

WHAT PROGRESS ON POVERTY AND PARTICIPATION?

EAPN WORKSHOP AND DEBATE ON EUROPE 2020

Conference Report

Brussels, 30 September 2013



As networks and as organisations, both at the European and the national level, we are not only key civil society organisations, we are also the ones who have connections to those who have experience of poverty on the ground, and we make a very real and a very important contribution to the development of social policy.

Peter Kelly, Vice-President of EAPN

What we are seeing in terms of unemployment and poverty rate is indeed very worrying, and the Commission shares the assessment and concerns of the EAPN, as President Barroso pointed out in his State of the Union speech.

**Michele Calandrino, Policy Coordinator,
Secretariat General, European Commission**

We need to reform our economic system, we need to reform our approach to social justice, and we need to give Europe back to people.

Heather Roy, President of the Social Platform

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MAIN MESSAGES

1. The poverty target is left behind!

Despite what may be reflected in the data, poverty is increasing, and some groups are particularly hard hit. The current policies are wrong, they won't reach the Europe 2020 target, and it is a political choice to change them. The NRPs and CSRs are key tools, and they should be assessed against a checklist that includes prevention, and universal services and social protection. Access to quality affordable services as the base of the European Social Model and welfare states is at risk with rising prices and privatisation. There is a need for integrated strategies to fight poverty for all, with specific strategies for key groups. Ex-ante conditionality in Structural Funds is a welcome step for this.

2. The social is losing to the economic!

The European Institutions and national Governments do not recognize the rise in poverty, while they keep pushing macroeconomic objectives and a neo-liberal agenda, through cuts and austerity, in the guise of budget consolidation. A coordinated approach to achieve poverty-reduction in all EU countries is needed. The European Semester needs to be reclaimed for Europe 2020 and its social targets, and it could be the space to promote dialogue with a wide range of actors on poverty issues. There is a need to achieve real coherence between policies and different parts of decision-making (such as DG Employment & DG EcFin), to ensure that Europe 2020 and the poverty-reduction target are given priority. The Social Dimension of the EMU could be the ideal tool to rebalance priorities. It costs more not to fight poverty than to end it now!

3. Meaningful participation is badly needed!

The participation process in the European Semester and Europe 2020 processes is becoming an empty shell. European Institutions and national Governments need to develop more adequate methodology for participation in the NRPs and CSRs, in the form of structured dialogue and regular exchanges, at all stages of the NRP policy making process. Decision-makers should sit down with people experiencing poverty and their organisations and listen to them, and devise solutions together, and monitor their implementation together!

4. Structural Funds still fall short to deliver on the poverty reduction target

Despite a slight improvement with a higher profile given to Active Inclusion, Structural Funds' potential to help delivering on the poverty reduction target is clearly underused, with insufficient and piecemeal

support to integrated Active Inclusion approaches. This will inevitably jeopardize any investment in long-term pathways to quality employment and inclusion. Without any genuine backing to integrated Active Inclusion approaches, and any meaningful implementation of the Partnership Principle, allowing NGOs to get involved at strategic level and in project delivery, fulfilling the poverty reduction target through Structural Funds will remain very problematic.

5. EAPN has a key role to play!

EAPN should continue to try to engage in the NRPs at national level, and monitor the NRP process, but also be proactive, producing shadow CSRs and shadow social reports, which can be used throughout the year as a tool for engaging at the national level. The action should be dual - EAPN members to get involved on the ground, and EAPN Europe to engage with the European Semester. Equally, EAPN needs to find alternative ways to raise the awareness of public opinion and to engage with society – not just decision-makers – affect policy and to change negative stereotypes about people experiencing poverty.

KEY SPEAKERS

EU decision makers

- **Egbert Holthuis**, Head of Unit – Social Protection – Social Inclusion Strategy, DG Employment, Social Affairs and Inclusion, European Commission
- **Thomas Dominique**, Chairman, Social Protection Committee
- **Marije Cornelissen**, Member of the European Parliament (Netherlands / Greens & EFA Group)
- **Michele Calandrino**, Policy Coordinator, Secretariat General, European Commission

NGOs and other Stakeholders

- **Claudia Menne**, Confederal Secretary, European Trade Union Confederation
- **Heather Roy**, President of the Social Platform

EAPN representatives

- **Peter Kelly**, EAPN UK, Vice-President of EAPN
- **Sian Jones**, EAPN Policy Coordinator
- **Graciela Malgesini**, EAPN Spain, member of EAPN's EU Inclusion Strategies Group

SUMMARY

The half-day seminar was attended by over 150 people, including EAPN members and people with direct experience of poverty, alongside decision-makers and other stakeholders. The event was aimed at reviewing progress on Europe 2020's poverty target and commitments to stakeholder dialogue, in the context of increasing austerity and an EU democratic/participative deficit, and to promote mutual learning, and help build capacity.

It was also an occasion to present EAPN's new assessment of the 2013 National Reform Programmes, as well as EAPN's Key Messages, based on contributions from EAPN's membership, including both National Networks and European Organisations. The analysis highlighted, once more, the increasingly worrying situation on the ground, where poverty and social exclusion are increasing, despite commitments made, and stakeholder engagement is deteriorating.

Finally, it was a space to promote active dialogue between EU decision-makers and key stakeholders, and to identify together ways forward, to ensure that Europe 2020 makes concrete progress on poverty and participation, through Europe 2020 and its processes, chiefly the European Semester. 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, on EAPN's website.

INTRODUCTORY PLENARY – SETTING THE SCENE

Peter Kelly, EAPN UK, Vice-President of the European Anti-Poverty Network, outlined the objectives and programme of the seminar.

He welcomed the participants to an important discussion, focusing on what progress was made in respect to Europe 2020 – engaging with the poverty reduction target at the national and EU level. He stressed the need to highlight the complex realities of poverty and social exclusion across Europe, and take this opportunity to reflect on what we know, and how this feeds into European discussions.

Peter Kelly pointed out that the situation is becoming increasingly difficult. Rather than declining, poverty is increasing, while austerity policies are contributing to the phenomenon. Instead of promoting civil dialogue and engagement, networks and NGOs find it increasingly difficult to make an impact. These are some of the issues to be discussed during this seminar. EAPN wants to promote better understanding, to build the capacity for NGOs and people with direct experience of poverty, about the opportunities to engage with Europe 2020, and how have we been doing this over the past three years.

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Peter Kelly outlined the structure of the seminar, which will start with a presentation of the status quo and EAPN's work, by Sian Jones, EAPN Policy Coordinator, then move on to workshops, where concrete national realities will be discussed, and key ways forward proposed, and then end with a plenary discussion with partners and decision-makers.

Sian Jones, EAPN Policy Coordinator, provided an overview of Europe 2020 developments and EAPN action. [[PowerPoint presentation](#)]

The presentation was aimed at setting the context, and equipping participants with the basis for the discussion in the workshops. The new Europe 2020 Strategy speaks about inclusive growth, and, for the first time, it includes a headline target to reduce poverty, underpinned by a Flagship Initiative (the European Platform Against Poverty) and a specific Guideline (number 10). The Annual Growth Survey, the main driver of the European Semester, contains a priority on tackling unemployment and the social consequences of the crisis.

While the rhetoric sounds positive, how does it look in practice?

