greens/European Free Alliance, Member of the EP Economic and Monetary Affairs Committee, Co-President of the European Green Party; **Henri Lourdelle** - Political Advisor, European Trade Union Confederation; **Marcel Haag** - Head of Unit Europe 2020, Competitiveness and Innovation, Secretariat General, European Commission; **Maureen O'Neill** - European Economic and Social Committee, Vice President of Group III, Member of the Employment, Social Affairs and Citizenship Section; **Christine Chapman** - National Assembly of Wales, Committee of the Regions, Member of the Commission for Economic & Social Policy; **Mik Woolley** - Chair of the Employment Committee.

NGOs and other Stakeholders

Hugh Frazer – National University of Ireland, Maynooth, Coordinator of the EU network of independent experts on social inclusion; **Mary Collins** - Policy Officer, European Women's Lobby; **Silvia Ganzerla** - Senior Policy Advisor, Eurocities; **Freek Spinnewijn** - Director, FEANTSA; **Jana Hainsworth** - Secretary General, Eurochild, and

EAPN representatives including

Vera Hinterdorfer - Founding member of the Staying Visible Platform, established with other people in and fighting poverty, Austria; **Sérgio Aires** - EAPN President; **João Rodrigues Seabra** - Portuguese participant in the European Meetings of People Experiencing Poverty, EAPN Portugal; **Graciela Malgesini** - EAPN Spain; **Sian Jones** - EAPN Policy Coordinator; **Fintan Farrell** - EAPN Director.

SUMMARY

The conference was attended by more than 170 persons. Half of the participants were EAPN members including people or activists with a direct experience of poverty, other were Brussels- based decision makers, activists, academics...

EAPN's very worrying assessment of the 2012 National Reform Programmes (NRPs) and National Social Reports (NSRs) was the starting point of the discussions, particularly the failure to make progress on the poverty target, the increasing levels of poverty and inequality, and the disappointment in the NRP mechanism to truly engage stakeholders and to ensure that all policies contribute to the poverty reduction target.

8

High level EU decision makers, Trade-unions and NGOs participated in very intense debates on the Europe 2020 Strategy in the current times in which the crisis and austerity policies are visibly increasing poverty and exclusion, exacerbating social tensions and contributing to a growing disenchantment and loss of trust in the EU... EAPN members and other activists expressed strongly their fear and anger and warned that **the future of our societies and social model is at stake**. Concrete recommendations came out in the discussion.



This report outlines the key points raised by the speakers, provides a synopsis of the questions raised in the discussion and the responses from the panel. Most of the presentations can be found on [the webpage of the conference](#) as well as additional interviews with speakers.

OPENING ADDRESSES

Sérgio Aires, EAPN President and Chair of the Conference introduced the meeting recalling that EAPN wants to foster the debate about the orientations followed under the Europe 2020 Strategy and demands a shift from negative austerity to backing social rights and social investment.

The reality of poverty – direct experience of João Rodrigues Seabra, Portuguese participant in the European Meetings of People Experiencing Poverty, EAPN Portugal

See full intervention from João [here](#)

João Rodrigues Seabra denounced the fact that not only are there no policies to combat poverty but measures to combat the economic crises have not done more than increase the insecurity, the precariousness of most citizens and therefore increased poverty.

“European Union and its leaders insist stubbornly on the same recipes: not listening to and ignoring the voice of those who are experiencing poverty in their daily lives”.

9

João Rodrigues Seabra explained that in his country the austerity measures negotiated with the Troika are adding to an ever-greater uncertainty and vulnerability. The social emergency measures taken by the government are more and more limited, and NGOs can't answer all requests for help, as too many of them are at risk of economic collapse.

João Rodrigues Seabra said that he will himself lose his job as an intercultural mediator at the end of the month. He will join the group of people who can't meet their basic needs and that are excluded from essential goods and services such as food, housing and health.

*“I'm talking to you of **hunger** and **severe poverty**. Death is already for some people the **only** solution”.*

He highlighted that ‘the medicine is killing the patient’ and social cohesion is increasingly at risk. The European Union is fading, opening space for divisions and accusations between countries and citizens

that undermine its main founding purpose: **peace**. He warned that what is at stake is democracy itself and called for the following:

- Better governance is urgently needed. Dialogue should be restored in order to find a new mobilizing consensus and a true commitment to the fight against poverty. *“Economic growth will not happen without this kind of consensus and even less with the impoverished populations, massively experiencing poverty and extreme deprivation”.*
- The voice of the most disadvantaged and of those who, precisely, have more to say about poverty and the solutions to tackle it should be listened to.
- The European Union must give a clear sign of strategic commitment to fighting poverty. At least 20% of the European Social Fund should be allocated to social inclusion measures and to the fight against poverty.

10 **Georgios Papageorgiou, Permanent Secretary of the Ministry of Labour and Social Insurance, Cyprus**

See full intervention [here](#)

Mr Papageorgiou reaffirmed the support of the Cypriot Presidency to work towards “a Better Europe” and commitment to progress against child poverty and the strengthening of participatory processes in the Europe 2020 Strategy.

The Cyprus Presidency is committed to work towards a **“Better Europe”**, giving emphasis to *“promoting growth and job creation, in **parallel with solidarity and social cohesion** and to develop an adaptable, dynamic and modern social flank of the EU”.* *“Social protection and social services must be regarded as useful, automatic **economic stabilizers and their efficiency and effectiveness must be strengthened**”.*

The Cypriot Presidency supports a balanced approach. Such an approach *“will focus not only on financial stability and fiscal consolidation but also on strengthening employment and social cohesion”* said Mr Papageorgiou.

The Cypriot Presidency is focusing on the work of combating child poverty, with a Conference organized on 18 and 19 October in Nicosia; Council Conclusions to be adopted at the next EPSCO Council, and the support given to the adoption of a Recommendation by the Commission as soon as possible.

