**Fiche to Respond to the Country Reports**

***National Network/or European Organization:*** *EAPN Portugal*

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**1) Brief assessment**

The 2020 Country Report reveals a concern with social issues. Following some of the previous assessments, EAPN Portugal recognizes that there has been an improvement in the analysis that is made. The European Pillar of Social Rights (EPSR) also contributed for this.

One of the aspects to be highlighted is also the reference to the Sustainable Development Goals (SDG) as the Commission had announced in the Communication of 14 January: “As of this year, the Semester will integrate the United Nations’ Sustainable Development Goals so that sustainability and the citizens’ well-being will be at the centre of economic policy and governance”[[1]](#footnote-1). Something not only visible in the social scoreboard, but also in the annex E – Indicators measuring Portugal’s progress towards the SDGs.

However, we would like to highlight again that in our point of view the report misses the opportunity to mainstreaming the 20 principles of the EPSR through the analyses that is done.

**2) Portugal situation concerning the Country Specific Recommendations**

Once again, the assessment of the Commission concerning the 2019 Country Specific Recommendations (CSR) is not very positive: *Portugal has made limited progress*. In our analysis of the CSRs we have highlighted as positive the concern of the Commission towards the need to *improve the effectiveness and adequacy of the social safety net*. In the Report the Commission clear indicates that there has been limited progress in this area and assumes that even Portugal is performing well on the most aspects of the EPSR, this is not the case for social protection: “changes to the social protection system have not improved the contribution of social transfers to poverty reduction”.

The Commission also highlights that from a structural point of view, the limited impact of social transfers on poverty as well as the rising house prices, remains a challenge for the Portuguese economy. However, recognizes that poverty and inequality continue to decrease.

However, despite the limited progress, there was «some progress» on various dimensions of recommendation nº 2 (the recommendation that is more social), especially taking in consideration the measures adopted to address precariousness and labour market segmentation. The 2018 tripartite agreement established new measures (implemented since October 2019) in order to improve the efficiency of active labour market policies and reinforce employment, especially permanent employment. Some of the measures were for example: *reduce the maximum duration of fixed-term contracts from three to two years; reduce the maximum duration of fixed-term employment contracts from six to four years; eliminate from the Labour Code the norm that allows fixed-term hiring for permanent jobs for workers looking for their first job and long-term unemployed*.[[2]](#footnote-2)

Relevant measures were also taken to discourage the use of undeclared work: «stepping up the capacity of the labour authority, especially with regards to combating false self-employment».

**3) Assessment of Country Reports 2020**

**3a) What are the positive developments in the Country Reports on poverty reduction, social rights, and participation of civil society and people experiencing poverty?**

* There is a clear concern with the demographic situation and the impact of the trends in the employment sector, pensions, education, social well-being, health, long term care. There is a box related to the demographic ageing and it’s included in the social policies chapter.
* The increase of the risk of poverty among the elderly is also highlighted in the report.
* The reference concerning the recent approved of the legal status for informal carers. A measure that has been needed for a long time and that could have a significant impact on informal caregivers and the care provided to the elderly and other dependents.
* It presents a set of data concerning poverty that is accurate. There is an important reference to the vulnerable situation of temporary employees when comparing to permanent employees. It’s also highlighted that “although the number of unemployed people continues to fall, increased overall income levels and a weak social protection system resulted in an increase in poverty risks for the unemployed”.
* The low adequacy of minimum income is mentioned in the Report and the amounts (per person and household) do “not allow to escape poverty”. According to the report the “adequacy of the minimum income support is well below the EU average”.
* The Housing issue is presented in the report (a quite relevant assessment), with an important reference to the weak State investment in social housing and the impact in the most vulnerable (housing deprivation). It’s also mentioned for example that “basic needs related dwellings” - SDG 1 indicator – is significant lower when comparing to the EU.
* The report gives an important visibility to the measures implemented in terms of equality between men and women and conciliation work, personal and family life. In fact, Portugal is “Better than the average” in the indicator of gender employment gap. It’s important the recognition of “legislative measures and a national strategy to promote work-life balance” that were adopted in order to “promote equal rights, including reducing the gender pay gap, or improving working time flexibility”.
* The regional analysis is quite relevant because Portugal has significant differences from a regional point of view (in particular - Coast and Centre of the country; Urban and Rural)
* The incorporation of the SDG in the report and the chapter concerning the “environmental sustainability” that gives some visibility to the situation of energy poverty, “which remains an important concern in Portugal”.