- By using the European Commission indicator, we have 119,6 million people at risk of poverty, and the numbers has increased since 2010, and will be increasing in the future.
- Member States are supposed to set national targets, but these combined do not reach the European objective.
- There is also increasing inequality, which was already there before the crisis, but it was made worse by it, as well as divergence in Europe, between the “core” and “periphery”.
- New risks groups are emerging – children, older people, single parents, long term unemployed, youth, Roma, migrants.
- Macroeconomic processes (reducing public deficit through fiscal surveillance) in the European Semester are increasingly dominant, while Europe 2020 seems increasingly forgotten.

Some new opportunities to put the fight against poverty and social exclusion back on the agenda are not without risks:

The Social Investment Package could mean a change of paradigm, by seeing social policy as an investment, not a cost. The paper supports the welfare state in three different roles – social protection, automatic stabilisers, and social investment. It also includes integrated strategies on key groups – children, homeless, Active Inclusion. However, it seems to accept austerity as an immutable fact, as it speaks increasingly of “efficiency”. It is a rather weak instrument, and it is unknown to what point it will be mainstreamed in other processes. Equally, it does not represent an integrated strategy against poverty, as EAPN has repeatedly asked for.

The Social Dimension of the Economic and Monetary Union is a new initiative by the European Commission, containing proposals on how to balance macroeconomic proposals with social concerns. However, the approach is not on equal footing, looking rather at how social policies can contribute to the macroeconomic areas. This will include a proposal on a Social Scoreboard of Indicators. The main question remains: will it prevent the macroeconomic from undermining the social? Will it stop austerity, cutting benefits, services, and support systems for people?

EAPN has continued to actively engage through:

- National Reform Programmes, and has released its 2013 assessment report;
- pro-active, alternative social reports;
- lobby for Guidance Notes and stakeholder involvement;
- evaluation and shadow Country Specific Recommendations;
- lobbying on key messages of the Annual Growth Survey and the Annual Convention;
- different alliances, and Brussels and national level.

EAPN's main concern remains that Europe 2020 is not at the heart of the process. There is no coherence between macro-economic objectives and social Europe. An integrated strategy against poverty is lacking, and the process is not accountable to stakeholders.

In the ensuing **debate with participants**, it was highlighted that members need to look at what is positive in the Commission's Country Specific Recommendations, and whether Governments are taking that into account. However, not all CSRs are useful, as two thirds seem to be focused on fiscal austerity, through reducing benefits and wages.

Equally, data indicated in some cases that poverty is decreasing, or at least does not capture the actual increase that is witnessed on the ground. Homeless people, undocumented migrants are not reflected in the data, and there is also a delay in the availability of data. Members need to rely on social knowledge and social experience to build their arguments, as quantitative indicators are unable to provide the full picture.

It was also pointed out that the calendar of the European and national semesters is very important, and deadlines can't be missed when trying to input. Also, it is crucial to identify the right interlocutors, which is very difficult right now at the national level. It is important to work with the media, produce alternative reports, and raise public opinion, and use other channels, since, in most countries, the reality of civil dialogue is dispiriting.

Next, participants split into **four parallel workshops**, to look at the specific situation in selected countries, as well as identify key messages.

PARALLEL WORKSHOPS

Workshops Exchange – Using Europe 2020 to deliver on poverty: What way forward?

4 parallel workshops discussed members' actions and experiences of using Europe 2020 to get progress on poverty, proposing next steps and key messages

WORKSHOP 1

Chair: Sonja Wallbom, EAPN SE

Speakers: EAPN Bulgaria, FEANTSA

Participants: EAPN BG, EAPN IT, EAPN PT, EAPN MK, EAPN SE, EAPN EE, EAPN RO, FEANTSA.

⇒ **Presentation of EAPN Bulgaria, by Maria Jeliazkova**

The speaker started by noting a regression on antipoverty measures, which is not only noticed by EAPN, but also mentioned in the 2012 report of the Social Protection Committee. Achieving the anti-poverty target is in danger, as EAPN Bulgaria also pointed last year in their analysis of the country's NRP, as the crisis is still deep-seated, and unemployment is on the rise.

The Bulgarian Government pays close attention to the indications of the European Union when drafting its NRPs, and has addressed the CSRs it received one by one. However, although Bulgaria has the highest levels of material deprivation and the lowest income in the European Union, the CSRs don't address that. Often, they just repeat the CSRs

from the previous year, in the case of other countries as well (for instance, Austria).

EAPN Bulgaria has compared their Country Specific Recommendations to those received by Austria, and has noted a number of contradictions:

- The Austrian CSR links retiring age to life expectancy, while this is not mentioned in Bulgaria, as life expectancy is too short.
- For taxation, low income people in Bulgaria pay more than others, while the Austrian CSR asks the Government to reduce the tax burden on low income people.

The Bulgarian Government follows what it has been told was important, namely fiscal consolidation, budget deficit, liberalization, unemployment, support for most poor people. No CSR on poverty was addressed to Bulgaria, so the Government continues to follow the mantra of the Fiscal Compact.

Over the past 7 years, people resorted to public self-immolation to protest the situation, coupled with mass protests on energy poverty, which is experienced by over 70% of Bulgarians (using the UK definition, where no more than 10% of monthly expenses should represent fuel costs). These protests led to the stepping down of the Finance Minister, who was in charge of the NRP, and who subsequently publicly stated that the policies in it were wrong. However, after he stepped down, the NRP was kept and submitted as such, as there is no reference in European documents to this situation.

Maria Jeliaskova stated that the question is whether the NRPs fail to deliver on their aims, which are deeply connected to achieving the Europe 2020 targets, or whether they have become something else, a tool to deliver on macroeconomic ambitions, where poverty is just a side question that receives little to no attention.

Regarding the consultation process, EAPN Bulgaria has tried to engage through position papers, asking questions, presenting arguments to the Social Ministry, responding to public consultations on internet, talking with the with Cabinets of

Ministers, through a consultation with Commissioner Viviane Reding, through building alliances with trade unions, with the Union of Economists, with the Union of Consumers (on energy poverty) etc.

However, consultative bodies are built because of pressure of the European Commission, but, in reality, they don't deliver, they are composed mainly of a restricted number of Ministry employees, who endorse decisions coming from above. Other members are in a minority and are not listened to. Ultimately, working groups of decision-makers make the last decisions, which no accountability, or obligation to take feed-back into account. The process is, thus, not transparent, composed of a one-time event, not something that can be improved and developed over time. The Government says it is the responsibility of the European level, and the European level says it is the Governments' decisions.

Maria Jeliaskova concluded by stating that the NRP is an extremely important document, which could include a strategic vision for four years, trying to build a common European space. But for that to work, it needs to be based on welfare and a true striving for social development, and based on policies that concretely mobilise for actions.

EAPN Bulgaria feels that a clear methodology for stakeholder participation in NRPs and CSRs is deeply needed, contextually and process-wise. Contextually, it is very important to clearly outline

what points to address, to agree on priorities such as inequalities, income policies, pensions and insurance systems, tax policies, and other which alleviate or increase poverty. The proposed policies need to be checked against realities on the ground, as there seems to be a silent agreement

⇒ **Presentation of FEANTSA, by Freek Spinnewijn, Director**

FEANTSA is the European Organisation working on homelessness, and most of their members provide shelters and homes to people experiencing homelessness, while some provide social housing. Half of Member States mention homelessness among priorities in the NRPs. There is a growing number of CSRs on tackling homelessness. What is, however, most striking is that references to homelessness are totally disconnected from the urgency of problems or policy-makers attached to it. FEANTSA members have not been regularly involved in consultation processes, and when they were, or when they managed to have an impact, it was rather through informal channels.