The strengthening of the participatory process is one of the Presidency's priorities. The outcomes of the informal EPSCO meeting organised in Cyprus in July were clearly in favour of the development of dialogue with civil society within the Europe 2020 Strategy; of citizens' ownership of the Strategy as well as of active participation of stakeholders. These outcomes should be reflected in the discussions that will take place at the October meeting of the EPSCO Council on the Europe 2020 Strategy and in the evaluation of the 2nd European Semester.

Mr Papageorgiou concluded by stressing that the Cyprus Presidency shares EAPN's point of view about the importance of developing meaningful civil dialogue and stakeholders' engagement in the NRPs and NSRs.

ASSESSING THE EUROPE 2020 STRATEGY RESULTS

Hugh Frazer, National University of Ireland Maynooth, EU Network of Independent Experts on Social Inclusion

See full presentation [here](#)

Hugh Frazer's presentation, based on the work of the network of independent experts on social inclusion, gave an extensive overview of the under-estimated impact of the crisis and austerity policies and the shortcomings of the Europe 2020 Strategy on social issues.

In 2010

- 23.4% or 115,7 million people were At Risk of Poverty and Social Exclusion, according to the EU triple AROPE indicator (at risk of poverty, severe material deprivation and low work intensity);
- 27% or 25, 4 million children were At Risk of Poverty and Social Exclusion.

The EU poverty target is to lift at least 20 million people out of poverty & social exclusion by 2020.

The impact of the crisis and of the austerity policies includes

- Variation in degree across countries, but in general a deepening of poverty and social exclusion, and a deepening of the severity of poverty;
- Growth in unemployment (especially long-term);
- Several groups especially badly affected: young unemployed, migrant/ethnic minority background;
- Rise in labour market segmentation (especially for the low-skilled);
- Income inadequacy and indebtedness rising due to: unemployment, rises in cost of living (e.g. energy, housing, food) and cut backs/more conditionality in income support.

Data lags behind and most experts consider that they don't fully reflect the worsening situation, including:

- Increasing **family and child poverty**, especially among lone parent families and immigrant children;

- **Growing concern around housing:** rise in housing costs, shortage of social housing, increasing inequalities between residential areas;
- Increased risk of **“severe” poverty**, especially among migrants/people with a migrant background, Roma, homeless, various groups of children, some groups of unemployed people with a disability, ethnic minorities...

What about the NRPs and NSRs?

Experts say clearly that NRPs are weak on the social dimension. In 2012 few Member States address well the majority of their key social inclusion challenges (e.g. BE, FI, NL, SI). A few MS (e.g. CY, IE, IT, MT, PL, UK) have a somewhat stronger (but still weak/limited) social inclusion focus in their 2012 NRP compared to in 2011. The most frequent positive initiatives are in relation to inclusive labour market and intergenerational transmission. However, experts note that:

- Most NRPs are dominated by austerity measures and financial retrenchment at the expense of social measures, and economic governance trumps Europe 2020;
- There is a lack of social impact assessment: short-termism;
- Social protection receives scant attention;
- Active inclusion is largely missing;
- Access to services receives very limited attention;
- Reports are very weak on groups at severe risk;
- A narrow “employment” approach is dominant.



These **NRPs/NSRs are still weak on governance. Experts mention notably:**

- The lack of public/political debate;
- The failure to mainstream social inclusion objectives;
- The lack of social impact assessments/evaluation;
- The limited stakeholder involvement;
- Limited use of Structural Funds;
- Limited interconnections with other Europe 2020 targets;
- Poverty and social exclusion targets are often still weak/inadequate– not sufficiently ambitious and lack clear rationale and link to policies.

From the point of view of the experts, 3 priority areas need greater attention:

- Income adequacy and income support.
- Member States should improve the adequacy of income support systems (social protection systems), including housing costs, in particular for specific categories. They should reduce growing income inequality notably through addressing low wages and labour market segmentation, ensuring adequacy and sustainability of pensions and ability to meet the cost of care.
- Active inclusion, labour market activation & skills enhancement.
- Member States should maintain and improve active labour market policies and reintegration of support services – especially for groups at a disadvantage on the labour market, and adopt a broader, more multi-dimensional active inclusion approach going beyond just labour activation.
- Improve social inclusion governance.
- Member States should strengthen the overall approach to poverty and social exclusion through a more comprehensive and rights based approach, the improvement of policy evaluation and social impact assessment, the improvement of target setting and enhanced involvement of stakeholders. Social Impact Assessment should be applied to bail out countries.

To conclude, Hugh Frazer reminds the audience that the Member States' ambitions in terms of reducing the number of people At Risk of Poverty and Social Exclusion **only amount to 12 million** if put together, compared to the 20 millions set at EU level.

EAPN'S POINT OF VIEW

A national example: Vera Hinterdorfer, EAPN Austria

See full presentation [here](#)



Vera Hinterdorfer is a founding member of the Austrian Platform “Staying Visible” together with other people in poverty. She presented the assessment of the Austrian network of the NRP process in their country, including some more positive notes in the context of worrying developments. She launched a vibrant call to decision makers who are “the ones who can make a change!”

Vera highlighted that a good cooperation and dialogue has been established with the Ministry of Social Affairs, but not with the Federal Chancellery in charge of the Europe 2020 Strategy.

15

There is no public interest in Europe 2020. This can be linked to the lack of awareness-raising in this process and the lack of participation.

“There was a study on stakeholder consultation: but in the end we were not consulted!” she said.

The NRP in itself contains some positive elements including the Youth Job coaching and the ‘Training Guarantee’. BUT, there was no mention of reducing poverty, social inclusion, inequality; no mention at all of greater equality, fairer distribution and redistribution of income and wealth.

Vera then explained the reality hidden behind the figures. Austria has a population of 8 million. The ambition is to get 235 000 people out of poverty before 2018, and 162 000 already got out of poverty

between 2008 and 2010. But in the reality, more than 2,2 million people are affected (1 million are below the at risk of poverty threshold; 0,3 million are affected by material deprivation, 0,5 million have almost no income etc...).