**3b) What are the negative development or missing elements/issues?**

* The Commission shows a clear concern with the sustainability of the pension system and its relation to the improvement of the quality of public finances. Despite the relevance of this issue, the sustainability of the pension system also needs to be analysed with a view to protecting people in the future and preventing future risks in terms of poverty[[3]](#footnote-3).
* The report maintains the box concerning the funds and EU programs and its importance for Portugal. However, it stills misses an assessment of the funds that were allocated to the fight against poverty and social exclusion. The assessment presented in this box ends with a reference to SDGs – “the EU funds already invest substantial amounts in actions in line with sustainable Development Goals”, highlighting that supports 13 of the 17 SDGs. However, a clear analysis of this impact is still missing in the report.
* The report highlights several times how the social protection system is fragile / weak, and that minimum income is not adequate, but in the social scoreboard we have “improved” the “impact of social transfers (other than pensions) on poverty reduction” that is now in a “to watch” situation and in the last report was “in a critical situation”. We don’t understand how this “improvement” happened in the social scoreboard. Perhaps it was a way to make some coherence (make some adjustments) with the SDG 1 that according to the Report assessment it’s the area in which the progress is more evident “with all its associated indicators showing an improving performance during the last five years”. We need to be careful with this “cross” analysis between social scoreboard indicators and SDGs because we may be presenting a more positive national scenario than it is, especially considering certain indicators.
* There is no reference to homeless people. Taking in consideration that Housing is a fundamental right, the situation of homeless people must be analysed, especially when Portugal has a National Strategy for the Integration of the Homelessness People.
* There is no reference to Roma communities, especially when Portugal has also a National Strategy for the integration of Roma, even when Roma Communities are one the groups in housing deprivation.
* There is no reference to the participation of people experiencing poverty and of the civil society. However, there was a meeting held in Lisbon in November 2019 when it was possible to present the state of play of some key areas, like, housing, social protection, inequality and gender equality. However, even with the participation of different experts (including EAPN Portugal) we had less then 10 minutes to speak about so complex subjects/phenomena.

**3c) How well are the SDGs/Pillar of Social Rights incorporated and well-balanced with economic and environmental priorities**

As we previous said SDG and EPSR are incorporated in the analysis made by the Commission, and it's quite relevant the Annex E that gives a view (data view) about our progress concerning SDGs. However economic issues continue to be a priority.

The report also includes a new chapter related to environmental sustainability.

However, it seems, especially concerning SDGs, that the idea was to fulfil the agenda - it’s necessary to speak about this, so it was included – but, in our point of view, it’s not a consistent (well-balanced) assessment, though we consider that it’s a positive step or a step forward.

**3d) Does Annex D provide a useful support of EU funding to social rights/poverty reduction?**

Annex D in this Country Report shows a guidance for Portugal on Just Transition Fund. It is said that the Just Transition Fund investments complement those under Cohesion Policy Funding that was in the Country Report 2019. However, looking to this Annex D there is no reference to poverty reduction. The “most social concern” is about the need to “alleviate the social costs of the transition thereby ensuring the employability and adaptability of workers affected from the plant closures”. So, it’s all about active labour market policies.

**4. What are your alternative Country -Specific Recommendations? (Check your Recommendations from the EAPN assessment of the 2019 Country Reports and alternative Recommendations last year** [**here**](https://www.eapn.eu/wp-content/uploads/2019/05/EAPN-2019-EAPN-Country-Report-Assessment-and-CSR-Proposals-3580.pdf) **and propose 3 Recommendations for 2020 with short justification)**

We want to make a comment concerning this point. The situation of Coronavirus is changing everything and we think that it will happen in the Semester process. We really think that the recommendations of the Commission concerning Portugal and other the Member States must ~~be to~~ reinforce public, quality/accessible, affordable, essential services (like health). We must have recommendations to reinforce the importance of the public health system, the need to its strengthening and consolidation as a guarantee of the rights for all citizens.