FEANTSA strives to be involved with EU processes and to drive national agendas, as not priority is given to homelessness in domestic policies. When it is discussed, it is rather from a negative point of view, mainstreamed in economic and budgetary discussions. For someone trying to influence national policies on homelessness, using the NRPs to influence the EU agenda is not seen as an added-value.

that problems can be solved at a national level alone. Process-wise, the methodology needs to reflect on the negative aspects of consultation process, identify what is meaningful engagement, and draw on good proposals made by stakeholders.

If participation were meaningful, one would expect to see better and more CSRs on poverty, for instance, but this is not the case, for instance, in Belgium, where there is good consultation process, but this is not reflected in the CSRs. This is why organisations wonder if it is useful to get involved in a process that has no or little impact, or is simply tokenistic, and members suffer from “participation fatigue”. We must define very clearly what kind of engagement we want.

EAPN’s analysis of the NRPs attempted, in previous years, to rank countries, and identify “good” and “bad pupils”. This is a difficult process to be done accurately, in the absence of a common framework, and when the analysis is biased by how close is the network’s relationship with the Governments. This year’s assessment does not contain a quantitative ranking, and it is hence more balanced. Also, care should be taken when speaking about how representative participation of national members is, while using percentages. EAPN should make wider use of the expertise available, and more European Organisations in its

membership should contribute to this assessment, to provide a fuller picture.

Future approaches can be bottom-up, i.e. focusing on influencing the NRPs as drivers who influence the European Semester. Working top-down could be less burdensome and more effective, by trying to influence the EU-level analysis and drivers. It is equally important to agree a number of priorities to reduce poverty and inequalities, such as those set up by the Commission and the Council: over-indebtedness, activation, child poverty, homelessness.

⇒ Debate with the audience

14 Some participants expressed reluctance on whether there is still a point to try to engage with the NRP process. In some countries, Governments just want to show the European Commission that they are consulting stakeholders, but the process is flawed. NGOs feel they are legitimising an empty process by continuing to show up. They feel they are not listened to, but their presence is used to cultivate an empty concept of engagement. This is particularly difficult, when civil society in all countries is now facing survival, with small NGOs losing funding, losing motivation, living in poverty themselves, and being faced with closed doors. Moreover, there is the feeling that CSRs are anyway drafted before the NRPs come in, which questions the purpose of engaging.

Equally, a number of initiatives were already adopted at the EU level, and it is our role not to let the Commission forget about them. The European Platform against Poverty contains 70 priority actions, which were endorsed by the Council, and these are just as important as good NRPs. The Social Investment Package, while some scepticism is inherent, does present opportunities to be grasped. The Social OMC delivered tangible results that we should build on. We have been warned by EC officials that we can't expect much from the European Semester, we should try to reinforce our role, for example, in the European Platform against Poverty.

Other participants recalled the National Action Plans, where NGOs were obliged to take part and were funded for this activity. This meant that input from civil society was valued, what has changed since then? Even if the NRPs can't be used to push for EU agendas, some members felt that EAPN must continue to be involved in the NRPs, as they decide the national social agendas, and, in some countries, destroy social welfare. It was also pointed out, to answer the reluctance of those who have lost faith in the national participation processes, that EAPN is currently running a Task Force to prepare a handbook for consultation, outlining what participation we want.

Other forms of engagement, aside the NRPs, were also explored in the discussions. It was suggested

that networks come up with their own proposals and pro-active, alternative reports before the NRPs are drafted in their country. The concrete implementation of the SIP and EPAP recommendations should also be monitored. However, these latter, as well as the National Social Reports, are drafted by the Social Ministry, while the NRPs are drafted by the Finance Ministry of the Prime Minister, who have much more power of action, so engagement with the NRPs must not be abandoned.

⇒ Key messages of Workshop 1

1) For what we have today, we should be reacting by:

- Developing methodology for participation in the NRP and CSR (context-wise and process-wise) – we need to set some conditions and ask for common rules for consultations when we take part in NRP and in CSR – we want a consultation process when a team is developing CSR – dialogue – not other forms.
- For the poverty targets we need a shortlist with things that are absolutely important, if we are serious about decreasing poverty. With this list, we can look at NRPs and CSRs.
- We shouldn't enter the game of being divided by institutional interlocutors (all

Participants also referred that DG Employment seems to have lost its edge on the fight against poverty, and that it is EAPN's role to make them accountable for commitments made. It was equally mentioned that the arrival of a new European Parliament and European Commission might represent a turning point. EAPN needs to think if it wants to engage more politically, or become proactive in pushing poverty at the forefront of policies.

stakeholders involved at EU and national level).

2) For the future, which we don't know much about yet (given the EP elections):

- We need a strategy to back up the work on reducing poverty targets in all EU countries – EC and Council not recognizing that it's not working; poverty is growing...
- EAPN should be proactive – maybe not coming up with shadow NRPs, because of our lack of resources, but come with CSRs before they are published – shadow CSRs can be used throughout the year as a tool of engaging with dialogue.

WORKSHOP 2

Chair: Sandra Araújo, EAPN PT

Speakers: EAPN Poland, EuroChild

Participants: EAPN PL, EAPN PT, EAPN PT, EAPN IC, EAPN CZ, EAPN SK, EAPN EE, EAPN RO, EAPN HU, EAPN LT, EAPN SE, EuroFound, European Microfinance Network, IFSW, Dynamo International, Green Budget Europe, Jonathan Zeitlin (University of Amsterdam), Church of Scotland, Eurochild, Quartiers en Crise.

⇒ **Presentation of EAPN Poland, by Ryszard Szarfenberg** [[PowerPoint presentation](#)]

There are three processes around which EAPN tries to engage in Poland: the NRPs, the antipoverty programme, and the Operational Programmes (Structural Funds)

Regarding EAPN's Poland engagement with the NRPs:

- 1st phase: no consultation in 2011. EAPN prepared a joint statement, but received no response.
- 2nd phase: in 2012, a first institutional structure was created, including social partners and NGOs, but little impact was observed in the final text.
- 3rd phase: in 2013, two NGOs submitted detailed amendments, and some accepted, while a response was received for why the others were not. Overall, still limited impact.

When NGOs asked about the process, and whether it was participative (having a general discussion) or consultative (having the opportunity to comment on the draft), they were told that the institutional

structure had been set up since 2012. In a new participative phase, partners were able to propose themes – youth employment, cooperation business, education, in-work poverty – based on the CSRs received by Poland. This is how EAPN Poland managed to move from outsiders to having an active role in the inter-ministerial process.

Regarding EAPN's engagement with the anti-poverty programme, there exists an important conditionality in the Structural Funds regulation, to have an anti-poverty strategy. EAPN PL suggested that this be included in the NRP, which was accepted now in 2013, and the drafting started in January. EAPN Poland was sent a working draft, and submitted 140 comments to it, but there has been no institutional process of consultation around this, so impact is unclear.

Regarding EAPN's engagement with the anti-poverty programme, the ante conditionality of Structural Funds is to have an anti-poverty strategy. We suggested that this be included in the

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NRP, which was accepted now in 2013, and the drafting started in January. EAPN Poland was sent a working draft, and submitted 140 comments to it, but there has been no institutional process of consultation around this, so impact is unclear.