What were EAPN Austria's recommendations? How have they been addressed?

- First EAPN Recommendation: *"Raise the amount of means-tested MI scheme by introducing independent MI for children and including costs for housing"*. Positively the Minimum Income scheme has been raised and is now 773€, but in the reality more than 1000€ would be needed to escape poverty, and more than 1900€ to meet all a person's needs. And health care costs are more and more on people: *"Now informal carers for handicapped people can be paid"* she said *"but more cuts are made in social insurance for the same handicapped people (including in material for wheel chairs, number of doctor visits...)"*
- Second EAPN Recommendation: *"More labour market measures and employment opportunities for people most excluded, especially people able to work only part time"*. On a positive note Vera mentioned measures for women, older workers; the obligation of offering an open-ended contract after 2 years in a job for disabled people, law combating wage and social security dumping and 750 000 € additional to 1 billion € each year for the labour market until 2016. But she recalled that 206 000 people are still working-poor, and concrete measures for personalized pathways to work, and a reference to social economy are lacking, and any little criminal record is still an obstacle to find a job.
- Third EAPN Recommendation: *"A reform of the education system which is highly segregating"*. Some positive measures: mandatory kindergarten, new secondary schools in some part of Austria, German lesson for migrant children. BUT, still no structures for educational difficulties; costs for higher education schools amount to at least 350€/month; 11% of pupils who leave school after compulsory school are at risk of poverty once adult; children of migrants are at high risk of poverty...

The income and wealth gap is increasing in Austria and statistics do not reflect the reality of life. Vera concluded that income should be raised in line with inflation; concrete plans should be implemented in order to insure that money reaches the ones in need, and participation should be implemented seriously.

EAPN assessment of the National Reform Programmes and National Social Reports 2012: An EU worth defending? Sian Jones, EAPN Coordinator

See full presentation [here](#)

See full EAPN Report [An EU worth defending Beyond austerity to Social Investment and Inclusive Growth, EAPN analysis of the 2012 National Reform Programmes and National Social Reports](#), EAPN, 06/ 2012

Sian Jones presented the enormous effort made by EAPN members to try to engage in the NRPs/NSRs 2012, the disappointment with the low quality of the engagement and concern about the limited concrete results in terms of progress on poverty. She highlighted the detailed analysis of these reports presented in an EAPN Report published last June, the EAPN members' alternative country-specific Recommendations and presented EAPN's Key Messages and Recommendations to be discussed at the Conference.

The Europe 2020 Strategy brought a number of positive steps: the reference to **inclusive** growth, the poverty target, the European Platform against Poverty and the guideline 10, the Recital 16 on participation, a reinforced social OMC with National Social Reports. The objective 4 of the 2012 Annual growth survey focus on tackling unemployment and the social consequences of the crisis. But the impact of the Strategy on poverty is to be questioned, given increasing poverty and inequality. Sian Jones reminded the audience that:

17

- 115 million are at risk of poverty;
- This means an increase of 2 million since 2009/10;
- Member States proposals of national targets fall short of the 20 million target: they amount only to 12 million;
- The EU is increasingly divided with higher rates of poverty in the South and in the periphery;
- Inequality is increasing;
- New groups are at risk, including youth, children, single parents, long-term unemployed, homeless, migrants, Roma...
- 8, 4 % of the employed population is still at risk of poverty and most poor parents are working.

EAPN's members worked hard to try to engage with and to review the NRPs/NSRs 2012. 12 national networks contributed to their NRP and 8 to their NSR. 26 shadow country recommendations were presented to the Commission in July 2012.

Overall, the EAPN assessment of these NRPs/NSR concludes that:

- Macroeconomic policy is driving austerity not inclusive growth. The poverty target is undermined by macro-economic policies, with austerity cuts affecting affordability and accessibility of services, creating more poverty despite some rises to income support. Tax reforms are growth orientated, but not aimed at tax justice;
- The poverty target will not be met with the current policies, as little progress is made on setting or delivering poverty targets, and coherent, integrated poverty strategies are lacking. Active inclusion policies are undermined by austerity measures and anti-discrimination is dangerously absent. Some progress is being made on homelessness and child poverty but integrated actions are insufficient;
- The focus is on job creation but not on quality nor on how the 'poor' will access them; on the contrary conditionality is hardened and little priority is given to personalized pathways to Active Inclusion;
- Inclusive education and training is not prioritized; insufficient support is given for excluded groups;
- The Structural Funds support for poverty reduction is low, and the partnership principle remains virtual;
- Steps backwards have been made on participation of stakeholders and NGOs at the national level, with social NGOs and Ministries confined to poverty chapters. There is limited, low-quality engagement of stakeholders in NRPs/NSRs and people experiencing poverty are generally absent. National Parliaments are not involved.
- NSRs made a very disappointing start: only 5 were presented on time. They remain government reports, with weak stakeholder engagement despite the previous experience of National Action Programmes. Presented NRPs were skimpy, with a lack of clarity of their role and a missed opportunity in terms of evaluating the social impact of austerity.

However some positive practices should be mentioned in terms of anti poverty policies, for example in France (automatic access to social tariffs for energy), in Finland (no cuts to social benefits, solidarity tax for people with high income, youth guarantee) or in Belgium (reduction in taxes on low wages, experimental project in Active Inclusion, Federal Cooperation agreement to tackle homelessness), as well as some positive practices in terms of participation (stakeholders' comments annexed to the NRP) in

France, (Welfare Watch involving NGOs, ministries, trade unions and councils to comment on legislation and have an impact) and in Finland.

EAPN makes the following key recommendations to EU decision makers:

1. Back Social Europe: balance economic and social objectives;
2. Commit to deliver viable poverty target: restrict austerity and back integrated strategies;
3. Adopt a Social Investment Package to support Inclusive Growth (quality social protection, jobs and services, tax justice);
4. Structural Funds should be key instrument to deliver on poverty – back 25% on ESF and 20% on poverty;
5. Re-launch Europe 2020 as a democratic, participative social process with NRPs/NSRs and Recommendations;
6. Seize the opportunity of NSRs to re-launch Social Process.