We must have recommendations to prevent the definition of austerity measures that, when they exist, will make the poorest pay for the crisis that is starting now. We must also have recommendations concerning the prevention of precarious work; housing (invest in social housing), fighting poverty and social exclusion. In general, we must guarantee the fundamental rights, reinforcing transversal policies to support the most vulnerable.

**5. What Key Messages would you send about this year’s Country Report? Has it improved? New elements? Overall concerns?**

Concerning this year report, we have already highlighted some ideas in the first part of the report. However, we think that following our comment on Item 4, we must present in the EAPN overall assessment some ideas and concerns for the next report (and for the all process in general). For EAPN Portugal, the next report must have a **clear assessment of the social and economic impact of the coronavirus**, as well as on the measures implemented to minimize its impact, protect the most vulnerable, fight the increase of unemployment and sustainability of companies. Also, the impact in some groups, like homeless, elderly, women, children.

It’s also important to have a **clear assessment of the situation of the National Health System and the Social protection System**. Portugal has a public system (health and social protection) that is now dealing with huge pressure. However, it’s also showing the importance to **defend public services**, especially essential services. It’s also showing that although the Portuguese Constitution guarantees the right to the existence of **private services** and the solidarity sector, these, in times of emergency, **must be supportive and cooperate** with the national health system (something that we are watching right now).

The next report must be elaborated with the **participation of social partners and civil society** that, in this moment, is also dealing with several problems: in a way protecting their own staff and in the other way trying to support those in need.

The **EPSR that is guidance for the improvement and defence of social rights** can be also a guide for the next country report, because during this phase and in risk of a next economic crises, we must **defend social rights at all levels**.

The crisis caused by this pandemic will have long-term repercussions on labour relations, on the production and distribution of essential goods, on the real estate market, on household indebtedness. Future concerns from the point of view of the Commission and the member states will once again be centred on the budgetary stability of the Eurozone countries and austerity measures may arise again in an overwhelming way. EAPN's concerns should be to **warn in advance the situation of the most vulnerable and to take care of support measures** that can mitigate their vulnerability. The **remaining community funds must be used to support sectors such as health, social work, and housing**. The **next European Strategy** and even the **2030 Agenda** (in this case it must be revised) should **ensure social cohesion in the member states and to re-establish minimum standards in all countries**.

The negotiations for the **future programming period for the Structural Funds should also be redefined in order to ensure that the consequences of this crisis**, which we do not yet know when it ends, are mitigated as much as possible.

It will be necessary to **set priorities, and these should include the most vulnerable people**: the elderly, people with chronic diseases, people with some dependence and / or disability and the homeless, among others. And here we are talking about a whole group of people who are not part of the active population. That is why it is important to **strengthen social protection systems**.

1. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the [↑](#footnote-ref-1)
2. In 2018 Tripartite Agreement. [↑](#footnote-ref-2)
3. Note: one of the conclusions and recommendations of a recent study presented by Fundação Francisco Manuel dos Santos indicates that “the Portuguese State must adopt a mechanism for assessing the financial sustainability of the Portuguese pension system, which is independent of the Ageing Report, developed by the European Commission, and based on a macroeconomic scenario that reflects - in a more precise way - the specificities of the Portuguese economy”. One of the researchers presented in the meeting that took place in Lisbon with the Country Desk presented this same recommendation to the Commission, highlighting that the Ageing Report that the European Commission presents every three years on the impact of aging on public finances is used by the Government to present estimates (forecasts) on the sustainability of social security (important for the State Budget), but in the Foundation's study it was clear that the Commission's projections are quite optimistic, so national estimates (forecasts) are not as accurate as they should be. [↑](#footnote-ref-3)