Regarding the Operational Programmes, the goals of the European Social Fund include anti-poverty activities and social inclusion. Another structure was set up, but without civil or social partners. In parallel, EAPN Poland established a permanent conference, aiming to improve NGO engagement in next period of Structural Funds. The conference prepared a statement of 12 demands, and sent 53 amendments, out of which 18 were accepted.

EAPN Poland feels that there has been progress in the dialogue process in the NRP, although limited. Getting a proposal of an antipoverty programme is crucial, but the impact is unclear without a dialogue structure. In this process, no people with direct experience of poverty are involved. Poverty in Poland is increasing, particularly material deprivation.

In answering **questions from the floor**, Ryszard Szarfenberg explained that the Ministry of Economy leads on the NRP, while the Ministry of Regional Development leads on the European Social Fund, and the Social Ministry on the antipoverty strategy. Most ministries are not so

keen on cooperation between economic and social.

Some proposals made by stakeholders were rejected because they were not clearly worded, or they were too general. Successes include the antipoverty strategy, and the raising of the minimum wage (although not by enough). Some proposals focuses on the CSR on Investing in Children, but it is their implementation that needs to be monitored. A new profession was introduced, that of family assistant, but it was not budgeted enough – EAPN Poland calculated the necessary amounts and submitted it to decision-makers.

Comment from the Chair: In Portugal, EAPN does not have a good relationship with the Government, but felt they were starting to demonstrate their social expertise. We are hosting a meeting on the 10 October, looking at the link between economic and social, and trying to come up with a proposal of what an antipoverty strategy could look like. Last July, we produced a 20 page document about the transition to the new programming period, highlighting out concerns about children, elderly people, the Roma etc, complete with Recommendations. It received a lot of media attention, and we will again try to promote it on October the 17th, in the hope of obtaining a national antipoverty strategy.

⇒ **Presentation of Eurochild, by Réka Tunyogi** [[PowerPoint presentation](#)]

EuroChild has 162 members across 35 countries, including practitioners and civil society.

Child Poverty is a key priority in the EU agenda, for instance in the Social OMC, the European Year against Poverty 2010, the Commission Recommendation on Investing in Children, Council Conclusions on Child Poverty and well-being. Children are present in the poverty target, some Member States have sub-targets. Children are also mentioned as a priority in the Integrated Guidelines. The Commission Recommendation is the key process to put pressure on Governments to deliver an integrated strategy, as well as to use EU funds for implementation (such as the ESF and ERDF for infrastructures, and FEAD and PROGRESS). It allows for more meaningful involvement of children's organizations and children themselves.

EuroChild reviewed the NRPs and the Annual Growth Survey and prepared, this year, alternative CSRs, in the framework of the EAPN-lead alliance on CSRs. They will be looking at ways to get their members involved with the AGS. EuroChild equally conducted a survey on how child poverty is reflected in the NRPs, and EAPN DK, PT and LU contributed. Child poverty seems to be mentioned more, but not reflected in sub-targets, or measures. Bulgaria, Greece, Romania, Spain and the UK received a CSR on child poverty.

Réka Tunyogi underlined the lack of an integrated approach. The main focus is childcare in a limited way, only in a context of reconciling professional and private lives, while it is not looked at also from the perspective of child development. There are some mentions about educational disadvantage (in connection with the education target), and some focus on vulnerable groups, such as Roma or migrants. There is very little consultation with civil society, and none with children. The majority of EuroChild members were not consulted for the NRPs.

There is a slight improvement on the CSRs regarding child poverty, with references to income support, institutionalization, social services, childcare in 14 countries, but not always coherent regarding macroeconomic imbalances and reducing deficit.

EuroChild recommends that Member States set targets to reduce child poverty, and report on the Child Poverty Recommendation through the NRPs and National Social Reports. Ex-ante and ex-post evaluation of the impact of policies on children needs to be carried out, including of the economic crisis. Structural Funds could be used for this end. Children's participation needs to be integrated in a meaningful way.

In answering **questions from the floor**, Réka Tunyogi highlighted that EuroChild is currently running a campaign in 9 European countries, which also looks at the use of Structural Funds and investing in family-type care. The overall picture of the impact on child poverty in times of austerity is rather negative, reveals a EuroChild survey, which

⇒ **Debate with the audience**

Participants provided details about the situation in their own countries. It was highlighted that the focus on adequate benefits is crucial, as family poverty is increasing, as well as suicides and mental health issues. There are growing problems over access to health care, families have to pay for medication, increasing costs. Issue of free dental services. There is a need to challenge stereotypes about people experiencing poverty, and also take into account the gender dimension, as 90% of single parents are women.

EAPN Malta has produced proposals to reduce to reduce poverty, with a particular focus on education and preventing early school leaving. Children don't go to school mainly because of health issues and lack of money, as well as psychological problems. These problems are especially dire for migrants, and all these challenges have to be faced with reduced social workers.

Haroon Saad from Quartiers en Crise underlined the role of local development. The key issues for

showed a worsening of the situation. EuroChild's priorities are to promote the UN rights of the child, mainstream them through Europe 2020 and the EU financial instruments, and implement active inclusion in an integrated way, looking at income support for families and quality jobs, and quality services and participation for the children.

local authorities were identified as countering the high levels of unemployment of young people, which has an impact on families and young children, as well as the profit incentive in health and education, which is destroying the welfare state. Cuts in services are part of a deliberate policy, and Governments are forced to either cut or privatize – and this policy is simply wrong.

Several suggestions were put forward for improving participation and addressing the democratic deficit, such as encourage decision-makers to exchange places with people in poverty and live in their conditions for a week. It is also suggested to build more public pressure to affect change, and focus on very concrete issues, and develop expertise in that field. Organisations can do more to support the direct participation of people experiencing poverty, and enhance their dialogue with civil servants in Ministries and the European Commission – as it is done in Scotland, and some parts of Belgium.

⇒ Key messages of Workshop 2

1. Poverty is increasing, despite the data – this is seen in rising suicide, stress and psychological breakdown as well as increased problems of ill health. The most affected are children and families, young people, migrants/Roma. The current policies are wrong. This is a political choice. We need to invest in prevention, and universal services/ and social protection, and then provide integrated strategies to fight poverty for all, with specific strategies for key groups, like children. We should make use of the ex-ante conditionality in Structural Funds for an anti-poverty strategy (like Poland). Particular concern on how the child poverty Recommendation will be implemented - ensuring access to decent income, services and children's participation.

2. The access to quality affordable services/the base of the European Social Model and welfare states is at risk with rising prices/privatisation. We must get rid of the profit motive in public services, particularly education, health and social services.

3. The participation process is becoming an empty shell. We should give priority to voice of people in poverty and children in dialogue processes, which make it more difficult for civil servants to ignore. But we must go beyond these processes and engage with wider society not just government to challenge stereotypes on poverty and to persuade public opinion to impact on government policy.

WORKSHOP 3

Chair: Sonja Leemkuil, EAPN NL

Speakers: EAPN CY, EAPN DK

Participants: EAPN CY, EAPN DE, EAPN DK, EAPN GR, EAPN NL, EAPN IC, EAPN ES, EuroDiaconia.