THE POINT OF VIEW OF OTHER ACTORS

Trade-Unions and NGOs were invited to share their point of view on the 2012 NRPs/NSRs, and explain to what extent they support EAPN's Key Recommendations.

The European Trade-Union Confederation, Henri Lourdelle, Advisor

Henri Lourdelle first thanked EAPN for the invitation: *"It is symbolic that we meet in the Trade Union House: indeed we need to work together". "One can ask if the 2020 Strategy is the right instrument to combat Poverty"* he said.

He made some preliminary remarks:

- From the point of view of Henri Lourdelle, the EU decision makers seem to have accepted that the only way out of the crisis is a high unemployment rate. He denounced the myth that we are doomed to make do with the limited resources we have, i.e. to do more with less. It is not the reality: money exists. The proof is that the wealthier are wealthier and the poor more numerous.

“Let’s be brave and get the money where there is money by combating fiscal paradise and implementing fair tax policies” he said. “The rise in precariousness leading people to accept any kind of job is unacceptable”.

- He went on demonstrating that Europe 2020 is not really a strategy but rather a cosmetic revamping of the Lisbon Strategy. The objectives are more or less the same; the Europe 2020 Strategy is the continuation of the Lisbon strategy extended to a decade more but with even more gaps. He reminded that the balanced objectives of the Lisbon strategy such as becoming the *“most competitive knowledge based economy etc”, “modernising social protection”, “with a balance with social economy and environmental objectives”* were not met and regretted that the European Commission never analyses the reasons for the failure of past strategies before creating a new one.

Then he listed the ETUC’s criticisms of the 2020 Strategy:

- It is complex, incoherent and inconsistent;
- The link between the initiatives is not very clear, nor the structure between the different elements;
- There are ambitious targets, but these will never be reached in a time of austerity;
- The yearly growth survey will always focus on competitiveness as if it was enough, and growth itself will make the objectives realised;
- Gender equality is not taken on board, in spite of the fact that it is recognized as a key factor of getting out of the crisis;
- It’s not clear how the EU is going to reduce poverty and reach full employment. Nothing is said about minimum income. The domination of the internal market and of the 2020 Strategy has weakened social protection systems. *“The pension policy limits itself to increase the age of retirement whereas in the EU today one out of two persons loses his/her jobs before reaching pension age”* he concluded.

The European Women Lobby, Mary Collins, Policy Officer

Mary Collins first congratulated EAPN for taking the leadership for more democracy in the Europe 2020 Strategy.

She then made the following points:

- Women are more exposed to the consequences of the crisis; they are hit as workers and as beneficiaries of services. They are a majority of public sector workers and also beneficiaries of public services. Cuts in services means that women take the pieces. Women are the first carers and pay for this.
- Stability and convergence programmes should be looked at. A more consistent gender equality strategy is needed. A gender equality process should be reflected in all EU processes (NRPs...). Everything is on the table: Treat commitments, EU strategy, Gender Pact. But the main problem is that there is no transcendent gender equality objective. The situation of women should be looked at not only on the labour market but considering the whole spectrum of their life.
- Austerity measures: no impact assessment in terms of gender equality.
- Childcare recommended in some CSRs but through a women perspective (not a gender equality one).
- Recommendation on retirement age (no gender perspective addressed).
- Gender pay gap exists in every EU Member State. Is it really been tackled? Only one country got a CSR on it (Austria).

Eurocities, Silvia Ganzerla

Silvia Ganzerla asked *“What is happening to Social Europe? Too many people are suffering with austerity measures”*.

Silvia Ganzerla pointed out that the Commission’s approach is not consistent: on the one hand there is the EU poverty targets and on the other hand no look at the social costs of the macro-economic policies and fiscal consolidation. Then she presented the Eurocities’ position:

- One of the challenges is to keep supporting quality services; helping people to find jobs... Local governments have to do more but with no money. There are less people at local level to work on social inclusion policies.
- Eurocities has done an assessment of NRPs/NSRs and agrees with what has been said by EAPN. Active inclusion is really missing. The tendency is to use the European Social Fund to help the easiest-to-reach.

- The process is very weak as regards to involving relevant stakeholders. Consultations happening are far from real participation, it is a bureaucratic exercise.
- She insisted that we need to work together. The Commission has always been our ally. We really need to go back to a better situation as it was in the past. We need to be ambitious - if the involvement of stakeholders can't be compulsory at least it should be transparent and allow comparisons (all Member States should report on how they involved stakeholders and all reports should be posted on a webpage).

FEANTSA, Freek Spinnewijn

22 Freek Spinnewijn agreed that the poor quality of the social chapters of the NRPs was an important issue of concern. He was more positive about the fact that half of the EU member states included homelessness as an urgent social priority in their NRPs. This does not include some of the member states which already mobilised on homelessness at European level such as The Netherlands, but it includes several countries from the East and South of the European Union for which homelessness had been an issue of marginal importance up til now. It shows that there is a growing consensus that homelessness should be a European social policy priority and that EU intervention to support member states to address homelessness would be welcome and of added value. The rise of homelessness on the EU agenda is related to the increase in homelessness numbers due to the economic crisis, but also because of improved awareness and understanding of the problem of homelessness..

Freek Spinnewijn called upon DG EMPL to take the lead in developing an EU homelessness strategy as requested by the EP, the EPSCO Council, the EESC and the CoR. He was hopeful that the current momentum around homelessness in the Inclusion OMC and the social parts of the European Semester could lead to some CSRs on homelessness in the next years.

