

9 October 2019

Current President of the European Commission
Mr Jean-Claude JUNCKER and President elect, Ursula Von der LEYEN

Dear President Juncker Cc. President elect Von der Leyen

AGS 2020: Move from Aspiration to Inspiration on Social Rights and Poverty Reduction!

Ensure the AGS 2020 continues its progress towards a more balanced social/economic/environmental strategy delivering on poverty, social rights + participation

The 2020 Annual Growth Survey will be launched in November, marking the last year of the current cycle in the **Europe 2020 strategy for smart, sustainable and inclusive growth**. It is crucial that the AGS sends out strong messages of hope for a transformed European Semester, in harmony with the new aspirations of the incoming President¹ and supporting an ambitious post 2020 strategy.

EAPN is the largest independent network of grass-root antipoverty NGOs working with people facing poverty. In 2019, as in previous years, we have actively engaged in the European Semester at national and EU level, with our 32 national networks and 13 European Organization members to try to get impact on poverty through the Europe 2020 strategy. This has meant regular dialogue with the national and EU level e.g. the Commission (including European Semester Officers), Member States and the European Parliament, as well as EU advisory committees (e.g. EESC). We have communicated our concerns through our response to the AGS 2019 and draft JER, inputs and response to the Country Reports with alternative Country-specific recommendations and in May our response to the CSRs. In August we completed our questionnaire-based survey with our members of the European Semester 2019: Is the European Semester more Social?

We would like to highlight for you our **10 Key Messages for the AGS 2020** drawn from an exchange with members on the findings of our work this year and particularly the Semester 2019 report, in Helsinki on the 14 September 2019.

- 1. The EU should prepare for recession not growth, and explicitly reject the mistakes of the past i.e. No to austerity cuts to jobs, benefits and public services that increase poverty and inequality. Trickle-down theory hasn't worked, the EU needs a new economic model that promotes environmental and social justice with fair fiscal and redistribution measures.
- 2. The Semester must become an instrument to improve lives and well-being not just to serve narrow macroeconomic objectives. This should include embedding effective ex-ante impact assessment to prevent negative macroeconomic approaches. Agenda 2030, the SDGs and the EPSR should shape the shift to a more social and sustainable strategy post 2020 ²strategy, with the eradication of poverty as a pre-requisite, reviewing progress beyond GDP.

¹ New Political Guidelines - Commission President Von der Leyen.

² EAPN will be launching shortly its position on post 2020 strategy: Delivering Agenda 2030 for People and Planet.



- 3. The commitment to green transition and a Green New Deal must be poverty-proofed to ensure the poor don't pay, and to invest in pro-active measures that actively support people out of poverty, guaranteeing social rights. For example: the just transition fund must ensure that green jobs/training and re-training are targeted/adapted towards people on low incomes and excluded groups, and that investment in clean energy (particularly energy efficiency) benefits the poor without passing on extra costs e.g. through expanding green/ social housing. Reinforcing adequate minimum income and social protection systems is essential if no one is to be left behind.
- 4. Move from aspiration to inspiration on Social Rights! Progress has been made in socialising the Semester, but all social rights must be consistently mainstreamed and implemented, beyond the social scoreboard, with a separate social section, equal in size and importance to the macroeconomic, in the Country Reports and NRPs. As highlighted by the New President an Action Plan to implement the Social Pillar should be developed together with social partners and civil society organizations, with clear milestones and transparent monitoring mechanisms in the Semester to implement all principles linked to EU funding.
- 5. All countries should receive a social CSR as the 1st priority! To be categorised as 'social' these CSRs should explicitly support social rights, rather than prioritising cutting costs (i.e. to health, housing, social care). All countries should be monitored on how they are delivering on all social rights and on the poverty target, receiving CSRs where insufficient progress is being made.
- 6. Good quality jobs are key, but employment alone won't reduce poverty: the Commission should consistently promote a rights-based, person-centred anti-poverty strategy based on integrated active inclusion which implements social rights: adequate minimum income and social protection, access to quality services and quality jobs with fair, living wages. Punitive counter-productive negative conditionality with harsh sanctions should be replaced by supportive, personalized accompaniment through case management approaches. More priority should be given to ensuring access to key services like affordable housing, universal education including quality childhood education, affordable universal health/social care. Social Economy should be supported as a key means to encourage inclusive labour markets. Agreed thematic strategies for key target groups facing poverty should be promoted: Investing in Children and addressing housing exclusion and homelessness.
- 7. **Moving forward on key social standards to ensure adequate income is key!** The commitment to an EU framework on living/minimum wages is strongly welcomed, but an equal commitment is needed to an EU framework Directive on adequate minimum income, at a level which takes people out of poverty, and in a positive hierarchy to a minimum wage.
- 8. Whilst improvements in the Semester are being made at EU level, the real test is achieving systematic impact at national level. The Semester must be made more visible and accountable with formal commitment by Member States to progressively implement a concrete road map/action plan with milestones to achieve progress on poverty and all social



rights, monitored and supported in the implementation by civil society organizations with people facing poverty directly, as well as social partners.

- 9. Engagement of civil society is improving but needs concrete resources to embed meaningful dialogue processes at national level. This requires systematic guidelines to create quality, equal partnership for CSOs, delivering on the new legal base provided by Recital 11 of the Employment Guidelines. This should include mutual learning, development of quality indicators on participation and transparent monitoring of progress on participation through the Country Report and National Reform Programme, with new financial resources to build capacity that would enable NGOs to provide the EU with quality examples, data and grass-roots evidence, rather than relying on voluntary input.
- 10. Dialogue with people with direct experience of poverty is essential to signpost what works/doesn't work and propose viable solutions. The EU and national direct meetings of people experiencing poverty with decision-makers are a powerful model to share and follow. EU and national funding support for autonomous antipoverty organizations is essential to ensure that people experiencing poverty have a voice in the European Semester and wider policy making.

We hope that you will consider our concerns and would strongly welcome the opportunity to discuss our proposals with you. We will be looking for an early opportunity to meet with the new President of the Commission and incoming Commissioners throughout November.

Yours sincerely,

Jr. C

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