⇒ Presentation of EAPN Cyprus, by Marina Koukou [[PowerPoint presentation](#)]

Marina Koukou began by saying that, in Cyprus, Europe 2020 neither helps nor hinders poverty reduction, as it is inexistent: the Memorandum of

Understanding with the Troika does not take it into account. This, in a context marred by staggering developments:

- haircut applied to people's savings;
- unemployment is rising;
- fees imposed for healthcare;
- second tax on property was introduced;
- reduction in minimum pensions;
- no development plans;
- increased migration because of the lack of jobs;
- cuts on welfare benefits (single parents, asylum seekers, refugees)
- 23-30% wage reduction, leading to more in-work poverty;
- closure of public organisations.

No progress was noted on participation – quite conversely, the Troika made it worse. The

Government was unable to protect social dialogue, and the NRPs are not compulsory, much less stakeholder engagement. NGOs are excluded from decision-making, while the citizens are increasingly disappointed. It seems unbelievable that this is happening in Cyprus, after the whole world could see what happened in Greece.

Marina Koukou concluded by enumerating EAPN Cyprus' main messages: austerity may improve numbers, but they only increase poverty, unemployment, homelessness and misery. What is needed is investment in education, in people, in the fight against poverty and social exclusion, in a Europe for people, not for banks and markets.

Presentation of Denmark, by Per K. Larsen [[PowerPoint presentation](#)]

The situation in Denmark, one of the richest countries in the European Union, is not encouraging: inequalities are growing, benefits are reduced, access to services is restricted for people experiencing poverty, labour market and education not accessible to low-skills and people with disabilities. The new discourse is not about welfare, but workfare for all. EAPN DK has been involved in a number of initiatives and advisory

groups, including through the European Minimum Income Network project, led by EAPN Europe.

The national poverty target in Denmark is very unambitious, referring only to reducing the number of people living in households with low work intensity by 5%. The new NRP is likely to contain specific measures for the social inclusion of the most excluded children and youth, homeless, prostitutes, the mentally ill etc.

⇒ Debate with the audience

The consensus of participants was that Europe 2020 as it is being currently implemented did not help reduce poverty. People are promised

advantages in electoral times, by then they pay double for them, and they seem to have a short memory till the next elections. In principle, Europe

2020 could be useful, but in practice, this framework is “adapted” to suit national interests, and actually pass on reforms that have nothing to do with it. It would be helpful for bail-out countries to be included in the Europe 2020 processes though, even if the process is not perfect.

Regarding participation, for most participants it seemed to mean intervening punctually on the NRPs, when the Government has already a proposal, and it is often a façade. What is needed is for a year-round structured dialogue. If this is not possible, members felt that they should take to the streets with their demands. What is needed is

⇒ Key messages of Workshop 3

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1. Sit down with people experiencing poverty and their organisations and listen to them, and devise solutions together, and monitor their implementation together!
2. Achieve real coherence between policies and different parts of decision-making (such as DG

more of a rights-based approach, and to make politicians understand that it is people’s lives and dignity they are talking about, not some abstract macro-economic concepts.

Eurodiaconia have also polled their members, and received very disappointing results regarding participation: 3 out of 9 members were consulted, and out of the three, only 2 believed that comments were taken into account, and 1 believed that the process has improved. Austria and Netherlands commented that the process became worse.

Employment& DG EcFin), to ensure that Europe 2020 and the poverty-reduction target are given priority.

3. It costs more not to fight poverty than to end it now!

WORKSHOP 4

Chair: Verena Fabris, EAPN AT

Speakers: EAPN IT, EAPN FR (replacing the AGE Platform)

Participants: EAPN UK, EAPN NO, EAPN DE, EAPN FR, EAPN ES, EAPN FI, REIF French Social Protection, Babelea.

⇒ **Presentation of EAPN Italy, by Vito Telesca** [[PowerPoint presentation](#)]

The Europe 2020 process in Italy has been affected by successive changes of Government, little consultation, including of local governments, and the lack of a national antipoverty strategy. Recent increases in poverty outmatch the proposed reduction target, while the Government's only concrete response is the introduction of a social card, which fortunately is available also to non-EU citizens who are long-term residents.

In the Basilicata region, EAPN IT has started producing, since 2004, reports on poverty and social exclusion in the region, and managed to introduce in regional programmes the anti-poverty objective, supported by a regional antipoverty programme, with ESF support. However, this programme is due to end in 2013.

The 2011 report on poverty and social exclusion in the region, produced in collaboration with EAPN Italy, requests actions delivered across the policy

spectrum, with better use of EU funds in support for social inclusion, as well as better partnership. Five transversal working groups were set in place, dealing with employment, effective access to the rights, financial inclusion, children and youth people, governance of social politics. All these working groups brought together a wide range of actors including NGOs, local authorities, as well as private bodies like banks.

Proposals for the regional level include a regional platform against poverty and social exclusion, adequate minimum income, convening an annual conference against poverty and social exclusion, and involve people living in poverty, among others. In the absence of a national process, bottom-up regional initiatives can work, thus increasing the accountability of local authorities. They play a key role, and are often unaware of European processes, such as the Social OMC or Europe 2020.

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⇒ **Presentation of EAPN France, by Jeanne Dietrich**

In France, there is a structure called The National Council for the Fight against Exclusion, where EAPN France is involved. This body issues an opinion on the French NRP on a permanent basis, which is now attached to the NRP, when it is submitted to the European Commission. This opinion is treated on an equal footing with the ones of regions, trade unions etc.

The downside of this process is the very short timing to respond (only 2 days), giving the impression that the consultation is artificial and superficial. This is very bad for the participation of people experiencing poverty and for NGOs to get a strong positioning.

Engaging with the NRP is important both in itself, as well as from an external point of view. Internally, this exercise is also very useful to help the network agree on policy priorities, and to raise awareness on the role played by the European level. From an external point of view, this can serve to do lobby and work on how to position oneself in the social policy debate.

In **answering questions from the floor**, Vito Telesca underlined that the Basilicata regional antipoverty programme is ESF funded, and that other Italian regions (Marche, Lazio etc) are also interested. Transferability and mainstreaming of

⇒ **Debate with the audience**

24 It was pointed out that working in groups on poverty issues are very inspiring, as many stakeholders don't usually have where to meet and exchange. These processes should be strongly backed by the national and the EU level. It was felt that the experience of preparing pro-active shadow reports (as 4 EAPN networks did this year) is very helpful in answering quickly, when having very brief deadlines. Equally, NGOs should play a watchdog role, regarding how positive CSRs are integrated in the NRPs.

Other countries shared their experiences with stakeholder engagement:

In **Germany**, the timeframe was not much longer than two days. The draft was sent before

such good practices should be encouraged, so that we can reach the national level. But this is more a political issue than a funding one. These regional consultation processes were not reported on in the NRP, because it involved only regional action, not intervention on the NRP per se.

Jeanne Dietrich clarified that, in France, there is a trade-off between having more time, but not managing to meet NRP deadlines (hence, the Opinion is not annexed), or having very short timeframes, but having the opportunity to still intervene before the NRP is completely finalized.

Christmas, with the deadline by New Year's Eve. But it has helped that we have been through this before, so, by the time we are asked, we pretty much know what to expect, and know what we want to say. We should use the same strategy with the Annual Growth Survey.

In **the UK**, consultation processes depend very much on the national Government. There are no regional Governments, but a local authorities' network, which need to be involved. The Government drafts the NRP, and then relies on the autonomous regions to fill the gaps with examples.