He said that the stakeholders' involvement in the Semester could improve considerably. There was little effort from member states to consult poverty NGOs which is probably related to the governance process of the Semester in which DG EMPL and its partners (SPC and EPSCO) seem to play an increasingly marginal role. This disempowers FEANTSA members, and probably more importantly, impacts negatively on their ambition to remain active and engaged at EU level. Yet FEANTSA wants to remain hopeful and is

convinced that an EU strategy on homelessness can reinvigorate the involvement of grassroots organisations and other stakeholders in EU social inclusion policies.

Eurochild, Jana Hainsworth, Secretary General

Jana Hainsworth first thanked the Cypriot Presidency for the priority given to child poverty. She made the following points:

- Across almost all the EU children are at greater risk of poverty whereas children do not have a voice. Well-being, housing, early-childhood care are key issues to insure the best start in life and break the vicious circle of poverty. Care should be the best start in life not only seen as a solution for the parents to be available for work.
- Children must remain a priority not only in agenda setting but also in implementation. The Recommendation will mark an important step. The European Commission can and should make a positive difference on children poverty. There is a huge lack of ambition and the need for leadership.
- EUROPE 2020 is not delivering on child poverty. Two countries only set targets on child poverty (UK and Greece). All the money for the most deprived (see for example the Sure start programme) is creamed out for other actions.
- Involvement of stakeholders has been very weak, whereas children should have a voice not only at home but also in the community and in the policy debate.
- For moving forwards the Social OMC should be reinvigorated, the NSRs reformed and the children more visible.

THE POINT OF VIEW OF THE COUNCIL OF MINISTERS' ADVISORY COMMITTEE

Chairs of the Social Protection Committee, Employment Committee and Economic Policy Committee were invited to participate in a panel debate on EAPN's key recommendations. Only Mik Woolley, Chair of the Employment Committee, was in a position to take part on the day, with apologies received from Lauris Beets (chair of the SPC). He presented openly the work done by the EMCO and how it may be improved, building on participation of stakeholders.



Mik WOOLLEY, Chair of the Employment Committee (EMCO)

The role of the EMCO is to ensure that the Recommendations focus on the right targets, assist with the implementation of the Recommendations, and also monitor employment performance, with the aim of improving the qualitative side, including the issue of equality in work. This Committee now needs to look more to the delivery agents, including the

employment services. They were also discussing with DG Employment to look at improving implementation of Structural Funds.

The EMCO is developing joint work with other committees to ensure a balance between the issues. They will especially work on Active Inclusion with the Social Protection Committee, given the increasing importance of the debate on ‘activating’ or supporting people into work. But more is to be done to link up with other Council formations, as for example with the Education Committee. The EMCO is working more closely with the Economic Committee, on wages and issues of demand, and the balance between these dimensions remains a question. The issue of impact assessment should be upmost, implying a good coordination across Committees.

An informal EPSCO before the summer focused on civil society participation. The EMCO is working more with social partners. Yet *“the remits of my Committee are not that wide, and it is part of a process that is top-down”*. There are gaps in their work regarding National levels, sharing and transferring good practice and developing stakeholder’s involvement.

To conclude with he insisted on the need to develop partnership and mutual learning, in cooperation with stakeholders, like for example Eurocities who ran a very effective Active Inclusion project.

DEBATE

Mik Woolley’s presentation raised a number of comments, mostly underpinned by the emergency of the situation on the ground.

- A German participant asked for a fair distribution of goods, and a minimum income that would include health insurance and be sufficient to avoid in-work poverty: *“a hungry man would do anything to feed his family and would accept any kind of job”*.
- A French participant referred to a project that created 200 jobs in three municipalities through stretching the opening hours of public and private services. *“Why couldn’t such an experiment be transferred to other areas?”*
- A participant from the European Women’s Lobby asked about the gender pay gap and gender impact assessment in the context of the work done by the EMCO on wages.
- A participant from Bulgaria stressed the falling attachment to the EU in Bulgaria. EU country-specific Recommendations are not consistent and don’t question key political choices such as implementing regressive taxation in Bulgaria. Whereas there was hope when the country joined

the EU -after a degradation of living standards in the 90s'-, now the standard of living is the same. *"Now each day choices are made that are cynical... Do we need an indicator about young people leaving Greece or Bulgaria for Canada? Or do we wait till we discover that the population is older? A 6 day working week is proposed in Greece. Why not 7 days? Why not 24 hours a day?"* We should rather reflect on the causes of the situation, including the basic distribution of wealth, the dropping share of wages, taxation.

- A participant from the UK insisted that people are desperate with the cuts operated on the ground. People are disaffected and don't care anymore about politics. *"If the EMCO has such a narrow remit meaning that you can't address the reality, what are you doing to do to change this?"*

Mik Woolley regretted the absence of the Chair of the Social Protection Committee and insisted that more should also be done by other Committees. He explained that, within the limited remit of the EMCO, he wanted to exploit all the opportunities presented and to develop the methods of the Committee. The EMCO would develop surveillance tools, look not only at the output but also at the input, use the work done by networks implementing good practices locally, and regularly check indicators re equality. He underlined also the value of the work done in DG Employment for the social and employment quarterly analysis.

WHAT CHANGES ARE NEEDED TO ENSURE THAT THE EUROPE 2020 STRATEGY ACHIEVES POVERTY ERADICATION IN A PARTICIPATIVE WAY?

A national example, Graciela Malgesini, Spain

See full presentation [here](#)

Graciela Malgesini described the Spanish experience as a “fairy tale that went wrong”, with positive practices in terms of participation that were stopped and austerity policies boosting poverty.

2011 ended with good results for EAPN Spain, and the organisation had gone through an impressive organizational development. At that time poverty was finally on the political agenda and it seemed possible that social inclusion and employment policies, under the EU framework, could be implemented in order to tackle rising poverty.

EAPN Spain was consulted and managed to influence the 2011 NRP. The NRP included a Protocol aimed at getting the consultation and taking into account the contributions of the Social NGOs for future NRPs. The NRP also mentioned that the government should engage in delivering a new Social Inclusion plan.

