



EAPN: Fighting for a Social Europe Free of Poverty **7a**

## EU Policy Update February 2013

**EAPN Policy Team**

**EAPN EU Inclusion Strategies Group**

**2 February 2013**

**Brussels**

**EUROPEAN ANTI-POVERTY NETWORK  
RÉSEAU EUROPÉEN DES ASSOCIATIONS  
DE LUTTE CONTRE LA PAUVRETÉ ET L'EXCLUSION SOCIALE**





## Structure of Presentation

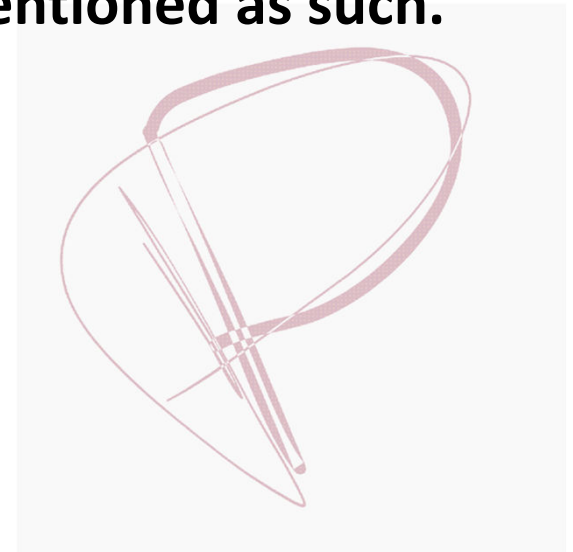
- **The battle over the EU budget – MAFF, Structural Funds and Fund for European Aid to the Most Deprived**
- **Economic governance – tightening the hold..**
- **Youth Employment Package**





## EU Budget & Structural Funds:

- **22-23 Nov: No Agreement reached during the Extraordinary summit of the European Council**
- **7-8 Feb: Agreement expected on an “austerity EU Budget”:**
  - **More than 73 € billion cut**
  - **16 € billion cut for Structural Funds (320 against 336)**
  - **0,4 € billion cut for FEAMD (2,1 against 2,5) included in the ESF financial envelope**
  - **The minimum budget for ESF not mentioned as such.**





## EU Budget & Structural Funds:

### At EU level: Some good news:

#### ▪ On the partnership principle:

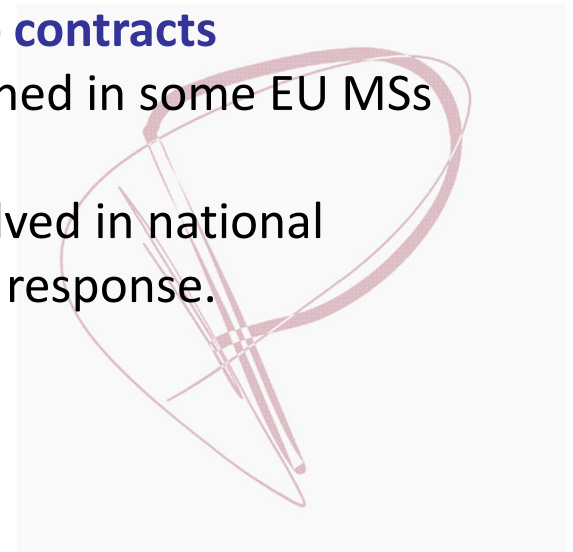
- The binding nature is back: “shall” has been reintegrated in most of the relevant articles (especially art. 5 on the partnership principle).
- The Code of Conduct on partnership has been accepted but with no retroactive effect

#### ▪ On the minimum shares for ESF:

Still no agreement btw EC/ Council and EP but EC and EP pushing for it

### At national level: Drafting of the Partnership contracts

- Public consultation processes recently launched in some EU MSs (France, Italy)
- In some cases, EAPN NNs/ its Members involved in national processes (FR, DE) but in some others, still no response.





## EU Fund to the Most Deprived (FEAMD):

### ▪ At Council level: the FEAMD still under threat but more Member States willing to support this new Fund:

- MSs are clearly in favor of the FEAMD: FR, IT, ES, PT, BE, GR, BG, RO, LV and LU
- But a blocking minority with DE and UK, then DE, DK, SW, SK, LT and NL.

### *Issues debated:*

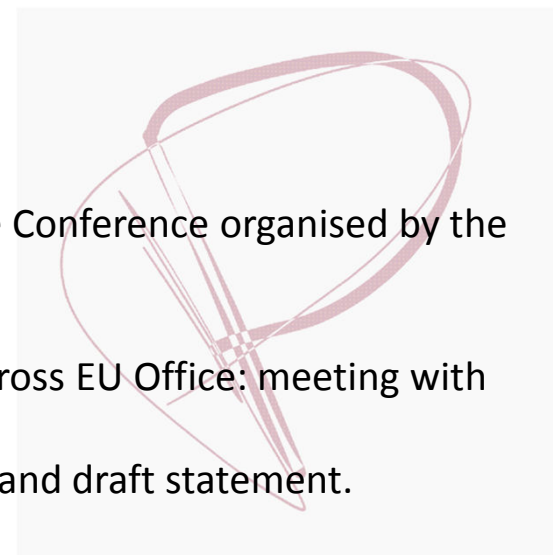
- The scope of intervention with some MSs putting forward certain priorities (healthcare (LT), Housing (ES)) or some others are more in favor of expanding the scope of this new Fund (FR).
- MSs against transnational exchanges/ EU Platform

### ▪ At EP Level:

- EP Rapporteur, Emer Costello, S&D, IE: very supportive
- Tight schedule: adoption in Plenary in April.