In **Slovakia**, there is a development in the consultation culture, but this still only means a very fragmented engagement. But many NGOs are just

happy to be met, without seeking deeper involvement. It is more effective to work directly with and through public opinion.

In **Belgium**, there is a long tradition to be consulted, and EAPN BE is very involved in Europe

⇒ **Key messages from Workshop 4**

1. To use the European Semester to get into dialogue with a wide range of actors on poverty issues

2. To promote the mainstreaming of integrated bottom-up/local good practices at national level with adequate public resources attached.

2020 processes, betting on alternative reports and interacting with people experiencing poverty and others. But the impact we see in the NRP is very limited! Is it worth it?

3. EAPN to be more proactive in our advocacy work by using as much as possible the European Semester (i.e. Annual Growth Survey and CRSs) not to rely on national consultation processes.

4. To be more influential by finding other ways to get heard like raising awareness of public opinion in general.

PLENARY DEBATE WITH DECISION MAKERS AND STAKEHOLDERS

Graciela Malgesini, EAPN ES [PowerPoint presentation of EAPN Report and main findings](#)

As shown in the workshops, EAPN members attempt every year to engage in the NRP process at a national level. Equally, just as in 2011 and 2012, EAPN produced, in 2013, an assessment of the National Reform Programmes, drawing on input by EAPN members – national networks and European Organisations. Graciela Malgesini presented the key messages of this year's analysis, stating that the situation is marred by rising poverty, unemployment and exclusion. All AROPE indicators show an increase. There is a prosperous core of Member States, while the periphery is in depression. Economic governance is becoming more and more intrusive in social protection budgets and undermining quality employment.

KEY MESSAGES OF EAPN'S ANALYSIS OF THE NATIONAL REFORM PROGRAMMES

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MACROECONOMIC POLICIES

1. **Macroeconomic policies continue to prioritize austerity** in many countries: with increased cuts in public services and benefits/pensions, privatization and wage cuts. These are damaging consumption and economic recovery, generating increased poverty, and undermining the foundations of the welfare state in many countries.
2. **There are few signs of social investment** in social protection, integrated active inclusion, quality services and jobs as a key instrument to deliver inclusive growth as well as poverty reduction. There is a clear tendency to prioritize short-term narrow economic goals over long-term social and economic returns.
3. **The inequality gap is widening**, through attacks on income levels (wages and income support) and failure to introduce fairer distribution, through progressive taxation. This is leading to mounting risks to social cohesion and stability.

EMPLOYMENT POLICIES

- 1. Proposed policies will not achieve the employment target!** The policy measures currently proposed in the NRPs will not succeed in getting more people into employment, or if they do, it will be a false success, a game of clever statistics based on an inadequate indicator, while people on the ground are stuck in a perpetual poverty trap and revolving door of unemployment and hardship.
- 2. Quality of work and employment is deteriorating and remains unaddressed!** There is no investment in quality job creation, and many existing jobs are precarious and low paid, while the unemployed, especially those in vulnerable situations, are being penalised through negative activation policies and practices.
- 3. The way forward is through comprehensive support and integrated approaches!** Governments need to start actively implementing integrated Active Inclusion, combining adequate income with access to quality services and personalised pathways towards sustainable and quality employment and social inclusion.

EDUCATION AND TRAINING POLICIES

- 1. The measures proposed in most NRPs are counter-productive for the meaningful achievement of the education targets of Europe 2020!** While positive measures are too general or piecemeal to comprehensively tackle issues on the ground, some measures are even expected to have negative effects and worsen drop-out and educational attainment.
- 2. Education policy is not set in broader inclusive approaches!** Such an approach would address well-being in a wider sense, and make links to reducing poverty and ensuring social inclusion and equal opportunities, especially for key groups facing difficulties, and for children living in poverty.
- 3. Consistent financial backing for educational policies is endangered by austerity and fiscal consolidation!** Education is one of the areas mostly hit by cuts in social spending, and progress towards the targets and towards more inclusive education can't be made without adequate investment.

ANTI-POVERTY POLICIES

1. **The poverty target is not being taken seriously**, the lack of transparency, visibility and coherence over choice and use of indicators undermines the key role that the target could play in driving priorities to poverty reduction.
2. **An EU strategy and national integrated, multidimensional strategies to fight poverty for all groups is crucial**, if serious efforts are to be made to reach the poverty target. Social investment can play a key role but must challenge austerity and back greater investment in universal social protection and enabling policies.
3. **Some progress is seen on some thematic priorities (child poverty, homeless, Roma, individual pillars of active inclusion) including investment**, but integrated strategies are lacking, with employment at any price, as the main driver. Specific national (sub) targets should be set in such areas to help advance on the overall poverty target.

28 ***STRUCTURAL FUNDS***

1. **Structural Funds still fall short of their potential to deliver** on the poverty reduction target despite a slight improvement and the education target still remains almost invisible in the NRPs.
2. **Although some progress is noted, support to integrated active inclusion approaches through Structural Funds is still insufficient** and piecemeal which gives little room for investments in long-term pathways to quality employment and inclusion.
3. **The partnership principle is still not being really enforced** at national level, which makes access to Structural Funds still very problematic for NGOs.

PARTICIPATION AND GOVERNANCE

1. **EAPN reports an overall lack of progress towards implementing meaningful participation** in the NRPs processes at national level.
2. **Organizations start to question the value of engagement**. Organizations working with and for people experiencing poverty have been demanding and have been prepared to input into the NRP

process at national level since it was launched. But given the lack of engagement and room for influencing the actual content of the NRPs they are about to put this engagement under question.

- 3. We urge Member States to implement meaningful stakeholder participation and involve National Parliaments in the debate on poverty.** We demand that the Commission presses national governments more strongly to implement meaningful participation. In Troika countries a stakeholder process should be urgently set up to discuss the social impact of the crisis and current Troika programmes.

KEY RECOMMENDATIONS OF EAPN'S ANALYSIS OF THE NATIONAL REFORM PROGRAMMES

- 1. Develop a Social Pact and Social Governance in the European Semester.**
- 2. Immediate action to restrict austerity and promote social investment.**
- 3. Integrated, multi-dimensional strategy to fight poverty, based on access to rights, resources and services.**
- 4. Targeted use of EU funds to reduce poverty and exclusion and support community-led and grass-root initiatives.**
- 5. Radical reform of the Semester process, based on democratic and participative engagement and accountability.**

ROUND TABLE WITH EU DECISION MAKERS

Egbert Holthuis, Head of Unit – Social Protection – Social Inclusion Strategy, DG Employment, Social Affairs and Inclusion, European Commission

Mr. Holthuis started by thanking EAPN for producing the NRP report, looking not only at poverty, but also employment, macroeconomic context etc. It is important to recognize that the European Social Model has proved quite useful in the first years of the crisis, although the situation is much more difficult now. The Commission is trying, through the Banking Union, to avoid a new crisis in the future, looking also at social progress and economic and social cohesion.

30 He said he was proud that the Commission adopted the Social Investment Package, looking at welfare systems and their capacity to deliver in the crisis, and homelessness and child poverty have a prominent place. Any policy needs to be reconfirmed – just because something worked in the past, doesn't mean it is still valid now. The Commission launched a white paper on pensions, has developed an initiative on youth opportunities, which help the Commission in setting priorities. Social economy enterprises have been resilient in crisis time, and have provided essential services despite funding cuts. The Country Specific Recommendations have stressed the value of the ESF. And we are providing now Guidance to Member States, and looking at their Operational Programmes and their Partnership Agreements, to make sure that the priorities correspond to the Social Investment Package and Europe 2020.

