



Brussels, 24 February 2010

Reference: Europe 2020 Strategy – Some room for hope
But these hopeful indications need to be confirmed by setting an ambitious target for the reduction of poverty and social exclusion based on the agreed relative poverty indicator

Dear President Barroso,

The documents that were prepared for the informal Council held on 11 February and the indications that have emerged from that meeting give rise for some hope that the fight against poverty and social exclusion could find a prominent place within the Europe 2020 strategy. Should these indications be followed through by the setting of an ambitious target for the reduction of poverty and social exclusion, this would mark a significant response to the input of social NGOs to the consultation on the EU2020 strategy.

With regards to the setting of a Target for the reduction of Poverty EAPN would like to highlight the following:

- The agreement of a target to reduce poverty and social exclusion must be firmly set within the **overarching goal of the eradication of poverty** as set in the original Lisbon agenda. Given the lack of progress to reach this goal, urgent progress is now needed to show that the EU is serious about this commitment. Poverty must be recognised as a violation of human rights. Poverty **can** be eradicated – it's a matter of political will.
- EAPN **welcomes the proposal of a poverty target** – but this needs to be ambitious – to drive commitment. It must also be implemented effectively at national level, with clear proposals on the necessary policy measures to meet the target set.
- As eradication remains the goal, **interim targets** must be established which can drive implementation. We need an explicit EU headline target on the eradication of poverty for the next 10 years, **based on the agreed relative poverty measure** (60% of median equivalised household income). EAPN considers that this should be a reduction of 50% by EU2020.
- This overall EU % should be implemented through **national targets** negotiated between the European Commission and Member States, which recognizes their different positions and guards against creaming. This should be delivered through **national agreements** established through the Social OMC (social protection and social inclusion), with an individualized roadmap of proposed measures developed through the Social Inclusion National Action Plan process. This process should provide transparent, yearly monitoring with scoreboard mechanisms, subject to open monitoring involving all stakeholders, including NGOs and people in poverty at national and EU level.



- Effective monitoring and additional **sub-targets** are necessary to avoid creaming and to ensure effective action for those in most need. This should include 2 key sub-targets proposed by the European Parliament:
 - Target to **end street homelessness by 2015**.
 - To **reduce child poverty by 50% by 2020**.
- If the target is to have a chance of being delivered, it must be linked to a **clear set of policy measures and actions**. **Active inclusion** is a key strategy to support delivery: providing an integrated approach to support the social inclusion of people excluded from the labour market, ensuring an adequate income, access to quality services and support into decent work and which builds on the Council's 92 Recommendation and the Commission's Recommendation on Active Inclusion in October 2008, endorsed by the EPSCO. The single most effective way of ensuring the eradication of relative poverty is by guaranteeing an adequate minimum income which is calculated at, at least the at risk of poverty threshold. A specific target could be established in this regard, as recommended by the European Parliament Resolution (2009). A **framework directive on Minimum Income**, following up the conclusions and recommendations of the Independent Experts Synthesis Report on Minimum Income Schemes (October 2009) would be a crucial instrument to deliver this objective.
- Reduction of at risk of poverty level also depends on **narrowing the income and wealth gap**. Growth policies have often not resulted in a reduction in poverty and have, too often, contributed to a widening inequality gap, undermining social cohesion. 'More equal societies are better for everyone' and this awareness must inform all the actions under the Europe 2020 strategy including choosing the agreed EU relative poverty indicator when setting the headline target for the reduction of poverty. The Crisis offers a key challenge to support effective redistribution as well as ensuring that the poor don't pay for the crisis.
- Building on the new horizontal social clause in the Lisbon Treaty the fight against poverty, inequality and social exclusion should be **mainstreamed** across all the key actions of the 2020 strategy both by ensuring that the fight against poverty, social exclusion and inequality are confirmed as an overarching objective which growth must contribute to, and by using a strengthened social impact assessment.

In addition to the question of targets EAPN would wish to reiterate the importance of the involvement of all relevant actors including Anti-Poverty NGOs and people experiencing poverty in the **Governance** of all areas of the 2020 strategy, including the revised National Reform Programmes. EAPN would like to stress the need for a more explicit role for a **strengthened Social OMC** as a key instrument of the strategy, creating ownership and driving implementation at a national level, through regular structured dialogue processes in the National Action Plans involving all stakeholders, including regional and local level. To achieve a more balanced strategy there needs to be clear indication as to how the **different Council formations will be engaged in the strategy on an equal basis**. EAPN would also welcome moves to engage the European and National Parliaments more directly in the development, implementation and assessment of the strategy.



EAPN hopes that the suggestions contained in this letter can be helpful in the preparation of the Commission's proposals for the Europe 2020 strategy to be issued on 3 March.

Yours faithfully,

Ludo Horemans
President

Fintan Farrell
Director

CC:

Mr Jerzy Buzek, MEP, President of the European Parliament.

Mr Herman van Rompuy, President of the European Council.

Mr Jose Luis Zapatero, President of the Government of Spain.

Ms Pervenche Berès, MEP, President of the Committee on Employment and Social Affairs, European Parliament.

Mr Lazlo Andor, Commissioner for Employment, Social Affairs and Inclusion.