### ▪ EAPN actions:

- In December: EAPN invited to speak at the EESC and the Conference organised by the Belgian Federation of Social Services on Food Aid
- In January:
  - ✓ With Eurodiaconia, FEANTSA, Caritas Europa and Red Cross EU Office: meeting with the EP Rapporteur/ common proposals for amendments
  - ✓ EAPN invited to speak at the EMPL Hearing on FEAMD and draft statement.





## What can you do?

- To ask your Govt to get involved in any consultation process for the drafting of Partnership contracts and contribute to it
- To send the template letter to your PM/ Head of State to defend the minimum shares for ESF and FEAMD asap
- To keep spreading widely the EU campaign at National level and mobilise people to sign the petition.





## Economic Governance – Tightening the hold

### □ 1<sup>st</sup> Jan 2013 – Fiscal Compact came into force (except UK/CZ)

- 1 year to enshrine in national legislation budgets in balance or surplus, with general deficit below 3% GDP and structural deficit below 1%
- Automatic surveillance mechanisms will kick in under 6 and 2 pack.

### □ Nov 28 - Blueprint for a deep genuine Economic and Monetary Union/ European Council's Roadmap to complete the Economic and Monetary Union (13-14 Dec)

- Sets roadmap with short, med and long term milestones including six-pack and two pack, single supervisory mechanism on banks, long term aiming for autonomous euro fiscal capacity, drawing back on Treaty changes?.
- Proposal on EU unemployment benefit system on agenda/but ditched
- 1<sup>st</sup> time - Social dimension of EMU mentioned? Proposal to be presented in March

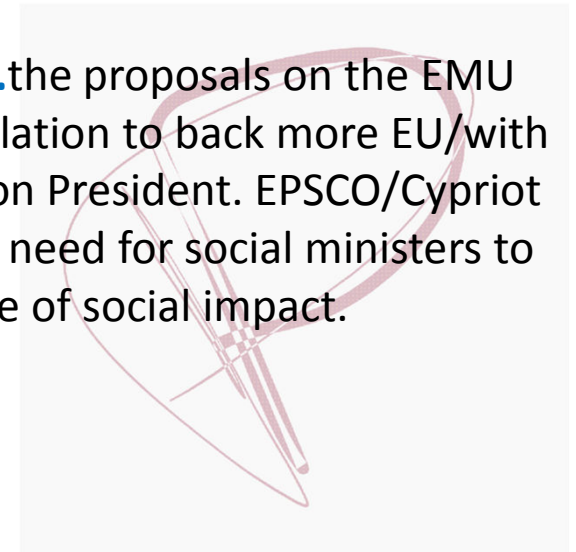
### □ Jan 22: New threats of 2- tier Europe – UK proposing to hold referendum on staying in EU in 2017- negative reaction from France/Germany and EP president, seen as blackmail to step back on integration





## Some progress?

- ❑ **Financial Transactions Tax Approved – Enhanced coordination**  
(Art 329 (1) of TFEU of 11 MS approved by Council on 28 Jan 2013 (Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia.) COM will make definitive proposal which has to be adopted by unanimous agreement of participating MS.
- ❑ **Action on Tax evasion** – December 2012, Commission adopted a Communication containing an [action plan](#) and two recommendations to Member States on [aggressive tax planning](#) and promotion of [good governance in tax matters globally](#) to tackle **1.3 trillion EU lost, but more needed.** Eurodad calls for requirement to pay tax in country of operation. (eg Starbucks avoided corporation tax in UK for last 3 yrs)
- ❑ **Social dimension of EU – an election concern....**the proposals on the EMU reflect growing concerns of convincing EU population to back more EU/with EP elections in 2014 and elections to Commission President. EPSCO/Cypriot Presidency letter sent stronger messages of the need for social ministers to have a role in macroeconomic decisions because of social impact.

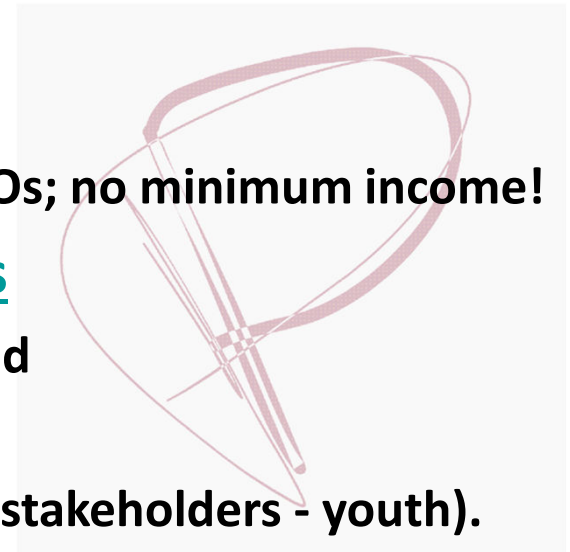




## Youth Employment Package



- **Follow-up Youth on the Move; released December 2012**
- **Main Communication: Moving Youth Into Employment**
- **Focus on fighting precariousness and a segmented labour market: insecure, low-quality jobs are not a stepping stone!**
- **Structural Funds play a key role, especially ESF – good initiatives, but worry about over-use of SF only for this;**
- **Focus on encouraging geographical mobility;**
- **Almost all MS received a CSR on youth employment!**
- **Comprehensive Annex with country fiches for all MS + HR.**
- **Youth Guarantee**
- **proposal for a Council recommendation;**
- **quality aspect; partnerships, including NGOs; no minimum income!**
- **Quality Framework for Traineeships**
- **Social partner consultations – second round**
- **Remuneration not compulsory!**
- **European Alliance for Apprenticeships (all stakeholders - youth).**





# Thank you for your attention

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