However, Mr. Holthuis reminded that Europe is part of the global market, and we need to adapt to meet challenges from that. The world will continue with or without Europe, and the Commission needs to ensure that the European Social Model can resist this pressure. Good working conditions are essential, but competitive pressure is not a reality only for the periphery of Europe, but for the European construction as a whole.

Regarding policy coherence, the Employment Committee, the Social Protection Committee and the Economic Policy Committee are working together to evaluate the CSRs. Adequacy and sustainability are two sides of the same coin. Member States have been asked to consult stakeholders, yet that is not done – the Commission could push more, but it is also the responsibility of governments.

Claudia Menne, Confederal Secretary, European Trade Union Confederation

Ms. Menne conveyed that ETUC shares the same assessment with EAPN about the European Semester and the European crisis. We are allies with EAPN and other social NGOs in this regard. Initiatives like EAPN's are very important also for the future, to assess the reality. There is a lag in having available data, we need this bottom-up approach to fill this lag, and also the situation is very different from country to country and region and to region. The ETUC is also discussing internally how better to assess these processes and how to be better involved, so trade unions are very happy to see how to further cooperate with EAPN on this.

Over the 9 or 10 months, the ETUC discussed with the employers, which has been difficult, because they require even more labour law reforms and a further reduction of social policy, and only to concentrate on macroeconomic determinants. We discussed how the social partners can get better engaged in this process, and in a few weeks they hope the ETUC Executive Committee will put out a document outlining this. For the time being, there are discussions about process, not content, because of the disagreements.

Regarding the social investment approach, the ETUC supports it, but didn't quite understand how seriously it is taken. It is a welcome proposal, although some details can be criticised, but it is a welcome change of perspective. It remains to be seen how it will be taken up and integrated, including in the CSRs, and if Governments are amenable to such an approach. It is difficult to convince governments, especially Finance and Economy ministers, that social spending is an investment, and not a cost.

ETUC is very concerned about how private sector interferes in the social field, and underlines the need for a lot of joint work, to understand the right mix of public and private when it comes to education, to healthcare, and other social services. In-work poverty is a great concern for trade unions, more than 50% of job creation means part-time contracts, or temporary ones, especially when it comes to young people or the elderly. In-work poverty must be tackled; there is a lack of indicators, and a need to see how to better take it up in the European Semester. Employment on its own is not enough, we need investment in quality employment.

Ms Menne concluded by underlining that what is needed is a recovery programme which is more than one is now in place, and to distinguish between longer term strategy and short-term measures.

Thomas Dominique, Chairman of the Social Protection Committee

Mr. Dominique highlighted that there are many common points between EAPN's recommendations and the work of the SPC. Regarding better governance and mainstreaming social objectives in Europe 2020, as well as ex-ante impact assessment, this is precisely what the SPC is trying to achieve right now. The SPC has reinforced its thematic and country surveillance, and the Social Protection Performance Monitor is a tool aimed at helping identify positive and negative trends and social developments. In October, a peer review on in-work poverty is foreseen, followed by jobless households and child poverty.

On the second recommendation, regarding rejecting austerity and promoting social investment, the SPC is working on estimating the short-term and long-term costs of austerity, such as processes on ex-ante evaluation of economic reforms. As a concrete example, the SPC tries to get information from the Member States on the impact of planned reforms, or that of Country Specific Recommendations on the social situation in Member States.

32 Regarding a multi-dimensional strategy to fight poverty, again, this is part of the SPC is doing. The Committee approved a report for social policy reforms for growth and cohesion 2012-2013, to monitor the development of social protection policies in the EU. Conclusions are that policy-makers should refocus their efforts on the smart sustainable Europe 2020, macroeconomic policies need to support Europe 2020. The next Annual Growth Survey should shift from consequences of the crisis to adequate, resilient, sustainable social protection systems. Member States should undertake reforms enabling and supporting the most disadvantaged to participate in the labour market and society. Other priorities should be tackling and preventing child poverty, and investing in children, as well as in pensions and healthcare.

Regarding the reform of the European Semester, the SPC is increasingly active in the CSRs, and this was not easy to achieve. Last year, the SPC was not consulted, this year at least it could discuss them.

Mr. Dominique encouraged participants, in their countries, to seize the opportunity of the European Semester and get involved in the process. Once CSRs are issued by the Commission, they are discussed at the national level, where again EAPN members should make their voice heard. The European Commission should allow more time on this, as it is not easy to consult stakeholders in such a short timeframe.

Marije Cornelissen, Member of the European Parliament (Netherlands / Greens & EFA Group)

Ms. Cornelissen began by thanking EAPN for this assessment, and stated that she agreed throughout. She further stated that this is very important work, and other organisations should do the same in other thematic areas of Europe 2020. Ms. Cornelissen shares the two major criticisms of economic governance, the first being the imbalance between economic and social, and the lack of cohesion of the two. Lip service is paid to social goals, but there was never an admission that pursuing austerity in the way it has been pursued is detrimental to social goals, and will make poverty and unemployment worse.

Austerity and reform are used as synonyms, whereas they mean completely different things. Many Member States need radical reforms. France does need to reform its pension system, Greece its tax system, the Netherlands its care system, Spain its labour market – but reforms should lead to better systems, which service the people. Instead, many reforms are undertaken only to get under the 3% mark.

The second criticism is that the Semester is not democratic. Not only are stakeholders left outside, social partners are not involved, but the European Parliament is happily ignored, and national parliaments have no idea of the impact of the National Reform Programmes, and let opportunities slide to intervene. Strong EU policy coordination is needed, but support for it among citizens is dwindling.

Ms. Cornelissen said she agreed with some Country Specific Recommendations, but even Merkel's great macroeconomic goals of reducing debt are not reached, and neither are the Europe 2020 goals – so something is definitely wrong. She also stated she fully endorsed EAPN's 5 key recommendations. Regarding the proposed social dimension of the Economic and Monetary Union, she showed herself to be slightly skeptical about how effective a separate Scoreboard will be, especially if not accompanied by sanctions. What is needed is an integrated socio-economic scoreboard, with sanctions. What is needed is an integrated, sanctioned, social and economic scoreboard, on equal footing.

For the longer-term, we need to move towards automatic stabilisers for the Eurozone, to dampen economic shocks in the future. The Commission is currently working on this, and it will be difficult because Member States are not particularly open to that. There should be more space to invest in combating youth unemployment and poverty, by not counting co-financing towards the deficit, so that especially Troika countries can invest in youth and poverty reduction, without having that add to their excessive deficit.

Ms. Cornelissen believes that the Commission should be far stricter with Member States about their NRP process – for instance, there was a promise to submit National Job Plans, but then this did not happen. Subsequently, the Commission should send the NRP back. Similarly, if it doesn't have a stakeholder Annex, it should be sent it back.

Equally, Ms. Cornelissen would also like to see the Commission organising an annual meeting with stakeholders to discuss the NRPs and the Annual Growth Survey. There should be funding for civil society to be involved in the Semester. There is a wonderful system in the UN, where they evaluate the Beijing Convention, and stakeholder in all different countries make assessment reports – the same should be done for the European Semester, set aside funds and make sure civil society can produce such reports about Europe 2020.