But the situation changed dramatically as Spain entered deeper financial and political turmoil, austerity was imposed and the conservative Popular Party won regional and General elections in November.

In the 2012 budget for Spain, cuts were applied to employment policies (-5, 48%), minimum income (-11, 05%), activation towards employment (-21, 34%), social services and social promotion (-15, 95%), integration of migrants (reduced from 80 to 5 million euros).

More than 2 million households will have perceived no income at all in 2012. Youth unemployment reaches 53%.

The Third sector is now confronted with increased social needs, at the same time as a downward trend in their public and private income. The relationship with other actors changes and Trade Unions no longer propose an alliance with the Third Sector.

Despite the fact that a Protocol had been agreed with the former government stating that social NGOs would be included in the monitoring assessment and drafting of the new NRP, this participation stopped unilaterally after the new government was elected, despite EAPN's major efforts. In May 2012, the Commission, following EAPN's alarm raising with the review of the NRPs and shadow country-specific Recommendation, pressed Spain to reintroduce the poverty objective and governance in the Recommendations, but without much positive impact. In October 2012 the NRP was revised without any consultation of social NGOs.

Graciela Malgesini added that Social NGOs should be against the current Fiscal Compact that pushes more people into poverty without enough support services being available for them; that deepens inequalities and jeopardizes social stability and democracy.

She concluded that social NGOs now should challenge anti-social policies, force civil dialogue and improve governance; keep standing with the people in fighting for their needs and open-up to emerging grass-roots organisations and social movements (the 15M movement, the Platform of the Evicted, the Platform of the Unemployed...).

EAPN recommendations for the next European Semester and Annual Growth Survey, Fintan FARRELL, EAPN Director

See full presentation [here](#)

Fintan Farrell strongly emphasized the issues at stake. "It is about the big picture, it is about democracy and the society we are going to live in" – he said. Presenting EAPN's recommendations He stressed the emergency of the situation and the conditions for making progress possible. He pledged for a decisive step forwards on participation.

"What is happening now is incredible and putting at doubt the future of the EU. The power of social NGOs is to tell the truth and if institutions are serious they might want to listen to us".

"EAPN wants the Europe 2020 Strategy to work, but in order to work in partnership a common agenda is needed" stated Fintan Farrell. He went on presenting EAPN's point of view. Conflicting objectives are competing inside the institutions. Europe 2020 is not taken seriously and another agenda is in the driving

seat. *"The Commission does have a role: they should tell the truth, clarify any contradictory positions"* he said. He insisted that Europe 2020 should be the driving force for European cooperation, and that solving the crisis means looking at the causes and looking for solutions now, not waiting till afterwards to listen to our point of view.

He regretted the lack of will to cooperate on social policies at governments' level; Member States are carrying out less and less cooperation at European level.

He warned that the current step back in **participation of national stakeholders including people experiencing poverty** has notable consequences on the outcome of Europe 2020.

Progress however could be possible even in a negative context: in Finland they got together to find a way. But at the EU, experts are called ...and *"Goldman Sachs is still running the show"* he said. He added *"if the National Social Reports, which have been adopted by only half of the Member States, and months after the deadline is what the fight against poverty has come to...May God help us!"*

He went on to explain that EAPN want Europe 2020 to be a real driving force and people in the street to know about the 5 targets. EAPN needs a serious strategy that helps everybody *"not something the Commission asks Member States to do, figures produced out in the air, with no policies behind them"*.

He insisted on the need to talk about tax justice, and regretted that the commitment to redistributing has been lost and decision makers have let the money go from public to private actors.

He asked the Member States to support the very good proposition from the Commission to ring-fence 20% of the Structural Funds for the fight against poverty.

"Banks get money, we get promises," he said. *"People who get the money are often the ones who advice government on how to handle the crisis and this leads us to ask the question: who is benefiting from the crisis?"*

He stated that public support of the Europe 2020 Strategy will depend on a credible EU social policy, likely to reinforce social investment and social protection and to reduce inequality. The National Social Reports could be a bias to re-launch a real social strategy, to underpin the National Reform Programmes.

He detailed EAPN Recommendations regarding the Europe 2020 Strategy:

1. Back Social Europe, and restore balance to economic and social objectives in Europe 2020 and economic governance;
2. Re-focus on the poverty target delivered through integrated strategies and prevent austerity increasing poverty;
3. Launch a Social Investment Package to support inclusive Growth. Such a package should invest in:
 - quality jobs and inclusive markets for all;
 - Active Inclusion and the development of the Youth Guarantee;
 - Social Protection;
 - quality, inclusive services;
 - inclusive education and life-long learning,
 - Equality and Anti-discrimination;
 - EU Funds to deliver inclusion;

It should be financed through Tax Justice and Inclusive growth-friendly taxation.

The costs and benefits of social investment as well as the cost of not making such an investment should be evaluated.

1. Make Structural Funds a key instrument to deliver on poverty reduction and the social dimension in Europe 2020;
2. Re-launch Europe 2020 as a democratic, participative social as well as economic process.

He concluded that both a major step forwards in participation and a real strategy which draws on the knowledge and work from the ground must be built together.

ROUND TABLE: HOW TO ENSURE THAT THE EUROPE 2020 STRATEGY ACHIEVES POVERTY ERADICATION IN A PARTICIPATIVE WAY?

This Round Table involved high level guests from the EU institutions: **Marcel Haag**, Head of Unit Europe 2020, Competitiveness and Innovation, Secretariat General, European Commission; **Lieve Fransen**, Director Europe 2020: social policies, DG Employment, Social Affairs and Inclusion, European Commission; **Philippe Lamberts**, Member of the European Parliament, Group of the Greens/European Free Alliance, Member of the EP Economic and Monetary Affairs Committee, Co-President of the European green Party; **Christine Chapman**, National Assembly of Wales, Committee of the Regions, Member of the Commission for Economic and Social Policy, **Maureen O'Neill**, European Economic and Social Committee, Vice President of group III, Member of the Employment, Social Affairs and citizenship Section.

