

**THE EUROPEAN PILLAR OF SOCIAL RIGHTS AND THE
EUROPEAN SEMESTER**
***Achieving progress on poverty reduction and strengthening civil
dialogue***

14 May 2019, 10am-1pm
Permanent Representation of Romania to the European Union

EAPN Portugal Intervention

A succinct assessment of the Country Report 2019 for your country, with a focus on what is happening to poverty and social rights. Please refer to the European Pillar of Social Rights and the Social Scoreboard, if possible. Include your proposals for alternative Country-Specific Recommendations for 2019 (roughly 5 mins).

The country report highlights the improvement of poverty and inequality in Portugal. However despite this improvement the rates are still high when comparing to the EU average. When comparing to the last year report, there is evidence in this report on the critical situation of children living in poverty: “child poverty remains high in households with three or more dependent children and in lone-parent households”. References to the significant rate of material deprivation, as well as in-work poverty and poverty in rural/urban areas, completes the still fragile scenario of poverty and social exclusion in Portugal.

However the report still misses some concerns and groups, like *Roma communities* - one of the communities most vulnerable to poverty in Portugal, facing serious obstacles in accessing education, labour market and general services - and *homeless people* – for which there is a national strategy that is not mentioned in the report, and also nothing is said about the extent of this reality in Portugal and we can't forget that there is a principal in the European Pillar of Social Rights (nº 19) concerning Housing and assistance for the homeless.

This last remark is indicative that it is not enough that the country report mentions the European pillar of Social Rights and the Social Scoreboard. The Pillar must be mainstreamed - all the 20 principals – through all the analysis that is done. We believe that this is not done also because the European Pillar of Social Rights still lacks a national plan of implementation.

In relation to the scoreboard Portugal has improved, in your analysis, in some of the indicators but we are failing in terms of the *impact of social transfers on poverty reduction*, that in this year scoreboard is in critical situation. In fact, for example,

minimum income scheme is far from adequate in Portugal, and the same is true for the unemployment allowance and the social unemployment allowance, whose average values/amounts are below the poverty line, which shows that they do not guarantee adequate protection against monetary poverty. So, it would be important if this concern – about the critical situation of the impact of social transfers - expressed in the report, along with others concerning social challenges, become specific recommendations to Portugal.

Traditionally, Portugal has low wages and consequently we have a high rate of working poor. The Commission's recommendations often go against increasing the national minimum wage because of economic balance, and this is an obstacle to social justice. We need to promote decent employment, decent work, and this also means better wages.

According to the Country Report, Country Specific Recommendations issued in 2018 for Portugal is not very significant (mainly limited or some progress) but is also important to say that Portugal didn't received ambitious recommendations, specially at social level and no recommendations on poverty level. The CSR 2 (pp.16) addresses important issues at national level, however there are some upstream concerns that are not considered like the different access that some disadvantage groups have in accessing education, specially higher education; and the difficult that adult population have in accessing the labour market (even improving skills level, age continues to be a huge problem in the labour market). Also concerning the chapter about progress on CSR there is a board highlighting the importance of EU funds for Portugal, however nothing is said about the allocation of 20% in the\ fight against poverty and social exclusion and, in fact, this also reflects the absence of a monitoring process of the implementation of this 20% devoted to the fight against poverty. Moreover we witnessed a weak implementation of operational programs more related with area of poverty and exclusion and that no execution has effects on poverty and social exclusion. We are really concerned with the real impact of the investment that is being done, specially on social innovation. Small entities have great difficulty in accessing the funds and for the future we believe that is important that money can reach small entities, with a focus on fighting poverty.

In fact we still miss a CSR prioritizing the fight against poverty and social exclusion.

The European Pillar of Social Rights is a key tool for this and an opportunity that the Commission can't lose to enhance social cohesion.

Promote a national strategy to fight poverty and social exclusion, including a specific concern to housing, health, employment, education and training. It is fundamental to have a strategy with the involvement of all areas, and with the participation of social partners and also people experiencing poverty.

Your engagement with the drafting of the Country Report 2019 (through the Poverty Watch or not) and suggestions for improvement (roughly 3 mins).

A second important point about this report and in fact about all the European Semester process is related to stakeholder engagement. As EAPN Portugal, and civil society organisation we had no opportunity to participate in the drafting of the Country Report because in fact there is no space for that. Even the Country Report highlights the importance of consultation processes with the social partners, but not with civil society and this is also indicative of the low engagement of civil society in the whole process of the European semester, but also in many of the political engagement at the national level. There must be clear guidelines for the national Governments about the importance of civil society organisations participation, but also about people experiencing poverty.

Initial reflections on the National Reform Programme of your country for 2019, and any other general comment (roughly 2 mins).

The lack of a structural process of participation of civil society organisations is also visible in the National Reform Programme.

Portugal has designed the NRP in 2016 with a long term vision. Each year the Government presents an update of this Programme. In this year update, the European Pillar of Social Rights and the Social Scoreboard is mentioned for the first time and it's assumed that the NRP is strongly aligned with European strategies, specially the Social Pillar. However we still miss the lack of a clear plan of implementation of the pillar at national level. Even the report doesn't reflect how some of the critical aspects of the scoreboard (that are mentioned in the country report) be solved such as the low impact of social transfers on poverty reduction.

We must also highlight that in the first document of the NRP – 2016 – there were some important measures and intentions, like the national strategy to fight child poverty and the definition of a set of warning indicators on social vulnerability, that disappeared in all the next updates of this report and that were very relevant for the fight against poverty. We cannot forget that the Social Pillar is not limited to 20 principles, but also to other key recommendations such as investing in children recommendation and work-life balance directive that are also absent in this NRP.