Michele Calandrino, Policy Coordinator, Secretariat General, European Commission

34 Mr. Calandrino stated that it was believed that the crisis was temporary, and that swift adjustment will overcome it, but this is not the case. There have a clear call to implement the Active Inclusion strategy, firstly focusing on employment and services, and last year's Annual Growth Survey speaks explicitly of efficient and adequate income support and measures to address poverty, including child poverty, as well as access to affordable and high quality services. This year will bring a greater focus on the social dimension in the Annual Growth Survey, and there was a stronger social focus on CSRs – 9 Member States were specifically targeted for poverty (BG, EE, ES, IT, LV, LT, RO, HU, UK). There could be more, but the visibility of Europe 2020 was unthinkable in the context of the Social OMC, as these CSRs are read and discussed by Heads of States and Governments, Governments are mobilised towards the discussion. The Annual Growth Survey and the CSRs are the main outputs of the Commission, and this commitment will be continued with the Social dimension of the EMU.

Regarding governance, the European Commission is aware that stakeholder consultation is not always satisfactory. In the Guidance for the National Reform Programmes, the Commission underlined the need to consult social partners, national parliaments, and social NGOs, although this is not happening in practice. Unfortunately, the European Commission can't change the culture of policy-making in the Member States. Many Member States say that the NRPs reflect what is included in national budget – but Mr. Calandrino pointed out that most stakeholders are not consulted when national budgets are being negotiated and agreed. Representative democracy means trusting national parliaments to address this.

Mr. Calandrino concluded with three recommendations to the audience:

- in order to strengthen the participation of stakeholders, contact the European Commission delegations in Member States, through the European Semester Officers;
- most Member States are late with the Partnership Agreements, so members can still try to input before they are translated into Operational Programmes.
- engage in the European elections, which will send a strong signal to national governments on what European citizens want from social policy and the future of Europe.

Heather Roy, President of the Social Platform

Ms. Roy congratulated EAPN on a great report, and stated that many NGOs agree with these findings. This will be fundamental in the future work of the Social Platform. This report is a reality check!

President Barroso said, in his State of the Union address, that we are shouldering the crisis together, and we will soon be out of it, but this is difficult to say to people experiencing increasing poverty and social inclusion on the ground. Your report shows the real situation on the ground, and Ms. Roy hopes that this will be taken as the true reality.

There needs to be more talk about social justice and the fight of inequalities. People in Europe expect the EU to address the social impact of the crisis. It is often said that it's not a competency of the EU, but there are article 3, articles 9, 10 and 11, so definitely more could be done.

There needs to be a commitment to ensure that social budgets are not compromised because of the crisis. They should be augmented, not undercut! There is an increasing punitive approach to benefits and social security. People are being punished for being unemployed, for living in low income households. Europe needs a rights-based approach instead!

Despite Mr. Dominique's appeal to get involved, Ms. Roy thinks stakeholders have been consistently trying to get involved, and Member States are not taking this engagement seriously. "If we could should louder, we would". Maybe the SPC could encourage their colleagues in the Ministries to finally listen, because the shouting is being done.

Finally, the poverty target needs to be taken seriously, and Member States are not held enough to achieving it. Ms. Roy asked what is going to be the follow-up on the 9 CSRs on poverty? Civil society is calling for change. Reform is needed, on the general approach to economic systems, and social justice.

Debate with the audience

Haroon Saad, Director of Local Urban Development European Network, remarked that change is indeed needed. A concrete recommendation is to take the profit motive out from the health and education sector, otherwise all the good rhetoric about addressing child poverty is empty words. Liberalisation and privatization are being used as tools to inject a false market economy, into sectors of society which should not be for.-profit sectors.

Sérgio Aires, President of EAPN, pointed out that the European Commission has an excellent opportunity to progress on stakeholder engagement and poverty-reduction, through the Annual Convention of the European Platform against Poverty and Social Exclusion. This used to be a moment for grass root organisations and stakeholders to interact and exchange with local authorities, governments, and other actors, in the framework of national delegation and preparations for participation.

Hugh Frazer, National University of Ireland Maynooth, highlighted that different organisations have carried out similar analysis, and the messages are always the same, very consistently, no matter which is the group putting forward the recommendations. The Social Protection Committee should establish, together with the European Commission, a set of basic standards on participation of stakeholders, and where necessary make CSRs about it.

Maria Jeliaskova, EAPN Bulgaria, underlined that a positive example could be involving stakeholders already in the preparation of the Country Specific Recommendations, because often the CSRs are repetitive and just support the NRP. Bulgaria is the only country in Europe, alongside Georgia, to enforce regressive taxation, but that is not mentioned anywhere. Also, the link between inequality and poverty is absolutely clear, how can you address one without the other? But the word inequality is not mentioned once in NRPs or CSRs, neither are income policies, which is why consultation should be carried out on the CSRs as well.

Bruno René-Bazin, BABELA, reminded that migrants are completely forgotten, although part of the population worse hit. The only thing mentioned about migrants is about rendering our borders more

secure, or about placing them in detention centers outside of the European Union. When the EU comes out of the crisis, it will need the rest of the world, so an appeal was made not to close borders, but to help migrants in our countries live free of poverty.

Jeanne Dietrich, EAPN France, asked whether there was a possibility for the European Parliament to formally support the obligation that NRPs include stakeholder contributions as Annexes. In France, such an Appendix to the NRP exists.

Members of the panel responded to the queries from the participants:

Michele Calandrino underlined that stakeholder involvement is a learning process, and the timing is very short, and unfortunately the European Commission can't change this timing to accommodate consultation with stakeholders for the CSRs. There are only two weeks to analyse the National Reform Programmes. There should be opportunities for dialogue aside these crucial two months of April and May each year. The timing can't be changed because the process is aligned with the Stability and Convergence Pact, which can't be budged, as it is prescribed in the Treaty. The Commission welcomes EAPN's timely shadow CSRs.

Egbert Holthuis agreed that there should not be a choice between EU national and migrant workers. The European Union needs to ensure fair and sustainable labour markets for both. In recent EC reports on employment and social situation, regressive taxation is indeed discussed, as well as tax breaks and tax advances. The profit aspects of health and education are also a concern for the Commission, who is looking for the first time into these things.

Heather Roy reminded that the Social Investment Package speaks of alternative sources of finances for services, but we need to be very careful not to emphasize the domain private providers, to the detriment of not for profit providers. Education, health and social care need to be underpinned by values, not just by profit.

Thomas Dominique reinforced that the SPC is the wrong committee to ask for a code of conduct for stakeholder consultation from. National Reform Programmes are written by Economic Ministries, so it is the Economic Policy Committee you should be speaking to. This is the first time the Committee discussed poverty, and this is a very complex process, and the European Commission should be asked why they didn't do it before. The answer is that DG ECFIN gave explicit instructions that the SPC should not be consulted.

Closing remarks

EAPN Director Barbara Helfferich concluded the discussion by stating that the European Social Model does not deliver, which was clearly shown by the EAPN report assessing the NRPs. There is a need for fundamental reform, and the European Commission needs to look carefully at its proposals and the European Semester process.

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The European Anti-Poverty Network (EAPN) is the largest European network of national, regional and local networks, involving anti-poverty NGOs and grassroots groups as well as European Organisations, active in the fight against poverty and social exclusion. It was established in 1990.



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