Guests were invited to react to the points of view of EAPN and other actors from the civil society, and to say how the Europe 2020 Strategy should be adapted to deliver against poverty along a participative process.

31

Marcel Haag, Head of Unit Europe 2020, Competitiveness and Innovation, Secretariat General, European Commission

Marcel Haag presented the Commission's strategy based on growth and why social policies gained by being integrated in the multidimensional Europe 2020 Strategy, notably in benefiting from priorities allocated to Structural Funds.

Marcel Haag reminded that growth has been the top priority of the EC since this Commission has come into office. Growth is what is needed now and is the focus of the 2020 Strategy, in order to take the EU out of the crisis. What is key is the implementation. *"The crisis is not over; growth is needed as a*

necessary prerequisite to solving EU problems” he said, adding that *“the blueprint given for the inclusion strategy within the 2020 Strategy is still valid. Now we need to implement the Growth compact agreed.”*

He went on, recognizing that poverty is indeed worsening; that household income is falling in a number of countries. But he considered this essentially as a cyclical phenomenon and EUROPE 2020 provided the tools to reduce the impact of the crisis but also to safeguard sustainability of social protection.

He pointed out that all the dimensions of the Europe 2020 Strategy are also affected by the lack of funding: employment, research-development, education, businesses...

He reminded that Europe 2020 is a multidimensional, comprehensive strategy and that the challenge is to find **the right balance between priorities**.



The European semester is the right instrument for this, and set clear priorities. The challenge is to keep the overarching priority on budget consolidation, but with strategies that must **be smart: i.e. minimize the negative impact on social**. There are examples of good practices in a number of Member States.

Marcel Haag pointed out that Europe 2020 has succeeded in putting **poverty high on the agenda**; it is already a considerable progress and now integrated guidelines allow national recommendations that include poverty. The Commission emphasizes the importance given to social; several Member States have received country-specific Recommendations regarding poverty, childcare, tax burden on households...

He reminded that the future of the financial framework for the next 7 years is being discussed. It will have important consequences as it will contain Recommendations that are the basis for Operational Programmes and defining priorities on which EU funding should be spent. Social policies should stay strongly rooted in Europe 2020 to **benefit from the money allocated to the Europe 2020 priorities**.

Thanks to Europe 2020 the European Commission's proposal for the Structural Funds regulations includes combating poverty as a main priority. Member States should support the 20% objective.

Marcel Haag concluded by stating that EAPN's work is an example. NRPs are a responsibility for Member State's governance, and the Commission will remind them that Europe 2020 will be more easily understood if it is supported by EU citizens.

Lieve Fransen, Director Europe 2020: social policies, DG Employment, Social Affairs and Inclusion, European Commission

Lieve Fransen agreed with the conclusions made by Fintan. However she insisted on the efforts made at the Commission level for improving participation in Europe 2020 and balancing their approach, using for this purpose the European Platform Against Poverty, the Country Specific Recommendations and the new Social Investment Package to come.

Lieve Fransen first thanked EAPN for inputting and participating. *"I agree with the conclusions made by Fintan: this is our common future"* she said. *"Testimonies given today are valuable and shocking. They prevent us from forgetting about the emergency of the situation"* she added.

She stated that today the best instrument is Europe 2020, however it is not sufficiently delivering, even if points of view vary. We need to make Europe 2020 work better together, she said. Each one has a specific role but the more we come to work to common goals, the better the results.



Participation is an important aspect of working to a common goal. The Commission tries to do better: the European Platform Against Poverty is to be more participative and to have a delivery agenda. The Secretariat General tries to push Member States for more participation at national level. The NRPs are at the core of what should be discussed at national level. But on this issue she urged that we shouldn't try to go back to the past but rather learn from the past.

“We need to be aware that we are in a crisis and in demographic change: the 'sandwich generation' is going to bear more care and costs unless reforms are made. We need clear decisions to be made together. Reforms are painful. We need to mix short-term and long-term perspectives.” she said.

Country Specific Recommendation are not everything but have improved. Vulnerable groups are addressed. Decent jobs as well as flanking services are necessary. Before the end of the year progress should be made on the Employment package/Youth guarantees.

The Commission will present a new Social Investment package in 2013, to balance the Employment package. The Social investment package will focus on:

- Social Protection as an investment
- Ensuring a better support to people into employment – active inclusion
- Stopping extreme forms of poverty and poverty in childhood
- Social Innovation and experimentation
- Governance – coordination between Member States and the Commission Directory Generals.

Lieve Fransen also shared some comments in response to questions raised earlier:

- The Social Protection Committee with the Economic Policy Committee has started working on pension, health and social security financing.
- Initiatives are to be unveiled which relate to improving participation and sharing knowledge in a better way.
- There is a need to improve the Joint Assessment Framework in the context of social policies.
- The Commission is committed to improve participation but Member States have a main role.

Lieve Fransen concluded by reminding that *“from the rest of the world people are looking at the EU and how we are going to reform our social protection system”*.

Philippe Lamberts, Member of the European Parliament, Group of the Greens/European Free Alliance, Member of the EP Economic and Monetary Affairs Committee, Co-President of the European green Party

Philippe Lamberts exposed his strong disagreement with the policies implemented by the Commission and the contradictory messages, and stressed the need to recognize the emergency of the situation and apply alternative approaches regarding the global economic and monetary picture including regulating taxation.

Philippe Lamberts was relieved to hear some passion from Fintan and said he was very angry about the reality on the ground and about the distance from this reality in the speeches that the Commission delivers. *“This is not a question of a glass being half full or half empty”* he said.

“The Commission speaks about reconnecting the EU with its potential to growth, and says we are on the right track. But poverty is increasing!” he added.

35

From his point of view there are 3 disciplines in the EU: hard discipline - on budget, soft discipline, and no discipline. The soft one is for Europe 2020: *“You’d better do it, but if you don’t, never mind”*. No discipline is applied to taxation: free competition, the lower wins. This is the silent discipline. *“But Europe 2020 will not happen unless taxation doesn’t get disciplined”* he stated.

He went on explaining that decision makers like to paint the Greens as *“budget irresponsible”* but he questioned the notion of debt. *“Debt is the burden passed on to next generation, it can be public or private... But there is also a social debt and an environmental debt: and there should be no interest, and only soft discipline applying on these debts?”* he asked.

Philippe Lamberts raised the question: *“Whose side is the Commission on?”* During the negotiations regarding the "Two pack" the Greens asked about social impact assessment. The Troika was afraid that it

would *"be the revolution"* and the Commission didn't agree with the Greens either: *"They can't imagine that the truth about the impact of the austerity measures can be said!"*

During the discussion in the European Parliament about the Banks and regulating the bonuses, the Greens spoke about limiting bonuses after the equivalent of a 24th extra month. They were told that this wasn't possible as *"the best people would leave, and it would kill the economy!"* Philippe Lamberts wondered *"who are these 'best' people?"*

He recognized however the fact that the Commission have a majority in the European Parliament to support the policies they are implementing, whereas his own party and its views do not

He warned: *"we are sitting on two time bombs: a model of development that goes way beyond the capacity of the planet and the social fabric of our society that is stretched to an extent to which we never did before. If we fail to disarm these time bombs, it will be a violent death for us, by the violence of the nature of by the human violence".*

"I want to feel the sense of urgency from the Commission" Philippe Lambert concluded, *"and DG ECFIN should be there as they are responsible".*

Christine Chapman, National Assembly of Wales, Committee of the Regions, Member of the Commission for Economic and Social Policy

Christine Chapman supported EAPN's approach of community-led strategies to fight poverty building on her expertise in Wales.

Christine Chapman first wanted to pay a tribute to EAPN for this excellent conference that made her feel very inspired.

She mentioned that as a Member of the Committee of the Regions, she's chairing the children committee of this European institution, and made the following points:

- Poverty is tearing families apart! But Poverty is not inevitable contrarily to what we often think. There is a choice. We do need another model to do thing differently. Nordic countries do better against the crisis;
- What is to be done needs to be done in a participative way;
- Communities must be part of the solution; they should be supported to help tackle poverty. Wales' programmes help deprived people to shape their future, with financial help from Structural Funds;
- Education is a vital ingredient in tackling poverty. Wales' government has taken consistent measures. As a child, life chances will be influenced depending on the early conditions of that life;
- Active citizens need to be part of governance through NGOs. This is a critical element in the eradication of poverty.

***Maureen O'Neill, European Economic and Social Committee, Vice President of group III,
Member of the Employment, Social Affairs and citizenship Section***

Maureen O'Neill concluded briefly the panel. She supported EAPN's approach and pleaded for citizens in the EU to be truly listened to.

37

"I'm impressed with the passion, expertise and knowledge that is in this room and should not stay in this room," she said.

Maureen underlined that confidence in the EU is an issue discussed in the Conference... but not confidence in citizens. *"Why not listen to them about the issues that affect them? Why are institutions so anxious about what they are going to tell?"* she asked. She insisted on the need for consistency about who is at the table and to listen carefully to the people.

She warned that our democracies are dis-functioning. Local Authorities can't deliver; they are squeezed from every side. Not all the resources available to find solutions are used. *"But if Iceland can do it, bring everybody together to find solutions, we can do it"*. She mentioned examples of stakeholders' involvement across the EU, and opportunities to be used. In particular Europe 2020 should be inclusive of the European Platform against Poverty.

"We should make sure that what has been discussed today is known outside of this room" she concluded.

DEBATE

There was a heated debate following the panel discussion that went on for one hour after the foreseen closing of the conference. Participants considered that neither EU institutions nor Member States did efficiently address the emergency of the situation of the most vulnerable and expressed anxiety and anger.

Interventions from the floor

The situation of the 'Troika countries' came up strongly. A Greek participant spoke about "the humanitarian crisis" happening in Greece. She was "ashamed to live in a country without hospitals and medicine, with rocketing numbers of predictable deaths". She highlighted that young graduates are leaving, and the number of suicide increasing. She stressed that none of the tools developed under the Structural Funds can cope with this type of dismantling of the social fabric. She urged the European Commission to do something. A German participant asked how the Troika recommendations are shaped and under which democratic supervision? A participant from Ireland said that it was a complete contradiction from the Commission not to ask for a National Reform Programme from the Troika countries when Troika's policies create poverty.

Participants expressed strongly their anxiety regarding the growing lack of confidence and ownership towards the European Union. "What message of hope, and what perspectives can I take back to my country where anti-European feeling and abstention is growing?" asked a French participant. A Dutch participant called for the 'Growth is the solution' mantra to be tackled and the human being put back at the centre.

Responses from the panellists

Marcel Haag insisted that the Commission takes concrete steps in the crisis, trying to make progress on key files without engaging in an ideological debate. They've made progress for the country-specific Recommendations to be stronger through the 6 pact. They went to 8 countries that have the highest levels of unemployment to look concretely at how to put EU Structural Funds to better use to fight

unemployment. They are working on a programme for the deprived. They are working with the Portuguese and the Greek governments.

Philippe Lambert disagreed. He insisted that the Commission is ideological when they base their work on Growth.

He explained that decisions are made regarding austerity cuts which are not democratic: *“Jean-Claude Juncker himself recognised that decisions are made by civil servants and the Memoranda of Understanding are rubberstamped by the Council.”*

He regretted that putting budget deficits first leads to catastrophe. *“France is going towards a catastrophe if the government does not meet the 3% target.”*

However he concluded on a more positive note some people are convinced that solidarity should be put first, even in Germany. Already Germany has done some saving by decreasing interest rates.

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The European Anti-Poverty Network (EAPN) is an independent network of non-governmental organisations (NGOs) and groups involved in the fight against poverty and social exclusion in the Member States of the European Union, established in 1990.



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